



ROCKY MOUNT, NC  
THE CENTER OF IT ALL

## **City of Rocky Mount Administrative Policy**

### **Policy: Local Preference for Procurement of Eligible Goods and Services**

---

Section: Finance Policy No. III.20

Prepared By: Amy Staton, Finance Director

Approved By: Rochelle D. Small-Toney, City Manager

Effective Date: 3/30/2020

Page: 1 of 9

Supersedes:

---

#### SECTION 1. PURPOSE

The purpose of this policy is to ensure the best overall value in the procurement of goods and personal services while providing a preference to local businesses to support the city of Rocky Mount's (city) economic development as permitted by North Carolina General Statutes. The city desires to support local economic development as local businesses have the opportunity to be timelier and more responsive when providing goods and services. This policy contains procedures for qualifying bidders and eligible contracts.

#### SECTION 2. OVERVIEW

The policy of the City is to provide a preference to local businesses in the procurement of goods and services for contracts which the City may legally allow a local preference when applying federal and state law and considering unique requirements of grant or other designated funding

Policy No. III.20 Local Preference for Procurement of Eligible Goods and Services

Effective Date: 3/1/2020

Page 2 of 9

sources. When the request for bids involves the bidder submitting a price, a price-matching preference will be given to Eligible Local Bidders on qualifying contracts for the purchase of goods and services. The preference will allow an Eligible Local Bidder to match the price and terms of the lowest responsible, responsive bidder who is a Non-Local Bidder, if the Eligible Local Bidder's price is within five percent (5%) or \$25,000, whichever is less, of the lowest responsible, responsive Non-Local Bidder's price. This policy is not intended to violate North Carolina General Statutes, nor will it apply if the funding source does not allow a local preference.

### SECTION 3. DEFINITIONS

**3.1 Eligible Local Bidder** means a bidder that has paid and is current on property taxes in the City of Rocky Mount and who meets the qualifications set forth in Section 5.

**3.2 Non-Local Bidder** means a bidder that is in not an Eligible Local Bidder as defined in subsection 3.1.

**3.3 Responsible bidder** means the bid or proposal is submitted by a bidder that has the skill, judgment and integrity necessary for the faithful performance of the contract, as well as sufficient financial resources and ability.

**3.4 Responsive bidder** means that the bid or proposal submitted by a bidder complies with the specifications or requirements for the request for quote, invitation for bid or request for proposals.

**3.5 Personal services** mean services that are not construction or professional services as defined in subsection 3.6.

**3.6 Professional services** mean architectural, engineering, planning, design and other professional services of a consulting nature.

**Policy No. III.20 Local Preference for Procurement of Eligible Goods and Services**

**Effective Date: 3/1/2020**

**Page 3 of 9**

**SECTION 4. LOCAL PREFERENCE ELIGIBLE CONTRACTS**

The provisions of this policy shall apply when bids or proposals are sought for the following:

- (1) Contracts for the purchase of apparatus, supplies and equipment costing less than \$30,000;
- (2) Contracts for construction or repair costing less than \$30,000;
- (3) Contracts for personal services (other than professional contracts for architectural, engineering, surveying, construction management at risk services, design-build services, and public-private partnership construction services).

Notwithstanding the foregoing, the provisions of this policy shall not apply to contracts involving a project funded by state or federal grant unless the grant has specific language which overrides the prohibition of the Grants Management Common Rule which does not allow local preferences and the provisions of this policy shall not apply (i) when bids or proposals are not sought due to an emergency situation or (ii) in special cases when the required expertise or item is not available locally as determined by the Purchasing Manager.

**SECTION 5. LOCAL BIDDER QUALIFICATIONS**

5.1 In order to qualify for the local preference, an Eligible Local Bidder must complete the Bidder's Certification for Local Preference Form and submit it to the Purchasing Manager with or prior to the submittal of the bid or proposal. A Bidder's Certification for Local Preference Form shall be required to be updated by a bidder (i) when matters certified to in the form have materially changed and (ii) when notified by the Purchasing Manager that a periodic update is required. The Eligible Local Bidder must have paid and be current on any applicable City of Rocky Mount property taxes and, if required by law, any applicable City of Rocky Mount license and permit fees.

5.2 When the request for bids involves the bidder submitting a price, in order for a bidder to be an Eligible Local Bidder, the bidder must either:

- (a) Have an office or store from which all or a portion of its business is directed or managed and which is located within the corporate limits or extraterritorial jurisdictional area of the City of Rocky Mount consisting of at least 500 square feet of floor area within a building on

**Policy No. III.20 Local Preference for Procurement of Eligible Goods and Services**

**Effective Date: 3/1/2020**

**Page 4 of 9**

- property having a non-residential zoning classification; or
- (b) Have an office or store located within the corporate limits or extraterritorial jurisdictional area of the City of Rocky Mount and have at least three (3) employees who are based and working out of said office or store; or
  - (c) Have an office from which all or a portion of its business is directed or managed and which is located within a residence within the corporate limits or extraterritorial jurisdictional area of the City of Rocky Mount as allowed by the Zoning Ordinance for a period of at least one (1) year.

**5.3 Bids will be evaluated in accordance with the award criteria stated in the request for quotes/proposals to determine the lowest responsible, responsive bid. The following are the options and results of bid evaluations.**

- (1) If the lowest responsible, responsive bid is submitted by an Eligible Local Bidder, then there will be no consideration of the price-matching preference. The award will be made to the lowest, responsive, responsible bidder.
- (2) If the lowest responsible, responsive bid is submitted by a bidder who is not an Eligible Local Bidder and there are no submitted bids from an Eligible Local Bidder that is within 5% or \$25,000, whichever is less, of the lowest responsible, responsive bid, then none of the Eligible Local Bidders will qualify for the price-matching preference. The award will be made to the lowest responsible, responsive bidder.
- (3) If the lowest responsible, responsive bid is submitted by a Non-Local Bidder and there are one or more Eligible Local Bidders that submit a bid within 5% or \$25,000, whichever is less, of the lowest responsible, responsive bid, then the Bidder's Certification for Local Preference Form of the Eligible Local Bidder(s) shall be reviewed to determine whether the Eligible Local Bidder's certification is compliant. Additional clarification may be sought regarding the information in an Eligible Local Bidder's certification and additional documentation may be requested if necessary. Failure to supply the requested information will result in the Eligible Local Bidder not receiving a price-matching preference. If only one Eligible Local Bidder qualifies for the price-matching preference, the Eligible Local Bidder will first be offered the contract award and will have two (2) business days to accept or decline the award based on the lowest responsible, responsive bidder's price. If the

**Policy No. III.20 Local Preference for Procurement of Eligible Goods and Services**

**Effective Date: 3/1/2020**

**Page 5 of 9**

lowest responsible, responsive Eligible Local Bidder declines to accept the contract award, then the award is made to the lowest responsible, responsive bidder. If more than one Eligible Local Bidder qualifies for the price-matching preference, then the qualified Eligible Local Bidders shall be prioritized according to their original bids, from lowest to highest, so that the Eligible Local Bidder who submitted the lowest responsible, responsive bid should get the first opportunity to match the quote of the lowest responsible, responsive Non-Local Bidder. The Eligible Local Bidder will first be offered the contract award and will have two (2) business days to accept or decline the award based on the lowest responsible, responsive Non-Local Bidder's price. If the lowest responsible, responsive Eligible Local Bidder declines to accept the contract award, then the contract should be offered to the next lowest responsible, responsive Eligible Local Bidder and will continue in this manner until either a responsible, responsive Eligible Local Bidder within five percent (5%) or \$25,000, whichever is less, of the lowest responsible, responsive bid accepts the contract award or the award is made to the lowest responsible, responsive bidder if no qualified Eligible Local Bidder accepts the award. If two responsible, responsive Eligible Local Bidders qualify for the price-matching preference and both bid the same amount, then the Eligible Local Bidder which will be offered the contract award will be chosen by lot.

At any time, the city has the right to reject any and all bids.

## **SECTION 6. SOLICITATION OF QUOTES OR PROPOSALS**

Whenever quotes or proposals are sought for goods and services by directly contacting bidders for which the provisions of this policy apply, a notification of the request for quotes or proposals shall be provided to potential bidders having an office or store located within the corporate limits or extraterritorial jurisdictional area of the City which have submitted a Bidder's Certification for Local Preference Form and which offer the item or service sought. Forms will be maintained in the Purchasing Division and staff in the Purchasing Division will contact the local vendor if a quote or proposal is not provided by the department. Departmental selection of quotes or proposals are not final until reviewed by purchasing and a purchase order is issued. Goods

**Policy No. III.20 Local Preference for Procurement of Eligible Goods and Services**

**Effective Date: 3/1/2020**

**Page 6 of 9**

and services obligated in violation of this requirement are invalid and may not be enforced.

**SECTION 7. FALSE OR SUBSTANTIALLY INACCURATE OR MISLEADING CERTIFICATIONS**

If at any time during or after the procurement process, the City determines that certifications or information in the Bidder's Certificate for Local Preference Form are false, substantially inaccurate or misleading, the City Manager or designee may:

- (1) Cancel the Eligible Local Bidder's contract and/or purchase order that was awarded based on the preference. The Eligible Local Bidder shall be liable for all costs it incurs as a result of the cancellation and all increased costs of the City that may be incurred by awarding the contract to the next lowest bidder;
- (2) Exclude the bidder from any preference in any future City bidding opportunities for a period determined by the City Manager or designee; and/or
- (3) Debar the bidder from doing business with the City for a period determined by the City Manager or designee.

**SECTION 8. PROCEDURES FOR CONTRACTS FOR GOODS AND PERSONAL SERVICES**

**8.1** When contracting for qualifying goods and personal services, the following processes should be followed. If federal or other grant funds will be used to procure the goods and service, you must follow the requirements of the grant if those are more stringent or do not allow a local preference.

- (1) The competitive quote process shall apply to all goods and personal services with an estimated cost less than \$30,000
- (2) The informal bid process shall apply to all goods and personal services estimated to cost more than \$30,000 but less than \$90,000.
- (3) The formal bid process shall apply to all goods estimated to cost \$90,000 or more and the local preference is not permitted in accordance with North Carolina State Statute.
- (4) The formal bid process shall apply to all personal services estimated to cost \$90,000 or more.

**Policy No. III.20 Local Preference for Procurement of Eligible Goods and Services**

**Effective Date: 3/1/2020**

**Page 7 of 9**

- (5) Regardless of formal or informal solicitation process, service contracts up to \$90,000 are approved and executed by the Purchasing Manager and cosigned by the Department Head. Service contracts over \$90,000 require City Manager and City Council approval and execution by the City Mayor.

**8.2 Competitive Quote Procedures:**

Quotes for goods, repairs and personal services below \$30,000 may be in the form of the vendor quotation or the purchasing division quotation form that requires the department to attempt to obtain a minimum of (2) quotations from any Eligible Local Bidders or any other qualifying firms. Good faith efforts shall be made to obtain proposals, bids or quotations from any qualifying minority and women-owned businesses. The competitive quote process should not be used when a contract requires a substantial scope of work and/or specifications. Bids, proposals or quotations resulting from the competitive quote procedures should be submitted in writing from the vendor and attached to the purchase requisition and/or contract.

**8.3 Informal Bid Procedures:**

Quotes for goods, repairs and personal services between \$29,999.99 and \$89,999.99 will be in the form of a request for quote (RFQ) document. The department must complete a bid request form for the purchasing division to attempt to obtain at least three (3) quotes from any Eligible Local Bidders or any other qualifying firms. Good faith efforts shall be made to obtain proposals, bids or quotations from any qualifying minority and women-owned businesses. Bids, proposals or quotations resulting from the informal bid procedures should be attached to the purchase requisition and/or contract.

**8.4 Formal Bid Procedures:**

Requests for proposals shall be distributed directly by the Purchasing division to all potential bidders and/or service firms in the field of endeavor within the Rocky Mount area (the corporate limits and extraterritorial jurisdictional area of the City of Rocky Mount) which have submitted a Bidder's Certification for Local Preference Form and which offer the items or service sought. If the Department Head believes that the type of service required is not available in the Rocky Mount area, the Department Head will report to the Purchasing Manager on the type of services needed and why

**Policy No. III.20 Local Preference for Procurement of Eligible Goods and Services**

**Effective Date: 3/1/2020**

**Page 8 of 9**

he/she believes no qualified firms are available in the Rocky Mount area. The request for proposals shall also be posted on the City's website.

The request for proposal shall set a deadline for receipt of proposals, no earlier than seven full days from the date of distribution of the request and shall identify the individual(s) including addresses, which are responsible for receiving the proposals.

The following elements shall be identified in the request for proposals as necessary items in an acceptable proposal when procuring services:

- (a) A detailed description of previous similar projects including photographs and locations where applicable, costs, initiation and completion dates, and any special design considerations for the desired services including necessary preliminary studies;
- (b) Clients for whom similar services were provided and the appropriate individual who may be contacted as a representative of each client;
- (c) Services team composition with specific reference to individuals who would be associated with the team and their responsibilities;
- (d) Time schedule with the firm can follow for initiation and for various stages through completion;
- (e) Pricing (except for contracts governed by the provisions of Article 3D of Chapter 143 of the North Carolina General Statutes); and
- (f) Any special considerations of the project and any other pertinent data.

In evaluating proposals, the evaluation criteria noted in the request for quote or request for proposals shall be adhered to. Evaluators cannot evaluate bidders on criteria not noted in the bid document.

The approval process for selected service firms and the execution of related contracts is as follows:



**Policy No. III.20 Local Preference for Procurement of Eligible Goods and Services**

**Effective Date: 3/1/2020**

**Page 9 of 9**

**Contracts Less Than \$30,000**

- (a) Execution of the contract shall take place following Purchasing Manager or designee review and
- (b) Department Head and Purchasing Manager Approval and
- (c) Finance Director Pre-audit certification

**Contracts \$30,000 - \$90,000**

- (a) Execution of the contract shall take place following Purchasing Manager or designee review and
- (b) Department Head and Purchasing Manager or City Manager Approval and
- (c) Finance Director Pre-audit certification

**Contracts Over \$90,000**

- (a) Council Award Recommendation and Coversheet prepared by the Purchasing Manager or designee and
- (b) Department Head, Finance Director, Assistant City Manager and City Manager recommendation memo approval and
- (c) City Council authorization for Mayor to execute contract and
- (d) Execution of the contract shall take place following the City Council approval and services shall be provided in accordance with the contract and pertinent City of Rocky Mount Standard Terms and Conditions and
- (e) Finance Director Pre-audit certification



ROCKY MOUNT  
FINANCE  
THE CENTER OF IT ALL

**Finance Department /Purchasing Division**

P.O. Box 1180

331 S. Franklin St.

Rocky Mount, NC 27802

Telephone: (252) 972-1226

[www.rockymountnc.gov/purchasing](http://www.rockymountnc.gov/purchasing)

**BIDDER'S CERTIFICATION FOR LOCAL PREFERENCE FORM**

**SECTION ONE**

**Business Name/DBA:**

Physical Address:

City: State: Zip Code:

Telephone Number: Fax Number: Email:

Business Type (Please check one): Partnership Corporation Sole Proprietorship LLC Other: \_\_\_\_\_

**Office or Store Location Within the Corporate Limits or Extraterritorial Jurisdiction of the City of Rocky Mount:**

Physical Address:

City: State: Zip Code:

Telephone Number: Fax Number: Email:

**Business Owner or Position:** Check one:

Owner (Sole Proprietorship) Partner (Partnership) Manager (LLC) Officer (Corporation)

Name and Title:

Address:

City: State: Zip Code:

Telephone Number: Fax Number: Email:

**Product(s) and/or Service(s)** Please list the type of products and/or services that your company can provide:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Please check one category of work, which best describes the products and/or services that your company provides. NOTE: Professional Services includes architectural, engineering, surveying, construction manager at risk, et cetera and those that are of a consulting nature.

Construction  Professional Services  General Services  Supplies & Materials

**SECTION TWO -**

To be certified as an Eligible Local Bidder, a potential bidder must satisfy at least one of the following criteria listed below. Please select which of the following criteria you satisfy to apply for certification as an Eligible Local Bidder. Additional documentation must be submitted with this application to verify that you satisfy the selected criteria.

- 1. Have an office or store from which all or a portion of its business is directed or managed and which is located within the corporate limits or extraterritorial jurisdictional area of the City of Rocky Mount consisting of at least 500 square feet of floor area within a building on property having a non-residential zoning classification; or
- 2. Have an office or store located within the corporate limits or extraterritorial jurisdictional area of the City of Rocky Mount and have at least three (3) employees who are based and working out of said office or store; or
- 3. Have an office from which all or a portion of its business is directed or managed for a period of at least one (1) year and which is located within a residence that is the residence of the owner of the bidder and this is within the corporate limits or extraterritorial jurisdictional area of the City of Rocky Mount as allowed by the Zoning Ordinance. For the purpose of this subsection, the owner of the bidder means a person who has an ownership interest of at least fifty percent (50%) in the legal entity, which is the bidder or, if the bidder is an individual, the individual person.
- 4. **(For Service Contracts Only)** Have an arrangement with one or more firms or companies that qualify as an Eligible Local Bidder pursuant to 1, 2 or 3 above to subcontract with said firms or companies to perform at least twenty-five percent (25%) of the dollar value of the work to be performed pursuant to the service contract, if the bidder is awarded the contract.

**Additional Instructions for Completing this Form**

For the criteria you selected in Section Two, the City requires that you submit the following supporting documentation with this Form:

**Property Taxes**

To qualify as an Eligible Local Bidder, you must have paid and be current on any City of Rocky Mount property taxes. Please be advised that by signing this form, you are certifying that all City of Rocky Mount property taxes owed by the business have been paid and are current.

**Office or Store Size**

If you are applying for certification on the basis of 1 above, please provide a sketch of the office or store demonstrating approximate dimensions and square footage.

**Employees**

If you are applying for certification on the basis of 2 above, please provide a listing of the employees working at the store located within the corporate limits or extraterritorial jurisdictional area of the City of Rocky Mount. Please provide the names, addresses and telephone number for each of the employees.

**Local Subcontractors**

If you are applying for certification on the basis of 4 above, please provide an explanation of the arrangement with the firms or companies which qualify as an Eligible Local Bidder including the names of the firms or companies, a description of the work to be performed by the firms or companies, and an estimated dollar value of the work to be performed by the firms or companies.

**SECTION THREE – GENERAL INFORMATION FOR APPLICANTS**

- a) Applicability: This local preference program shall apply to any City contract as described in Section 4 of the City of Rocky Mount Local Preference Policy.
- b) In order to qualify for the local preference, an Eligible Local Bidder must complete the Bidder's Certification for Local Preference Form and submit it to the Purchasing Manager with or prior to the submittal of the bid or proposal. The Bidder's Certification for Local Preference Form shall be required to be updated by a bidder (i) when matters certified to in the form have materially changed and/or (ii) when notified by the Purchasing Manager that a periodic update is required.
- c) False or Substantially Inaccurate or Misleading Certifications. If at any time during or after the procurement process, the City determines that certifications or information in the Bidder's Certification for Local Preference Form are false, substantially inaccurate or misleading, the City Manager or designee may:
  - (1) Cancel the Eligible Local Bidder's contract and/or purchase order that was awarded based on the preference: The Eligible Local Bidder shall be liable for all costs it incurs as a result of the cancellation and all increased costs of the City that may be incurred by awarding the contract to the next lowest bidder;
  - (2) Exclude the bidder from any preference in any future City bidding opportunities for a period of time determined by the City Manager or designee; and/or
  - (3) Debar the bidder from doing business with the City for a period of time determined by the City Manager or designee.

**SECTION FOUR – CERTIFICATION**

The undersigned, \_\_\_\_\_ (name), being the \_\_\_\_\_ (title), of the business named on this Bidder's Certification for Local Preference Form, do hereby submit on behalf of the business named herein the Bidder's Certification for Local Preference Form in order to qualify for a local preference in accordance with the City of Rocky Mount Local Preference Policy and do, further, hereby certify as follows:

- (1) that I am the person authorized by the business named herein to file this Form;
- (2) that the information provided in this Form and any accompanying documentation is true, correct, and complete;
- (3) that the business named herein has paid and is current on any applicable City of Rocky Mount privilege license fees and on property taxes in the City of Rocky Mount; and
- (4) that I understand that there is a requirement that the business named herein update this Form in the event any information certified to in this Form materially changes.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

<b>FOR INTERNAL USE ONLY:</b>			
<b>Form Reviewed By:</b> _____		<b>Date:</b> _____	
Office or Store Located in City or ETJ	_____	Verified By:	_____
Office or Store 500 Sq.ft. or More	_____	Verified By:	_____
Office or Store with 3 Employees or More	_____	Verified By:	_____
Office Located in Residence for 1 Year or More	_____	Verified By:	_____
Privilege License Current:	_____	Verified By:	_____
Property Taxes Current:	_____	Verified By:	_____
<b>Application Approved:</b> _____		<b>Date:</b> _____	
<b>Application Denied:</b> _____		<b>Date:</b> _____	