

ORDINANCE NO. 2022-22

Introduced by Joe Dike

AN ORDINANCE ADOPTING CHAPTER 160 LOCAL PREFERENCE; AND DECLARING AN EMERGENCY.

WHEREAS, Huron City Council has determined that it is in the public interest for the City of Huron to purchase equipment, material, and supplies from local business; and

WHEREAS, providing a system of preference for local business will benefit the local economy and generate additional tax revenues for the City of Huron.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF HURON, OHIO:

Section 1. That Chapter 160 (Local Preference) of the Codified Ordinances of the City of Huron, Ohio, is hereby adopted as follows:

**CHAPTER 160
Local Preference**

160.01 Definitions of terms.

160.02 Local preference.

WHEREAS, Huron City Council has determined that it is in the public interest for the City of Huron to purchase equipment, material, and supplies from local business; and

WHEREAS, providing a system of preferences for local business will benefit the local economy and generate additional tax revenues for the city of Huron.

160.01 DEFINITIONS OF TERMS.

As used in this Chapter 160, the following words, phrases and terms shall be defined as set forth below:

- (a) "Bid" means the quoted monetary amount submitted to the City of Huron in a response to an invitation for bid, solicitation or request for proposal for a price in connection with the award of a municipal contract for services or supplies.
- (b) "Bidder" means a person, firm, sole proprietorship, partnership, association, corporation, company, or other business entity of any kind including, but not limited to, a limited liability corporation, incorporated professional association, joint venture, estate or trust offering or proposing to enter into a contract with the City in response to an invitation to bid, solicitation or to a request for proposal.
- (c) "Bid Preference" means the application of a percentage adjustment to the total amount of a Bid submitted by a Bidder whose Operations Location is within the City, Huron Township, or Erie County (as referenced herein) for a contract solely for the purpose of bid comparisons. The use of a Bid Preference for Bid

comparison will not alter the total amount of the Bid or price submitted by a Bidder or the contract executed based on a Bid.

- (d) "Chapter" means all of the provisions of this Chapter 160 of the Codified Ordinance of Huron, Ohio.
- (e) "City" means the City of Huron, Ohio.
- (f) "Contract" means a binding agreement executed on or after the effective date of this Chapter by which, after the making of an invitation to bid, solicitation or request for proposal, the City either grants a privilege or is committed to expend or does expend its funds or other resources for or in connection with any Contract for the:
 - (1) Construction of any public improvement;
 - (2) Purchase of personal property;
 - (3) Purchase of supplies, material or equipment;
 - (4) The provision of services to the City other than Professional Services.
- (g) "Contracting Department" includes any administrative department under charge of the City Manager.
- (h) "Contracting Authority" means the official authorized to enter into a Contract on behalf of a particular Contracting Department.
- (i) "Operations Location" means the actual physical location of the principal place of business of the Bidder, with such business having either an actual physical business location and actual operations related thereto at the Operations Location or other substantial presence at the Operations Location as reasonably determined by the City. For persons who are not registered with the State and who have no principal place of business, the residence of such person shall be the Operations Location, and a valid driver's license may be provided by persons who are not registered with the State indicating a place of residence within Erie County. A Bidder shall submit a "Bidder's Affidavit" in a form prescribed by the Contracting Authority at the time of submission of Bid in order to qualify for a Bid Preference.
- (j) "Local Bidder" means an individual or business entity which at the time of the award of a Contract pursuant to a Bid:
 - (1) Has a Operations Location within Erie County; and
 - (2) If required by law, has filed an income tax return for the year preceding the award of the Contract with a Erie County taxing authority; and
 - (3) If required by law, is paid in full or is current and not otherwise delinquent in the payment of City income taxes.
- (k) "Professional Services" means services that usually require skill or expertise of an advanced, specialized or peculiar nature, including but not limited to attorneys, architects, engineer, professional design firms, construction managers, surveyors, accountants, physicians, real estate appraisers, real estate brokers and sales people, insurance advisors, computer software consultants, telecommunications consultants and third party benefit administrators.

160.02 LOCAL PREFERENCE.

- (a) Application of Bid Preference. Subject to the limitations contained in subsection (f) below, a Contracting Authority shall, prior to awarding a Contract, evaluate all Bids received and apply a Bid Preference equal to four percent (4%) to each Bid of any Local Bidder whose Operations Location is within the City or within Huron Township or two percent (2%) to each Bid submitted by any other Local Bidder. Only one Bid Preference is to be applied to each Bid.
- (b) All Contracts shall be awarded to the lowest and best bidder. The determination of the best bid shall be made in conformance with the criteria set forth in the bidding documents and other criteria established by the Contracting Authority.
- (c) Nothing herein shall be construed as increasing or decreasing the actual price of a Bid and the resulting Contract made in accordance with the terms of this Chapter. The provisions of this Chapter are intended to be used for the exclusive purpose of comparing the evaluating bids for goods and services. Nothing in this Chapter shall be construed to create any private rights, claims or causes of action on behalf of any person, including but not limited to any Bidder.
- (d) The provisions of this Chapter shall not apply to the following contracts or situations:
 - (1) Contracts funded in whole or in part with State or Federal funds;
 - (2) Emergency procurements;
 - (3) Purchases made through the Ohio Department of Administrative Services or through participation in a joint purchasing program authorized under Section 9.48 of the Ohio Revised Code;
 - (4) Contracts for Professional Services;
 - (5) Contracts proposing or requiring local hiring preferences or to require local employees in the bidding or hiring process (O.R.C. 9.75); or
 - (6) Any other Contract for which an invitation to bid, solicitation or request for proposal has not been made.
- (e) The City shall indicate in all of its invitations to bid, its requests for proposals and its solicitations for Contracts that it shall apply a Bid Preference in accordance with this Chapter.
- (f) The maximum amount of Bid Preference applied according to this Chapter shall be:
 - (1) For contracts up to \$500,000, the maximum Bid Preference shall be \$10,000; and
 - (2) For contracts from \$500,001 to \$1,000,000 and higher, the maximum Bid Preference shall be \$25,000.

Section 2. That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council and that all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public in compliance with all legal requirements, including O.R.C. §121.22.

Section 4. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public health, safety and general welfare of the residents; and, additionally, in accordance with Section 3.06 of the Charter of the City of Huron, appropriation ordinances shall take effect immediately. **WHEREFORE,** this Ordinance shall take effect immediately upon its adoption.

ATTEST:

Geri Wellkemer
Clerk of Council

Monty Tapp
Monty Tapp, Mayor

ADOPTED: 26 APR 2022

