

ORDINANCE 4070

AN ORDINANCE AMENDING THE CITY OF HARTSVILLE CODE BY ADDING CHAPTER 39 "PROCUREMENT" ARTICLE I " IN GENERAL", ARTICLE II " PURCHASING/PROCUREMENT", AND ARTICLE III "LOCAL VENDOR PREFERENCE".

WHEREAS, the City of Hartsville annually spends significant amounts on the purchase of personal property, materials, and services, and in construction improvements to real property or existing structures;

WHEREAS, the funds used in making those purchases are derived, in large part, from taxes, fees, and utility revenues paid by businesses located within the corporate City of Hartsville limits;

WHEREAS, the City of Hartsville encourages, within purchasing guidelines, local vendors and bidders to utilize local subcontractors wherever possible, practicable and in the best interest of the City of Hartsville;

WHEREAS, the City of Hartsville City Council has determined that funds generated in the community should, to the extent possible, be placed back into the local economy;

WHEREAS, the City of Hartsville Council has determined that encouraging economic activity within the Pee Dee Region and the entirety of the state of South Carolina improves the general welfare of the state, region and City of Hartsville;

WHEREAS, the City of Hartsville Council has determined that an expansion of the existing local vendor preference will foster economic growth;

NOW THEREFORE BE IT ORDAINED, by the Mayor and Council of the City of Hartsville that the Hartsville City Code shall be amended as follows:

Chapter 39. Procurement.

Article I. In General.

Sec. 39-1 thru 39-25. Reserved.

Article II. Purchasing/Procurement.

Sec. 39-26 thru 39-55. Reserved.

Article III. Local Vendor Preference.

There is hereinafter established a Local Vendor Preference Ordinance to be incorporated in the Hartsville Code of Ordinances and administered as follows:

Sec. 39-56. Local Vendor Preference Requirements.

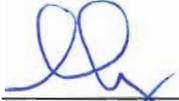
- (A) To qualify for a local vendor preference the following requirements must be certified by the vendor.
- (1) The vendor must maintain an office within the legally defined boundaries of the City of Hartsville, the County of Darlington, the County of Lee, the County of Chesterfield, the County of Florence, the County of Kershaw, the County of Sumter, the County of Marion, The County of Dillon, The County of Marlboro, or the state of South Carolina.

- (2) The vendor must have a majority of full-time employees, chief officers and managers regularly conducting work and business from this office. If located in the City of Hartsville, the vendor must have held a valid City of Hartsville business license for a consecutive period of at least three (3) years prior to the date of the application for certification. If not located in the City of Hartsville, the vendor must have maintained the eligible office for at least three (3) consecutive years in addition to the qualifications under Section 2 (A) (1) above; and
 - (3) The vendor must submit a local preference certified application in a format and manner determined by the Purchasing Agent.
- (B) Use of the local vendor preferences during the bid evaluation process:
- (1) For comparing bids, a vendor who meets certification criteria established in Section 2 (A) and is otherwise a qualified vendor shall qualify for local vendor preference based on the location of the eligible office as follows:
 - a. Eligible office located within the City of Hartsville limits will be entitled to a bid price reduction of seven (7) percent, not to exceed a maximum of ten thousand dollars (\$10,000).
 - b. Eligible office located within the County of Darlington (but not within the City of Hartsville limits) will be entitled to a bid price reduction of five (5) percent, not to exceed a maximum reduction of eight thousand dollars (\$8,000).
 - c. Eligible office located in the County of Lee, the County of Chesterfield, the County of Florence, the County of Kershaw, the County of Sumter, the County of Marion, The County of Dillon, or The County of Marlboro will be entitled to a bid price reduction by three (3) percent, not to exceed a maximum reduction of four thousand dollars (\$4,000).
 - d. Eligible office located in the state of South Carolina that does not qualify for one of the higher percentage preferences will be entitled to a bid price reduction of two (2) percent, not to exceed a maximum reduction of two thousand five hundred dollars (\$2,500).
 - (2) A vendor may claim only one preference based upon the location of the eligible office.
 - (3) A vendor with no eligible office may claim a local vendor preference in instances where subcontractors are proposed that would be eligible under Section 2 (A). In order to claim a preference based upon eligible subcontractors, the proposer must certify the value of the subcontractor award compared to the total contract amount. The subcontractor must submit a certified application as required in Section 2 (A) (3) and be fully qualified under the provisions of this ordinance. The preference will be the product of the percentage of the contract price certified to eligible subcontractors applied to the preference percentage for which the subcontractors would be eligible.
 - (4) A subcontractor preference may not exceed the dollar limits imposed in Section 2 (B) (1) based upon the eligible offices of the respective subcontractors.
 - (5) The final contract price will reflect the original bid amount before the local vendor preference was applied.
- (C) The following type of procurement or procurement method is excluded from this preference: All requests for qualifications for professional services.
- (D) The Purchasing Agent shall maintain a registry of eligible vendors/contractors. Inclusion on the registry will be limited to those having submitted a request for inclusion and certified eligibility based upon the criteria established in Section 2 (B).
- (E) In instances where a contract price is anticipated to exceed one hundred thousand dollars (\$100,000), and the use of subcontractors is reasonably anticipated, the Purchasing Agent shall require documentation by

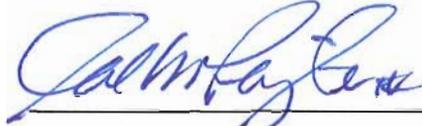
proposers of attempts to include local vendors/contractors. At minimum, the documentation shall substantiate attempts to include subcontractors eligible for a preference of three (3) percent or greater to equal a goal amount of fifteen (15) percent or more of the proposed contract price. A proposer should provide an explanation of reasons that the local preference goals were not achieved. Documentary requirements shall be included in the bid specifications and only apply when the requirements are so documented. There shall be no penalty for failure to meet the fifteen (15) percent goal. However, failure to include required documentation shall be considered an informality in the bid.

- (F) The Purchasing Agent shall establish procedures to promote the various local vendor preferences and to provide notice in bid solicitations of the availability of the preferences.

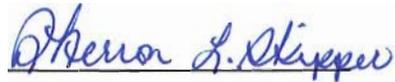
ORDAINED IN MEETING DULY ADVERTISED AND ASSEMBLED on the 13th day of March, 2012 and to become effective immediately upon final reading.



Martin S. Driggers, Sr.
City Attorney



Carl M. (Mel) Pennington, IV.
Mayor

ATTEST: 
Sherron L. Skipper, CMC
City Clerk

First Reading: 02/13/12
Public Hearing: 03/13/12
Final Reading: 03/13/12