

City of Savannah Local Purchasing Ordinance Amendments

February 1, 2018

Current Local Preference Ordinance

- Currently, the City of Savannah's Purchasing Ordinance offers the opportunity for responsive, responsible local bidders to match a non-local vendor's low bid in the following circumstances:
 - A local vendor's bid is within 2% or \$10,000.00, whichever is less, or \$500.00 of the non-local low bidder's pricing
 - A local MWBE vendor's bid is within 3% or \$10,000.00, whichever is less, or \$500.00 of the non-local low bidder's pricing
 - A local vendor located within a community development block grant (CDBG) target area offers a bid within 3% or \$10,000.00, whichever is less, or \$500.00 of the non-local low bidder's pricing
 - A local MWBE vendor located within a CDBG target area offers a bid within 4% or \$10,000.00, whichever is less, or \$500.00 of the non-local low bidder's pricing
 - If more than one bid meets these criteria, the opportunity to match the non-local low bidder's pricing shall be afforded first to the low vendor who is a local MWBE located in a CDBG target area, second to the local vendor located within a CDBG target area, third to the local MWBE vendor, and fourth to the local vendor.



Proposed City of Savannah Local Preference Ordinance

Local vendors shall be offered the opportunity to match the non-local low bidder's pricing in the following circumstances:

- A local vendor's bid is within 7% of the non-local low bidder's pricing
- A Savannah Business Enterprise (SBE) vendor's bid is within 10% of the non-local low bidder's pricing
- A local Disadvantaged Business Enterprise (DBE) vendor's bid is within 10% of the non-local low bidder's pricing
- In the event that more than one bid meets these criteria, the opportunity to match the non-local low bidder's pricing shall be afforded first to the low bidder who is a SBE, second to the local DBE vendor, and third to the local vendor.



Current Definition of Local Vendor



Local vendor. A bidder or business shall be considered a local vendor if it meets all of the following requirements:

- (a) The bidder or business must operate and maintain a regular place of business with a physical address within the corporate limits of the city, and
- (b) The bidder or business must at the time of bid or quotation submission, have a current city business tax certificate issued by the city, and
- (c) The business owner must serve a commercially useful function, meaning performance of real and actual service in the discharge of any contractual endeavor. The contractor/vendor must perform a distinct element of work for which the business owner has the skills, qualifications and expertise, as well as the responsibility for the actual performance, management and supervision of the work for which he/she has been contracted to perform.

Proposed Local Vendor Definition

Local vendor. A bidder or business shall be considered a local vendor if it meets all of the following requirements:

- (a) The bidder or business must operate and maintain a headquarters, distribution point, division, office, or locally-owned franchise with a physical address within the corporate limits of the city, and
- (b) The bidder or business must, at the time of bid, proposal, or quotation submission, have a current City business tax certificate issued by the City for at least one year prior to the issuance of the requested competitive quote, bid, or proposal by the City (a post office box or temporary office shall not be considered a place of business);
- (c) The business owner must serve a commercially useful function, meaning performance of real and actual service in the discharge of any contractual endeavor. The contractor/vendor must perform a distinct element of work for which the business owner has the skills, qualifications and expertise, as well as the responsibility for the actual performance, management and supervision of the work for which he/she has been contracted to perform.



Questions?