

Item #: 21

Moved by: SHAFFER

Prepared by: Carolyn Watkins

Seconded by: TURNER

Reviewed by: Marcy Ingram

ORDINANCE NO.: 474

ORDINANCE AMENDING ORDINANCE NO. 471, WHICH AMENDED SHELBY COUNTY GOVERNMENT'S LOCALLY OWNED SMALL BUSINESS (LOSB) ORDINANCE, TO AMEND THE COUNTY'S PURCHASING POLICIES AND PROCEDURES TO: (1) RESTORE THE PREFERENCE POINTS FOR LOSBS ON ALL COMPETITIVE LOW BID SOLICITATIONS; (2) CHANGE CERTAIN REFERENCES TO THE OFFICE OF EQUAL OPPORTUNITY COMPLIANCE (EOC) ELIGIBILITY TIME AND (3) DELETE CERTAIN REFERENCES TO CONSTRUCTION PROJECTS. SPONSORED BY COMMISSIONER VAN D. TURNER, JR.

WHEREAS, The Shelby County Board of Commissioners (County Commission) is required to establish purchasing procedures by Ordinance in accordance with Article II, Section 2.02(C), of the Shelby County, Tennessee Charter; and

WHEREAS, The County Commission passed Ordinance No. 471, adopted on December 19, 2016, to enhance the amount of LOSB participation in the County's procurement process and amended several of the County's purchasing policies and procedures to accomplish said goal; and

WHEREAS, The County Commission now desires to amend Ordinance No. 471 to amend Section B (xii) to read as follows:

B. LOCALLY OWNED SMALL BUSINESS PURCHASING PROGRAM RULES AND REGULATIONS:

- xii. The Administrator of Purchasing in conjunction with the Administrator of the EOC shall provide a preference for locally owned small businesses on competitive low bid ~~construction~~ solicitations. Said preferences shall not exceed five percent (5%) of the lowest possible responsive bidder. The preference shall be applied on a sliding scale in the following manner: A preference of up to five percent (5%) shall be allowed for contracts valued at \$500,000.00 and under.

- a) A preference of up to three percent (3%) shall be allowed for contracts greater than \$500,000.00 and under \$1,000,000.00.
- b) A preference of two percent (2%) shall be allowed for contracts greater than \$1,000,000.00.
- c) For construction contracts over \$2,000,000.000, a two percent (2%) preference will be given to the bids of general contractors that meet the requirements of Section 1, Subparagraph B and which have locally owned small businesses as subcontractors when such locally owned small businesses collectively have fifty percent (50%) of the total prime contract award[;] and

WHEREAS, The County Commission also desires to amend Purchasing Policy No. RR-370, Section IV to read as follows:

- C. To receive an E.O.C. Eligibility Number, specific information must be received by the Shelby County E.O.C. Office at least ~~48 hours~~ 45 days prior to the bid opening or issuing a purchase order.
- D. For VENDORS, unless stipulated otherwise in the Contract Eligibility Report received from the E.O.C. Office, certification numbers are valid for a period of ~~twelve (12) months~~ three (3) years. (Note: The first three (3) or four (4) digits of the eligibility number indicate the month and year of expiration.)
- ~~E. For CONSTRUCTION PROJECTS estimated to be below two hundred and fifty thousand dollars (\$250,000.00), the certification number is valid for a period of six (6) months.~~
- ~~F. For CONSTRUCTION PROJECTS estimated to be below two hundred and fifty thousand dollars (\$250,000.00) and above, the certification number is valid for a period of six (6) months.~~

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the following changes to the County's purchasing policies and procedures are hereby promulgated, adopted and incorporated for the Purchasing Department and EOC to implement.

BE IT FURTHER ORDAINED, That Section B (xii) Of Ordinance No. 471 is amended to:

B. **LOCALLY OWNED SMALL BUSINESS PURCHASING PROGRAM RULES AND REGULATIONS:**

- xii. The Administrator of Purchasing in conjunction with the Administrator of the EOC shall provide a preference for locally owned small businesses on competitive low bid construction solicitations. Said preferences shall not exceed five percent (5%) of the lowest possible responsive bidder. The preference shall be applied on a sliding scale in the following manner: A preference of up to five percent (5%) shall be allowed for contracts valued at \$500,000.00 and under.
- a) A preference of up to three percent (3%) shall be allowed for contracts greater than \$500,000.00 and under \$1,000,000.00.
 - b) A preference of two percent (2%) shall be allowed for contracts greater than \$1,000,000.00.
 - c) For construction contracts over \$2,000,000.000, a two percent (2%) preference will be given to the bids of general contractors that meet the requirements of Section 1, Subparagraph B and which have locally owned small businesses as subcontractors when such locally owned small businesses collectively have fifty percent (50%) of the total prime contract award.

BE IT FURTHER ORDAINED, That Section IV of Purchasing Policy No. RR-370 is amended to:

- C. To receive an E.O.C. Eligibility Number, specific information must be received by the Shelby County E.O.C. Office at least 48 ~~hours~~ 45 days prior to the bid opening or issuing a purchase order.
- D. For VENDORS, unless stipulated otherwise in the Contract Eligibility Report received from the E.O.C. Office, certification numbers are valid for a period of ~~twelve (12) months~~ three (3) years. (Note: The first three (3) or four (4) digits of the eligibility number indicate the month and year of expiration.)
- ~~E. For CONSTRUCTION PROJECTS estimated to be below two hundred and fifty thousand dollars (\$250,000.00), the certification number is valid for a period of six (6) months.~~

F. ~~For CONSTRUCTION PROJECTS estimated to be below two hundred and fifty thousand dollars (\$250,000.00) and above, the certification number is valid for a period of six (6) months.~~

BE IT FURTHER ORDAINED, That the provisions of this Ordinance are hereby declared to be severable, and if any of its sections, provisions, sentences, phrases, or parts be held unconstitutional or void, the remainder of this Ordinance shall continue in full force and effect, it being the legislative intent now hereby declared that this Ordinance would have been passed even if such unconstitutional or void matter had not been included herein.

BE IT FURTHER ORDAINED, That this Ordinance shall become effective in accordance with the Shelby County Charter, Article II, Section 2.06 (C).





Mark H. Luttrell, Jr.
County Mayor

Date: 7-6-17

ATTEST


Clerk of County Commission

FIRST READING: May 22, 2017

SECOND READING: June 12, 2017

ADOPTED
THIRD READING: June 26, 2017