

Item #: 22

Moved by: BRADFORD

Prepared by: Marcy Ingram

Seconded by: TURNER

Reviewed by: Felisa Cox

ORDINANCE NO. 517

ORDINANCE AMENDING SHELBY COUNTY GOVERNMENT'S LOCALLY OWNED SMALL BUSINESS (LOSB) ORDINANCE SECTION 2-224(B) IN ORDER TO APPLY LOSB GOALS BASED UPON MARKET AVAILABILITY AND INCREASE THE SHELTERED MARKET THRESHOLD, IN THE COUNTY'S PROCUREMENT PROCESS. SPONSORED BY COMMISSIONER BRANDON MORRISON, COMMISSIONER WILLIE F. BROOKS, JR., CHAIRMAN EDDIE S. JONES, JR., COMMISSIONER VAN D. TURNER, JR., COMMISSIONER MICKELL LOWERY AND COMMISSIONER EDMUND FORD, JR.

---

WHEREAS, The Board of Commissioners of Shelby County passed Ordinance No. 324, adopted on March 26, 2007, to establish the guidelines for increasing the number of contracts between the County and locally owned small businesses (Commonly referred to as "LOSB") owners; and

WHEREAS, The Board of Commissioners of Shelby County amended Ordinance No. 324 by adopting Ordinance Nos. 471 on December 19, 2016 and Ordinance 474 on June 26, 2017 (the "Amended LOSB Ordinance"); and

WHEREAS, The Board of Commissioners of Shelby County deems it necessary and desirable to amend Sections 2-224(b) (4), (10), and (11), as follows:

**Section 2.224. Locally owned small business purchasing program.**

The Board of County Commissioners may establish by Ordinance special purchasing procedures for at least 20% of the annual purchases of goods and services by the Shelby County Government to be awarded to locally-owned small businesses.

- (a) *Definitions.* The following words, terms and phrases, when used in this section shall have the meanings ascribed to them in this subsection, except where the context clearly indicates a difference in meaning:

====

- (b) *Locally Owned Small Business Purchasing Program rules and regulations.*

=====

- (4) The Administrator of Purchasing, in conjunction with the Administrator of the Equal Opportunity Compliance Office shall annually review the Shelby County Capital Improvement Program (CIP) to determine projects with a construction cost in excess of \$250,000.00 ~~or more~~. For all such Shelby County Government funded construction contracts at least ~~ten (10%)~~ twenty percent (20%) of the construction costs of such projects shall be awarded to locally owned small businesses as defined herein, except as set forth in sub-paragraph (vi) of this section, as part of the conditions of the solicitation for general contractors bidding on these projects. This provision is subject to availability.

The Administrator of Purchasing, in conjunction with the Administrator of EOC shall review service contracts opportunities with estimated cost in excess of \$50,000.00. For all such Shelby County Government funded service contracts, including but not limited to professional services, at least 20% of the contract cost of such projects shall be awarded to the locally owned small businesses as defined herein, as part of the conditions of the solicitation for prime vendors bidding on the solicitation. This provision is subject to availability.

- (10) On informal bid solicitations for purchases valued at ~~\$25,000~~ \$50,000.00 or less, the Administrator of Purchasing shall target the solicitations to certified locally owned small businesses. There must be at least three (3) certified locally small-owned businesses that provide the goods or services being procured. If no locally owned small businesses is found to be responsive, then the County may solicit bids for the goods or services from all other sources.

- ~~(11) As to those purchases below the requirement for a formal bid solicitation (currently under \$25,000.00) and not included in the locally owned small business set aside, the Administrator of Purchasing in conjunction with the Administrator of EOC shall determine if locally owned small business offers that product or service. If so, at least one such eligible locally owned small business should be included in the vendors contacted for an opportunity to bid, and the Administrator of Purchasing may designate the award for purchase order for the purchase of such goods and services from the identified locally owned small business.~~

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That Sections 2-224(b) (4), (10), and (11) of the LOSB Ordinance shall be and are hereby amended as follows:

## **Section 2.224. Locally owned small business purchasing program.**

The Board of County Commissioners may establish by Ordinance special purchasing procedures for at least 20% of the annual purchases of goods and services by the Shelby County Government to be awarded to locally-owned small businesses.

(a) *Definitions.* The following words, terms and phrases, when used in this section shall have the meanings ascribed to them in this subsection, except where the context clearly indicates a difference in meaning:

====

(b) *Locally Owned Small Business Purchasing Program rules and regulations.*

----

- (4) The Administrator of Purchasing, in conjunction with the Administrator of the Equal Opportunity Compliance Office shall annually review the Shelby County Capital Improvement Program (CIP) to determine projects with a construction cost in excess of \$250,000.00 or more. For all such Shelby County Government funded construction contracts at least ten (10%) twenty percent (20%) of the construction costs of such projects shall be awarded to locally owned small businesses as defined herein, except as set forth in sub-paragraph (vi) of this section, as part of the conditions of the solicitation for general contractors bidding on these projects. This provision is subject to availability.

The Administrator of Purchasing, in conjunction with the Administrator of EOC shall review service contracts opportunities with estimated cost in excess of \$50,000.00. For all such Shelby County Government funded service contracts, including but not limited to professional services, at least 20% of the contract cost of such projects shall be awarded to the locally owned small businesses as defined herein, as part of the conditions of the solicitation for prime vendors bidding on the solicitation. This provision is subject to availability.

- (10) On informal bid solicitations for purchases valued at \$25,000 \$50,000.00 or less, the Administrator of Purchasing shall target the solicitations to certified locally owned small businesses. There must be at least three (3) certified locally small-owned businesses that provide the goods or services being procured. If no locally owned small businesses is found to be responsive, then the County may solicit bids for the goods or services from all other sources.
- (11) ~~As to those purchases below the requirement for a formal bid solicitation (currently under \$25,000.00) and not included in the locally owned small business set aside, the Administrator of Purchasing in conjunction with the Administrator of EOC shall determine if locally owned small business offers that product or service. If so, at least one such eligible locally owned small business should be included in the vendors contacted for an opportunity to bid, and the Administrator of Purchasing may designate the award for purchase order for the purchase of such goods and services from the identified locally owned small business.~~

BE IT FURTHER ORDAINED, That the various sections, words, and phrases of this ordinance are severable, and that any portion declared unlawful shall not affect the remaining portions.

BE IT FURTHER ORDAINED, That if any clause, section, paragraph, sentence or part of this ordinance shall be held or declared to be unconstitutional and void, it shall not affect the remaining parts of this Ordinance, it being hereby declared to be the legislative intent of the Shelby County Board of Commissioners to have passed the remainder of this Ordinance notwithstanding the part so held unconstitutional and void, if any.

BE IT FURTHER ORDAINED, That this Ordinance requires a super-majority vote of the County Commission and shall take effect upon adoption pursuant to Article II, Section 2.06(C), the public welfare requiring same.

(REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY)



Lee Harris  
County Mayor

Date: 3/11/2021

ATTEST:

Clerk of Commission

FIRST READING: February 17, 2021

SECOND READING: February 22, 2021

THIRD READING  
ADOPTED: March 8, 2021  
AS AMENDED