

**ORDINANCE ADDING SECTION 26, HIRE CORPUS CHRISTI FIRST, TO PART II COUNCIL POLICIES, OF THE CORPUS CHRISTI CODE OF ORDINANCES, RELATING TO LOCAL CONTRACTING PREFERENCES; PROVIDING FOR SEVERABILITY**

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**WHEREAS**, City Council wishes to use the City spending powers in a manner that promotes fiscal responsibility and maximizes the effectiveness of local tax dollars by ensuring a portion of citizens' tax dollars remain in the local economy for economic benefit of the citizens; and

**WHEREAS**, City Council finds that by encouraging the local business capacity, the City will maintain an able and competitive pool of businesses from which to choose to procure goods and services; and

**WHEREAS**, City Council finds that awarding contracts to local vendors provides additional economic benefit for a city's citizens by keeping their tax dollars local; and

**WHEREAS**, City Council finds the principal place of business of a business is a relevant criterion in providing best value for the City; and

**WHEREAS**, City Council finds that awarding contracts to businesses located within the city limits, defined herein as the *local area*, benefits the City and its residents by improving employment opportunities, increasing property values, and increasing sales tax revenues; and

**WHEREAS**, City Council finds that the Texas Local Government Code Sections 271.905 and 271.9051 allow the City to consider a vendor's principal place of business in awarding certain contracts; and

**WHEREAS**, City Council determines that in any procurement addressed by this Ordinance, the local bidder offers the City the best combination of contract price and additional economic development opportunities, including the employment of residents of the City and increased tax revenue to the City; and

**WHEREAS**, City Council finds that the conclusions and determinations contained herein meet the written determination required by the Texas Local Government Code in Sections 271.905(b)(2) and 271.9051(b)(2) or as they may be amended or renumbered; and

**WHEREAS**, City Council desires to add a new Section 26 to Part II, Council Policies, of the Code of Ordinances to require utilization of state law to create a contracting preference for local businesses;

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS:**

**Section 1.** The findings in the preamble of this Ordinance are determined to be true and correct and are hereby adopted.

**Section 2.** That Council Policies, Part II of the Corpus Christi Code of Ordinances, is hereby amended by adding the following new Section 26:

**Sec. 26. Hire Corpus Christi First.**

(a) In order to maximize the effectiveness of local tax dollars by ensuring a portion of citizens' tax dollars remain in the local economy for economic benefit of the citizens by using all available legal opportunities to contract with local businesses, city department directors and purchasing officials have a duty to grant a preference to local businesses unless doing so would violate the law or be contrary to the best interests of the City. Nothing in this section prohibits the city from rejecting any or all bids.

(b) Definitions.

*Bid* means any procurement method governed by Texas state law.

*Local area* means within the Corpus Christi city limits.

*Local business* means a business with a principal place of business in the local area.

*Principal place of business* means a business headquarters or an established place of business within the city limits (local area) from which one or more of the entity's workforce are regularly based, and/or from which a business conducts a substantial part of its operations or performs a substantial role in a commercially useful function. A local place of business used solely as a post office box, mail drop or telephone message center or any combination thereof, with no other substantial work function, may not be construed as a principal place of business.

(c) Purchases of real property or personal property that is not affixed to real property.

(i) In purchasing any real property or personal property that is not affixed to real property, if the City receives one or more bids from a bidder whose principal place of business is in the local area and whose bid is within three percent of the lowest bid price received by the City from a bidder who is not a resident of Corpus Christi, the City

shall enter into a contract with the lowest bidder whose principal place of business is in the local area, as the City Council of the City of Corpus Christi hereby determines that the local lowest bidder offers the City of Corpus Christi the best combination of contract price and additional economic development opportunities for the City created by the contract award, including the employment of Corpus Christi residents and increased tax revenues to the City.

(ii) This section does not prohibit the City from rejecting any or all bids.

(iii) Nothing in this section may be construed to require the City to enter into a contract with a bidder that is not a responsible bidder.

(d) Purchases of real property, personal property that is not affixed to real property, or services of less than \$500,000 except for construction services or professional services subject to Chapter 2254 of the Texas Government Code.

(i) In purchasing any real property, personal property that is not affixed to real property, or services other than construction services or professional services that are subject to Chapter 2254 of the Texas Government Code, as amended, if the City receives one or more competitive sealed bids from a bidder whose principal place of business is in the local area and whose bid is within five percent of the lowest bid price received by the City from a bidder who is not a resident of Corpus Christi, the City shall enter into a contract for purchases in an amount of less than \$ 500,000 with the lowest bidder whose principal place of business is in the local area, as the City Council of the City of Corpus Christi hereby determines that the local lowest bidder offers the City of Corpus Christi the best combination of contract price and additional economic development opportunities for the City created by the contract award, including the employment of Corpus Christi residents and increased tax revenues to the City.

(ii) This section does not prohibit the City from rejecting any or all bids.

(iii) Nothing in this section may be construed to require the City to enter into a contract with a bidder that is not a responsible bidder.

(iv) This section does not apply to the purchase of telecommunications services or information services, as those terms are defined by 47 U.S.C. Section 153.

(e) Requests for city council determination.

(i) A department director or purchasing official may request that city council consider and determine whether to grant a preference to a local business under this section for any reason.

(ii) A department director or purchasing official has a duty to request that city council consider and determine whether to grant a preference to a local business if the department director or purchasing official finds that to grant a local preference under this section could be contrary to the intent of this policy.

**Section 3.** If any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of same to any person or set of circumstances, is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Ordinance or their application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Ordinance that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other portion hereof, and all provisions of this Ordinance are declared to be severable for that purpose.

**Section 4.** This ordinance takes effect immediately upon passage.

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The foregoing ordinance was read for the first time and passed to its second reading on this the \_\_\_\_\_ day of \_\_\_\_\_, 2012, by the following vote:

Joe Adame	_____	John E. Marez	_____
Chris N. Adler	_____	Nelda Martinez	_____
Kelley Allen	_____	Mark Scott	_____
Larry Elizondo, Sr.	_____	David Loeb	_____
Priscilla G. Leal	_____		

The foregoing ordinance was read for the second time and passed finally on this the \_\_\_\_\_ day of \_\_\_\_\_, 2012, by the following vote:

Joe Adame	_____	John E. Marez	_____
Chris N. Adler	_____	Nelda Martinez	_____
Kelley Allen	_____	Mark Scott	_____
Larry Elizondo, Sr.	_____	David Loeb	_____
Priscilla G. Leal	_____		

PASSED AND APPROVED this the \_\_\_\_\_ day of \_\_\_\_\_, 2012.

ATTEST:

\_\_\_\_\_  
Armando Chapa  
City Secretary

\_\_\_\_\_  
Joe Adame  
Mayor