

Ordinance replacing Council Policy No. 26 and enacting new Council Policy No. 26 to provide a local preference applicable to the procurement of professional services, with local preferences for non-professional services, goods, and supplies to be addressed in Fiscal Year 2023.

Section 1. City Council Policy No. 26, published in the City's Code of Ordinances, is repealed in its entirety and replaced by enacting new City Council Policy No. 26 to provide a local preference applicable to the procurement of professional services, with local preferences for the procurement of non-professional services, goods, and supplies to be addressed in fiscal year 2023, to read as follows:

~~"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 (1) 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 (1) or more bids from a bidder whose principal place of business is in the local area and whose bid is within three (3) 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 five hundred thousand dollars (\$500,000.00) 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 (1) or more competitive sealed bids from a bidder whose principal place of business is in the local area and whose bid is within five (5) 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 five hundred thousand dollars (\$500,000.00) 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.~~

“26. – Local Preference.

26-1. Declaration of policy.

- (a) It is the policy of the City of Corpus Christi 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.
- (b) It is the policy of the City to place an affirmative duty on city departments to grant a preference to local businesses unless prohibited by granting agencies, Federal law, State law, Local Ordinance, City resolution or if doing so would be contrary to the best interests of the city.
- (c) It is the policy of the City to achieve the policy mentioned in section (a) above by utilizing all permissible tools.
- (d) Nothing herein shall prohibit the City from rejecting any or all bids, as permitted by law.
- (e) Except as provided by this Council Policy No. 26, Local Preference, the City's policies and procedures governing procurement shall otherwise remain unchanged.

26-2. Definitions.

The words and phrases defined in this section and used in this policy have the following meanings:

Bid means any procurement method governed by Texas state law.

City means the City of Corpus Christi

Joint Venture means a collaboration of for-profit business entities, in response to a solicitation, which is manifested by a written proposal or agreement between two or more independently owned and controlled business firms to form a new entity solely for the purpose of undertaking distinct roles and responsibilities in the completion of a given contract.

Local area means within the Corpus Christi city limits.

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

Managing department means the department within the City that will oversee the executed agreement or contract.

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 workforces 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.

26-3. Reserved. (Purchase of personal property.)

26-4. Reserved. (Purchase of non-professional services.)

26-5. Purchase of professional services.

- (a) Purchases of professional services contracts. In procuring professional services the managing department may, when appropriate, award up to 10 points to a respondent based upon knowledge of, and experience regarding, local conditions as part of the qualifications' determination.
- (b) In procuring professional services not governed by statute, revenue, and concession contracts, the managing department may, when appropriate, award 10 points to a respondent that is a local business headquartered in the local area or 5 points to a respondent that is a local business not headquartered in the local area.
- (c) For respondents submitting responses as a joint venture to solicitations for professional services not governed by statute the following is applicable: (1) For joint ventures, ownership and location of each of the individual entities in a joint venture may be considered in the award of points. To be considered for points, at least one of the entities must be a local business; and (2) allocation of points for joint ventures may be determined by the percentage of ownership by a local business or businesses. If the local business entity/entities is/are headquartered within the local area for one year or more, the managing department may, when appropriate, allocate a percentage of the 5 points based upon the percentage of local business ownership in the joint venture. If the local business entity/entities is/are not headquartered within the local area for one year or more, the managing department may, when appropriate, allocate a percentage of five points based on the percentage of local business ownership in the joint venture.
- (d) 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.

26-6. Exceptions.

- (a) This policy does not apply to any contract in which the state or federal government participates in the form of a grant or loan, the city acts as a conduit for state or federal money, or in which the granting of a preference may not be permissible under state or federal law.

- (b) This policy does not apply to contracts in which the managing department has determined that it would unduly interfere with department needs. In such cases, the department director shall make this exception known in writing to the procurement official handling the solicitation.
- (c) This policy does not apply to the purchase of telecommunications services or information services, as those terms are defined by 47 U.S.C. Section 153
- (d) This policy does not apply to contracts where the city council has determined that it would not be in the best interest for the city.

26-7. Requests for city council determination.

- (a) A department director or procurement official may request that city council consider and determine whether to grant a preference to a local business under this policy for any reason.
- (b) A department director or procurement 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 procurement official finds that to grant a local preference under this policy could be contrary to the intent of this policy."

The foregoing ordinance was read for the first time and passed to its second reading on this the _____ day of _____, 2022, by the following vote:

Paulette M. Guajardo _____	John Martinez _____
Roland Barrera _____	Ben Molina _____
Gil Hernandez _____	Mike Pusley _____
Michael Hunter _____	Greg Smith _____
Billy Lerma _____	

The foregoing ordinance was read for the second time and passed finally on this the _____ day of _____ 2022, by the following vote:

Paulette M. Guajardo _____	John Martinez _____
Roland Barrera _____	Ben Molina _____
Gil Hernandez _____	Mike Pusley _____
Michael Hunter _____	Greg Smith _____
Billy Lerma _____	

PASSED AND APPROVED on this the _____ day of _____, 2022.

ATTEST:

Rebecca Huerta
City Secretary

Paulette M. Guajardo
Mayor