

★ Roll Call Number

Agenda Item Number

35

Date July 23, 2007

An Ordinance entitled, "AN ORDINANCE to amend the Municipal Code of the City of Des Moines, Iowa, 2000, adopted by Ordinance No. 13,827, passed June 5, 2000, and amended by Ordinance No. 14,346 passed June 21, 2004, and Ordinance No. 14,492 passed September 26, 2005, by amending Sections 2-705 and 2-706 thereof, regarding the local preference and procurement ordinance",

which was considered and voted upon under Roll Call No. 07-1317 of July 9, 2007; again presented.

Moved by _____ that this ordinance be considered and given second vote for passage.

(Second of three required readings)

| COUNCIL ACTION | YEAS | NAYS | PASS | ABSENT |
|----------------|------|------|------|--------|
| COWNIE | | | | |
| COLEMAN | | | | |
| HENSLEY | | | | |
| KIERNAN | | | | |
| MAHAFFEY | | | | |
| MEYER | | | | |
| VLASSIS | | | | |
| TOTAL | | | | |

MOTION CARRIED

APPROVED


Mayor

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

City Clerk

| | | |
|--|---|--------------|
|  Council Communication Office of the City Manager | Date | July 9, 2007 |
| | Agenda Item No. 53 Roll Call No. 07-1317 Communication No. 07-420 Submitted by: Allen McKinley, Finance Director | |

AGENDA HEADING:

Approve Procurement Ordinance Amendment.

SYNOPSIS:

Approve amendment to Section 2-706 of the Procurement Ordinance regarding determination of eligibility for local preference.

FISCAL IMPACT:

Amount: Additional cost to the City deemed to be negligible.

ADDITIONAL INFORMATION:

On July 24, 2006 by Roll Call 06-1479, City Council approved a contract with OfficeMax to furnish office supplies. As a result of discussion regarding that award, Council asked the City Manager to review the City's local preference practices and make recommendations, if any, for appropriate changes. A report was forwarded by the City Manager to City Council on May 23, 2007, with plans to recommend an ordinance change scheduled for the summer. The recommendation makes local preference applicable only to those businesses that are locally-owned and headquartered in the City of Des Moines. The result is to reward those businesses that make the greatest economic impact in our city.

PREVIOUS COUNCIL ACTION(S): NONE

Date:

Roll Call Number:

Action:

BOARD/COMMISSION ACTION(S): NONE

Date:

Roll Call Number:

Action:

07-1317
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ORDINANCE NO. _____

AN ORDINANCE to amend the Municipal Code of the City of Des Moines, Iowa, 2000, adopted by Ordinance No. 13,827, passed June 5, 2000, and amended by Ordinance No. 14,346 passed June 21, 2004, and Ordinance No. 14,492 passed September 26, 2005, by amending Sections 2-705 and 2-706 thereof, regarding the local preference and procurement ordinance.

Be It Ordained by the City Council of the City of Des Moines, Iowa:

Section 1. That the Municipal Code of the City of Des Moines, Iowa, 2000, adopted by Ordinance No. 13,827, passed June 5, 2000, and amended by Ordinance No. 14,346 passed June 21, 2004, and Ordinance No. 14,492 passed September 26, 2005 is hereby amended by amending Sections 2-705 and 2-706 regarding the local preference and procurement ordinance, as follows:

Sec. 2-705. Preference for local goods and services.

In recognition that businesses may pay higher property taxes due to their location within the corporate limits and that such taxes may increase the cost of providing goods and/or services in comparison to businesses located outside the corporate limits and to encourage businesses to locate and remain in the city, a preference shall be given to local businesses, as defined in section 2-706, in the issuance of purchase orders or the awarding of city contracts governed by this subdivision. In conducting the procurement of goods and/or services by competitive bid, the procurement administrator shall give preference to a responsive bid from a business located within the corporate limits of the city over an acceptable low bid submitted by a business located outside of the corporate limits, where the local bidder's bid exceeds the acceptable low bid by no more than one percent. In conducting the procurement of goods and/or services by request for proposals, a local preference equivalent to one percent of all points available to competing proposers under the evaluation criteria adopted for each procurement shall be awarded to each proposer whose business is located within the corporate limits of the city. The local preference herein established shall not be applicable to goods and/or services procured with the assistance of federal, state or county grants or funds, nor shall the local preferences be applicable to goods and/or services where federal regulations or law prohibits a local preference, nor shall such preference be

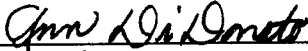
applied in violation of any international trade agreement or treaty to which the United States of America is a party.

Sec. 2-706. Determination of eligibility for local preference.

For purposes of determining if a business is entitled to a local preference, the business shall be considered to be a local business if its headquarters, or the headquarters of its parent or holding company, is determined to be within the corporate limits of the city ~~by the physical and economic relationship to the city,~~ determined by the payment of city property taxes on such headquarters ~~a plant or office~~ occupied by the business for a period of at least one year prior to award, or by the payment of rent to a landlord paying city property taxes on such headquarters ~~a plant or office~~ occupied by the business for a period of at least one year prior to award.

Sec. 2. This ordinance shall be in full force and effect from and after its passage and publication as provided by law.

FORM APPROVED:



Ann DiDonato
Assistant City Attorney