

TITLE IV

BUSINESS REGULATIONS

CHAPTER 6

PREFERENCE FOR LOCAL BUSINESS PURCHASING

(Ord. 2012-03)

4-6-1 Definitions and Application:

A. Town of Olathe Local Business

Town of Olathe Local Business means a business firm with fixed offices or locally taxable distribution points within the boundaries of the Town of Olathe that holds a current business license with a Town of Olathe business address, which is not a post office box. Town of Olathe Local Businesses shall be granted a preference as provided herein when bidding against County of Montrose, State of Colorado and, or, any business located outside of the State of Colorado.

B. County of Montrose Local Business

County of Montrose Local Business means a business firm with fixed offices or locally taxable distribution points within the boundaries of the County of Montrose that holds a current business license with a County of Montrose business address, which is not a post office box. County of Montrose Local Businesses shall be granted a preference as provided herein when bidding against State of Colorado Local Businesses and, or, any business located outside the State of Colorado only. No County of Montrose Local Business shall be granted a preference when competing against any Town of Olathe Local Business.

C. State of Colorado Local Business

State of Colorado Local Business means a business firm with fixed offices or locally taxable distribution points within the boundaries of the State of Colorado that holds a current business license with a State of Colorado business address, which is not a post office box. State of Colorado Local Businesses shall be granted a preference as provided herein when bidding against any business located outside of the State of Colorado. No State of Colorado Local Business shall be granted a preference when competing against any Town of Olathe or County of Montrose Local Business.

4-6-2 Award of Contracts for Materials and Supplies

Subject to the limitations contained in this section, in the evaluation of bids or proposals for the award of all contracts for the purchase or lease of supplies, materials, equipment or other personal property, a Local Business shall, upon written application noted on the space provided on Town of Olathe bid or proposal documents, be extended a ten percent (10%) percent preference, not to exceed Ten Thousand Dollars and No Cents (\$10,000.00). The awarding officer shall consider the quality offered and its conformity with the specifications, the delivery and discount terms and conditions, the service reputation of the bidder, and other information and data required to prove the lowest responsible bidder.

4-6-3 Award of Contracts for Labor

Subject to the limitations contained in this section, in the evaluation of any contract or hiring of any labor for public contract work, preference shall be given to contractors, mechanics, artisans or other laborers of any class, who shall be a Local Business as defined herein, provided that the labor, quality and price of the work shall be equal to that of others who would be considered for the award of the contract.

4-6-4 Award of Contracts for Personal Service

Subject to the limitations contained in this section, in the evaluation of a contract for the performance of personal services, upon written application noted on the space provided on the Town of Olathe bid or proposal documents, there shall be extended a ten percent (10%) percent preference, not to exceed Ten Thousand Dollars and No Cents (\$10,000.00), provided however, that all such contracts shall be awarded on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services required.

4-6-5 Exemptions

The following contracts are exempt from the provisions of this section:

- A. Contracts to the extent to which application of the provisions of this section would be prohibited by State or Federal law or regulation or would result in what the awarding authority finds to be an unacceptable loss of government revenue or funding.
- B. Contracts funded in whole or in part from grants, donations or gifts to the Town of Olathe to the extent the provisions would

conflict with any conditions attached to the grant, donation or gift, provided the conditions have been approved and accepted pursuant to the policy of the Town of Olathe.

- C. Contracts resulting from exigent emergency conditions where any delay in completion or performance of the contract would jeopardize public health, safety or welfare of the citizens of the Town of Olathe, or where in the judgment of the Town of Olathe Administrator or his or her designee the operational effectiveness or a significant Town of Olathe function would be seriously threatened if the contract were not entered into expeditiously.
- D. Contracts with any single or sole source supplier for supplies, material, equipment or other personal property.

4-6-6 Enforcement and Penalties

If the Town of Olathe Administrator or his or her designee determines that a contractor or bidder has made an intentional misstatement to obtain a price preference under this section, the contractor or bidder shall be subject to any remedy available to the Town of Olathe at law or equity, including, but not limited to the following:

- A. A finding of intentional misstatement or noncompliance shall be regarded by the awarding authority as a basis for determining whether or not the bidder or contractor is a responsible bidder for the present and future contracts. Any disqualification imposed as a result of this determination shall last for a period of one (1) year.
- B. An intentional misstatement made to obtain a price preference under this section shall subject the recipient of any such price preference to a civil penalty of treble the dollar price preference received, or Three Hundred Dollars and No Cents (\$300.00), whichever is greater.