



LOCAL CONSIDERATION PROGRAM CITY OF AMES, IOWA

Pursuant to the City of Ames City Council Resolution 16-234, in conducting the procurement of goods and/or services by competitive solicitation issued by the Purchasing Division, the City of Ames shall give local consideration to a responsive bid or proposal from a business located within the city limits of the city of Ames, Iowa, over an acceptable bid or proposal submitted by a business located outside of the city of Ames. The business within the city limits must pay City of Ames commercial property tax or rent from an entity that pays City of Ames commercial property tax.

Local Consideration shall be given in conducting procurement of goods and/or services by competitive bid when a local bidder's bid exceeds the acceptable low bid by no more than *1% for bids equal to or greater than \$10,000.*

Local Consideration shall be given in conducting procurement of goods and/or services by Request for Proposal by awarding additional points to each proposal where the business is located in the city of Ames as follows: *1% of all available points for proposals greater than \$10,000.*

The local consideration is not applicable for goods and services purchased with the assistance of federal, state, or county grants or funds, or pursuant to the competitive laws of the State of Iowa.

FAQ

1. Who is local?

- a. Businesses located within the city of Ames, Iowa, that have paid City of Ames commercial property taxes on a plant, office or store occupied by the business for the past year; or
- b. Businesses located within the city of Ames, Iowa, that have paid rent for the past year to a landlord or owner who has paid City of Ames commercial property taxes for the past year on the plant, office or store occupied by the business.

2. How do I apply for local consideration status?

- a. Complete a "Local Consideration Business Certificate"
- b. Mail the notarized, completed certificate to:
City of Ames – Purchasing Division
515 Clark Ave, PO Box 811
Ames, IA 50010

3. After I return the notarized certificate, how do I know if my business is on the list?

A list of certified businesses can be viewed on the City's website. Please allow up to 5 days for processing of the certificate before the business is listed. Certification will remain valid for one year from the date of approval.

4. Will the local consideration program be applied to all purchases for goods and services?

No; the following types of purchases are excluded:

- a. Purchases not bid through the Purchasing Division
- b. Purchases subject to the competitive bidding laws of the State of Iowa, such as public improvement projects
- c. Purchases subject to federal, state, or grant dollars
- d. Purchases from the State of Iowa or other national contracts
- e. Sole source purchases

5. Do you have questions or feedback about the Local Consideration Program?

Please send questions via email to kserver@city.ames.ia.us



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FAQ, continued:

6. If I work out of my home, and my home is in the city of Ames, am I eligible to become a certified local business?

In order to qualify as local business, your business must pay commercial property taxes related to the business being certified as local business. Residential property taxes paid for a home business do not qualify for the local consideration.

7. How does the Local Consideration Program work?

The Local Consideration Program shall be applied to acceptable bids and proposals greater than \$10,000 from businesses within the city of Ames, Iowa, who have submitted a notarized "Local Consideration Business Certificate".

EXAMPLES

Example A: Local Consideration shall be given in the procurement of goods and/or services by competitive bid issued by the Purchasing Division when a bid from a certified local business exceeds the acceptable low bid by no more than **1% for bids greater than \$10,000.**

Bid Tabulation for a 20 Ft Enclosed Trailer			
	Vendor A	Vendor B	Vendor C
	Ames, IA	Des Moines, IA	Cedar Rapids, IA
BID PRICE	\$ 14,888.72	\$ 14,770.55	\$ 18,250.00

- This bid is greater than \$10,000 so the local consideration is 1%
- Vendor B submitted the lowest bid of \$14,770.55
- Vendor B is not a local business
- Vendor A submitted the next lowest bid of \$14,888.72
- Vendor A is a certified local business
- $\$14,888.72 - \$14,770.55 = \$118.17 / 14,770.55 = .80\%$
- The difference between the two bids is .80% which is within 1% so the local preference applies
- The bid is awarded to the local vendor, Vendor A for \$14,888.72

Example B: Local Consideration shall be given in the procurement of goods and/or services by Request for Proposal (RFP) issued by the Purchasing Division by awarding additional points to the evaluation scores of proposals received from a certified local business as follows:
1% of all available points for proposals greater than \$10,000.

Proposal Summary			
	Vendor A	Vendor B	Vendor C
	Iowa City, IA	Ames, IA	Des Moines, IA
Points	976.7	723	636.8
Points for Local Consideration	0	10	0
TOTAL POINTS	976.7	733	636.8

- This proposal is greater than \$10,000 so the preference is 1%
- The total available points are 1,000 (1% of 1,000 points = 10 points)
- The proposal received from Vendor A was given 976.7 points by the evaluation team
- Vendor B received 10 additional points per the local consideration program
- After the additional points were applied, Vendor A remained the highest ranked proposal
- Local Consideration did not change the award in this case