



# CITY OF TRAIL

## COUNCIL POLICY MANUAL

Department	FINANCE		
Title	TENDERING/PURCHASING – LOCAL PREFERENCE		
Purpose of Policy	TO ESTABLISH A LOCAL PREFERENCE POLICY FOR TENDERING/PURCHASING BY THE CITY		
Approved	MARCH 25, 1991	Revised	APRIL 4, 1991 OCTOBER, 2002

- A. For the purpose of evaluating bids received by the City of Trail, the following shall apply. The City of Trail will give preference for the purchase of materials, supplies, and contractor's services that are provided by a business that is local.

For the purposes of this policy:

"Local" shall mean a business of a kind related to the bid or tender submitted to the City of Trail that is conducted from property that is owned or rented by the business within the legal boundaries of the City of Trail.

"Preference" shall mean: adjusting the bid of a local bidder to reflect a price preference, exclusive of federal and provincial taxes as follows:

<u>Purchase (Bid) Price</u>	<u>Price Preference</u>
\$0 - \$100,000	5% of bid value
\$100,001 - \$500,000	2.5% of bid value
\$500,001 +	None

Example → Business meets local criteria and bids \$250,000. Adjusted bid as follows:

\$100,000 @ 5%	\$5,000
\$150,000 @ 2.5%	<u>\$3,750</u>
Total "preference"	<u>\$8,750</u>
Adjusted "local" bid for evaluation purposes	<u>\$241,250</u>

- B. Wherever possible, the City will advertise or obtain quotations locally where they are in the opinion of the Purchasing Agent or Department Head, sufficient local supply to ensure competitive pricing.