Local Preference Policy

FORA Board of Directors Meeting
March 10, 2017

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Prevailing Wage/Risk Coordinator

Background

- **Board direction:** Staff to produce local preference policy amendment recommendations
- **Before any future contract awards**
- FORA has pending RFP/RFQs

Base Closure

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- **Economic Impacts**
  - Loss of 4,500 civilian jobs
  - Departure of 13-15,000 active military
  - Loss of ~37,000 residents
  - $500M/yr Regional Economic loss
- **Reuse Strategy**
  - Create jobs and capital with educational reuse
  - 1997 Base Reuse Plan includes Jobs/Housing Balance policies

Local Preference Limitations

- **State law**
  - Low Bidder Rules
  - Public Works Rules
  - Certain Professional Services (Gov't 4525)
- **Federal Laws**
  - Equal Protection
  - Commerce Clause
  - Immunities and Privileges
- **Funding Sources**
  - State & Federal

Master Resolution

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- **Local Preference Provisions** (Ordinance 95-01)
  - **Section 3.02.090** Preference for Local Goods and Supplies
  - **Section 3.03.040** Local Preference in FORA construction Contracts
  - **Section 3.03.110** Minority, Female and Handicapped-Owned Business in FORA construction contracts

Issues

- **Section 3.03.040** Local Preference in FORA construction contracts sunset December 31, 1999
- **Section 3.02.130** personal, professional, consultant services and non-public work contracts silent as to local preference

Recommendation

- **Amend Master Resolution**
  - Delete Section 3.03.040(d) - *Removes Sunset*
  - Add Section 3.02.130 (c) – *details follow*

New Section 3.02.130(c)

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1. Bid Preference

FORA shall **grant preference to a local provider which submits a bid within ten percent (10%) of the lowest responsible bidder** and which is otherwise responsive and responsible to the invitation for bids, which preference shall allow the **local provider the opportunity to reduce its bid to an amount equal to the amount of the lowest responsible bid**, if the lowest responsible bid is submitted by other than an eligible local provider. **If the local provider reduces its bid to meet or beat the lowest responsible bid, it shall be determined to be the lowest responsible bidder.** If the lowest responsible bid is submitted by an eligible local provider, that provider shall be deemed to have submitted the lowest responsible bid.

New Section 3.02.130(c)

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2. Proposal or Qualifications Preference

FORA shall **grant preference to a local provider** which submits a response to qualifications or proposals as follows: **Up to ten percent (10%) of the total points awardable will be made for local preference**, as more specifically defined in the Request for Proposal/ Qualification solicitation documents. The award of total points may be **allocated between the location of a local office of a provider and the use of local workforce in any response submitted.**

New Section 3.02.130(c)

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Definitions/Limitations

- Requires FORA to include the preference provisions in solicitation documents.
- Provides an **exception** where there is legal preclusion (State or federal).
- Provides **definitions** for:
  - **"Local provider"** (located within Monterey County for one (1) full year before submittal) &
  - **"Local workforce"** (Tri-County area)

Recommendation

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Questions?

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