



OFFICE OF PROCUREMENT SERVICES LOCAL PREFERENCE PROGRAM – FAQs

The City of Dallas aims to maximize economic return in the procurement of goods and service with the Local Preference Program. The City's Local Preference Program values the participation of companies who have their principal place of business in the City of Dallas and who hire City of Dallas residents.

Local Preference Program

1. **Question:** What are the Local Preference Program procurement methods?

Answer: There are two procurement methods that include the Local Preference Program: Request for Bids (RFB) and Request for Competitive Sealed Proposals (RFSCP).

2. **Question:** What is the definition of Principal Place of Business?

Answer: The headquarters of a business or the primary executive or administrative office of a business from which the operations and activities of the business are directed, controlled, and coordinated by its officers or owners; or an established office, plant, store, warehouse, or other facility where the majority of the business' operations and activities are conducted and located, except that a location solely used as a message center, post office box, mail drop, or similar service or activity that provides no substantial function to the business is not a principal place of business.

3. **Question:** Does the Local Preference Program apply to Federally funded procurements?

Answer: No, Local Preference will not apply to any procurements that include Federal funding.

Request for Bids (RFB)

1. **Question:** I am local firm. How close do I have to be to the lowest bid to be eligible for the award?

Answer: To be eligible for the award, a bid must be within:

- 3% of the lowest bid for a contract valued at greater than \$500,000 for goods.
- 5% of the lowest bid for a contract valued at less than \$500,000 for goods or services.
- 5% of the lowest bid for a contract valued at less than \$100,000 for construction services.

2. **Question:** If I am a local firm within the percentages listed in Question 3, am I guaranteed the award?

Answer: No, award is not guaranteed. Procurement will present both the local preference and lowest bidder options to the City Council for award. It is up to the City Council to make the final award.

3. **Question:** How are Tie-Bids awarded?

Answer: When more than one bidder submits the lowest bid, the award shall go to the bidder who is a resident of the City. If none or all bidders are residents of the City, the Mayor shall cast lots to determine the awardee of the contract.

Request for Competitive Sealed Proposals (RFSCP)

1. **Question:** What are the requirements to qualify for the Local Preference Program?

Answer: A supplier must satisfy one of the following:

- Proof of principal place of business located in the City of Dallas; OR
- Proof of local workforce composition including:
 - At least 100 full time employees who are Dallas residents; OR
 - At least 20% of its total full-time employees who are Dallas residents; OR
 - If available, participation in Workforce Development Program.

2. **Question:** What is the Workforce Development Program?

Answer: A program run by the City in collaboration with various workforce development partners and City of Dallas vendors coordinating efforts to train and employ City of Dallas residents, details will be provided soon.

3. **Question:** How many evaluation points will be allocated to local bidder?

Answer: For General Service contracts, 5 points of 100 will be allocated to Local Preference.

4. **Question:** How can I receive the 5 local preference points?

Answer: The 5 points will be allocated on a pass/fail objective evaluation. To receive the local preference points, a supplier must satisfy one of the requirements as outlined in question 6.

5. **Question:** For the 5 evaluation points, is it all or nothing?

Answer: Yes, the 5 points will be awarded in its entirety or not at all.

6. **Question:** What is considered a General Service?

Answer: Insurance (including insurance-related services such as claims adjustment and policy administration), technical services related to the purchase of a high technology item, or other types of manual, physical, or intellectual labor performed on behalf of the city and purchased for a lawful municipal purpose. The term does not include personal services, professional services, planning services, or facility construction.