



LOCAL PREFERENCE IN PROCUREMENT POLICY

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TABLE OF CONTENTS

I.	Policy Statement.....	3
II.	Definitions.....	3
III.	Tie Breaker	4
IV.	Implementation of Local Business Preference Policy.....	4
V.	Tools Used to Promote Local Business Participation.....	5
VI.	Penalties.....	5
VII.	Effective Date	5

LOCAL PREFERENCE IN PROCUREMENT POLICY

I. Policy Statement.

Miami Dade Expressway Authority (MDX) is committed to carrying out its mission in a manner that provides value to its toll customers and simultaneously provides an economic engine for the Miami-Dade County community it serves. In order to support the economic growth of Miami-Dade County, MDX adopts this Local Preference in Procurement Policy.

II. Definitions.

As used throughout this Policy, the following terms shall have the meanings ascribed to them below:

A. Local Business. A firm meeting all of the following criteria will be deemed a "Local Business:"

1. Of the individuals who collectively own a minimum of sixty per cent (60%) of the firm, they must reside in Miami-Dade County (for example: if 10 persons are owners of the firm, and 1 of those persons is an 80% owner, that individual must reside in Miami-Dade County); and
2. The firm's main office has been located in Miami-Dade County for a minimum of one (1) year. For the purpose of this Policy, main office is defined as the full operational office of the firm where the majority of its employees and principals are locate and
3. At the time of certification as a Local Business and at the time of contract award, a minimum of sixty per cent (60%) of the firm's employees reside in Miami-Dade County.

B. Local Preference. When MDX as part of the selection process for goods or services, identifies an appropriate opportunity to afford a local preference, MDX will give preference to a Local Business if:

1. In a low bid procurement, where a firm not designated as a Local Business is the lowest responsive bidder and the bid of a firm that has been designated as a Local Business is no more than five per cent (5%) above the lowest bid or, in the alternative the actual dollar bid is no more than the established dollar threshold for that particular procurement above the lowest bid, MDX will give preference to the Local Business by offering the Local Business the opportunity to match the lowest bid and thereafter to receive the contract award. However, prior to advertisement of a procurement and as set out in the solicitation documents, MDX may, at its sole discretion and based on its analysis of a particular procurement, determine that a higher or lower per centage or bid amount divergence between the lowest responsive bidder and a Local Business, may be used to apply the preference. If a tie occurs between two (2) or more Local

Businesses, then each of the tying bidders shall have the opportunity to submit a best and final bid. The contract shall be awarded to the tying bidder on the basis of lowest best and final bids.

2. In an evaluation selection, where a firm not designated as a Local Business achieves a score no more than five percent (5%) higher than a firm that has been designated as a Local Business, MDX will give preference to the Local Business, only if there is no more than a ten (10) point difference between the scores and the scores of the Local Business shall be determined to be "Good" or better pursuant to the MDX Scoring Methodology established in the MDX Procurement Policy. MDX will select the Local Business as the Successful Proposer and will engage in contract negotiations with the Local Business. However, prior to advertisement of a procurement and as set out in the solicitation documents, MDX may, at its sole discretion and based on its analysis of a particular procurement, determine that a higher or lower percentage divergence between the firm not designated as a Local Business and one that has been so designated, may be used to apply the preference. If a tie occurs between two (2) or more Local Businesses, the opportunity to proceed to negotiations shall be given to the Local Business having its Main Office located in Miami-Dade County for the longest period of time.
3. In a combined selection in which both technical ability and price are scored, a Local Business will be eligible for a preference if: 1) The Price Proposal of Local Business is no more than 5% higher than that of the Successful Proposer (assuming not a Local Business); or 2) The Price Proposal of a Local Business is within the established dollar threshold difference of the Successful Proposer (assuming not a Local Business). MDX will provide the Local Business with a preference and award the contract if: 1) The Local Business matches the Successful Proposer's Price if lower than that of the Local Business; and 2) The Technical Score of the Local Business shall be no more than a ten (10) point difference than that of the Successful Proposer and shall be determined to be "Good" or better pursuant to the MDX Scoring Methodology established in the MDX Procurement Policy. However, prior to advertisement of a procurement and as set out in the solicitation documents, MDX may, at its sole discretion and based on its analysis of a particular procurement, determine that a higher or lower percentage or price proposal amount divergence between the firm not designated as a Local business and one that has been so designated, may be used to apply the preference.
4. MDX may also choose to require a specified percentage of Local Business participation in a contract and only award to a firm, pursuant to the selection process established in the specific procurement, if the firm demonstrates the ability to meet the required percentage of Local Business participation in that contract. When applying this requirement, MDX may also include a bonus in selection for those firms that exceed the required Local Business participation.

III. Tie Breaker.

If a tie occurs between two (2) or more Local Businesses, then the contract shall be awarded on the basis of best and final bids as may be applicable in scenario II.B. (1) & (3) above, or the opportunity to proceed to negotiations, as may be applicable in scenario II.B. 2 above, shall be given to such Local Business having the greatest number of years, beyond the required one year, with a main office located in Miami-Dade County.

IV. Implementation of Local Business Preference Policy.

The Local Business Preference Policy will be implemented as a pilot program for a period of eighteen (18) months from June 23, 2009 to measure results achieved. Every MDX procurement will be evaluated prior to advertisement to determine whether a Local Preference is appropriate. The factors to be considered in such evaluation include, but are not limited to, the availability of Local Businesses to provide the goods or services solicited and the applicability of Small Business participation requirements to the procurement.

The Local Business Preference Policy shall not be applied to procurements under the following circumstances:

- i. Where such preference is prohibited by law; or
- ii. Where a procurement includes a Small Business Participation Bonus or is designated as set aside for Small Businesses; or
- iii. Emergency procurements; or
- iv. Sole source procurements.

V. Tools Used to Promote Local Business Participation

1. Certification of firms as Local Businesses prior to Proposal/Bid submittal
2. Outreach and introduction of Policy to the Miami-Dade County business community
3. Development of certification system

VI. Penalties.

A vendor that misrepresents its qualifications as a Local Business in a proposal or bid submitted to MDX will lose the privilege to claim Local Preference status for a period of up to two years, as determined by the Executive Director in his or her reasonable discretion. The Executive Director, in his or her reasonable discretion, may also recommend to the MDX Board that the vendor be debarred from all future MDX procurements for a period not to exceed one year from the date the misrepresentation was discovered by MDX.

VII. **Effective Date.**

This policy shall be effective on the date on which it is adopted by the MDX Governing Board.