

Frequently Asked Questions regarding the Solano Transportation Authority's Local Preference Policy

Rev. 10-12-11

1. *What is the Local Preference Policy?*

The Solano Transportation Authority ("STA") has adopted a local preference policy to address the competitive disadvantage faced by local businesses because of the higher costs of doing business in Solano County as well as to encourage businesses to locate and remain in Solano County.

2. *How does it apply when purchasing goods and supplies?*

When purchasing goods or supplies, STA shall conduct solicitations to allow the local responsible local business bidder who is within 5% of the overall lowest responsible bid to reduce its bid to match that of the lowest responsible bidder. In such instances where a local business and a non-local business submit equivalent, lowest responsible bids, preference shall be given to the local business.

3. *How does it apply when contracting for professional services?*

When awarding contracts for professional services, the STA representative conducting the solicitation shall give special consideration to local businesses for knowledge of the communities and proximity to project locations.

4. *How do you define "local"?*

The policy defines a "local business" as a business enterprise, including but not limited to a sole proprietorship, partnership, or corporation, which has the following:

- a valid business license issued from Solano County or a political subdivision within Solano County; and
- its principal business office, or a satellite office with at least one full-time employee who will serve as the "responsible in charge" for any contract, located in Solano County for at least six (6) months prior to the award of a contract with the STA.

For purposes of this section, a "responsible in charge" means the person designated by contract as the lead contact for all services to be performed under the contract.

5. *Are there any situations when the Policy is not used?*

The Policy cannot be used in solicitations for projects that are federal or state funded projects nor in bids for which are required by law to be awarded to the lowest responsible bidder.

6. *Once awarded pursuant to this Policy, can a contract be assigned or subcontracted to a non-Local firm?*

No, a contract awarded to a local business pursuant to this Policy cannot be assigned nor subcontracted in such a way that would allow more than 50% of the work to be performed by a non-local business without the prior written consent of the STA.