

	CASCADE CHARTER TOWNSHIP, MICHIGAN			
	POLICIES AND PROCEDURES	# OF PAGES: <u> 5 </u>	POLICY #: _____	
	SUBJECT: Local Purchasing Preference Policy	APPROVED BY: Township Board		
	DEPARTMENT: Township Manager	SUPERCEDES:	DATE OF ISSUE: January 28, 2026	DATE OF EFFECT: Immediate

A. Purpose

The purpose of this Local Purchasing Preference Policy is to encourage the use of locally based businesses in the procurement of goods, services, materials, and equipment for Cascade Charter Township, while maintaining fairness, transparency, and getting the best value for taxpayer funds. This policy is intended to complement the Township’s Purchasing Policy by providing guidance that supports local economic activity without compromising competition, quality, or fiscal responsibility.

B. Relationship to the Purchasing Policy

This Policy supplements Cascade Township’s Purchasing Policy. All purchasing thresholds, bidding procedures, competitive standards, and approval authorities remain in effect. Local preference may be applied **only when consistent with state and federal regulations** and when it does not conflict with mandatory requirements of grants, cooperative purchasing agreements, or other binding procurement rules.

Where any conflict arises, the Purchasing Policy shall govern unless expressly authorized by the Township Board.

C. Definitions

For purposes of this Policy:

1. **Local Vendor (Cascade Township)**

A vendor with a physical business address, storefront, office, or operational facility located within the boundaries of Cascade Charter Township.

2. **Regional Vendor (Kent County)**

A vendor with a physical business address, storefront, office, or operational location within Kent County, but outside Cascade Township.

3. **Responsive and Responsible Bidder**

As defined in the Township Purchasing Policy, a vendor who meets all specifications, terms, qualifications, and standards of integrity, reliability, and performance.

4. **Price Preference**

A percentage-based evaluation adjustment applied to a local or regional vendor's quote or bid for comparison purposes only.

D. Applicability

This Policy applies to the procurement of:

- Supplies, materials, and equipment
- Professional and contractual services
- Construction and maintenance services
- Capital improvements

This Policy does **not** apply:

- In emergencies as defined in Section F of the Purchasing Policy
- When federal or state funding rules prohibit local preference
- To sole-source procurements
- To cooperative purchasing or "piggyback" contracts
- When the Township Board determines that applying preference is not in the Township's best interest

E. Local Preference Guidelines

Local preference shall not exempt any vendor from the competitive requirements of the Purchasing Policy. Rather, it may be applied after determining that all bids/quotes are responsive, responsible, and fully compliant.

1. **Price Preference**

A qualifying vendor may be considered the lowest responsible bidder if their price is within the designated percentage of the lowest non-local bidder.

The price preference is evaluative only and does not change the submitted bid amount or contract price.

When comparing bids or quotes:

- a) Local Vendor (Cascade Township): Up to 5% preference
- b) Regional Vendor (Kent County): Up to 2% preference

2. Tie-Breaking Preference

In the event that two quotes or bids are:

- a) Equal in price
- b) Equal in quality
- c) Equal in terms, service, and specifications
- d) In full compliance with the Purchasing Policy

...the contract shall be awarded to the local vendor, as consistent with Section K of the Township Purchasing Policy.

3. Vendor Registration Program for Cascade Businesses

To increase accessibility and ensure that local businesses are aware of procurement opportunities, Cascade Charter Township shall maintain a Local Vendor Registration Program, administered by the Purchasing Agent or their designee.

a) Registration Eligibility

Businesses may register as a Local Vendor if they provide documentation verifying:

- A physical business address within Cascade Charter Township
- Evidence of business activity within the Township (e.g., utility bill, tax record, lease)

b) Registration Process

- The Township will maintain a vendor registry, and publish how to be included, and will note if a business is local
- Registered vendors are responsible for keeping information current

c) Inclusion in Bid Opportunities

Registered Cascade Township vendors shall be:

- Automatically notified of all formal bid solicitations (purchases \geq \$15,00)
- Included in outreach for all Township procurement and informal written quote solicitations (purchases from \$5,000 to \$15,000), when the vendor's goods or services fall within the scope of the request
- Provided equal access to bid documents, timelines, specifications, and pre-bid meetings

This requirement does not eliminate the need for public advertising, but ensures direct, proactive communication to local businesses.

d) No Guarantee of Award

Vendor Designation

- Does not guarantee contract award
- Does not replace the requirement to be a Responsible and Responsive Bidder.
- Is not a basis for claiming preferential treatment beyond those outlined in this Policy

e) Removal from Registry

A vendor may be removed for:

- Providing false information
- Non-performance or contract default
- Persistent failure to respond to bids
- Violation of Township ethics or conflict of interest requirements

F. Exceptions to Local Preference

Local preference may be waived if:

- The local vendor was not responsible or responsive
- The price difference exceeds the allowable preference threshold
- The product or service is not available locally
- The Township Manager or Township Board determines that applying preference is not in the Township's best interest
- Vendor performance history presents risk to the Township

G. Documentation and Reporting

Purchasing files shall include all data submitted by the vendor.

H. Prohibitions

No purchase may be artificially divided to fall within a lower threshold or to improperly apply local preference. Local preference shall not be used when vendors actions cause them to be judged not responsible and responsive.

I. Local Preference Policy Disclaimer

This Local Preference Policy is adopted by the Township with the best of intentions to encourage and support local businesses when practicable. The Township is not legally required to apply or adhere to this policy in all circumstances, and nothing herein shall be construed to create a legal obligation, entitlement, or right in favor of any bidder, proposer, or vendor.

The application of this policy is discretionary and shall not interfere with, delay, or disrupt the timeliness, efficiency, fairness, or integrity of the Township's procurement processes. The Township reserves the right to waive, modify, or not apply this policy when it determines that doing so is in the best interest of the Township, including but not limited to circumstances involving cost, quality, availability, project timelines, legal compliance, or operational necessity.