

MOUNTAIN PARKS ELECTRIC, INC. BUSINESS FUNCTIONS POLICIES AND PROCEDURES

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| SUBJECT: LOCAL VENDOR PREFERENCE | POLICY No. B-6 |
| EFFECTIVE DATE: MAY 25, 2005 | PAGE 1 OF 1 |
| REVISED DATE: 7/10/14, 2/14/19, 1/9/20, 5/12/22 | |

I. OBJECTIVE

Establish local vendors preferential purchasing policy for materials, products, equipment or supplies.

II. POLICY

- A) Vendors who are members of the Cooperative and maintain a business in the Cooperative's Certified Area will receive preferential treatment on quotes or bids for materials, products, equipment or supplies.

Other considerations like operations, maintenance, performance quality and availability, may be given and the preference percentage adjusted accordingly. However, the preference cannot exceed the percentage stated in this Policy.

- B) Local vendors quote or bid for materials, products, equipment or supplies will receive preferential treatment based on the following graduated scale:

| <u>Quote Range</u> | | <u>Preference Percent Reduction</u> |
|--------------------|---------------|-------------------------------------|
| \$ 0.00 | \$ 5,000.00 | 10% |
| \$ 5,001.00 | \$ 25,000.00 | 8% |
| \$ 25,001.00 | \$ 50,000.00 | 6% |
| \$ 50,001.00 | \$ 75,000.00 | 4% |
| \$ 75,001.00 | \$ 100,000.00 | 2% |
| \$ 100,001.00 | Up | NO PREFERENCE |

III. RESPONSIBILITY

- A) The General Manager and the Department Managers will be responsible for the administration and compliance of this Policy.

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|  | , PRESIDENT | DATE: 05/12/22 |
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