



year Purchasing has continued to work on implementing the KPMG Countywide Purchasing Review recommendations to enhance processes, communicate and monitor compliance, improve the systems used during the procurement cycle, and to restructure staff roles and responsibilities in order to position Purchasing as a countywide strategic sourcing and business partner.

**Background:**

The current local vendor preference policy, adopted in February 2019, covers any bid for a tangible good; if the lowest bid is non-local and a local vendor’s bid is within 6%, then the lowest local vendor bid has the option to match the lowest overall bid. The lowest non-local and local bidder are notified once this scenario is identified, and the local bidder has 72 business hours to match the lowest non-local bid. If the local vendor can match the lowest bid then that local business will be awarded the contract.

By extending this preference and contracting with more local suppliers, there is a positive impact on the local supply chains our local businesses rely on, creating a multiplier effect that boosts local economic activity, employment, and revenue. Purchasing is working to grow the database of vendors who qualify under the Policy, through outreach, networking and communication with the local vendor community. There have been several improvements implemented recently, including moving to online visibility and access to all bids via the County’s Public Purchase site and also publishing a Local Vendor real-time informational dashboard and page on the website. The goal of the Local Vendor Program is to spend 60% of our discretionary revenue on services and supplies with Local Vendors.

Prior to March 2020 and the COVID-19 pandemic, outreach efforts were underway with Central Coast chapter of the California Association of Public Procurement Professionals, Inc. (CAPPO), and OMNIA Partners, to engage more local vendors. The event will be rescheduled when deemed safe and reasonable. This outreach will provide opportunities for small and large businesses to network with large manufacturers and major vendors to offer better services and pricing for the County.

Provided in the tables below is comparative information highlighting Local Vendor spend, Local Vendor COVID-19 spend, the Local Vendor Preference Policy Application, the use of local Cooperative Agreements, and data on the number of new Local Vendors registered with the County’s online bidding system.

**Local Vendor Spend – Services & Supplies:**

This table presents Local Vendor spend as a % of total countywide spend on services and supplies for the past two fiscal years and the first quarter of this fiscal year, where Purchase Orders (POs) and Board Contracts have been issued countywide.

<b>Local Vendor Spend – Services &amp; Supplies</b>	<b>Q1 FY 2021-22</b>	<b>FY 2020-21</b>	<b>FY 2019-20*</b>
Total Countywide Services & Supplies \$'s	\$117,660,184	\$257,900,000	\$272,100,000
<b>Services &amp; Supplies - Local Vendor \$'s</b>	<b>\$71,050,758</b>	<b>\$149,800,000</b>	<b>\$140,260,775</b>
<b>% Local Vendor Spend - Services &amp; Supplies**</b>	<b>60%</b>	<b>58%</b>	<b>52%</b>

\*FY 2019-20 Total has been adjusted from previous reporting to reflect COVID spending.

\*\*Target: 60%

**Local Vendor Spend – Services & Supplies-COVID-19:**

The table below presents the Local Vendor spend for the past two fiscal years in response to the COVID-19 pandemic event. This past fiscal year there were 23 new vendors used to procure COVID-19 related services and supplies for a total spend of \$731K; 13 of these new vendors were local vendors. With the stress that the pandemic has put on local businesses and economy, local vendor partnerships in support of the response has played a significant role helping the County to quickly engage and respond to the evolving pandemic needs.

<b>Local Vendor Spend – COVID-19</b>	<b>FY 2020-21</b>	<b>FY 2019-20</b>
COVID-19 Services & Supplies - Total \$'s	\$35,200,000	\$2,400,000
<i>COVID-19 Services &amp; Supplies - Local Vendor \$'s</i>	<i>\$22,400,000</i>	<i>\$1,779,000</i>
<i>% Local Vendor Spend - COVID-19 Services &amp; Supplies</i>	<i>64%</i>	<i>74%</i>

**Local Vendor Preference:**

The tables below provide information on the application of the current Local Vendor Preference Policy for the past two fiscal years. In FY 2020-21, there were 25 bids issued for tangible items and three of the bids resulted in the Local Vendor Preference being applied; the fourth opportunity to apply the preference was declined by the local vendor.

As has been the case historically, the application of the preference was for several of the County Fleet Vehicle bids for trucks; Santa Maria Ford and Home Motors – Chevrolet each exercised the option to lower their bids and were awarded the contract in accordance with the Policy and Mullahey Ford was unable to do so and declined.

**FY 2020-21 Local Vendor Preference (LVP) Policy Application**

<b>Bid #</b>	<b>Vendor</b>	<b>6% LVP</b>	<b>Bid</b>	<b>Award/PO</b>	<b>\$ Impact</b>
150306	Santa Maria Ford	Yes	\$79,427	\$75,138	(\$4,288)
150312	Home Motors - Chevrolet	Yes	\$45,567	\$44,889	(\$678)
150312	Home Motors - Chevrolet	Yes	\$46,986	\$46,262	(\$723)
150315	Mullahey Ford	No-Declined	\$49,654	\$48,864	\$790

**FY 2019-20 Local Vendor Preference (LVP) Policy Application**

<b>Bid #</b>	<b>Vendor</b>	<b>6% LVP</b>	<b>Bid</b>	<b>Award/PO</b>	<b>\$ Impact</b>
150283	Santa Maria Ford	Yes	\$28,285	\$27,045	(\$1,240)
150280	Santa Maria Ford	Yes	\$42,075	\$41,915	(\$160)
150278	Santa Maria Ford	Yes	\$29,038	\$28,010	(\$1,028)
150301	Home Motors	No-Declined	\$59,761	\$56,681	\$3,080

**Local Vendor Dashboard:**

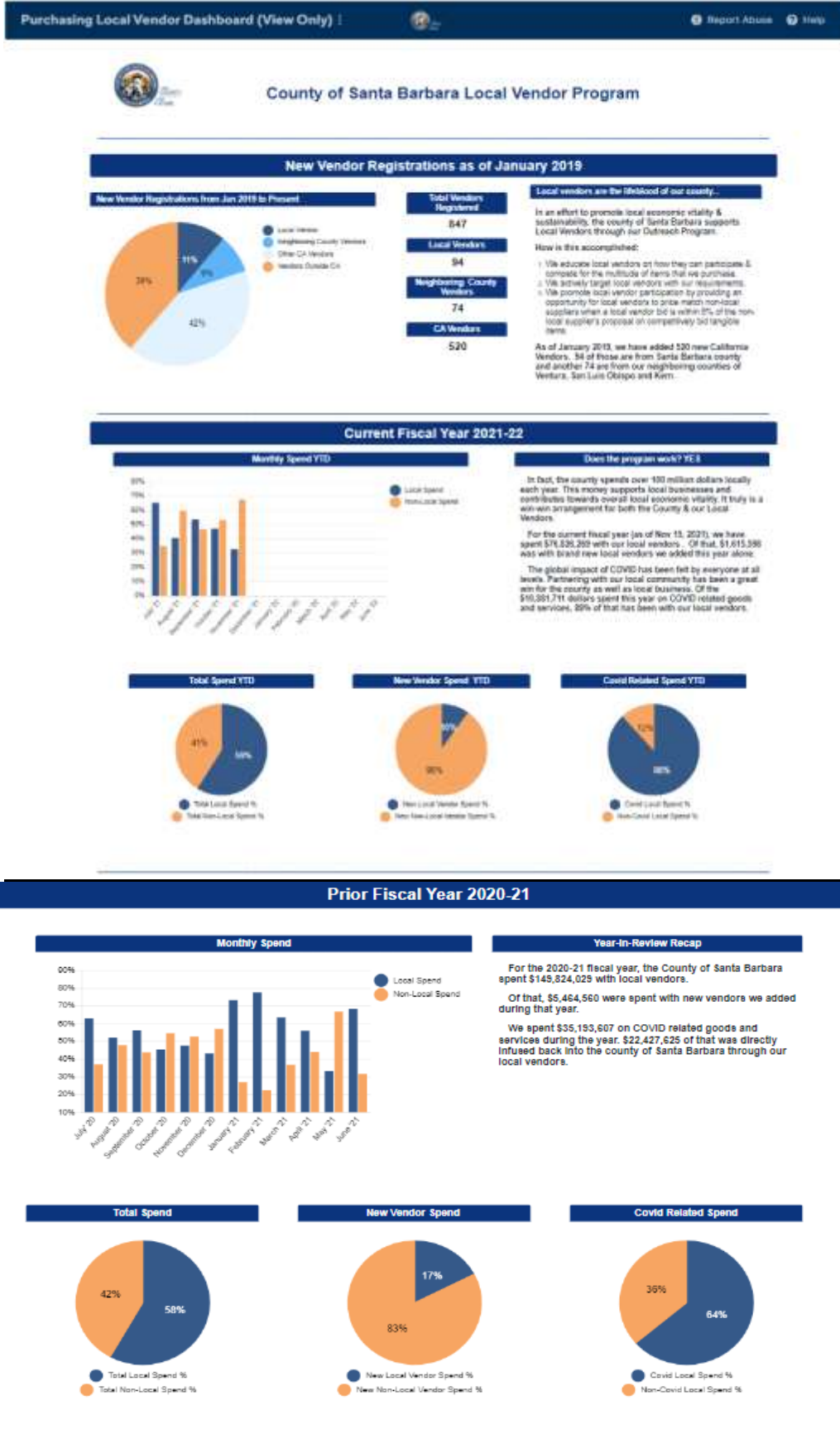
Purchasing recently added the *Purchasing Local Vendor Dashboard* (link and screen shot below) to the Local Vendor page of the General Services department external website. The dashboard provides a current snapshot, updated periodically, of the number and general location of new vendors that have registered for Santa Barbara County bid opportunities on the Public Purchase website since it went LIVE in January 2019. The dashboard is a real-time visualization that displays various types of local vendor spend data with year over year comparisons. The tool helps us to evaluate and communicate the impact of local vendor participation in the County’s total spend and support the vision and goals of the County’s local vendor program.

Additional Purchasing data analytics will be available soon on the website in a separate dashboard to provide added insight into county procurement activity.

Link to the *Purchasing Local Vendor Dashboard*:

<https://www.countyofsb.org/gs/purchasing/local-vendor-outreach.sbc>

Screenshot of the *Purchasing Local Vendor Dashboard*:





**New Vendors:**

An important measure of the impact of our vendor outreach program is the number of new vendors added to the County’s register, with the new local vendor spend also a significant data point to measure. The table below shows the total number of new vendors added during FY 2020-21, and the total spend for these new vendors that the County has conducted business with during this past fiscal year. During last fiscal year, 22% of our new vendors were local vendors, and 17% of county spend with new vendors was transacted with our new local vendors. The Purchasing Local Vendor Dashboard reports this information for the current fiscal year on a monthly basis, so that Purchasing can track progress of local vendor activity while managing outreach efforts to promote local vendor growth and participation. More local vendor and new vendor outreach work is needed and continues to be a priority of the program.

**New Vendors – FY 2020-21**

Category	Number	\$ Amount
Total New Vendors	175	\$5,464,560
<i>Total New Local Vendors</i>	38	<i>\$951,485</i>
<i>% New Local Vendors</i>	<i>22%</i>	<i>17%</i>

**Cooperative Purchasing:**

The use of collaborative purchasing programs is another way that Purchasing is moving the County forward strategically and efficiently and obtaining benefits in pricing, quality and improved contract process. The table below shows the County’s level of participation in cooperative purchasing arrangements this past fiscal year. During FY 2020-21, Purchasing participated in twenty Cooperative Agreements, in accordance with Sec. 2-38.0 of the County Code. The types of services and commodities purchased this past year through Cooperative Agreements include information technology and financial services, heavy equipment, heavy-duty trucks and trailers, light-duty trucks, and fuel.

By piggybacking on cooperative agreements already in place as a result of successful competitive bidding, the County saves time, resources and costs by reducing the administrative burden of bid and purchasing activity, while also expediting the purchasing process. The County can also achieve more competitive pricing leading to cost savings from purchasing off of a cooperative contract created by a larger entity with greater purchasing power. The use of cooperative purchasing promotes networking to

develop contacts and relationships with other government agencies, suppliers, and the local vendor community.

**Participation in Cooperative Agreements – FY 2020-21**

Category	Number	\$ Amount
Total Cooperative Agreements Used	20	\$4,258,638
Local Vendor Cooperative Agreements Used	10	\$2,595,752
<i>% Cooperative Agreements with Local Vendors</i>	<i>50%</i>	<i>61%</i>

**Purchasing Division Initiatives and Updates:**

This past year Purchasing has implemented several improvements including updates to the County Purchasing website, providing a real-time listing of Bid Opportunities and instructions on registering as a vendor on Public Purchase. This system provides government agencies and their vendors with a comprehensive and easy to use platform for all of their bidding and proposal activities. Interested vendors/suppliers now submit all bids and proposals managed by Purchasing, using this system only; there are no more manual/paper bid submissions which has also enhanced the vendor experience along with improving communication, control, and efficiency for the Purchasing staff when managing and processing bids.



**Current Bid Opportunities**

Title	Start Date	End Date	Time Left	Addendums
RFP #N/A - Notice of Request for Clarification for Draft RFP for Emergency and Non-emergency Ambulance Services	Nov 09, 2021	Nov 18, 2021	1 hour 5 min	No Addendums
RFQ #150325 - GS Purchasing Goods: Auto-Light Trucks	Nov 01, 2021	Nov 22, 2021	3 days 22 hours	No Addendums
RFQ #171001 - GS Purchasing-Goods: Generator & Automatic Transfer Switch	Nov 09, 2021	Nov 23, 2021	4 days 22 hours	No Addendums
RFQ #185001 - GS Purchasing-Goods: Radio Towers	Nov 10, 2021	Nov 24, 2021	5 days 22 hours	No Addendums
RFQ #153001 - GS Purchasing Goods: Vehicles, Trailers- All Types	Nov 16, 2021	Nov 30, 2021	11 days 22 hours	No Addendums
RFQ #150003 - GS Purchasing-Goods: Auto-Light Truck	Nov 17, 2021	Dec 01, 2021	12 days 22 hours	No Addendums
RFP #2021-02 - PRIVATE PARTNER AMBULANCE TRANSPORT SERVICES	Oct 21, 2021	Dec 01, 2021	13 days 1 hour	No Addendums
RFQ #150004 - GS Purchasing Goods: Auto-Light Trucks	Nov 17, 2021	Dec 02, 2021	13 days 22 hours	No Addendums
RFP #010001 - GS Purchasing-Services: Foam Concentrate and Tank Removal and Disposal	Nov 09, 2021	Dec 07, 2021	16 days 22 hours	No Addendums

Purchasing is working to provide better information, access, and visibility into County purchasing programs and opportunities, so that vendors are better able to track, plan for and respond to bids and other solicitations.

Another enhancement that was recently implemented by Purchasing, in collaboration with the Auditor Controller, is an online Requisitioning system, Palette Arena. Up until this web-based system was in place, all county requisitions were submitted on paper and manually processed by the Purchasing staff. With this modern system now in place, efficiencies have been gained in the departments and in Purchasing,

and vendors also benefit with improved turnaround times to issue Purchase Orders. In addition, the system is helping to prepare the departments when we transition to our next generation ERP system.

As a result of the KPMG Purchasing Review recommendations, the division has added 1 new Buyer position to assist with purchasing and strategic sourcing initiatives, 1 new Spend Analyst position responsible for analyzing and collaborating on countywide strategic spending opportunities, and re-structured another position to focus on Vendor Outreach and Countywide Contract management. The new team is almost fully staffed, and is committed to working with the departments to align them strategically and provide support in achieving the best value for the County.

**Fiscal and Facilities Impacts:**

Budgeted: N/A

**Fiscal Analysis:**

N/A

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**Attachments:**

**cc:**