



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: General Services
Department No.: 063
For Agenda Of: March 24, 2015
Placement: Departmental
Estimated Tme: 20 minutes
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: General Services Matthew P. Pontes, Director (560-1011)
Contact Info: Karen L. Miles, Assistant Director (568-2678)

SUBJECT: Local Vendor Outreach Report for 2014

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

Recommended Actions: That the Board of Supervisors:

- a) Receive and file the annual report on the results of the Local Vendor Outreach Program for calendar year 2014;
- b) Approve and authorize the General Services Director to continue to research and implement ways to expand and report on the Local Vendor Outreach Program to increase local vendor participation; and
- c) Determine that acceptance of the annual report is not a “project” as defined by the California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(5), as it is an administrative activity that will not result in direct or indirect changes in the environment and direct staff to file the attached Notice of Exemption on that basis.

Summary Text:

Through the combined efforts of all County personnel authorized for expending County funds in 2014, we spent 62% of our County’s discretionary monies with local vendors. This exceeded the Department’s goal of 60%.

This outcome was accomplished through education, positive working with vendors in our community, as well as our Department's concentrated efforts to procure resources locally, when available.

Background:

The Board of Supervisors established the Local Vendor Outreach Program (The Program) in 1993 with the goal of increasing local vendor participation in the County's purchasing process for both goods and services.

The Program also has reporting requirements for General Services to track the amount of money spent with local vendors, and to report annually on the progress made in increasing participation rates and meeting the established goals. In 1997, a performance measure was adopted by the Board as part of the General Services Department's budget reporting that established a goal of having 60% of the County's discretionary expenditures spent with vendors that maintained business operations in our local County.

In calendar year 2014, the County spent \$105 million in discretionary dollars with local vendors. As a percentage, we exceeded the adopted 60% performance measure and maintained the 2013 local vendor participation rate of 62%. These positive results are attributed to the combined spending efforts of the following groups: 52% was attributed to spending by departments for contracts in excess of \$100,000 that required approval from the Board of Supervisors, 35% was attributed to spending by the Purchasing Division for purchases in excess of \$1,000, and 13% was attributed to spending by individual departments for purchases under \$1,000. Based on these spending distributions, it is clear that our success is dependent on the focused efforts of all personnel responsible for making expenditure decisions. Further advancement of local vendor participation rates is tied directly to the conscious spending efforts of the County team as a whole to consider the use of local vendors on every allowable expenditure decision.

We would like to re-affirm to the Board that the Local Vendor Outreach Program is working to the benefit of both the County and our local vendors, and that the established 60% goal is realistic and achievable without incurring excessive additional costs to the County. We will continue to strive towards making additional gains in The Program, but we must also remain cognizant that gains made at a significant cost may not be in the best interest of the County because of our fiduciary responsibility to spend resources wisely.

In an effort to enhance our presence in the business community, General Services started a series of outreach efforts designed to educate and inform local vendors on how to participate in County business. We have prepared a presentation that explains The Program. This presentation is on the General Services' County web page and is concurrently being shown several times daily on CSBTV.

We have also initiated a series of workshops and, through publicizing on the County website, seek to bring vendors in our community to the Santa Barbara Veterans Memorial Building on March 5th. A second workshop is scheduled for April 7th at the Santa Maria Board Hearing Room. Workshops will be held throughout the year and across our larger communities. We believe that these workshops will promote The Program in a cost effective manner while fostering an atmosphere of inclusive business relationships between the County and local area vendors.

Performance Measure:

The performance measure of this program is to spend 60% of the County's discretionary funds on goods and services with local vendors.

Fiscal and Facilities Impacts: None

Fiscal Analysis:

The program is accomplished within the existing budget in the General Services Department.

Staffing Impacts: None

Special Instructions: Please send a copy of the Minute Order and the NOE with the date filed.

Attachments:

1. Local Vendor Outreach PowerPoint Report
2. Notice of Exemption (CEQA)

Authored by:

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