



Memo

September 19, 2016

TO: Internal Operations Committee
FROM: David J. Gould, Procurement Services Manager
SUBJECT: **ANNUAL REPORT ON THE LOCAL BID PREFERENCE PROGRAM**

Recommendation

Accept the report on purchasing solicitations awarded to local businesses during Fiscal Year '15-'16, and the Value of purchase orders awarded to local business during the same period.

Background

In 2005 the Board of Supervisors adopted the Local Bid Preference Program, County Ordinance 1108-2.47 in 2006. Under the program, if the low bid in a commodities purchase is not a local vendor, any local vendor who submitted a bid within 5% of the lowest bid has the option to submit a new bid. If the new bid is for an amount less than or equal to the lowest bid, the award may be made to the local vendor. This program applies to bids over \$25,000.

Local Bid Preference Program Results

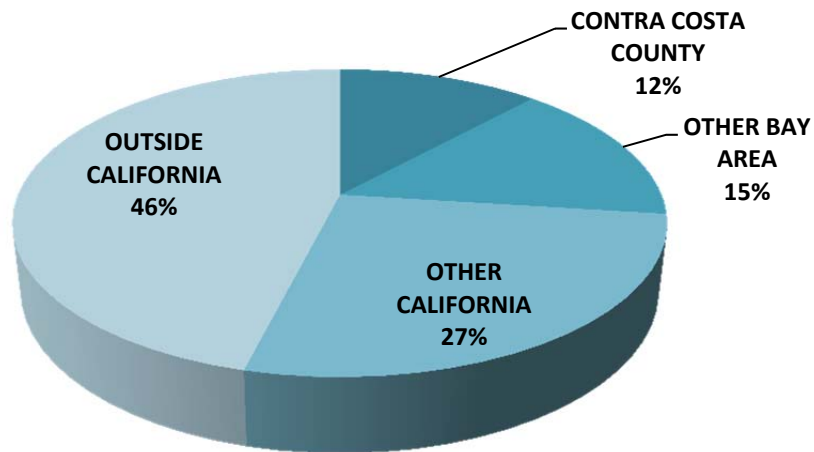
Purchasing Services processed 57 solicitations using Bidsync. Of the 57 bids, 19 were for commodities and 38 were for services or construction. The dollar value of all bids was \$12,667,000. There were six bids that met the criteria for the Local Bid Preference Program. Awards were made to six local vendors under the program.

	2012-13	2013-14	2014-15	2015-16
Formal Bids Meeting Criteria	17	6	6	6
Bids Awarded to Local Vendors	14 (82%)	6 (100%)	4 (67%)	6 (100%)
Award Value	\$1,620,000	\$382,294	\$275,442	\$279,420

An evaluation was done to determine the total value of purchase orders issued to local vendors. Purchase orders were grouped into three categories; 1) Local Contra Costa County businesses, 2) Businesses within the other bay area counties, 3) Businesses outside the bay area.

The total value of new purchase orders issued during the previous fiscal year exceeded \$191 million. The percentage of purchase orders awarded to local and bay area businesses was 27%. The dollar value of purchase orders awarded to Bay Area businesses was \$51,654,720, an increase of 16%.

DISTRIBUTION OF PURCHASE ORDERS



Fiscal Year 2015-2016

New Purchase Orders	Contra Costa County	Other Bay Area Counties	Outside Bay Area
\$ 191,214,974	\$ 22,717,227	\$ 28,937,493	\$ 139,560,254
100%	12%	15%	73%

Fiscal Year 2014-2015

New Purchase Orders	Contra Costa County	Other Bay Area Counties	Outside Bay Area
\$ 116,392,725	\$ 23,046,509	\$ 21,349,053	\$ 71,997,163
100%	20%	18%	62%

Fiscal Year 2013-2014

New Purchase Orders	Contra Costa County	Other Bay Area Counties	Outside Bay Area
\$ 117,341,377	\$ 18,166,897	\$ 15,392,375	\$ 83,782,105
100%	15.5%	13.1%	71.4%