

TAB 12

POINT PAPER
Local Preference
March 9, 2009

Problem: In order to boost the local economy and promote local business, the City of Palmetto is considering a new local preference policy and/or changes to the City ordinance.

Background:

In an effort to let our City vendors know that we are committed to using local businesses whenever possible, the City has undertaken several efforts to increase awareness with our local businesses. For example, we have notified existing customers via utility bill messages and additional information about doing business with the City has been posted to the web site. The City Clerk also participated in a panel discussion hosted by the Manatee EDC on February 20th with other local businesses. The purpose of the discussion was to educate local business on how to do business with local government. Staff is now considering a new local preference policy, but needs additional input from the Commission before proceeding. Specific questions include the following:

- Do we want to give preference to local vendors even if the price is higher for invitation to bids? An invitation to bid is generally very specific and the lowest bidder is awarded the business (e.g., City need to purchase a widget). If we still want to give a preference, what is the threshold?
- How do we define local businesses (i.e., city, county, etc)?
- Do we want to consider increasing the thresholds required to obtain formal bids (i.e., similar to what Manatee County recently adopted)? See attachment "A" from Manatee County.

Alternatives:

1. Instruct staff to draft a policy/resolution to formalize any changes with respect to the local preference initiative.
2. Do not draft a new policy/resolution, but continue efforts to educate local businesses on how the City will encourage local participation and selection whenever possible.

Recommendation:

Staff and Commission to discuss

Budget Impact:

No budget impact identified.

Attachment "A"

RESOLUTION R-08-298

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MANATEE COUNTY FLORIDA, PROVIDING POLICIES TO BE KNOWN AS THE LOCAL ECONOMIC STIMULUS ACTION; MODIFYING SECTION FOUR B OF RESOLUTION R-01-36, PURCHASING POLICIES; CHANGING THE AMOUNTS FOR THE PURCHASING CATEGORIES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners adopted Resolution R-01-36 on February 6, 2001, providing the Manatee County Purchasing Policies; and

WHEREAS, the Board of County Commissioners has determined that it is appropriate to amend and revise the Purchasing Policies to provide Local Economic Stimulus; and

WHEREAS, the Board of County Commissioners; addressed certain legal issues related to purchasing by ordinance and certain policies by resolution and the delegation of authority under the Procurement Code; and

WHEREAS, this Resolution has been prepared to expedite the purchase of transactions of less than Two Hundred Fifty Thousand Dollars in a Local Business Friendly process and to eliminate certain outdated and unnecessary practices in the announcement, selection, and awarding of this level of transactions; and

WHEREAS, this Resolution is anticipated to provide a stimulus for the local economy and to benefit Manatee County vendors and taxpayers by expediting the completion of smaller capital improvement projects and other purchasing activities.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MANATEE COUNTY, FLORIDA, AS FOLLOWS:

SECTION 4, B. of Resolution R-01-36, Category or Purchasing Category is hereby amended to read:

- B. Category or Purchasing Category means purchases not exceeding the amount established for the specific category. The following categories are hereby redefined:

<u>Category One:</u>	Under \$5,000.00
<u>Category Two:</u>	\$5,000.01 to \$25,000.00
<u>Category Three:</u>	\$25,000.01 to \$250,000.00
<u>Category Four:</u>	\$250,000.01 to \$1,000,000.00
<u>Category Five:</u>	Over \$1,000,000.01

Effective Date: This Resolution R-08-298 shall take effect immediately upon adoption.

PASSED AND DULY ADOPTED, in open session, with a quorum present and voting, this 16th day of December, 2008.

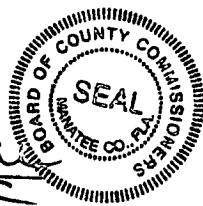
BOARD OF COUNTY COMMISSIONERS
MANATEE COUNTY, FLORIDA

By: *Gwendolyn Y. Brown*
Dr. Gwendolyn Y. Brown, Chairman

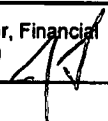
Attest:

R.B. SHORE
CLERK OF THE CIRCUIT COURT

By: *R.B. Shore*



**MANATEE COUNTY GOVERNMENT
AGENDA MEMORANDUM**

SUBJECT	Purchasing Policies Resolution R-08-298 Local Economic Stimulus Action	TYPE AGENDA ITEM	Report
DATE REQUESTED	December 16, 2008	DATE SUBMITTED/REVISED	December 10, 2008
BRIEFINGS? Who?	N/A	CONSEQUENCES IF DEFERRED	N/A
DEPARTMENT/DIVISION	County Administrator Financial Management / Purchasing	AUTHORIZED BY TITLE	Ed Hunzeker, County Administrator
CONTACT PERSON TELEPHONE/EXTENSION	R.C. "Rob" Cuthbert, Purchasing, x3014	PRESENTER/TITLE TELEPHONE/EXTENSION	Jim Seuffert, Director, Financial Management, x3760 
ADMINISTRATIVE APPROVAL			

ACTION DESIRED
INDICATE WHETHER 1) REPORT; 2) DISCUSSION; 3) FORM OF MOTION; OR 4) OTHER ACTION REQUIRED

Adoption of Resolution R-08-298 amending the Purchasing Policies to provide a stimulus for the local economy.

ENABLING/REGULATING AUTHORITY
Federal/State law(s), administrative ruling(s), Manatee County Comp Plan/Land Development Code, ordinances, resolutions, policy
Ordinance 08-43, Manatee County Purchase Code (2008); Board Purchasing Policy R-01-36 (2001)

BACKGROUND/DISCUSSION

- Pursuant to BCC direction given on December 9, 2008 a resolution was prepared to amend the purchasing categories to provide a stimulus for the local economy and to benefit Manatee County vendors and taxpayers by expediting the completion of smaller capital improvement projects and other purchasing activities.
- Background / discussion continued on Page 2.

*APPROVED IN OPEN SESSION
DEC 10 2008
BOARD OF COUNTY COMMISSIONERS
MANATEE COUNTY FLORIDA*

COUNTY ATTORNEY REVIEW	
Check appropriate box	
<input checked="" type="checkbox"/>	REVIEWED Written Comments: <input type="checkbox"/> Attached <input type="checkbox"/> Available from Attorney (Attorney's Initials: PM) Patricia McVoy, Senior Assistant County Attorney
<input type="checkbox"/>	NOT REVIEWED (Utilizes exact form or procedure previously approved by CAO.)
<input type="checkbox"/>	OTHER: upon Board choice of direction; a draft policy will be submitted for review

ATTACHMENTS: (List in order as attached)	INSTRUCTIONS TO BOARD RECORDS:
1)Resolution R-08-298	N/A
COST: N/A	SOURCE (ACCT # & NAME):
COMMENTS: N/A	AMT./FREQ. OF RECURRING COSTS: (ATTACH FISCAL IMPACT STATEMENT) N/A

Informal Purchases:

The maximum price of goods or services that can be procured through the "informal" process of soliciting a minimum of three written quotes, subject to approval by the Purchasing Manager, is recommended to increase from \$50,000 to \$250,000.

In addition to the change authorized by the resolution, county staff will also undertake the actions listed below to increase local participation.

County staff to whom authority has been delegated to make purchases pursuant to informal procedures as established in the Manatee County purchasing policies will have the discretion to seek price quotes primarily from Manatee County businesses in accordance with guidelines approved by the County Administrator.

Authorized staff shall use judgment and experience to determine when initial quotes may indicate that adequate competition has not been realized, and additional quotes from within and/or outside of Manatee County are required.

Formal Solicitations:

When formal solicitations are required (usually via bids or proposals) the following shall always be considered and included where location of the vendor has a material effect on the purchase and is appropriate to the form of the solicitation:

1. Requirements related to the location of the vendor and whether the characteristics of the goods and services reasonably require the location of a business within a specified distance of the point of delivery.
2. Evaluation factors that include the location of a place of business in Manatee County.
3. Whether there is an adequate nexus between the purpose of the expenditure and the geographic boundaries of Manatee County to require a place of business in Manatee County.

Noticing Formal Solicitations (Bids)

Purchases under \$1,000,000 may be advertised on the Manatee County Chamber of Commerce website and made available to other local business organizations whose purpose is to further business opportunities for Manatee County businesses.

Purchases \$1,000,000 or greater shall be advertised to all businesses via the Manatee County website (<http://www.mymantee.org>) and announcements shall also be provided to sources generally relied upon by the appropriate segment of construction, commodity or service industry.

Other Measures

The County Administrator or his designee shall make available to the Manatee County Business Community, a copy of the County's Capital Improvements Program, Changes in the CIP and a list of major projects authorized by the BCC.

At least semi-annually, the county staff shall provide public forums on business opportunities and doing business with Manatee County.

- The County Administrator shall collect data regarding purchases from Manatee County Vendors as compared to outside vendors in order to determine whether further efforts to provide local preference are warranted.