

SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS

LOCAL VENDOR PROGRAM

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For more information contact:

Santa Barbara County Association of Governments / Tel. 805.961.8903 / Fax: 805.961.8901
E-mail: bdidier@sbcag.org

Purpose

The purpose of the Local Vendor Program is to stimulate the local economy of Santa Barbara County within the confines of Federal and State procurement laws and regulations. By implementing the program, SBCAG can use its purchasing power to support local businesses and promote the creation and retention of local jobs.

Program Scope

SBCAG's Local Vendor Program applies to the discretionary purchase of goods and services. SBCAG shall give preference to qualified local businesses in making purchases whenever the application of such a preference is reasonable in light of the dollar value and quality of service received in relation to such expenditure. The program applies to expenditures not restricted from local vendor preference by State or Federal law or regulation. Public works projects subject to the state Contracts Code must be awarded to the lowest responsible bidder and local vendor preferences are not permitted. Professional service procurements may include local firm preferences when appropriate and allowed by law.

Program Goals

- To constantly measure, evaluate and maintain or increase the percentage of dollars spent for tangible goods and services from qualified local vendors within Santa Barbara County.
- To purposefully solicit local vendors to provide goods or services whenever possible.
- To educate local vendors on this program on how they can best interface with SBCAG to provide goods and services.
- To establish and define a local vendor preference program where allowed under Federal and State law.
- To establish a local vendor criteria in order to ensure fair and impartial classification and determination of qualification for local vendor preference.

Local Vendor Preference

When evaluating bids for potential suppliers of discretionary goods or non-professional services a qualified local supplier shall receive a 5% local vendor preference over an out-of-county supplier. That is, a local supplier may charge as much as 5% more than an out of county supplier and still be selected to provide goods or services. The local vendor preference shall not apply to those purchases where State law or other law or regulation precludes such a preference. For example, Public Works projects including those funded by Measure D or Measure A , are subject to the state Public Contracts Code which require awarding the contract to the lowest responsible bidder and do not allow local vendor preferences. Professional Service contracts for engineering, environmental, legal, surveying, auditing and other specialized and technical services may include local vendor

preference provisions when appropriate and legal. These services are usually procured by SBCAG using a qualifications-based selection process rather than a competitive low-bid process. Firms submit proposals in response to an RFP issued by SBCAG. Each proposer is evaluated, scored and ranked based on criteria identified in the RFP such as qualifications, experience, project understanding, organization/management, cost, etc. SBCAG may include a local firm preference evaluation criterion when it is determined that local firms may be qualified to provide some or all of the services desired. Extra points may be awarded to proposing local firms or to non-local firms that include local firms on their project team as sub-consultants

Local Vendor Definition

A Local Vendor must meet all of the following five criteria:

- (1) Vendor owns, leases, rents or otherwise occupies a fixed office or other commercial building, or portion thereof, having a street address within the County of Santa Barbara, ("the County"). Vendor possesses a valid and verifiable business license, if required, issued by a city within the County or by the County when the address is located in the unincorporated areas of the County. Post Office Boxes shall not qualify as local business addresses.
- (2) The building referred to in section (1), above, shall:
 - a. Have running water, restroom facilities and either: electrical service, gas service, or both.
 - b. Have a telephone, or telephones, listed publicly in the Vendor's name.
 - c. Be staffed during business hours by an employee, or employees, employed by Vendor and conducting the local business of the Vendor. An independent contractor or a person employed as "temporary labor" shall not constitute an "employee" for purposes of compliance with this policy.
 - d. Contain the current local business records of Vendor.
- (3) Vendor employs at least one full time employee within the County, or if the business has no employees, the business shall be at least 50% owned by one or more persons whose primary residence(s) is located within the County.
- (4) The business must have been in existence, in Vendor's name, within the County for at least six months immediately prior to the issuance of the request for competitive bids for the County.
- (5) Where state sales tax will be paid for the purchase, Vendor must possess a valid resale license from the State Franchise Tax Board showing vendor's local address within the County and evidencing that payment of the local share of the sales tax goes to either a city within the County or to the County.

The following conditions apply to the Local Vendor Program:

Any vendor claiming to be a local vendor as defined above shall so certify in writing that they meet all five of the criteria listed above. SBCAG shall not be required to verify the accuracy or any such certifications, and shall have sole discretion to determine if a vendor meets the definition of "local vendor." Any person or business falsely claiming to be a local vendor under this rule shall be ineligible to transact any business with SBCAG for a period of not more than 24 months.

SBCAG also reserves the right to terminate all or any part of any contract entered into with such a person or business.