

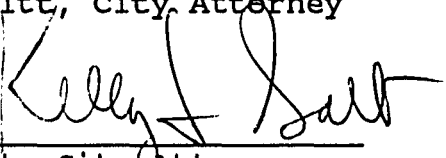
(R-92-1093)

RESOLUTION NUMBER R- 279609  
ADOPTED ON MAR 24 1992

BE IT RESOLVED, by the Council of The City of San Diego, that the City Council's commitment to preferring local vendors and contractors in the award of City contracts to the extent allowable by law is hereby reaffirmed.

BE IT FURTHER RESOLVED, that the attached City Manager Report is hereby accepted, and the City Manager is hereby directed to implement the recommendations contained therein.

APPROVED: John W. Witt, City Attorney

By   
Deputy City Attorney

March 10, 1992  
Or. Dept.: Purchasing/mah  
Bid No.: K3040/92  
R-92-1093



The City of San Diego

# MANAGER'S REPORT

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SAN DIEGO, CALIF.  
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DATE ISSUED: March 11, 1992 REPORT NO. 92-92  
ATTENTION: Honorable Mayor and City Council, March 16, 1992 Docket  
SUBJECT: Local Preference in City Contracts  
REFERENCE: Manager's Report No. 92-59  
Manager's Report No. 91-492

## SUMMARY

Issue - Should the City Council approve the recommendations contained in this report to enhance opportunities for local firms to participate in City Contracts?

Manager's Recommendation - Approve the report and its recommendations.

Other Recommendations - None.

Fiscal Impact - None with this action. To the extent that existing staff efforts are diverted to the activities detailed in this report, there may be a backlog of activities currently performed.

## BACKGROUND

The Public Services and Safety Committee discussed the issue of local preference at its November 20, 1991 meeting and again at its February 19, 1992 meeting. At the February meeting, the Committee directed the City Attorney to draft language for a ballot proposition which would amend the City Charter to allow for a percentage preference to local bidders on City contracts. The Committee also directed the Purchasing Agent to report to the full Council within 30 days with a list of steps which could be taken to advantage local bidders pending voter action on the proposed Charter amendment.

R-273609

## DISCUSSION

The City has for a number of years participated in the Chamber of Commerce's local business workshops. The primary focus of our minority and women business enterprise program is also on local M/WBE's. We have also participated in the Small Business Administration Business Workshops for years. With rare exceptions, the City only advertises its material, supplies and construction requirements locally. Further, the City Manager has directed all Department Directors to emphasize local hiring in the award of City consultant contracts.

In addition to the above ongoing activities, the following additional actions can be taken to further advantage local businesses in City contracting without the use of percentage bidding preferences:

1. Continue to work with the Chamber of Commerce, the Small Business Administration and other local agencies to identify local firms and encourage them to participate in the City's contracting process. Buyers, Project Managers, EOCP and EDD staff will all be involved in outreach and education efforts.
2. The Purchasing Agent will attend the quarterly meetings of the Associated General Contractors to address contracting issues as they arise.
3. Identify and, where feasible, correct any problems or systemic impediments to local vendor participation in City contracts.
4. Revise the Purchasing Department's "How To Do Business With The City" brochure to include construction and consulting contracting guidelines, with an easy-to-update staff contact list as appropriate. Widely distribute this brochure locally.
5. Upgrade EOCP's Procurement Hotline to include contracting opportunities across all categories. Make the availability of this tool and the telephone number widely known by including it on stationary, business cards, in all advertising and in the "How To Do Business With The City" brochure.

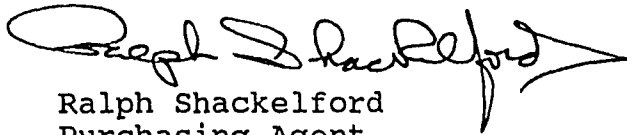
6. Encourage the convening of preproposal and prebid meetings by Project Managers to ensure that businesses have a firm understanding of the technical, financial and administrative requirements of each contract, and to promote networking among local subcontractors with potential prime contractors.
7. Review procurement procedures and revise as necessary to allow for sufficient lead time to maximize participation by small and local firms.
8. Review quantity requirements and contract sizing and adjust to maximize participation by small and local firms when economically feasible.
9. Provide "debriefing" on request to unsuccessful bidders. The availability of this service should be widely known by local firms.
10. Establish a reference list of local resources for small businesses including the Small Business Administration, Economic Development Corporation, Southern California Organization of Retired Executives, Business Development Center and others. Acquisitions, EDD and EOCP staff should be familiar with these resources in order to refer small and local business owners as needed.
11. Continue work with the Citizens' Equal Opportunity Commission's Bonding and Insurance Task Force to eliminate and reduce bonding and insurance requirements when possible and to otherwise develop strategies for providing assistance in these areas to small and local firms.
12. Review, with the Auditor, the payment process and investigate ways to speed up payments for goods and services to small and local firms.
13. Continue to investigate strategies used by other municipalities and jurisdictions to increase contracting with small and local businesses.

To gauge the impact of these actions, we will include with the quarterly Equal Opportunity Contracting Reports, the percentage and dollar value of awards made to local vendors. Since we are proposing no percentage preferences, we will not be implementing a local vendor certification program since that would be quite labor-intensive. For reporting purposes, a local firm will be one which has a business address in San Diego County.

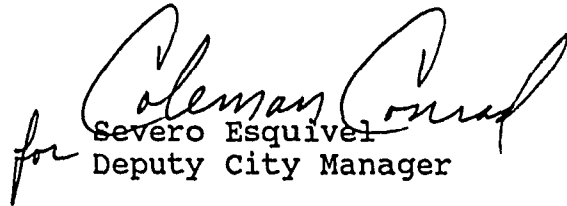
ALTERNATIVES

1. Do not accept the report.
2. Direct the City Manager to implement only selected Report recommendations.

Respectfully submitted,



Ralph Shackelford  
Purchasing Agent



for Coleman Council  
Severo Esquivel  
Deputy City Manager

HESHIMU:ch

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MAR 24 1992

Passed and adopted by the Council of The City of San Diego on .....  
by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Abbe Wolfsheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ron Roberts	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
John Hartley	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
George Stevens	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Behr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Valerie Stallings	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bob Filner	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mayor Maureen O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

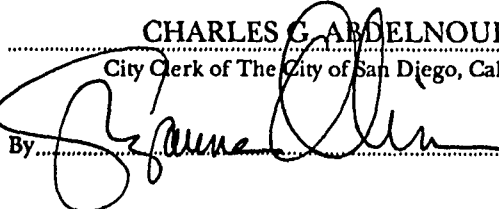
(Seal)

MAUREEN O'CONNOR

Mayor of The City of San Diego, California.

CHARLES G. ABDELNOUR

City Clerk of The City of San Diego, California.

By  , Deputy.

Office of the City Clerk, San Diego, California

Resolution **R-279609** MAR 24 1992  
Number ..... Adopted .....

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