



# City of Santa Fe, New Mexico

# memo

**DATE:** November 6, 2014

**TO:** City Council

**FROM:** Robert Rodarte, Officer  
Purchasing Division *RR*

**ISSUE:** Response to discussion by the City Council Meeting of October 29, 2014 on Item 11(i):  
**Subject Matter: Local Vendor: Awareness, Participation and Preference:**

## SUMMARY:

The Purchasing Division has reviewed the minutes of the meeting related to Item 11 (i) of the October 29, 2014 City Council Meeting. Although Item 11(i) was based on a competitive RFP for Courier Services, the main topic of discussion by the governing body was targeted on doing business with the local vendors and the methods used during the competitive process. This response will attempt to consolidate the discussion questions and opinions as stated in the attached "minutes of the meeting".

The competitive methods on both the RFP and the Bid process does allow for vendor questions. Generally a Bid or RFP during the planning stages will allow for vendor input in a form of Public Meeting related to larger projects or studies. Examples: SWAN Park, St, Michaels Rehab Program etc. During the active stage of the actual bid and RFP process, vendors are required to follow the instructions as stated in the documents. The process allows for interested parties to communicate with the identified project managers or the Purchasing Officer. The goal is to identify and clarify any items that might be for the betterment of the project. All information is analyzed and if needed is posted on the Website as an addenda for all interested parties to obtain.

Vendors that have questions related to the actual submittal process are always encouraged to contact the Purchasing Office for help. The most common question asked is how to properly fill out any of the Preference forms. There are several types which include, The City Local Preference, the State Preference and Veterans Preference. Information and clarification training is provided, without showing a bias, to all interested vendors that inquire. Example: Small Local vendor Hal Burns was interested in bidding on Bid 13/35/B: Titled: Heavy equipment repairs, service and parts. The purchasing office described each requirement and gave them examples of other correctly filled out forms from other projects. As a result Hal Burns was considered a responsive bidder and was

identified as one of the awarded vendors. The goal is to offer advice on the submittal process, but at the same time maintain a neutral stand on all other information. This process eliminates the perception of any favoritism towards a certain vendor.

The concept of pre- bid conferences is another subject that comes up quite often. The decision to have pre- bid conferences are decided on an individual project basis. On the project schedule both non and mandatory pre bid conferences are identified. An example of a non- mandatory pre- bid was the GCCC Solar project. In this particular case, all of the product specifications were clearly defined along with the construction location information. The non- mandatory pre-bid conference was offered and was attended by several interested parties. A **non-mandatory** pre bid **does not** eliminate a vendor if not attended. An example of a mandatory pre-bid was the Construction of the Market Station offices. In this case the decision to have a mandatory pre-bid was made based on the existing and unique environment . Items of concern included the H-Vac system, second floor, roof and lighting, etc. It was important that all interested vendors have a critical understanding of the plans and the actual environment. A **mandatory** pre-bid **does** disqualify a submitter if they did not attend. In this particular case, local vendor Sarcon Construction was awarded the project.

The use of Competitive Contracts such as State Price Agreements, Cooperatives, GSA or Piggy Backing off other government entities contracts, seems to be a concern of the Governing Body. Basically the competitive process has already occurred and is available in most cases for other entities to utilize. The goal of any of these contracts is to help the smaller entities, including the City of Santa Fe, to obtain savings advantages negotiated by the larger organizations or government agencies.

The City Purchasing Office reviews all competitive contracts before we utilize them. We make an attempt to identify local vendors that have been granted the award on the contracts. A major example is the use of service contracts for auto repair and maintenance and parts. Several local vendors are identified and are used on a consistent basis. Examples include, parts supply and repair companies such as CARQUEST, Auto Angel, Precision Auto, Chalmers Capital Ford, O'Rielly Auto Parts, Clark Truck etc. We also utilize contracts which identify larger national firms that identify local franchises. Example: Local Vendor Superior Auto Parts is a vendor supplied by national vendor NAPA. NAPA is awarded on a NJPA Cooperative Contract, which allows Superior Auto the opportunity to be competitive and continue to do business with the City. Superior Auto Parts dates back to the 1960 as a local vendor and we continue to make every effort to support them. . These larger firms usually have local representation which contribute to the local economy, in a form of GRT and employment. Every effort is made to locate local vendors that may offer the same type of products before we allow the use of any price agreement.

The use of several cooperative contracts that are presented to the governing body are identified as goods and services that are not available locally. Examples include utility contracts such as Verizon, Quest, Comcast. Other major contracts include Motorola and other communication service agencies.

Another area which we utilize in terms of helping the local economy is Section 18 of the Purchase Manual titled exemption: In particular, the utilization of authorized agents and service providers for specified goods and services. Examples of this would be the utilization of Chalmers Capital Ford. Although Chalmers Ford is head quartered in Albuquerque, they are a Ford Dealership which classifies them as an authorized agent. This particular organization employs over 100 local and regional individuals and plays an important role in the City's GRT and employee payroll.

Another area is the Sole Sourcing of " Sam's Club. This company offers a unique service in which there are no other vendors in the area that offer this concept. The perception is that they take business from the smaller local companies. This is always a major topic and is often debatable. Sam's Club employees over 150 local and regional individuals which increases to over 200 during certain seasons and contributes over \$350,000 in annual GRT.

Every effort is made to obtain pricing from local vendors by requiring the departments to get pricing and information when we can.

The next presentation will be on methods and ideas related to the education process of doing business with the City of Santa Fe.

**ACTION:**

For your review and discussion