




Local Business Preference

August 2016 SamTrans Board of Directors
San Mateo
August 3, 2016
Finance Agenda Item #10




Board Question

- Does the Board have the option to implement a local business enterprise (LBE) preference on non-federally funded contracts?

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LBE Options



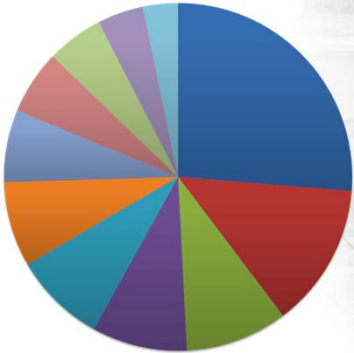
- LBE preference – grant preference to all San Mateo County businesses.
- Small-LBE preference – grant a preference to small businesses located in San Mateo County.

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Preference Opportunities



- During Fiscal Year 2016, the District awarded **11 contracts** through District-led competitive procurements. Awards totaled **\$3,731,041.**



Contract Category	Value
10/7/2015 Workers' Comp	
10/7/2015 Bus Scheduling	
11/4/2015 Shop Supplies	
5/6/2015 Financial Audit	
5/6/2015 Office Supplies	
1/6/2016 Plumbing	
8/5/2015 Portable Toilets	
11/4/2015 Travel Training	
10/7/2015 Travel Training	
3/2/2016 CCTV	
11/4/2015 Bus Scaffold	

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SBE Preference Conflict

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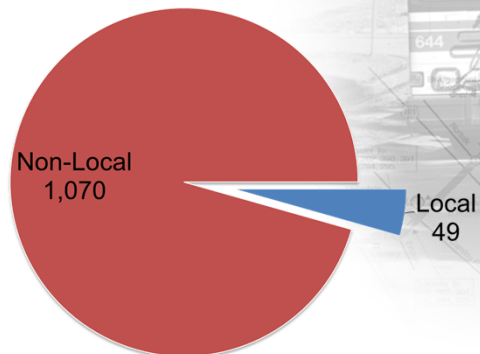
- LBE preference to non-SBEs dilutes the effect of the SBE preference.
- Can conflict with the District's desire to foster small business participation.
 - A small-LBE preference would not conflict with the SBE preference.

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DBE Program Conflict

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- Giving preference to non-DBE LBEs puts non-local DBEs at a disadvantage.
- San Mateo County has few DBEs.
 - Less than 5% of DBEs in the District's market area are located in San Mateo County



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Legal Requirements

The logo for samTrans, featuring the text "samTrans" in a sans-serif font above a stylized graphic of a bus or train with red and blue horizontal stripes.

- **District Procurement Policy would need to be amended.**
 - “Foster maximum open and free competition for District Contracts”
 - “Promote the greatest economy and efficiency in District procurement.”

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Staff Recommendation

The logo for samTrans, featuring the text "samTrans" in a sans-serif font above a stylized graphic of a bus or train with red and blue horizontal stripes.

- **Outreach to local organizations to promote the existing SBE Preference with local businesses.**
- **Look for a recommendation from the District’s Disparity Study on a small-LBE preference.**
- **If LBE preference is desired, form a partnership with other county agencies for a county-wide LBE certification.**

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Additional questions?