

CITY COUNCIL REPORT

DATE: January 20, 2018

TO: Mayor and Councilmembers

FROM: Rick Compau, Purchasing Director

CC: Josh Copley, Barbara Goodrich, Shane Dille, Leadership Team

SUBJECT: Overview of procurement from certified non-profit agencies that serve individuals with disabilities and Arizona correctional industries

This report provides an overview of the State's 'Set Aside' program as outlined in A.R.S. 41-2636 "Procurement from certified non-profit agencies that serve individuals with disabilities and Arizona correctional industries" and addresses how the City participates to be in compliance with this statute. The statute referenced for this is too lengthy to attach, but is available upon request.

Overview of A.R.S. 41-2636:

All state governmental agencies shall endeavor to set aside at least one (1) percent of their new purchases or contracts for any products, materials, and services from certified non-profit agencies that serve individuals with disabilities and Arizona correctional industries without competitive bidding if the delivery and quality of the products, materials, or services meet the agency's reasonable requirements.

The City's Participation and compliance:

Back on June 2, 2015, City Council approved and adopted a resolution to amend the City's Procurement Code Manual by adding Article 31, "Arizona certified non-profit businesses that serve or employ individuals with disabilities", which incorporates new language that governs our procurement practices consistent with this statute in question.

With regard to being in compliance with Article 31, it is our standard practice to reach out to these certified non-profit organizations when end-users request material goods or services.

Currently, the City has a contract with Quality Connections (a local Flagstaff company) for the purchase of approximately 90% of our office supplies. The other 10% of our office supplies are purchased through a few other local office supply vendors who can

provide the requested item that Quality Connections does not have available. In addition, the Purchasing Section is periodically in contact with Arizona Correctional Industries, primarily the Holbrook correctional facility, to discuss purchasing opportunities depending on the need. The City's Purchasing Section make every effort to procure a percentage of material goods and services through them.

RECOMMENDATION / CONCLUSION

This report is for information only.