

Supply SA Interlocal Agreement



City Council A Session
October 17, 2024
Agenda Item #16

Presented By: Ana Bradshaw
Assistant Director, Economic Development

Summary



- Interlocal agreement with various public agencies to improve the effectiveness of public purchasing from local small businesses through the reorganization of the South Central Texas Regional Certification Agency DBA Supply SA
 - Two-year initial commitment
 - City's maximum contribution for the initial commitment is up to \$300,000

Background

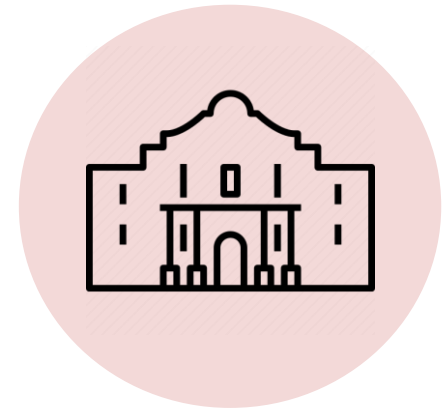
The San Antonio public procurement economy accounts for more than **\$9 Billion**.



Federal: \$3.9B



State: \$0.9B



Local: \$4.2B

But only a small portion of this spending goes to local small businesses.

Regional Collaboration is Key to Unlocking this \$9B Economic Opportunity

Benefits of Regional Collaboration:

- ✓ Enhance planning and decision-making
- ✓ Improve the small business owner experience
- ✓ Grow the local economy through investment in local small businesses

Desired Procurement Outcomes:

1. Increase the number of local firms who are willing and able to provide the goods and services purchased by public agencies



→ **Increase availability** of local small businesses

2. Increase the number of local firms who win public contracts and/or receive funds



→ **Increase utilization** of local small businesses

Supply SA Participating Agencies



Original Supply SA Plan & SCTRCA Key Challenges

Original Supply SA Plan

City Council approved the original interlocal agreement on April 11, 2024

- Support small local businesses in accessing procurement opportunities
- Provide 1:1 procurement navigation services
- Support participating agencies in connecting with qualified local vendors
- Monitor the effectiveness of the initiative and develop a regional reporting system

SCTRCA Key Challenges

Public agency executives briefed on SCTRCA challenges post agreement adoption

- Insufficient number of staff, lack of training and high turnover
- Board members lack engagement and decision-making authority
- Agency financial contributions mostly unchanged since 2014

Incorporating New Functions into Supply SA

Per the SBEDA Ordinance, COSA is charged with ensuring businesses are properly certified as small, minority, and woman-owned businesses

- Interlocal Agreement with the South Central Texas Regional Certification Agency (SCTRCA) to provide certification services since 1998
- 13 San Antonio area public agencies also participate in the Interlocal Agreement with the SCTRCA for similar services



Supply SA Initiative Objectives

Goal: Through regional collaboration, increase local and diverse small business participation in the San Antonio area public procurement system



Increase the number of small local businesses bidding on our work



Increase the % of local small businesses winning contracts



Receive an independent evaluation that can be used to demonstrate progress and return on investment

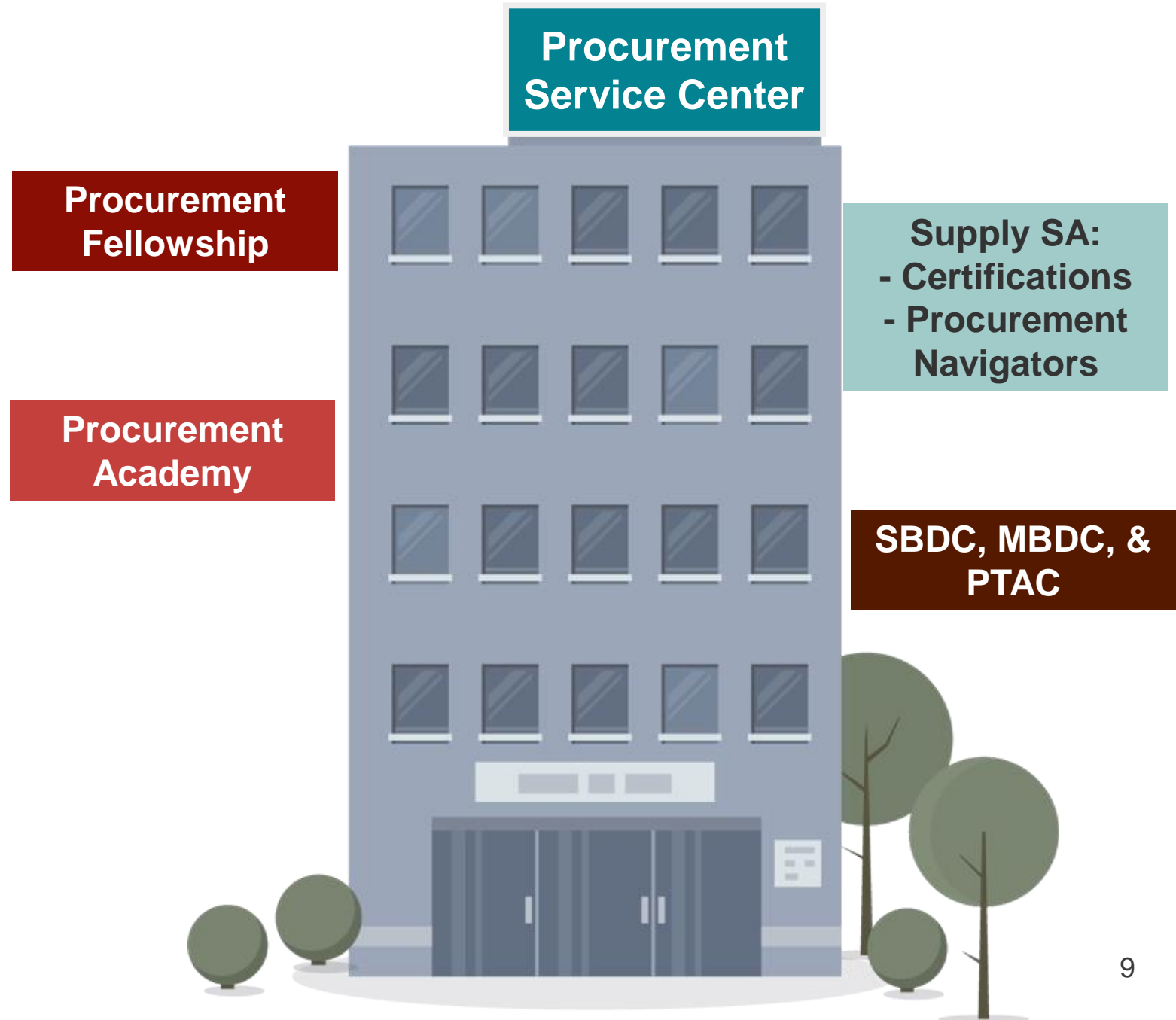


Fair and timely certification process

Decrease certification processing time to 30 days or less

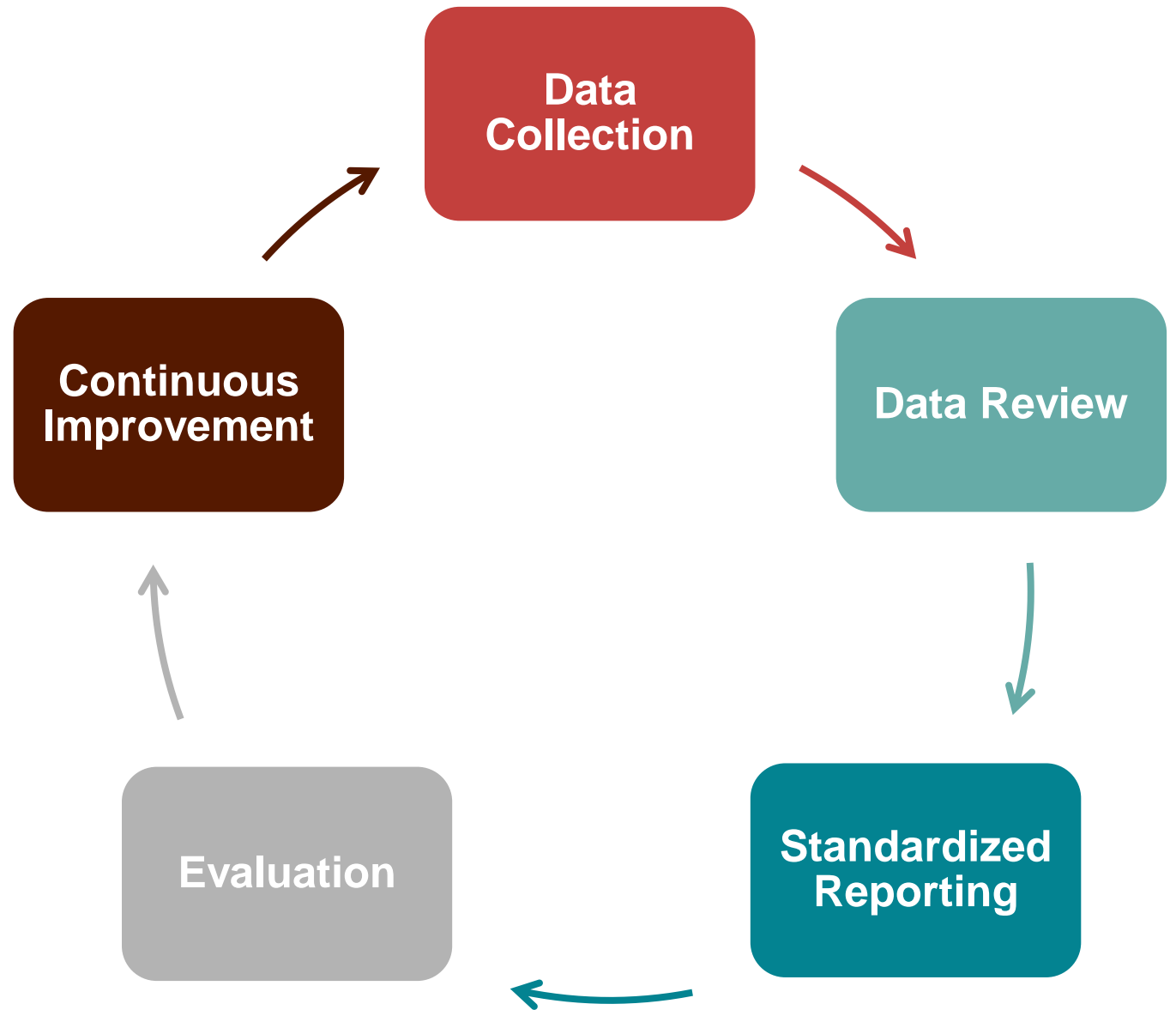
Capacity Building

Procurement Service Center (PSC) at UTSA's Downtown campus will provide access to the support ecosystem in a single location



Evaluation & Reporting

- Monitor progress towards Supply SA goals
- Create accountability for participating agencies
- Identify opportunities for continuous improvement
- Support leadership in making informed decisions about future resource allocation



FY25 Annual Operating Budget



~ \$1.2M - *paid to SCTRCA dba Supply SA*

- Hire Supply SA Director and Clerk/Office Manager
- Overhead costs to operate at UTSA downtown campus

Business Certifications

- Fill two Certification Specialist positions and hire a Certifications Manager

Capacity Building and Procurement Navigation

- Hire two Procurement Navigators to provide 1:1 services to potential bidders
- Develop Procurement Navigator curriculum

Evaluation of Initiative

- Hire external firm to monitor, evaluate, and report on Initiative effectiveness
- Develop regional reporting system

Timeline & Next Steps



Ongoing: data collection and reporting activities to (1) monitor progress towards program goals and (2) support leadership in identifying opportunities for continuous improvement.

Recommendation

- Staff recommends approval of the Interlocal Agreement for a total cost of up to \$300,000 over two years
 - Funding in the amount of \$200,000 is available from the Economic Development Incentive Fund FY 2025 Adopted Budget
 - Funding for year two of the agreement is contingent upon City Council approval of the annual budget
 - Effective upon execution by participating agencies through completion of the pilot program (September 2026)

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