

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

920



**FROM:** Purchasing and Fleet Services Department

**SUBMITTAL DATE:**  
August 27, 2012

**SUBJECT: APPROVE PURCHASE OF FRESH EGGS AND RELATED PRODUCTS FROM NEWPORT FARMS UTILIZING THE LOCAL PREFERENCE POLICY FOR THE CO. OF RIV.**

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the purchase of fresh eggs and related products in the annual amount of \$178,743 from other than the low bidder per the local preference policy at an estimated additional cost of \$6,525, which contains an option to renew for four (4) additional one (1) year periods, and;
2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459.4, to exercise the renewal option, based on the availability of fiscal funding, and to sign amendments that do not change the substantive terms of the agreement, including amendments to the compensation provision that do not exceed the annual Consumer Price Index (CPI) for fresh eggs and related products.

Departmental Concurrence

**BACKGROUND:**

(Continued on Page 2)

Mark Seiler

For Robert J. Howdyshell, Director  
Purchasing and Fleet Services Dept.

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$119,162	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$107,346	Budget Adjustment:	No
	Annual Net County Cost:	\$160,869	For Fiscal Year:	FY 12/13

<b>SOURCE OF FUNDS:</b>	Enterprise Fund 10%	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Various Department budgets 90%	Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

**APPROVE**

BY: Serena Chow  
Serena Chow

**County Executive Office Signature**

- Consent
- Policy
- Consent
- Policy

Dept's Recomm.:  
Per Exec. Ofc.:

Prev. Agn. Ref.:      District:      Agenda Number:

**3.36**

**BOARD OF SUPERVISORS**

**FORM 11: APPROVE PURCHASE OF FRESH EGGS AND RELATED PRODUCTS FROM  
NEWPORT FARMS UTILIZING THE LOCAL PREFERENCE POLICY FOR THE  
COUNTY OF RIVERSIDE**

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**BACKGROUND**

County departments and agencies such as the Sheriff and RCRMC must purchase food products in order to provide meals for their inmates or patients. To obtain these products at the most reasonable costs, County Purchasing issues formal bids to establish contracts. Because the pricing for fresh eggs varies on a daily basis, prices for fresh eggs and related products are bid based on a fixed differential to the appropriate index on a specific date. All fresh eggs and related products shall be in compliance with the last provision of the rules and regulations of the Department of Food and Agriculture, pertaining to the marketing of fresh eggs. The county will receive wholesale and/or public agency prices that will be in compliance with the California Department of Agriculture requirements. The awarded vendor will adjust prices upward and downward in exact proportion as adjusted by the marketing of fresh or shell eggs, mandated by the U.S. Department of Agriculture and provide the County with copies of marketing orders as published by the State of California, Department of Food and Agriculture, and/or the U.S. Department of Agriculture on an as-requested basis.

In October 1995, the Board of Supervisors approved a five (5) percent Local Vendor Preference Policy to encourage business growth and provide jobs in Riverside county. On June 6, 2012, the Purchasing Department, released a Request for Quotation (RFQ) PUARC-1238 for fresh eggs for all Riverside county departments. A statement informing bidders of the local preference policy was included in the bid instructions and as a result a local bidder submitted a quotation with 3.79% higher costs as that of the bidder located outside of Riverside county.

**PRICE REASONABLENESS**

Bid notifications were emailed to six (6) companies and advertised on the County Purchasing Internet site and the Public Purchase Internet site. The RFQ requested delivered pricing based on county usage for all Riverside County departments. Four (4) bid responses were received ranging from \$172,218 to \$225,833. The lowest responsive and responsible bidder was Swift Produce (Buena Park, CA) in the amount of \$172,218. However, the lowest responsive and responsible Riverside county bidder was Newport Farms (Corona, CA) at a cost of \$178,743 for an additional cost of \$6,525. That difference is within the five (5) percent preference allowed for under the policy.