From: Steve Glass [mailto:sglass@lrmindust.com]

Sent: Tuesday, April 07, 2009 9:11 AM

To: Toni Wheeler Cc: David L. Corliss

Subject: FW: Ordinance No. 8386 - Local preference

#### Toni.

Thanks for your response. As shown below I have emailed the Commission to re-state my opposition to this ordinance.

Steve

From: Steve Glass [mailto:sglass@lrmindust.com]

Sent: Tuesday, April 07, 2009 8:29 AM

To: Dennis Highberger; Michael Dever; Mike Amyx; Rob Chestnut; Sue Hack

(suehack@sunflower.com)

Subject: FW: Ordinance No. 8386 - Local preference

#### City Commissioners,

As you are aware from my letter of March 20, 2009 I am opposed to the adoption of a local purchasing preference. As you will note below I recently raised three issues with David and Toni which Toni has since responded to. Toni has indicated that staff will recommend a change in wording to Section 1-1702 which will resolve my concern on that issue. She has clarified staff's interpretation of my question concerning Section 1-1705 by clarifying the scope of that section. Finally, and most importantly, Toni indicates that she believes the Shawnee County Purchasing Resolution reciprocity clause may apply to purchases of any type not just public improvements contracts.

The final point is my greatest concern. If the City of Lawrence adopts a local purchasing preference Shawnee County's reciprocity clause will potentially apply to any Lawrence based business bidding to Shawnee County. More important is the question of how long will it be before other neighboring cities and counties adopt reciprocity clauses or local purchasing preference ordinances and how will that impact Lawrence businesses? The adoption of a local purchasing preference ordinance may initially seem to be a benefit to Lawrence businesses, but I believe the reality may well be that it will be a detriment to Lawrence businesses. I encourage you to vote against Ordinance No. 8386.

Steve Glass

From: Toni Wheeler [mailto:twheeler@ci.lawrence.ks.us]

Sent: Monday, April 06, 2009 4:47 PM

To: Steve Glass

Cc: David L. Corliss; Jonathan Douglass

Subject: RE: Ordinance No. 8386 - Local preference

Steve, Thanks for your comments on Ordinance No. 8386.

 Your point regarding 1-1702 is well taken. We will recommend striking the word "violation" and replacing it with "unsatisfied final judgments." The sentence will read:

- (c) The business entity shall not have any outstanding liens, fines or unsatisfied final judgments with the City of Lawrence."
- 2. As we see it, the local preference could apply to bids for construction materials or supplies. Under Section 1-1704, the governing body has the discretion to determine whether a local preference should be awarded.
- 3. The reciprocity clause of Shawnee County may apply to purchases, other than public improvement contracts.

### Toni Wheeler

From: Steve Glass [mailto:sglass@lrmindust.com]

Sent: Friday, April 03, 2009 10:54 AM To: David L. Corliss; Toni Wheeler

Subject: Ordinance No. 8386 - Local preference

Although I still do not believe that local preference ordinances should be adopted anywhere it appears that the Commission is headed in that direction so I have a few questions about the draft ordinance.

- 1. Section 1-1702 refers to outstanding liens, fines or violations. The existence of liens or fines would likely be easily determined, however, violations seems to me to be a very broad term that could be interpreted in many ways. Is a weed notice a violation? Is a land use or plumbing code issue raised by the Neighborhood Resources Department and contested by a property owner a violation if the issue is being negotiated or discussed with that department? If a business is a sole proprietorship and the owner receives a traffic ticket which he contests is that considered a violation while one is waiting for a hearing? It just seems that violation should be better defined given that the sentence states that any outstanding liens, fines or violations "shall" preclude a business from being defined as a local business.
- 2. Section 1-1705 states that the local preference shall not apply to public improvements. Do you feel that this section would only apply to bids that would include the furnishing of labor in making public improvements or would it also apply to a bid to supply materials for City forces to use in making public improvements? For example would a bid to supply water or sewer pipe to the Utilities Department for use in constructing a water or sewer line be eligible for local preference?
- 3. The Memorandum from Jonathan Douglas refers to the Shawnee County purchasing policy reciprocity clause and indicates that by excluding construction/public improvements from the proposed Lawrence ordinance Lawrence based construction companies would not be subject to the Shawnee County reciprocity clause. While I tend to agree with this (I suppose it depends on what Shawnee County determines the phrase "like contract bid" in Section G to mean) the way I read their Resolution it applies to all purchases not just public improvement contracts. If my understanding is correct then a car dealer in Lawrence would be subject to the reciprocity clause when bidding to Shawnee County, as would a supplier of any other item purchased by Shawnee County subject to the dollar limits included in the Resolution. I have no idea how many Lawrence companies bid on Shawnee County contracts, but I think it is an issue that needs to be examined.

It seems to me that given that staff was only able to identify one bid in 2008/2009 that would potentially be impacted by the proposed ordinance and that Shawnee County indicated that they haven't had to apply their Resolution to a purchase in at least the past twelve years the Commission is trying to solve a problem that almost doesn't exist and that the solution may simply result in a new set of problems for local businesses.

Thanks, Steve

# RECEIVED

APR 07 2009

CITY MANAGERS OFFICE LAWRENCE, KS

April 5, 2009

Douglas County
City of Lawrence
School District
Lawrence Memorial Hospital

Attention: Commissioners, Administrators, Trustees, Board Members, CEO's, Staff's and Editor of Journal-World

RE: Buying Local

Dear Public Servants and Staff,

Please review the herewith document titled "The Local Multiplier Effect"!

Virginia and I trust that after review and you being elected and employed as the "best and brightest", will be awakened to the economic advantage to our community when purchases made using tax payer dollars are awarded with some consideration for the vendors chosen being "local".

Respectfully Yours

Allan and Virginia Smith 2800 Schwarz Road Lawrence, Kansas 66049 httlefoot38@sunflower.com

785-842-1194

-377

# The Local Multiplier Effect

### HERE'S THE IDEA

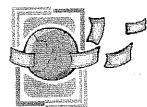
Buying local products at locally owned businesses keeps money circulating closer to where you spend it. This creates a ripple effect as those businesses and their employees in turn spend your money locally. Corporate chains send

most of your money out of town.

For every \$1 spent at a local business ...

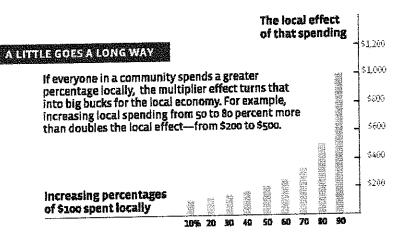


45 cents is reinvested locally



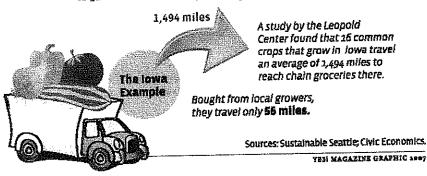
For every \$1 spent at a corporate chain ...





## AND A BONUS!

By buying local goods, you maximize your money's impact and minimize fuel use and CO2 production. Produce from the supermarket travels up to 92 times farther than produce grown locally.





Pind out more about local living economies in the Winter 2007 issue of YES! Magazine, Go Local, Back copies at YesMagazine.org/store.