City of Gainesville

Methods for Increasing Diversity in Procurement

November 19, 2019

Bid and Quote Outreach

- All solicitations issued by GG Procurement are posted online using one of two electronic platforms that reach the most diverse and greatest number of respondents:
  - DemandStar: Procurement industry standard website when issuing a bid
  - GovQuote: Enables users to gather quotes from local, state and national companies, and includes a database of minority- and veteran-owned businesses
- Procurement staff notifies The City of Gainesville Office of Equal Opportunity of all solicitations
- Departments may also submit a list of vendors to receive the solicitation, potentially increasing the opportunity for inclusion of diverse businesses
- Policy requires City departments to include at least one quote from a certified small or service-disabled veteran-owned business, when feasible
- When applicable, and time permits, solicitations can be advertised in the Gainesville Sun or other diverse professional publications

Federal/State Requirements and Restrictions can impact how solicitations are handled

- Federal funding <u>in any amount</u> that is received either directly or as a pass-through of another agency (such as FDOT) typically carries requirements and restrictions on how those funds are spent. The Federal Government has a Disadvantaged Business Enterprise program which falls under the U.S. Department of Transportation. U.S. DOT establishes guidelines for participation of firms owned and operated by <u>socially and economically disadvantaged persons</u>. Each state's DOT is the main certifying agency and maintains a Unified Certification Program (UCP) DBE directory. Awardees are expected to take all necessary and reasonable steps to ensure eligible DBEs have the maximum feasible opportunity to participate.

- Use of geographical preference (i.e., City's Local Preference Ordinance) is prohibited except for architectural and engineering services (A&E) and certain disaster or emergency relief contracts. Quotas or set-asides for DBE's on DOT-assisted contracts are not permitted. The Federal Government's prime objective is "full and open competition". Awardee policies that are counter to this objective risk either losing or having to pay back funding.

Resources to Locate Diverse Businesses

- There are multiple databases of small, minority and service-disabled veteran-owned businesses
  - The State of Florida Office of Supplier Diversity
    - Department of Management Services certifies Women Business, Veteran Business and Minority Business Enterprises
  - City of Gainesville Office of Equal Opportunity
    - OEO certifies small-, minority- and service disabled-owned businesses and keeps a database of these vendors

Policy Changes to Increase Diversity

In 2016, and again in 2017, the City's Procurement Policy was updated with the following revisions:

- Purchases between $5000.01 and $50,000 which previously required two quotes, now are required to have three quotes with at least one, when feasible, from a small or service-disabled veteran business

- Purchases from $2000.01-$5,000 no longer require quotes, giving the departments greater flexibility to use small or service-disabled veteran businesses with a direct hire, where they may have been unable to compete in the past

- The maximum dollar amount that a department can spend on a first time order with a small or service-disabled veteran business was increased from $10,000 to $20,000

Outreach to Potential Vendors

Procurement and OEO have put together an outreach program to educate small businesses and encourage working with the City

- Workshops
- Discussion Panels
- Training Sessions and Forums (quarterly)

These sessions have covered such topics as:

- The City's Bid Process
- A step-by-step of past solicitations to identify the best way to prepare a bid
- A panel discussion involving actual department evaluators taking attendees through an actual bid and answering questions to audience throughout
- A general Q&A panel discussion with the panel composed of Procurement Specialists from the City, County and UF

Accessibility of Procurement Staff

- During the outreach sessions, vendors have been encouraged to visit the Procurement office and meet with Staff on a one-on-one basis.
- Time blocked out for walk ins the 2nd and 4th Friday of each month
  - Allows vendors to ask general questions and obtain information on how to do business with the City
- OEO has a flyer with this information to share with vendors that visit their office
- Vendors are encouraged to attend pre-bid meetings, even if not participating in the given process, to become acquainted with the bid process and learn more
- Surveys are provided at all outreach sessions to determine what additional information vendors may need

Striving to Improve

- Staff from OEO, GRU Purchasing and GG Procurement meet regularly to discuss additional methods and trainings to build interest among small businesses with a desire to do business with the City of Gainesville
- The eligibility requirements for participating in the Small and Service-disabled Veteran Business Program administered by OEO has been revised to increase the number of diverse businesses who can work with the City:
  - The business' principal place of business with full time personnel must be located within Alachua, Bradford, Columbia, Gilchrist, Levy, Putnam or Union Counties (instead of within City of Gainesville)
  - Occupational License payment must be up to date (within City of Gainesville)
  - The business must have less than 200 employees (up from 100 or less)
  - The business must have a net worth of less than $5 million (previously $3 million)

Next Steps…

- Continue to monitor feedback from potential and current vendors to identify barriers to working with the City

- Review our processes to remove barriers, as applicable

- Work with OEO and GRU on revising the eligibility requirements which must be met to qualify as a certified local small, minority or service-disabled veteran business