



Legislation Text

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Part-1 Recommendations to Increase Access, Equity & Diversity in Procurement (B)

Resolution No. 150616

A Resolution of the City Commission of the City of Gainesville, Florida, amending the Purchasing Policies of the City of Gainesville; establishing a policy for service-disabled veterans' business enterprise programs; providing a transition schedule and providing an effective date.

City of Gainesville's Strategic Initiative #2.4 is aimed at increasing the dollar amount of contracts between the city and small, minority and women-owned local businesses by 10%. A committee of city staff has been working for three months to develop a purchasing policy for the City to encourage small business and service-disabled veterans' business enterprises which will implement this initiative.

The staff committee considered multiple policy alternatives, as well as practical solutions to implementing the policy changes. Ultimately it was determined by a majority of the staff committee that a service-disabled veterans' business enterprise program should be implemented in addition to the existing small business enterprise program. Moreover, the majority of the staff committee believed that incentives should be included to encourage small business and service-disabled veterans' business enterprises to use the program and become vendors to the city. Therefore staff recommends that the City's purchasing policy be amended to include incentives for both the informal bid process and the formal bid process.

Currently, using the informal bid process for purchases \$50,000 or less but greater than \$2000.00, procurement employees may obtain written quotes from at least two vendors. The staff committee recommends that the policy be changed to require written quotes from at least three vendors, one of whom is either a small business or service-disabled veteran business enterprise.

Currently, the formal bid process for purchases greater than \$50,000.00 must be formally bid using one of the following: Invitation to Bid (ITB), Best Evaluated Bid (BEB), Request for Proposal (RFP), Request for Qualifications (RFQ), or Invitation to Negotiate (ITN). City procurement employees use a points formula for all qualifications based procurements (BEB, RFP, RFQ, and ITN). The staff committee recommends that for qualifications based procurements; those certified small business or service-disabled business enterprises who submit bids would be given additional points, up to a maximum of 5% of the total points.

During the staff committee discussions, several concerns were raised. The first concern was whether the additional 5% of total points would apply if there was also a local vendor preference. The majority of the staff committee agreed that it would be appropriate to award both, if the vendor qualified for both programs.

The staff committee discussed the implementation of the program and the difficulties that may be encountered. It was agreed that the General Manager for Utilities, the City Manager, and the Equal Opportunity Director would issue a joint memo announcing the program to city staff and describing its use.

The listing of certified small and service-disabled veteran business enterprises would be maintained on the city's website for ease of use by city procurement employees and GRU purchasing would maintain its list at GRU. In the event a purchase does not have a corresponding vendor on the list, the city procurement employee would contact the Equal Opportunity Office which would document that there was no corresponding small business or service-disabled veteran business enterprise.

At its December 9, 2015 meeting, the Equal Opportunity Committee heard a presentation from Equal Opportunity Director Torey Alston, summarizing the staff committee's recommendation and proposing a series of procurement policy and procedure recommendations aimed at increasing access, equity and diversity in the procurement process for General Government and Gainesville Regional Utilities. Mr. Alston's presentation included a series of recommendations as follows:

1. Creation of a Service-Disabled Veteran Business Enterprise Program
2. Amend both Procurement Policy and Procedures for purchases of \$50,000 or less but greater than \$2,000 to have 3 written quotes, and require one of the quotes to come from a certified small and/or service-disabled veteran business, if they exist.
3. Realign the Procurement Policy and Procedures for scoring process during bid selection; re-align point breakdown to include points if you are certified small and/or service disabled veteran business (5% of total points)
4. Policy Language Revision:
 - a. Policy language allowing the City to provide affirmative procurement initiatives in our race and gender neutral program; language should include sheltered market opportunities for small and service-disabled veteran businesses.
 - b. Policy language to create an internal staff committee to review upcoming solicitations for affirmative procurement initiatives.

Following discussion, the Equal Opportunity Committee approved the four recommendations and authorized Office of Equal Opportunity Staff, in conjunction with the City Attorney's Office, to draft formal procurement policy changes for submission to the full City Commission.

If adopted, the attached Resolution would set the Commission's policy to create a disabled-service veteran program, in addition to its existing small business enterprise program. It would provide additional incentives for qualified business enterprises. It also authorizes the use of sheltered markets where appropriate.

None

The City Commission: 1) adopt the proposed Resolution; and 2) direct Equal Opportunity and Purchasing staff to update the corresponding procedures associated with these policy changes.