



Legislation Text

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Resolution No. 170116

A Resolution of the City Commission of the City of Gainesville, Florida, amending the Purchasing Policy of the City of Gainesville (B)

****This item was presented to the UAB on June 14, 2017.****

On January 16, 2016, the City Commission approved a revision to the Purchasing Policy of the City of Gainesville to enhance opportunities with small businesses. Changes included: 1) the establishment of a service-disabled veteran business enterprise category; 2) an increase in the number of required written quotes to three with one of the quotes from a small business; and 3) a 5% preference applied to small businesses in qualifications-based solicitations above \$50,000. These changes were initiated by the Equal Opportunity Director with support from the Equal Opportunity Committee and City Commission. The purpose for the Policy revision was to increase spend with small, minority and women-owned local businesses.

During the Policy revisions, Purchasing staff recognized the need to update other sections of the Policy since an extensive review and revision had not occurred since 2006. However, based on the Equal Opportunity Director's short time line to implement the small business initiatives, staff did not have sufficient time to include its recommended changes to the Policy with the revision.

Since the 2016 revision, an interdepartmental workgroup from GRU and General Government Purchasing and Legal have reviewed the Policy to draft changes that bring the Policy in line with current professional procurement standards. The goal of the changes is to update the Purchasing Policy to better serve internal and external customers through improved efficiencies and a more effective procurement process. Recommendations include:

- § Amending policies to better support City and GRU business initiatives
- § Using language that is clear and easy to understand
- § Updating procurement related definitions
- § Aligning the quote threshold to present-day levels of peer cities and utilities
- § Clarifying lobbying and black out period requirements during solicitations
- § Changing 'Purchasing' to 'Procurement' to accurately reflect the nature of the profession
- § Adding a monetary cap to the 5% preference to small businesses
- § Applying the preference only when the Local Preference Ordinance does not apply
- § Increasing the threshold for City Commission approval to \$100,000
- § Raising the waiver amount for first time orders with a small business
- § Modifying surplus sales thresholds and clarifying requirements for sales/donations

These recommendations are aligned with initiatives developed by the General Manager and City Manager to help foster a collaborative effort with the City and GRU to provide effective support services for businesses that

want to work with the City and GRU. City and Utility customers and operational departments will benefit as these increased efficiencies will help expedite the procurement process by allowing staff to reduce the administrative cost of small dollar purchases and focus on purchases with higher associated cost and risk. In addition, opportunities to work with small business can increase since purchases of \$5000 or less can be made through small businesses, and there is a higher threshold for waiving competitive bidding for first time orders from small businesses. The recommendation includes a preference to small businesses only when the Local Preference Ordinance does not apply, and calls for establishing a monetary cap. These provisions will reduce the potential for an unbalanced competitive advantage to a business and/or awarding a contract at a significantly higher amount in order to comply with the Policy.

As a result of the Policy change, staff will update procedures with an effort towards eliminating barriers and improving the procurement process.

Per Equal Opportunity Policy (EO-2), the Equal Opportunity Director has reviewed this item.

None.

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

At their June 14, 2016 meeting, the UAB voted 6-0 with Sandy Campbell absent to advise the Commission to approve the staff recommendation.