

City of Powder Springs – Procurement Inclusiveness

February 13, 2023

OVERVIEW

The Mayor and City Council desire to improve equity and inclusion in the City's procurement policies and practices. The following recommendations are based on review of the purchasing policies of a number of local governments in Georgia along with best practices identified by the National Institute for Public Procurement, in consultation with Joe Tommie, the City's Purchasing Consultant.

While there is not a mechanism in place to identify historical city spending with disadvantaged businesses, it is recommended that this data be tracked going forward using a voluntary registry to identify disadvantaged enterprises interested in doing business with the City. Also recommended are amendments to the City's Purchasing Policy to establish Disadvantaged Business Enterprise (DBE) policy objectives and actions to be employed in City purchasing efforts.

RECOMMENDATIONS

The first step in improving inclusiveness in procurement involves defining the City's intentions.

- **Recommendation 1** – Add language to the City's Purchasing Policy to create Disadvantaged Business Enterprise policy objectives and actions. Recommended language is included in [Attachment 1](#). The recommended policy actions that would be enacted by adoption of Attachment 1 include:
 - Structuring solicitations to improve opportunities to DBEs;
 - Using a City-maintained registry of disadvantaged businesses when obtaining price quotes and for formal solicitations
 - Provide a preference similar to the City's existing local business preference if a DBE's bid is within three percent of the low bid

To determine the amount currently spent by the City with disadvantaged businesses, it is necessary to identify qualifying businesses and to have a mechanism for tracking spending. The City does not presently have a way to identify if a business is disadvantaged or to track spending with those entities.

- **Recommendation 2** – Create a voluntary registry for disadvantaged businesses interested in doing business with the City. The registry would be used by City purchasers to solicit quotes and bids.
- **Recommendation 3** – Using the DBE registry created in Recommendation 2, track spending with disadvantaged businesses going forward and provide periodic reports to the City Manager.

A vital element needed to implement the proposed policy and to facilitate purchases by disadvantaged businesses is an understanding of the procurement process in Powder Springs and additional requirements of State law.

- **Recommendation 4** – Provide regular training on how to do business with the City that is targeted to disadvantaged business enterprises. Include City department heads and other staff members involved in purchasing to improve understanding of all parties involved in the procurement process.

Once processes are in place to promote participation by disadvantaged businesses and to track expenditures with these businesses, the City should set targets for minimum participation by DBEs.

- **Recommendation 5** – The City Manager should set an annual goal for disadvantaged business participation for departments to target. Initially, participation might be measured by the number of disadvantaged businesses providing quotes (informal, telephone, and written) and bids for City procurements. At some point, the number of purchases awarded to disadvantaged businesses and amount spent with disadvantaged businesses could also be targeted.

Attachment 1: Recommended Amendments to the City of Powder Springs Purchasing Policy is included as a component of this report.

Report prepared by Wayne Wright, Principal Consultant, GoodGovernment Services, LLC on behalf of the City of Powder Springs, Georgia