



Board and Commission Council Committee Agenda Item Request

Name of Board or Commission:

Request Number: **20151103-03D**

Description of item:

Recommendation on the goal setting and multiple award processes for commodity procurements

Board or Commission Vote to refer item to Council:

8 For, 2 Absent

Date of Approval of Request:

November 3, 2015

Attachments: Yes No

If yes, please list the attachments:

Attest:

Kristi Samilpa, Staff Liaison

Signature of Board/Commission Chair or Staff Liaison

MAYOR'S OFFICE USE ONLY

Council Committee Assigned:

- | | | |
|--|---|--|
| <input type="checkbox"/> Audit & Finance | <input type="checkbox"/> Housing & Community Development | <input type="checkbox"/> Planning & Neighborhood |
| <input type="checkbox"/> AE Utility Oversight | <input type="checkbox"/> Mobility | <input type="checkbox"/> Public Safety |
| <input type="checkbox"/> Economic Opportunity | <input type="checkbox"/> Open Space, Environment & Sustainability | <input type="checkbox"/> Public Utilities |
| <input type="checkbox"/> Health & Human Services | | |

Recommend a Fiscal Analysis be completed?

Recommend a Legal Analysis be completed?

Notes:

Mayor Signature & Date:



**MBE/WBE & SMALL BUSINESS ENTERPRISE PROCUREMENT PROGRAM ADVISORY COMMITTEE RECOMMENDATION
20151103-03D**

Date: November 3, 2016

Subject: Briefing on the goal setting and multiple award processes for commodity procurements - Recommendation

Motioned By: Marjorie Burciaga

Seconded By: Jerry Jackson

Recommendation

- Purchasing and SMBR must review all procurements for subcontracting opportunities
- Commodities should be scrutinized for subcontracting opportunities
- Procurement opportunities shall be broken into smaller packages
- Contract terms shall be decreased from three years to one year. Term reduction decreases total contract price and makes contract affordable for M/WBE firms to bid.
- Solicit bids from certified M/WBE firms
- Review modifications of M/WBE certification

Description of Recommendation to Council

When procuring commodities:

- Find subcontracting opportunities (supplier and trucking).
- Break down larger contracts.
- Pass through compliance (contract monitoring / compliance).
- No bids received from certified M/WBE minority firms
- Goals should not be based upon a minimum of three M/WBE availability, but should be changed to a 1:1 ratio.

If subcontracting opportunities are identified and the Purchasing Office or SMBR can only find one or two or three M/WBEs, then a goal shall be set. If no M/WBE bids the project, the City is protected under the Ordinance by making Good Faith Effort to include M/WBE participation.

- Contracts should be awarded on availability and not quantitative limitations.
- Purchasing does not incur any additional cost; the prime looks for subcontracting opportunities and bids accordingly.

Rationale:

- Regarding item 20 on the October 1st, 2015 Austin City Council meeting, Authorize execution of a 36-month contract with COMMUNITY TRUCKING LLC to provide crushed rock in an amount not to exceed \$993,603, with three 12-month extension options in an amount not to exceed \$331,201 per extension option, for a total contract amount not to exceed \$1,987,206, there were no goals set or multiple award processes for this commodity procurement. The City of Austin Purchasing Office procured crush stone from a non-minority contractor and did not identify any M/WBE subcontracting opportunities. No bids were received from certified M/WBE firms. Purchasing and SMBR did not break out the crushed granite procurement into smaller packages.

VOTE

For: Eliza May, Marjorie Burciaga, Caroline Espinosa, Jerry Jackson, Schiller Liao, Mark Madrid, Regina McKinnie, Reginald Worlds

Against:

Abstain:

Absent: Barbra Boeta, Regina Adams

Attest: Kristi Samilpa, Staff Liaison