M/WBE & Amended LOSB Ordinances Briefing

Presented by: Carolyn Watkins, EOC Administrator
WHEREAS, The County shall be committed to using its spending power in a manner that promotes a robust and inclusive economy that fully utilizes all segments of its business population regardless of race or gender.

WHEREAS, The County is committed to ensuring that all citizens of Shelby County participate in its economic growth and development and that no citizen be denied an opportunity to participate in the procurement of goods and services because of discrimination based on race or gender.
Definitions as Defined by Ordinance 471

i. Any business with average annual total sales or receipts within its last three fiscal years prior to its application to the Locally Owned Small Business Purchasing Program of less than $1,000,000 a year; except architecture and engineering firms, security companies, computer companies, roofing and contractors and vendors in the construction industry. Any architecture and engineering firm, roofing and contractors and vendors in the construction industry with average annual total sales or receipts within its last three fiscal years prior to its application to the Locally Owned Small Business Purchasing Program of less than $5,000,000 a year; Any security company or computer company with average annual total sales or receipts within its last three fiscal years prior to its application to the Locally Owned Small Business Purchasing Program of less than $15,000,000 a year.

ii. Such business shall be headquartered and physically located in Shelby County and owned by one or more residents of Shelby County with a real, substantial, and continuing ownership of at least fifty-one percent (51%) of the business.

iii. The business must be eligible to operate in Shelby County and shall be authorized to do so under the laws of the state of Tennessee.
Definitions as Defined by Ordinance 472

I. “Minority Business Enterprise” shall mean a for-profit business enterprise that is 51 percent (51%) owned and controlled by one or more minority persons. The qualifying minority groups are defined by the United States Small Business Administration under 13 CFR 124.103 and the United States Equal Employment Opportunity Commission.

i. “African Americans” shall mean persons having origins in any of the Black racial groups of Africa;

ii. “Hispanic Americans” shall mean persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race;

iii. “Asian Americans” shall mean persons whose origins are in Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Japan, China (including Hong Kong), Taiwan, Laos, Cambodia (Kampuchea), Vietnam, Korea, The Philippines, U.S. Trust Territory of the Pacific Islands (Republic of Palau), Republic of the Marshall Islands, Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, Guam, Samoa, Macao, Fiji, Tonga, Kiribati, Tuvalu, or Nauru, or Subcontinent Asian Americans (persons with origins from India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands or Nepal);

iv. “Native Americans” shall mean persons who are enrolled members of a federally or state-recognized Indian tribe, Eskimos, Aleuts, or Native Hawaiians;

II. “Woman Business Enterprise” shall mean a for-profit business enterprise that is 51 percent (51%) owned and controlled by one or more women.
Certification

• **M/WBE** – Vendors must submit the completed application, including the required attachments, as well passing the on-site interview.

• **Reciprocal Certification** – All certifications with local agencies must be current. The external agency’s standards must comport Shelby County Government's.

• To date the Office of EOC has certified 72 MBE’s & 9 WBE’s.
I. 20% of Shelby County’s spend must be with locally owned businesses.

II. Participation goals will be established on all contracts over $25,000.
Procurement Participation: LOSB

IV. A total of 80 points must be obtained to be determined responsive.

V. All contracts/purchases under $25,000.00 will be targeted to LOSBs if there are at least three LOSBs. If not, the award can be made to a non-LOSB.

VI. For construction contracts, a 5% preference will be given to LOSBs on contracts up to $500,000.00, a 3% preference for contracts greater than $500,000.00 but less than $1,000,000.00 and for construction contracts over $2,000,000.00 a 2% preference will be given to the general contractors which have LOSBs as subcontractors when such LOSBs collectively have 50% of the total prime contract award.
Procurement Participation: M/WBE

I. The construction subcontract goal shall be 28% for MBEs.

II. The professional services subcontract goal shall be 26% for MBEs and 14% for WBEs.

III. The construction subcontract goal shall be met by African American businesses.

IV. The professional services subcontract goal shall be met by African Americans and Caucasian Female businesses.
Procurement Participation: M/WBE

• All contracts/purchases under $25,000.00 will be targeted to M/WBEs if there are at least two M/WBEs. If not, the award can be made to an LOSB or Non-M/WBE.

• On construction prime contracts, an 8% bid discount shall be applied to African American and Asian American prime bidders, for a maximum of $40,000.00.

• For Commodities and Services prime contracts, an 8% bid discount shall be applied to African Americans and Caucasian Female bidders, for a maximum of $40,000.00.

• For Professional Services contracts, a 13% preference point shall be assigned in scoring of the proposals for African Americans, Asian Americans and Hispanic American prime consultants.

• All construction contracts under $5,000.00 shall be awarded to African Americans and Asian Americans unless none are available.
• Pursuant to Purchasing Policy No. P-220, the sole or single source procurement of goods and services under certain conditions and with the approval of the Administrator of Purchasing may be purchased from a sole or single vendor on a negotiated basis without competition.

• The procurement shall be posted on the County's website for at least thirty (30) days and emailed to vendors on the County's mailing list to allow vendors that provide the requested goods or services to make themselves known to the County.

• The Administrator of Purchasing shall send the contract specifications and notice of intent to sole or single source to certified LOSBs and M/WBEs within the industry classification, thirty (30) days prior to approval of the purchase. The Administrator of Purchasing shall send the notice of intent for a sole or single source purchase with the contract specifications. to certified M/WBEs within the industry classification, thirty (30) days prior to approval of the sole and single source purchase.

• If a vendor that provides the sole or single source good or service is identified, a competitive solicitation must be issued.

• All sole and single source purchases exceeding $25,000 shall require prior approval by the Mayor, Administrator of Purchasing, and the Board of Commissioners is requested.
Question and Answer
Closing Remarks