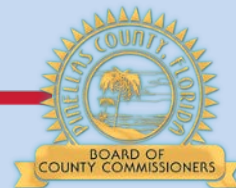


Pinellas County's Small Business Enterprise (SBE) Program

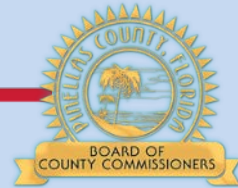
Mike Meidel, Director
Pinellas County Economic Development
March 1, 2018





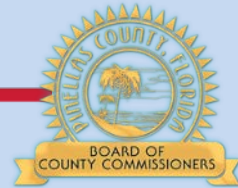
Outline

- Background
- Ties to Strategic Plan
- Definitions
- Categories of Purchases
- Current Program Descriptions
- Limitations of Current Programs
- Options for Improvement
- Q&A



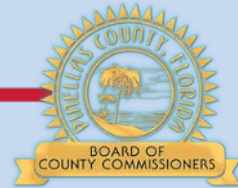
Background

- Many jurisdictions, including Hillsborough County, City of Tampa, and City of Jacksonville were shown to have had discriminatory procurement practices in the past
- Pinellas County has never been cited
- Board of County Commissioners created a race and gender neutral Small Business Enterprise Program in 2002



Background - Definitions

- SBE – Small Business Enterprise
- WBE – Woman-owned Business Enterprise
- MBE – Minority-owned Business Enterprise
- DBE – Disadvantaged Business Enterprise
- SWMDBE – All of the above



Background – Previous Studies

■ Disparity Studies

- City of St. Petersburg – Jun 1990, Nov 1999 – SBE only
- City of Tampa – Jun 2005 – SBE and WBE/MBE
- Hillsborough County – Nov 2006 – SBE and WBE/MBE
- Hillsborough Aviation Authority – Mar 2007 – DBE
- Tampa and Aviation Auth. – Sep 2015 – WBE/MBE

■ Business Analysis

- Hillsborough County Schools – 2006 – “Encouragement”

Ties to Strategic Plan

Pinellas County's Strategic Plan: *Doing Things to Serve the Public*

Mission: Pinellas County Government is committed to progressive public policy, superior public service, courteous public contact, judicious exercise of authority, and responsible management of public resources to meet the needs and concerns of our citizens today and tomorrow.



Deliver First Class Services to the Public and Our Customers

- 5.1 Maximize partner relationships and public outreach
- 5.2 Be responsible stewards of the public's resources
- 5.3 Ensure effective and efficient delivery of county services and support
- 5.4 Strive to exceed customer expectations



Ensure Public Health, Safety, and Welfare

- 2.1 Provide planning, coordination, prevention, and protective services to ensure a safe and secure community
- 2.2 Be a facilitator, convener, and purchaser of services for those in need
- 2.3 Provide comprehensive services to connect our veterans and dependents to the benefits they have earned
- 2.4 Support programs that seek to prevent and remedy the causes of homelessness and move individuals and families from homelessness to permanent housing
- 2.5 Enhance pedestrian and bicycle safety



Practice Superior Environmental Stewardship

- 3.1 Implement green technologies and practices where practical
- 3.2 Preserve and manage environmental lands, beaches, parks, and historical assets
- 3.3 Protect and improve the quality of our water, air, and other natural resources
- 3.4 Reduce/reuse/recycle resources including energy, water, and solid waste



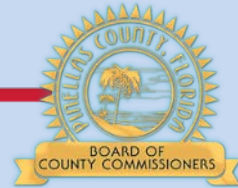
Foster Continual Economic Growth and Vitality

- 4.1 Proactively attract and retain businesses with targeted jobs to the county and the region
- 4.2 Invest in communities that need the most
- 4.3 Catalyze redevelopment through planning and regulatory programs
- 4.4 Invest in infrastructure to meet current and future needs
- 4.5 Provide safe and effective transportation systems to support the efficient flow of motorists, commerce, and regional connectivity
- 4.6 Support a vibrant community with recreation, arts, and culture to attract residents and visitors



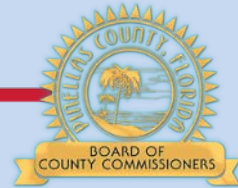
Create a Quality Workforce in a Positive, Supportive Organization

- 1.1 Recruit, select, and retain the most diverse and talented workforce
- 1.2 Leverage, promote, and expand opportunities for workforce growth and development
- 1.3 Make workforce safety and wellness a priority
- 1.4 Maintain a fair and competitive compensation package



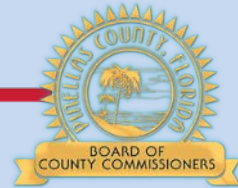
Categories of Purchases

- Construction (Capital Improvement Projects)
- Professional Consulting Services per Florida Statute – Consultant Competitive Negotiation Act (CCNA)
- All Other Services
- Commodities (Goods)



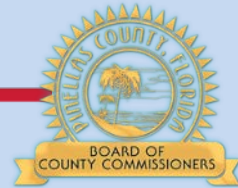
Current Construction Programs

- Limited to federally funded projects
- Penny for Pinellas allows most projects to be locally funded
- Airport is only current agency/departement “consistently” required to report percentage of MBE participation due to amount of Federal funding received
- Requires contractors to make a good faith effort to utilize SBE, MBE, WBE, DBE, Veteran-Owned firms



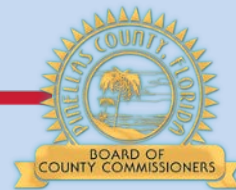
Current CCNA Program

- Professional Services Consultant Competitive Negotiation (CCNA) Act – FS 287.055
- Firms with Minority Business Status certified by State of Florida receive 50 points during evaluation process
- Can be used for construction management services and design build contracts



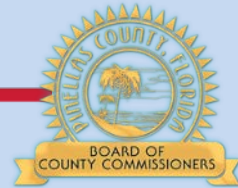
Current SBE Program

- Sheltered market for purchases of goods and services between \$5001 and \$25,000
- Firms based in geographic Pinellas County
- Race and gender neutral
- Three-year average sales < \$2 million per year, gross
- 50 employees or less



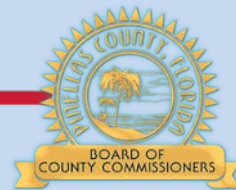
Limitations of Current Programs

- Results of grant funded CIP and CCNA Programs are not currently tracked
- Pinellas County does not currently register firms based on race or gender
- SBE Program resulted in only \$60,000 in awards in 2017
- Currently insufficient staff exists to be effective
- Current high insurance requirements limit ability of small businesses to participate
- Large CIP projects do not invite small businesses to participate



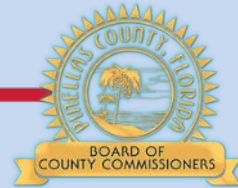
Goals of Improved Program

- Increased awareness and marketing of competitive opportunities
 - DemandStar Invitations to Bid and RFP notifications
 - CCNA Professional Services email notifications
 - SBE Program bids
 - Additional subcontractor relationships with prime contractors.
 - Market program and provide guidance to interested firms
 - Provide workshops and visit firms to “spread the word”
- Increased participation by SBE, WBE, MBE, and Veteran-Owned firms
- Able to accurately identify supplier diversity in contracts awarded
- Ability to monitor and accurately account for program activity



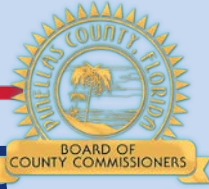
Options for Improvement

- Enhance SBE Program
 - Obtain software to track results and improve participation
 - Hire consultant to benchmark Pinellas against neighboring jurisdictions and national standards, identify best practices, and recommend changes
 - Reduce minimum insurance requirements for small businesses
 - Consider additional staff in both the Economic Development and Purchasing Departments to market the program and to process procurement related work resulting from program enhancement



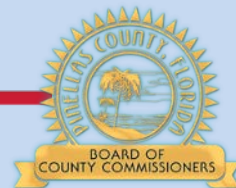
Estimated Costs (at a minimum)

- B2Gnow software = \$25,000/ Annual Maintenance & service = \$5,000
- Consultant = \$ 25,000 (one time)
- New Staff
 - One Procurement Analyst Assistant in Purchasing = \$59,300 (fully loaded)
 - One Senior Business Assistance Specialist in Economic Development (PCED) = \$62,200
 - One Business Assistance Specialist I in PCED = \$46,500
 - Total = \$168,000 per year



Alternative Options for Improvement

- Expand program to include MBEs, WBEs and others
 - Would require a Disparity Study per legal precedent to prove need
 - Study could take 2 years and cost \$300,000 or more
 - May be able to partner with another jurisdiction or use previous studies to reduce costs
 - Allows for the utilization of best practices to improve the current contracting process
 - Allows for an increase in the number of bidders for contracts
 - Study may not show any disparity
 - Similar jurisdictions require up to 7 FTEs for this level of program



Questions?