

Resolution No.: 17-1253
Introduced: October 28, 2014
Adopted: October 28, 2014

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Councilmembers Navarro, Branson, Riemer, and Council President Rice

SUBJECT: Minority Owned and Local Small Business Task Force

Background

1. The County's current procurement laws and regulations are complex and difficult to navigate for both using departments and vendors.
2. County procurement contracts should be awarded competitively and provide the County with high quality goods and services at reasonable prices.
3. The County procurement process must be open and inviting to all vendors without regard to race, gender, national origin, disability, or size. The County must eliminate the effects of discrimination in the market place on the award of County procurement contracts.
4. The County retained Griffin & Strong, PC (GSPC) to conduct a quantitative analysis of the County's contracting history between July 1, 2007 and June 30, 2012. Within each relevant market, GSPC compared the percentage of firms in each race, ethnicity, gender, and disability group that are qualified, willing and able to perform services used by the County with the percentage of dollars spent by the County on firms in each MFD group. GSPC used this analysis to determine if each MFD group was underutilized or overutilized in each relevant market. GSPC further analyzed the results to determine if the underutilization observed was statistically significant and if the underutilization could be attributed to the MFD status of the firms through both a regression analysis that controlled for other possible explanations, such as business size or experience, and anecdotal evidence.
5. GSPC found a statistically significant underutilization due to the MFD status of the owner for some MFD groups in each procurement category.
6. The County procurement laws have had a preference for minority owned businesses for more than 30 years and a preference for small, local businesses since 2005.
7. To provide options for reform of the County programs for minority owned businesses and local, small businesses, the County Council should create and empower a Montgomery County Minority Owned and Local Small Business Task Force whose recommendations must be presented to the Council.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

1. The County Council must create a Minority Owned and Local Small Business Task Force not later than January 20, 2015. The Council must appoint 9 members and designate one member as Chair of the Task Force.
2. The Task Force must be composed of persons who are experienced in government, business, or non-profit service delivery, or who otherwise have experience and expertise in government contracting. A person appointed to the Task Force must not be employed by County government or any County-funded agency. At least 7 of the members must be County residents at the time of appointment.
3. The Task Force must solicit suggestions for potential reforms of the County procurement system from: elected officials; County residents; business and community leaders; County and agency employees; and other stakeholders. Council staff must provide support to the Task Force.
4. The Task Force must submit its final report to the Council not later than September 15, 2015. The report must contain the Task Force's recommendations to reform the County procurement system. For each recommendation, the Task Force's report must include the rationale.

This is a correct copy of Council action.



Linda M. Lauer, Clerk of the Council