



Cover Memorandum/Staff Report

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Item #: 6.D.

TO: Mayor and Commissioners
FROM: Jeffrey L. Oris, CEcD, Assistant City Manager
THROUGH: Terrence R. Moore, ICMA-CM
DATE: October 15, 2024

APPROVAL OF AMENDMENT NO. 1 TO RFP 2022-029 WITH KEEN INDEPENDENT RESEARCH, LLC FOR DISPARITY STUDY CONSULTING SERVICES TO INCLUDE COMMUNITY REDEVELOPMENT AGENCY (CRA) PROCUREMENT DATA IN THE FINAL DISPARITY STUDY REPORT IN THE AMOUNT OF \$6,181.00 FOR A REVISED CONTRACT TOTAL OF \$248,537.00.

Recommended Action:

Background:

In January 2023, the City entered into an agreement with Keen Independent Research to prepare a Disparity Study. This study is designed to determine if there is a disparity in the awarding or of agreements for the purchase of goods and services between minority-owned and woman-owned businesses and majority male-owned businesses. Further, if disparities are found, the study will include recommendations on ways to potentially mitigate and/or reduce any such disparity. At the time of the procurement of Keen Independent Research's services, the CRA was concerned about participating in the study research

Keen Independent Research presented some initial findings per Phase I of the agreement at the regular City Commission meeting on October 10, 2023. This phase included a review of potential minority and women-owned businesses in the South Florida marketplace and the desire for these businesses to do work with the City of Delray Beach along with an initial review of the City's utilization of such firms. These initial findings showed there was a potential disparity in the City's contracting with at least one group of minority-owned businesses as well as with women-owned businesses. It was at this time that the City Commission, by consensus, indicated to staff that the effort should proceed to Phase II of the research which included a full disparity analysis, qualitative and quantitative analyses of marketplace conditions, and the preparation of a final Disparity Study Report.

In June 2024, a public input meeting was held at the Delray Beach Golf Club as one of the last activities prior to the final analysis and completion of a draft deliverable. During this meeting, a number of members of the public enquired as to the CRA's adherence to any potential recommendations of the Study. As the CRA is required to follow the same procurement process as the City by Section 163.370 (5), Florida Statutes which reads "A community redevelopment agency shall procure all commodities and services under the same purchasing processes and requirements that apply to the county or municipality that created the agency". Thus, if the City adopted any measures to reduce any found disparity, the CRA would need to utilize these measures, however, the Study analyzed only City procurements, not CRA procurements. This could leave the CRA open to

legal action if it were forced to use any adopted disparity mitigating measures that may be adopted by the City. Keen Independent Research did a cursory review of the CRA's procurements during the study period and opined that the best course of action to protect the CRA would be to analyze and include these CRA procurements into the City's study as a joint City/CRA study.

Keen Independent has submitted a proposal for a Phase III to the project which would allow for the additional analysis and changes to the data in the Draft Report to include all related CRA data and information. This proposal has been incorporated into Amendment No. 1 to their agreement with the City and is presented to the City Commission via this agenda item for approval. The additional cost for this amendment to incorporate CRA data into the Study Report is \$6,181.00 (increasing the total cost of the Study to \$248,537.00), however, the CRA has agreed to pay the additional cost and a share of the work already done to date in the total amount of \$50,000.00

If this Amendment No. 1 to the agreement is approved, it is anticipated Keen will immediately begin work on Phase III and will submit a Final Draft Report to staff for review by December 2024 with an anticipated presentation and review by the City Commission and CRA Board at a joint workshop in January 2025.

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

The additional cost of \$6,181.00 will be funded through GL# 001-11-000-511.31.90 though the CRA will now fund \$50,000.00 towards the overall cost of the Study.

The additional cost and revenue may require future budget amendments.

Timing of Request:

Keen Independent Research is awaiting the approval of the amended agreement so that the project can be completed.