



City of Hampton

Purchasing & Procurement Oversight Committee (PPOC) / Small, Woman-Owned, and Minority-Owned (SWaM) Business Recommendations

Hampton City Council Meeting
July 9, 2025

Purpose

Purchasing and Procurement Oversight Committee (PPOC)

Reviews purchasing and contractual procedures and practices of all agencies and departments of the city; recommends improvements that result in greater fairness, simplicity, cost effectiveness and broader participation; and monitor results.

Small Woman-Owned and Minority-Owned Businesses (SWaM)

As part of the mission of the Department of Economic Development, SWaM efforts focus on enhancing growth opportunities for Virginia's small businesses to prosper through increased revenue and job creation, thereby raising the standard of living for all Virginians.



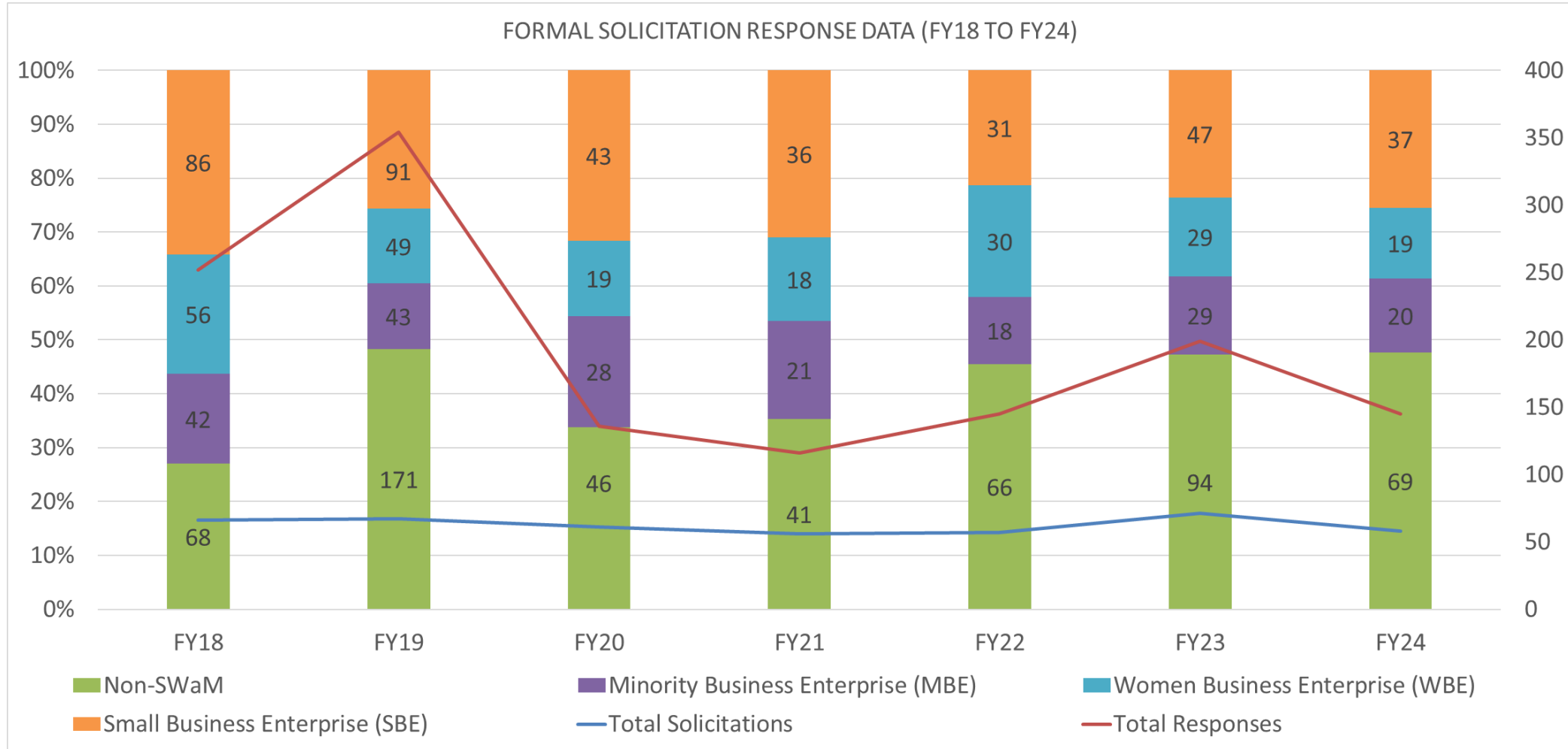
PPOC

- 11-member Committee appointed by City Council for four-year terms
- Quarterly meetings
- Staffed by the Department of Economic Development

Minority Business Programs

- FY2026 budget of \$75,587
- “Provide support for the growth of SWaM (minority and woman-owned) businesses in the City of Hampton. This is accomplished by cultivating and developing the program and implementing policies that facilitate increased use by the City and Hampton City Schools of minority and woman-owned businesses in procuring goods and services. Develop and promote training events to assist small, minority and woman-owned businesses with growth and stability.”

SWaM Procurement Data - All Formal Solicitations



SWaM Procurement Data - Total Solicitations

Total Solicitations	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Total # Construction Solicitations	26	17	14	12	9	13	14
Total # A&E Solicitations	2	4	1	1	3	2	3
Total # Other Professional Services Solicitations	1	5	4	5	6	9	1
Total # Other Services Solicitations	25	27	16	19	23	32	30
Total # of Goods and Supplies Solicitations	12	14	26	19	16	15	10
Total Solicitations	66	67	61	56	57	71	58

SWaM Procurement Data - Total Responses

Responses to Formal Solicitations

	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Total # Construction Responses	67	72	38	24	20	37	26
Total # A&E Responses	5	26	10	8	4	13	11
Total # Other Professional Services Responses	3	33	8	4	7	10	10
Total # Other Services Responses	119	125	42	38	70	114	56
Total # Goods and Services Responses	58	98	38	42	44	25	42
Total Responses	252	354	136	116	145	199	145

SWaM Procurement Data - MBE Responses

MINORITY BUSINESS ENTERPRISE (MBE) RESPONSES

	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Total # Construction MBE Responses	6	13	4	2	3	2	7
Total # A&E MBE Responses	0	3	0	0	0	0	2
Total # Other Professional Services MBE Responses	0	2	0	3	0	2	6
Total # Other Services MBE Responses	31	18	21	13	8	23	3
Total # Goods and Services MBE Responses	5	7	3	3	7	2	2
Total MBE Responses	42	43	28	21	18	29	20

SWaM Procurement Data - WBE Responses

WOMAN BUSINESS ENTERPRISE (WBE) RESPONSES

	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Total # Construction WBE Responses	19	9	6	5	7	4	1
Total # A&E WBE Responses	1	3	0	0	1	0	3
Total # Other Professional Services WBE Responses	1	3	0	3	0	1	3
Total # Other Services WBE Responses	21	19	9	6	15	19	9
Total # Goods and Services WBE Responses	14	15	4	4	7	5	3
Total Women Business Enterprise Responses	56	49	19	18	30	29	19

SWaM Procurement Data - SBE Responses

SMALL BUSINESS ENTERPRISE (SBE) RESPONSES

	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Total # Construction SBE Responses	32	21	15	4	2	12	9
Total # A&E SBE Responses	0	11	0	0	0	0	2
Total # Other Professional Services SBE Responses	1	4	1	6	2	2	0
Total # Other Services SBE Responses	30	36	21	15	18	23	11
Total # Goods and Services SBE Responses	23	19	6	11	9	10	15
Total Small Business Enterprise Responses	86	91	43	36	31	47	37

Procurement Comparison to Other Hampton Roads Localities

Hampton (City & Schools)	Newport News (City)	Chesapeake (City)	Norfolk (City)	Virginia Beach (City)
\$0 - \$4,999.99 Minimum of two quotes; one of which needs to be a woman-owned or minority-owned business	\$0 - \$5K Minimum of one quote; no SWaM requirement	\$0 - \$4,999.99 Minimum of one quote; no SWaM requirement	\$0 - \$4,999.99 Minimum of one quote; use of micro, SWaM, veteran or disabled owned business is strongly recommended	\$0 - \$5K Minimum of one quote; Departments are encouraged to seek out and purchase from minority or woman owned businesses when available
\$5K - \$9,999.99 Minimum of three quotes; one of which needs to be a woman-owned or minority-owned business	\$5K - \$100K Minimum of four quotes; two of which needs to be a woman-owned or minority-owned business	\$5K - \$100K Minimum of four quotes; no SWaM requirement	\$5K - \$9,999.99 Minimum of one quote; use of micro, SWaM, veteran or disabled owned business is required	\$5,001 - \$30K Minimum of one quote if using a SWaM business if the quoted price is competitive, fair and reasonable
\$10K - \$29,999.99 Minimum of four quotes; two of which needs to be a woman-owned or minority-owned business			\$10K - \$49,999.99 Minimum of three quotes; one of which needs to be from a micro, SWaM, veteran or disabled owned business	

Local Options for SWaM Participation in the Code of Virginia

Virginia Code § 2.2-4310.B provides that localities shall establish written procurement programs to facilitate participation of small, women owned (WBE), minority owned (MBE), service disabled veteran owned business, & [disabled] employment services organizations. Any such program shall comply with the requirements of § 15.2-965.1.A.

Virginia Code § 15.2-965.1.A states that any locality may enact an ordinance providing that whenever there exists (i) a rational basis for small business enhancement, or (ii) a persuasive analysis (i.e. disparity study) that documents a statistically significant disparity between the availability and utilization of women-owned and minority-owned businesses, the chief executive of the local governing entity shall be authorized and encouraged to require implementation of appropriate enhancement and remedial measures consistent with prevailing law.

Local Options for SWaM Participation in the Code of Virginia

Virginia Code § 15.2-965.2 allows any locality to enact an ordinance to enhance micro business participation in its purchasing. For this purpose, a micro business is defined as a small, women owned, or minority owned business with no more than 25 employees.

Virginia Code § 2.2-4303.G While not directly pertaining to SWAM, the Virginia Procurement Act does allow for expanded opportunities for purchasing without competitive or sealed bidding (i.e. small purchases). By increasing these limits in City Code, more purchases would be subjected to our current quote requirements for woman and minority owned businesses.

Virginia Code § 2.2-4317.D allows for localities to have a prequalification ordinance for construction contracts requiring a minority participation plan. The minority participation plan may be used as a basis for the locality to deny prequalification. Any such participation plan must comply with applicable requirements of federal and state law. Hampton currently does have a prequalification ordinance but it does not speak to minority participation in construction.

Best Practices for Race & Gender Neutral Programs (Partial Listing)

Practice

Small Business & Disadvantaged Business Certification

Certifications in Virginia are performed at the state level.

Small Business Sheltered Market Programs

Virginia Code Virginia Code § 2.2-4310.B allows for localities to establish small business programs. Virginia Code Section § 15.2-965.1.A requires a rational basis for these programs, a lower standard than the statistical analysis (disparity study) required for programs that are race and gender conscious. Virginia Code § 15.2-965.2 specifically allows localities to enact an ordinance require small purchases be made from microbusinesses of no more than 25 employees.

Sheltered Bidding Processes

For example, the City of Virginia Beach currently utilizes a sheltered bidding process for small businesses. All construction contracts under \$500K and contracts for goods and non-professional services under 100K are limited to SWaM certified small businesses (this is waived when the City cannot find three ready, willing, and able SWaM businesses to bid on the work).

Small Business Development Centers

The City of Hampton actively partners with the Virginia Small Business Development Network.

Recommendations

- Sunset the PPOC and establish a SWaM Business Committee
 - Primary mission of advocacy and outreach to SWaM businesses
 - Inform programming and business development efforts to support the attraction and growth of SWaM businesses in Hampton
 - 7-member body
 - A minimum of five SWaM certified business owners
 - Quarterly meeting schedule
 - Annual report to City Council and the City Manager
 - Staffed by the Department of Economic Development
- Establish a working group of internal and external stakeholders to review and recommend changes to the City's SWaM business related procurement policies and practices - Staffed by the Procurement Office
- Realign existing staffing resources between the Department of Economic Development and the Procurement Office to achieve the City's desired outcomes for SWaM businesses and procurement practices with separate reporting to City Council and the City Manager

Staffing Recommendation

Existing	Proposed
Department of Economic Development (Procurement and SWaM business development related work)	Department of Economic Development (SWaM business development related work)
1 FTE - Sr. Business Development Manager 2 FTEs - Small Business Development Specialist	1 FTE - Sr. Manager for Innovation, Entrepreneurship, & Small Business 1 FTE - Small Business Development Specialist
	Procurement Office (Procurement related work)
	1 FTE - Small Business Development Specialist

Questions