



Contra Costa County
Public Works
Department

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August 29, 2019

TO: Internal Operations Committee
Supervisor Diane Burgis, District III, Chair
Supervisor Candace Andersen, District II, Vice Chair

FROM: David Gould, Procurement Services Manager
David Gould

SUBJECT: Small Business Enterprise, Outreach, and Local Program Report for January-June 2019

RECOMMENDATION:

ACCEPT the SBE, Outreach, and Local Programs Report, reflecting departmental program data for the period: January 1 through June 30, 2019.

BACKGROUND:

Contra Costa County values the contributions of small business in the County and has developed programs to assist in the solicitation and awarding of contracts. The Board of Supervisors has adopted these programs to enable small and local businesses to compete for a share of the County's purchasing transactions.

The Board of Supervisors has set a goal of awarding at least 50% of eligible product and service dollars to small businesses. The Small Business Enterprise (SBE) Program applies to: (1) county-funded construction contracts of \$100,000 or less; (2) purchasing transactions of \$100,000 or less; and (3) professional/personal service contracts of \$100,000 or less.

The SBE Programs objective is to have at least 50% or more of the total eligible dollar base amounts be awarded to SBEs. A Small Business Enterprise, as defined by the California Government Code, Section 14837, Chapter 3.5 must be:

- Independently owned and operated business, which is not dominant in its field of operation
- Principal office of which is located in California
- Officers of which are domiciled in California, and which together with affiliates, has 100 or fewer employees
- Average annual gross receipts of fifteen million dollars (\$15,000,000) or less over the previous three tax years, or a manufacturer with 100 or fewer employees.

Reporting Requirements

It is the responsibility of each department to track and compile the data on these purchasing activities so that a countywide report can be provided to the Board of Supervisors. The Board receives reports for six month increments, and the last report received by the Board was for the period ending December 2018. Attachment A constitutes the report due for the time period of January 1- June 30, 2019.

Summary Findings

The table below summarizes the attached department activity on a countywide basis.

January - June 2019

ACTIVITY TYPE:	Total # of ALL Contracts	Total # of SBE Contracts	SBE Percent of Total	Total Dollar Value of ALL Contracts	Total Dollar Value of SBE Contracts	SBE Percent of Total
Professional/Personal Services	247	124	50.2	\$12,532,206	\$6,289,241	50.2%
Purchasing Transactions	1369	490	35.8%	\$28,600,320	\$8,272,693	28.9%
Construction Contracts	0	0	0%	\$0	\$0	0%

This information shows the County is directing a large volume of qualifying activity to SBE firms. For professional/personal services contracts, this activity exceeded the 50% goal for the dollar value and number of contracts. While the activity for purchasing transactions did not achieve the 50% goal, the dollar value of contracts awarded to SBE businesses exceeded \$8 million for the reporting period. No construction contracts were reported.

It is worth noting that the SBE participation goals of surrounding agencies are typically in the 20-25% range. By that measure, Contra Costa County's reported activity is above that threshold in every reporting category.

The Department of Conservation and Development, and the Library are commended for exceeding their goals in both professional services contracts and purchasing transactions.

Department/Activity	Total # of ALL Contracts	Total # of SBE Contracts	SBE Percent of Total	Total Dollar Value of ALL Contracts	Total Dollar Value of SBE Contracts	SBE Percent of Total
Department of Conservation & Development						
Professional/Personal Services	9	5	55.6%	\$433,955	\$269,595	62.1%
Purchasing Transactions	18	16	88.9%	\$270,396	\$150,397	55.6%
Library						
Professional/Personal Services	3	1	33.3%	\$61,500	\$55,000	89.4%
Purchasing Transactions	46	29	63.0%	\$237,375	\$165,895	69.9%

E-Outreach Report

In order to encourage the use of small, local, and disadvantaged businesses, the County's E-Outreach Program requires bids and Request for Proposals of \$10,000 or more to be solicited online. For this period there were 48 bids totaling \$20,823,971 that fell within the County's E-Outreach Program.

In addition, outreach data for all electronic solicitations is maintained and provided through the Purchasing Division of the Public Works Department reflecting outreach to small, women, minority-owned, local, disabled veteran, and disadvantaged business enterprises. During the reporting period, 48 bids were conducted using the BidSync e-outreach site. Notifications were sent to 276,222 businesses of which 39% are considered a small, local, or disadvantaged business enterprise.

E-Outreach
January 1, 2019 - June 30, 2019

Number of Solicitations	48
Total Notifications	276,222
Dollar Value	\$ 20,823,971

BUSINESS CATEGORY	Notifications	Percentage of Total
MBE - Minority Business Enterprise	18,022	6.5%
WBE - Women Business Enterprise	17,700	6.4%
SBE - Small Business Enterprise	53,949	19.5%
LBE - Local Business Enterprise	2,781	1.0%
DVBE - Disabled Veteran Business Enterprise	681	0.2%
DBE - Disadvantaged Business Enterprise	13,454	4.9%
Total	106,587	39%

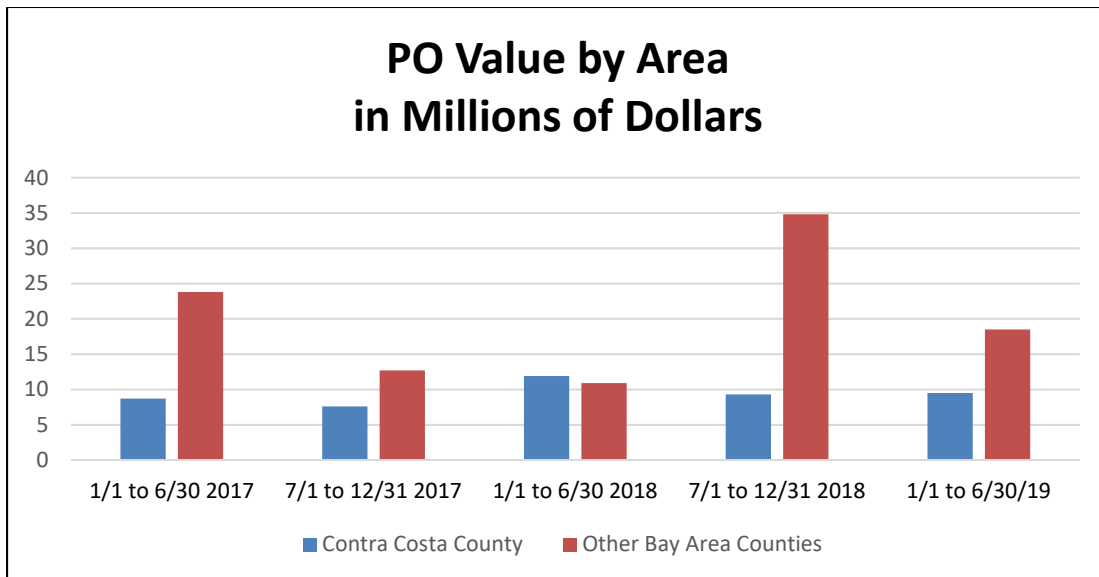
Local Business Preference

The Local Bid Preference Program allows a bidder in a commodity bid exceeding \$25,000, who is a low bidder, to submit a new bid if they are within 5% of the low bidder. There were no instances of the Bid Preference being utilized for this reporting period.

Dollar Value Awarded to Local and Bay Area Businesses

The dollar value of Purchase Orders issued for the period was \$99.7 million. The dollar value awarded to Contra Costa County businesses was \$9.45 million. The value awarded to other Bay Area businesses was 19% or \$18.4 million. This represents a significant contribution to the local economy.

Contra Costa County	\$9,450,327	9%
Other Bay Area Counties	\$18,461,968	19%
Other	\$71,784,762	72%
Total	\$99,697,057	100%



Conclusion

The County demonstrates continued commitment to achieving the 50% goal for participation by SBE firms in contract and purchasing activity. While the data for some departments is below this threshold, departments are showing greater interest in increasing the percentage of awarded contracts. Instruction is being provided on the search features of the purchasing system which identifies businesses in the small, local, women, minority, veteran and disadvantaged business categories.