



Contra Costa County
Public Works
Department

Brian M. Balbas, Director
Deputy Directors
Stephen Kowalewski, Chief
Allison Knapp
Warren Lai
Carrie Ricci
Joe Yee

September 1, 2020

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

FROM: Cynthia Shehorn, Procurement Services Manager

SUBJECT: **Small Business Enterprise, Outreach, and Local Program Report for January-June 2020**

RECOMMENDATION:

ACCEPT the SBE, Outreach, and Local Programs Report, reflecting departmental program data for the period: January 1 through June 30, 2020.

BACKGROUND:

Contra Costa County values the contributions of small business and has developed programs to assist in soliciting and awarding contracts to the SBE community. The Board of Supervisors 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 objective of the program is to award at least 50% or more of the total eligible dollar base amounts 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;
- The principal office of which is located in California, the officers of which are domiciled in California, and which together with affiliates, has 100 or fewer employees;
- And have 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 County department to track and compile the data on these purchasing activities so a countywide report can be provided to the Board of Supervisors.

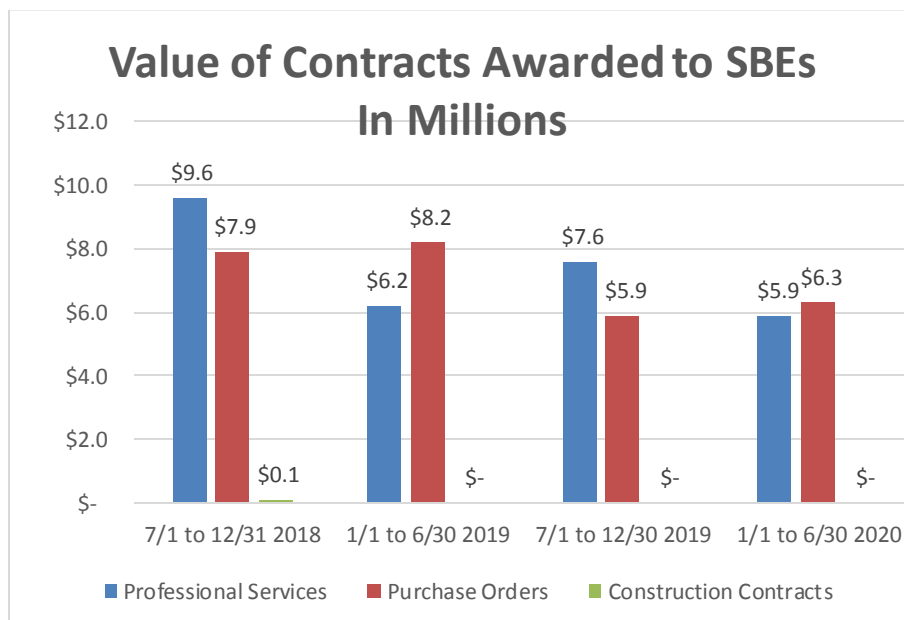
The Internal Operations Committee has responsibility for evaluating the semi-annual reports and making recommendations to the Board on program policies and reporting. The Board receives reports in six-month increments, with the last report submitted to the Board for the period ending December 2019. Attachment A constitutes the report due for the time period of January 1 – June 30, 2020.

Summary Findings

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

January – June 2020

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	219	117	53.4%	\$14,118,711	\$5,961,168	42.2%
Purchasing Transactions	1,148	344	30.0%	\$23,848,942	\$6,325,578	26.5%
Construction Contracts	0	0	0%	\$0	\$0	0%



While the County did not achieve the 50% goal, this information shows the County has directed more than \$12 million in qualifying transactions to SBE firms during the six-month reporting period, achieving a 42% award rate for professional/personal services transactions and a 27% award rate for purchasing transactions. No construction contracts reported in this period.

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 for professional/personal services, and in line with the range for Purchasing transactions.

The following departments are to be commended for achieving 50% or more program compliance this reporting period:

- **Service Contracts:** Agriculture, Animal Services, Conservation and Development, Clerk of the Board, DoIT, Child Support Services, District Attorney, Health Services, and Public Works.
- **Purchases:** Conservation and Development, CAO-Administration, District Attorney, and Contra Costa Fire Protection District.

Of particular note, the following six Departments are to be commended for achieving a 100% award rate for qualifying professional services contracts: Animal Services, Clerk of the Board, DOIT, DCSS, District Attorney, and Public Works.

Conservation and Development should also to be commended for achieving a 100% award rate for qualifying 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
ANIMAL SERVICES						
Professional/Personal Services	4	4	100%	\$48,510	\$48,510	100%
CLERK OF THE BOARD						
Professional/Personal Services	2	2	100%	\$146,080	\$146,080	100%
DOIT						
Professional/Personal Services	1	1	100%	\$75,000	\$75,000	100%

CHILD SUPPORT SERVICES						
Professional/Personal Services	2	2	100%	\$174,999	\$174,999	100%
DISTRICT ATTORNEY						
Professional/Personal Services	2	2	100%	\$50,250	\$50,250	100%
PUBLIC WORKS						
Professional/Personal Services	7	7	100%	\$153,850	\$153,850	100%
CONSERVATION & DEVELOPMENT						
Purchasing Transactions	5	5	100%	\$151,987	\$151,987	100%

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 greater than \$10,000 to be solicited online. For this period, there were 52 bids totaling \$17,754,000 that fell within the parameters of the program.

In addition, the data specific to electronic solicitations is developed and provided by the Purchasing Division of the Public Works Department, and reflects outreach to small, women-owned, minority-owned, local, disabled veteran-owned, and disadvantaged business enterprises. During this reporting period, 52 bids were conducted using the BidSync e-outreach site. Notifications were sent to 329,021 businesses, of which 35.85% are considered a small, local, or disadvantaged business enterprises.

E-Outreach
January 1, 2020 – June 30, 2020

Number of Solicitations	52
Total Notifications	329,021
Dollar Value	\$17,754,000

BUSINESS CATEGORY	Notifications	Percentage of Total
MBE - Minority Business Enterprise	19,734	6.00%
WBE - Women Business Enterprise	16,730	5.08%
SBE - Small Business Enterprise	56,718	17.24%
LBE - Local Business Enterprise	718	2.18%
DVBE - Disabled Veteran Business Enterprise	464	1.41%
DBE – Disadvantaged Business Enterprise	12,961	3.94%
Total	107,325	35.85%

Local Business Preference

For opportunities exceeding \$25,000, the Local Business Preference Program allows for local businesses to submit a new offer if within 5% of the lowest bidder. There were no instances of the Bid Preference utilized in this reporting period.

Dollar Value Awarded to Local and Bay Area Businesses

The dollar value of Purchase Orders issued for the period was \$25.5 million. The dollar value awarded to Contra Costa County businesses was \$4.7 million. The value awarded to other Bay Area businesses was 24.10% or \$6.1 million. This represents a significant contribution to the local economy.

Contra Costa County	\$4,718,488	18.48%
Other Bay Area Counties	\$6,150,643	24.10%
Other	\$14,655,464	57.42%
Total	\$25,524,595	100%

Conclusion

The County has demonstrated continued commitment to achieving the 50% goal for participation by SBE firms in contract and purchasing activities. 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.

Attachment A