



**Contra
Costa
County**

To: Board of Supervisors
From: INTERNAL OPERATIONS COMMITTEE
Date: April 25, 2017

Subject: Small Business Enterprise & Outreach Program Report for July-December 2016

RECOMMENDATION(S):

ACCEPT the Small Business Enterprise and Outreach Programs Report, reflecting departmental program data for the period July 1 through December 31, 2016.

FISCAL IMPACT:

None. This is an informational report.

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.

☒ APPROVE

☐ OTHER

☐ RECOMMENDATION OF CNTY

☒ RECOMMENDATION OF BOARD

ADMINISTRATOR

COMMITTEE

Action of Board On: **04/25/2017** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: April 25, 2017

, County Administrator and Clerk of the Board of Supervisors

Contact: Julie DiMaggio Enea
(925) 335-1077

By: Stephanie Mello, Deputy

cc:

BACKGROUND: (CONT'D)

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The SBE Program's 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 fourteen million dollars (\$14,000,000) 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, which are reported to the Board of Supervisors at six-month intervals. The last report received by the Board was for the period ending June 2016. Attachment A constitutes the next report due for the time period of July 1 - December 31, 2016.

Summary Findings

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

July-December 2016

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	515	292	56.7%	\$25,738,907	\$9,893,204	38.4%
Purchasing Transactions	4,543	1,530	33.7%	\$20,244,724	\$8,763,316	43.3%
Construction Contracts	5	5	100.0%	\$ 160,860	\$ 160,860	100.0%

Overall this information shows the County is directing a large volume of qualifying activity to SBE firms. For professional/personal services contracts, it should be noted that while this activity did not achieve the 50% goal, the dollar value of these contracts awarded increased to \$9.9 million for this period compared to \$3.3 million in the previous reporting period.

Similarly, for the category of purchasing transactions, the percentage improved from 41.3% in the last reporting period to 43.3% in the current period. Construction projects continued to be awarded 100% to SBE firms and the dollar value doubled from \$86,183 to \$160,860.

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

Purchasing Outreach

In addition, outreach data for many small departments and for commodities exceeding \$10,000 is maintained and provided through the Purchasing Division of the Public Works Department reflecting outreach to small, women, minority-owned, local, disadvantaged and/or other business enterprises. A report for calendar year 2016 will be provided at the next committee meeting by the Purchasing Manager.

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 individual departments is below this threshold, this is often due to unique business requirements that require sole source purchases or contracts.

Continued outreach is necessary to maintain and improve participation of SBE firms as well as training for department staff that make these purchasing and contract decisions regarding the policy.

Lastly, under the guidance of the Internal Operations Committee, a review of all purchasing policies is underway including an updating of the SBE component

ATTACHMENTS

SBE Program Activity Report by Department - Jul-Dec 2016