

DATE ISSUED: May 26, 2000

REPORT NO. 00-112

ATTENTION: Public Safety and Neighborhood Services Committee  
Agenda of May 31, 2000

SUBJECT: City Manager's Interim Equal Opportunity Contracting Program (EOCP)  
Status Report

### SUMMARY

Issue - Should the City Council accept the City Manager's Equal Opportunity Contracting Program's biannual status report for the first half of FY 2000?

Manager's Recommendation - Accept the report.

Other Recommendations - The report will be reviewed by the Citizens Equal Opportunity Commission. A report on the Commission's recommendations, if any, will be presented.

Fiscal Impact - None.

### BACKGROUND

As prescribed by Council Policy 300-10, the City Manager is required to report to the City Council on the status of the Equal Opportunity Contracting Program (EOCP). The mission of EOCP is to ensure all who do business with the City of San Diego are fair in payment practices; do not discriminate; and provide opportunities for all citizens through hiring, subcontracting and apprenticeship policies. The specific functions performed include labor compliance, equal employment opportunity and subcontractor outreach. This report covers contracting activity monitored by EOCP for the first half of Fiscal Year 2000.

## DISCUSSION

### Subcontracting Activity:

The program in place for city funded projects during this review period includes voluntary Minimum Participation Levels (MPLs) for subcontracting with Minority, Women, Disadvantaged, Disabled Veteran and Other Business Enterprises (MBE/WBE/DBE/DVBE/OBEs). Said goals are designed to encourage and promote participation from all areas of the city's diverse contracting community. The MPLs are 15% for consultant projects over \$25,000 and 20% for construction projects over \$50,000. Federal and federally assisted projects include mandatory goals ranging from 8% to 20% for Disadvantaged Business Enterprises.

During the reporting period (July 1, 1999 through December 31, 1999), consideration was given by EOCP to the total level of contractor participation, the distribution of contracting dollars among the various categories, as outlined above, and participation on key projects and/or project groups. The total dollar amounts committed to contractors on City projects during the reporting period were \$151,599,635, including a commitment of \$124,329,281 for construction related contracting and a commitment of \$27,270,354 for consultant related contracting. In addition, \$140,849,970 was committed to contracting related to the Convention Center Expansion project.

There were a total of 339 construction contracts awarded during this period to 268 individual contractors. Of those contracts, 50 (13.17%) of the awards went to 33 individual certified M/W/DBE firms. There are currently 827 construction firms that are Caltrans certified and willing to work in San Diego and/or statewide. Four percent (4%) of those firms were utilized by the City in the first half of this fiscal year. The specific distribution of these contracting dollars is graphically illustrated in Attachments 1 through 6.

### Purchasing Division:

The City's Purchasing Division is responsible for awarding and monitoring contracts related to commodities, minor construction and services. Purchasing and EOCP work in partnership to ensure consistent policies and practices related to equal opportunity. As a part of the partnership agreement, EOCP reviews and reports on the participation achieved in the purchasing arena.

During the first half of this fiscal year, the Purchasing Division achieved a total commitment of \$53,412,937 distributed as follows:

	Commodity	Minor Construction	Services	Total
DBE	\$1,718,259 (4.4%)	\$178,130 (18.6%)	\$2,850,023 (21%)	\$4,746,412 (8.8%)
OBE	\$37,174,878 (95.6%)	\$776,105 (81.4%)	\$10,715,541 (79%)	\$48,666,525 (91.2%)
Total	\$38,893,137	\$954,235	\$13,565,565	\$53,412,937

### Investigative Unit:

In 1998, EOCP formed an investigative unit to handle allegations of contractor improprieties. Since forming, the unit has investigated allegations of discrimination, slow payment and non-payment of both subcontractors and labor force, and illegal substitutions. The unit works closely with City staff and the contracting community to identify and resolve such issues in a fair and equitable manner. Both the Investigative Officer and the Senior Investigative Officer have attended the construction management academy and mediation training and are using the knowledge and skills gained in conducting investigations.

During the first half of fiscal year 2000, the unit opened five (5) new cases and closed three (3) cases. Cases closed resulted in the recovery of \$83, 511 for subcontractors and employees of prime contractors.

#### Public Works Advisory Committee:

The Mega Construction Oversight Committee has been renamed the Public Works Advisory Committee. The new name reflects the committee's shift from oversight of Metropolitan Wastewater Department (MWWD) Mega Construction projects to a broader public works purview. Since its inception, the oversight committee, which includes representatives from the construction and consultant communities, local public sector agencies and other interested parties, has made significant contributions in furthering the diversification of the local construction labor force. Contributions have included the formation of partnerships with the San Diego Workforce Partnership and community based organizations in for the purpose of providing opportunities for populations currently under represented within the construction industry. Other recent contributions include the creation of an apprenticeship resource manual and the development of a recruitment tool kit aimed at attracting high school students to the construction trades.

The shift comes as MWWD draws near the end of their major construction effort and other large public works projects begin. The committee will continue to meet on a quarterly basis, and will hear reports on such matters as the Water Department CIP program, the Naval Training Center Reuse Project and the ballpark. The committee will continue to provide periodic reports and recommendations to the Council.

ALTERNATIVE

Do not accept the report.

Respectfully submitted,

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Stacey Stevenson  
Deputy Director  
Contract Services Division

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Approved: Frank Belock, Jr. .... Approved: Patti Boekamp  
Acting Deputy City Manager..... Acting Director  
..... Engineering & Capital Projects

BOEKAMP/SS

Note: Attachments available for review in the Office of the City Clerk.

- Attachments: 1. FY 00 All Construction Projects Ethnic Distribution  
2.FY 00 All Construction Projects Participation Levels  
3.FY 00 Construction Comparison Certified Business Participation  
4.FY 00 All Consultant Projects Ethnic Distribution  
5.FY 00 All Consultant Projects Participation Levels  
6.Convention Center Expansion