



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: January 28, 2015 REPORT NO: 2015-009
ATTENTION: Budget & Government Efficiency Committee
SUBJECT: Equal Opportunity Contracting Program Update

REQUESTED ACTION:

This is an informational report. No action is required on the part of the Committee or the City Council.

STAFF RECOMMENDATION:

Accept report.

BACKGROUND:

The Equal Opportunity Contracting Program (EOCP) mission is to ensure fair and equal access to City of San Diego contracting opportunities. As requested by the Budget & Government Efficiency Committee, EOCP has compiled a brief report that includes construction, consultant and vendor participation statistics, programmatic updates/activities and achievements, goals, plans for the future and compliance related activities for Fiscal Year 2014.

EXECUTIVE SUMMARY:

The Equal Opportunity Contracting Program was moved into Purchasing & Contracting (P&C) on July 1, 2013. Prior to this transition, the program had been situated in the now dissolved Administration Department.

On September 26, 2013, Council adopted the Prevailing Wage Ordinance (O-20299) impacting EOCP directly. Due to the implementation of the Ordinance, additional staff positions (1 Supervising Management Analyst, 6 Associate Management Analysts) were added to help aid in enforcement and compliance.

EOC Program functions include: ensuring appropriate subcontracting opportunities are included in contracts based on funding source (City, State, Federal), evaluation of bids (Construction, A&E, Goods & Services) to determine subcontracting participation levels, analysis of work force reports and/or Equal Employment Opportunity (EEO) plans, review of e1472s, PA2625s, and 1544s for compliance with Non-Discrimination Municipal Code requirements, attending pre-bid/pre-proposal meetings to disseminate information in relation to EOCP requirements, attending pre-construction/pre-job meetings to disseminate appropriate post award information in

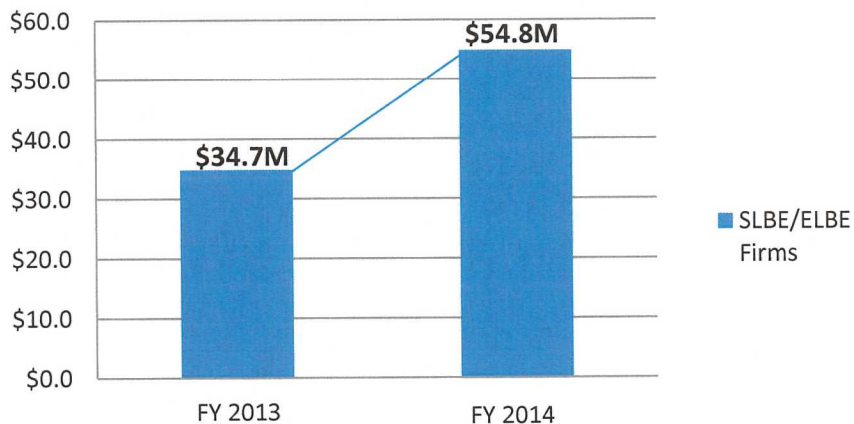
relation to prevailing wages (if applicable) and EOCP reporting requirements, monitoring apprenticeship utilization, conducting site visits and interviewing employees, reviewing certified payroll, and monitoring payments to subcontractors. EOCP submits annual reports to various Federal agencies in relation to certified subcontractor participation on federally funded projects.

EOCP is also responsible for the administration of the Small Local Business Program. After four years of implementation and over 400 available certified firms in the City's database, the Small Local Business Enterprise (SLBE) Program has proven to be an extremely effective tool to increase prime and subcontracting opportunities for all segments within the small local business community.

Accomplishments

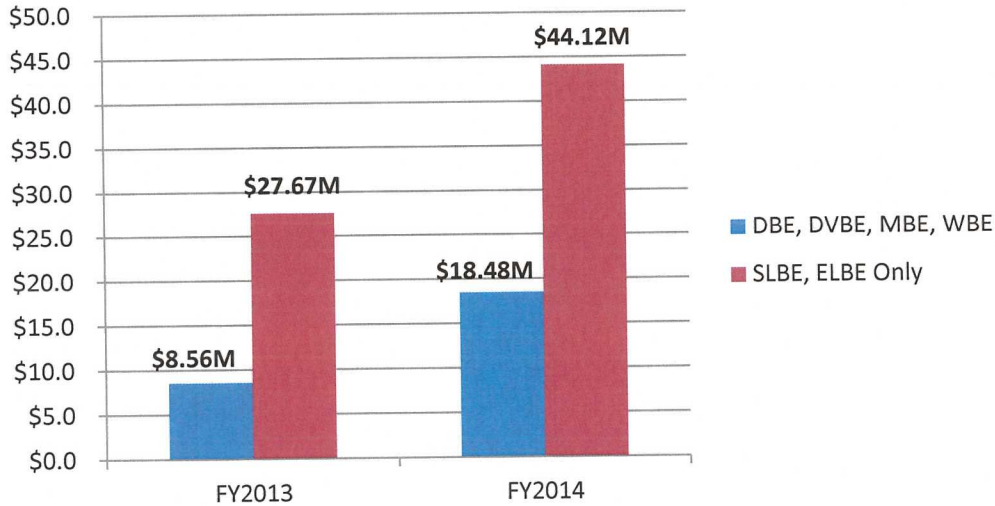
EOCP is pleased to report another outstanding year! Once again the program has exceeded the SLBE annual goal for Capital Improvement Program (CIP) Construction Projects. City certified Small Local Business Enterprises (SLBE's) and Emerging Local Business Enterprises (ELBE's) received \$54.8 million (29.1%) of construction contract dollars awarded, up from 22.79% the year before. Total dollars awarded this fiscal year for Construction contracts was \$188. million, an increase of 23.7% from last fiscal year.

**Awards to SLBE/ELBEs
FY2013 - FY2014**



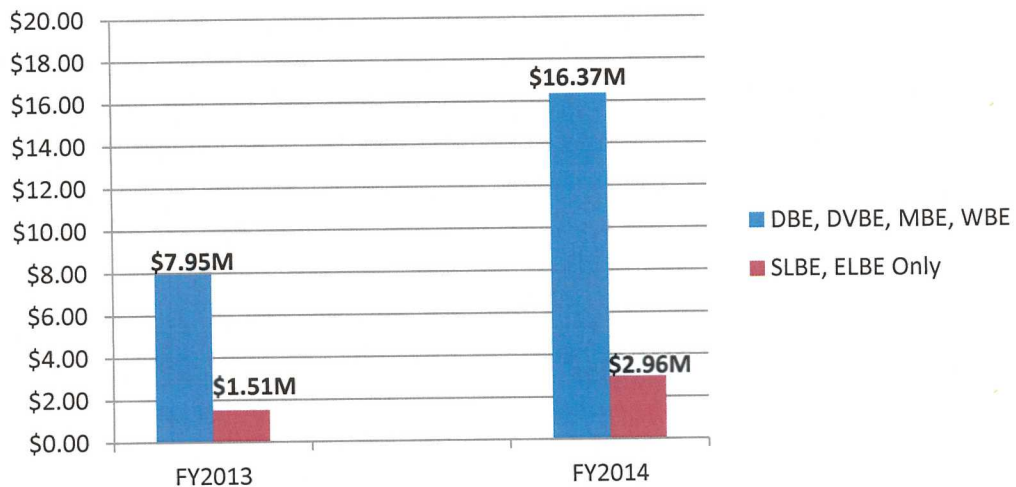
The continued leadership of the Mayor, along with the support of the City Council and City staff resulted in a significant increase in dollars and percentage of dollars awarded to certified Small/Emerging Local, Disabled Veteran, Disadvantaged, Woman and Minority owned businesses in construction contracts. Total construction contract awards to all City recognized certified firms was \$62.6 million (33.2%).

Construction Certified Firm Dollars



EOCP was also successful in exceeding our performance from last year in Architect & Engineering (A&E) contracts as shown in the chart below. Total dollars awarded for A&E Consultant contracts was \$36. million of which \$19. million (52.6%) was awarded to certified firms.

A&E Certified Firm Dollars



In addition to ongoing efforts, EOCP has also identified opportunity areas within the goods & services arena. We are looking forward to our new capability that will be available with the implementation of our new e-procurement system and technology tools. The data provided will be instrumental as we continue to grow and enhance the effectiveness of our program. Purchasing & Contracting Department is committed to exploring and facilitating more opportunities to increase awards to SLBE/ELBE and other categories of vendors for Goods and

Services. PlanetBids, a comprehensive, integrated vendor registration and sourcing system has significant potential to increase these opportunities. This system will help provide the City with better information on the number of vendors, the products they provide, and their participation in City procurements. This information can also be used to identify effective strategies to develop and engage SLBE/ELBE vendors as well as other segments of the vendor community.

Future Initiatives

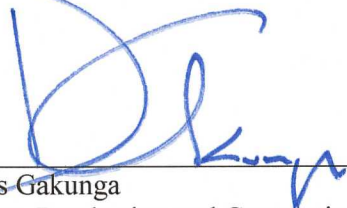
EOCP continues to find areas for potential improvement to enhance increased opportunities. Currently, and as directed by the Economic Development & Intergovernmental Relations Committee, the department is assessing Council Policy 100-10. EOCP is gathering data on contracts impacted by said policy and also reviewing other major cities' small business programs to ensure the policy is effective for the small, local business community. Specifically, EOCP is working to exploring potential opportunities to expand the SLBE program and Council Policy 100-10 with the City's Goods & Services contracts.

With the adoption of eProcurement by Council, EOCP will work with Purchasing & Contracting to help target increased participation. Outreach efforts continue to be at the forefront and EOCP will assist P&C to create a robust vendor registration system for utilization on all City procurement to the highest extent possible. EOCP is also increasing the use of technology and automated tools to enhance the departments compliance related functions post award.

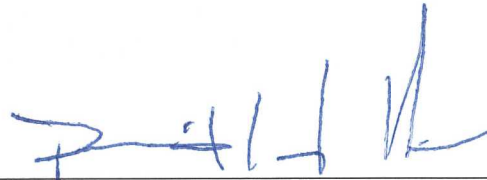
Lastly, Equal Opportunity Contracting in conjunction with Purchasing & Contracting and the Public Works Department is working on developing technical assistance workshops for certified and non certified firms. These workshops are intended to help educate and assist potential bidders on how to do business with the City during various phases of the bid process.

CONCLUSION:

Equal Opportunity Contracting is encouraged by the progress of the SLBE program within the City's Public Works program. Our collaborative efforts have resulted in increased opportunities, additional assistance and improved processes for all segments of the small business contracting community. We are proud of the progress that has been made this past fiscal year and will continue to maintain a heightened focus on equal opportunity, economic development and inclusionary business practices.



Dennis Gakunga
Director, Purchasing and Contracting



Ronald H. Villa
Deputy Chief Operating Officer, Internal
Operations