

FY18 Contract Equity Program Annual Report

Presented to

**Legislative/Human Resources Committee
October 9, 2018**

Agenda



- FY18 Contract Participation
- Ongoing Contracting Challenges
- FY18 Key Accomplishments
- FY19 Key Initiatives

Contract Equity Program Overview

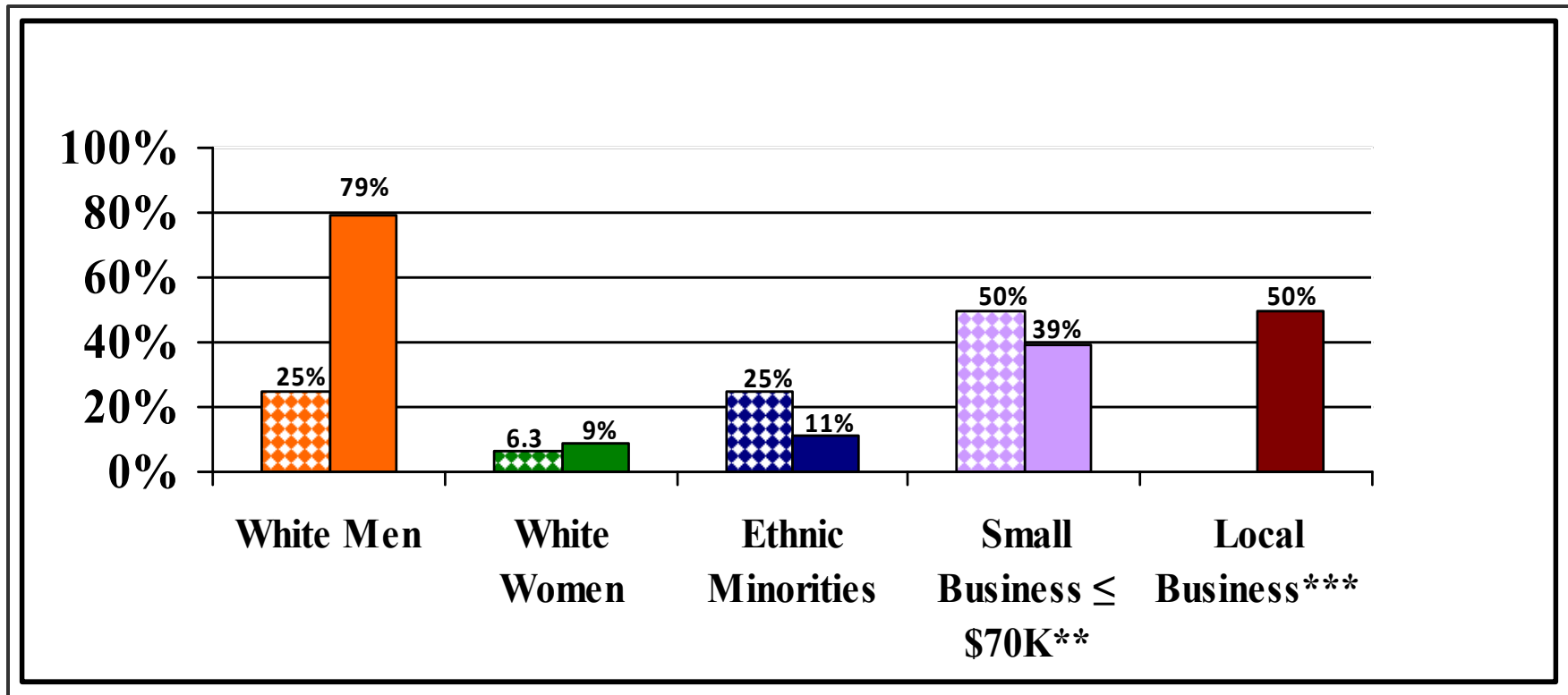


- Contract Awards
 - Availability Groups
 - Small Businesses
 - Local Businesses
- Local Hires on Construction Projects

FY18 Contract Participation



Distribution Based on \$162M* in Contract Awards



*Gradient Color = Contracting Objective/Goal
Checkerboard Color = Actual Results*

**Total Contract Awards minus Exclusions*

*** Contracts ≤ \$70,000*

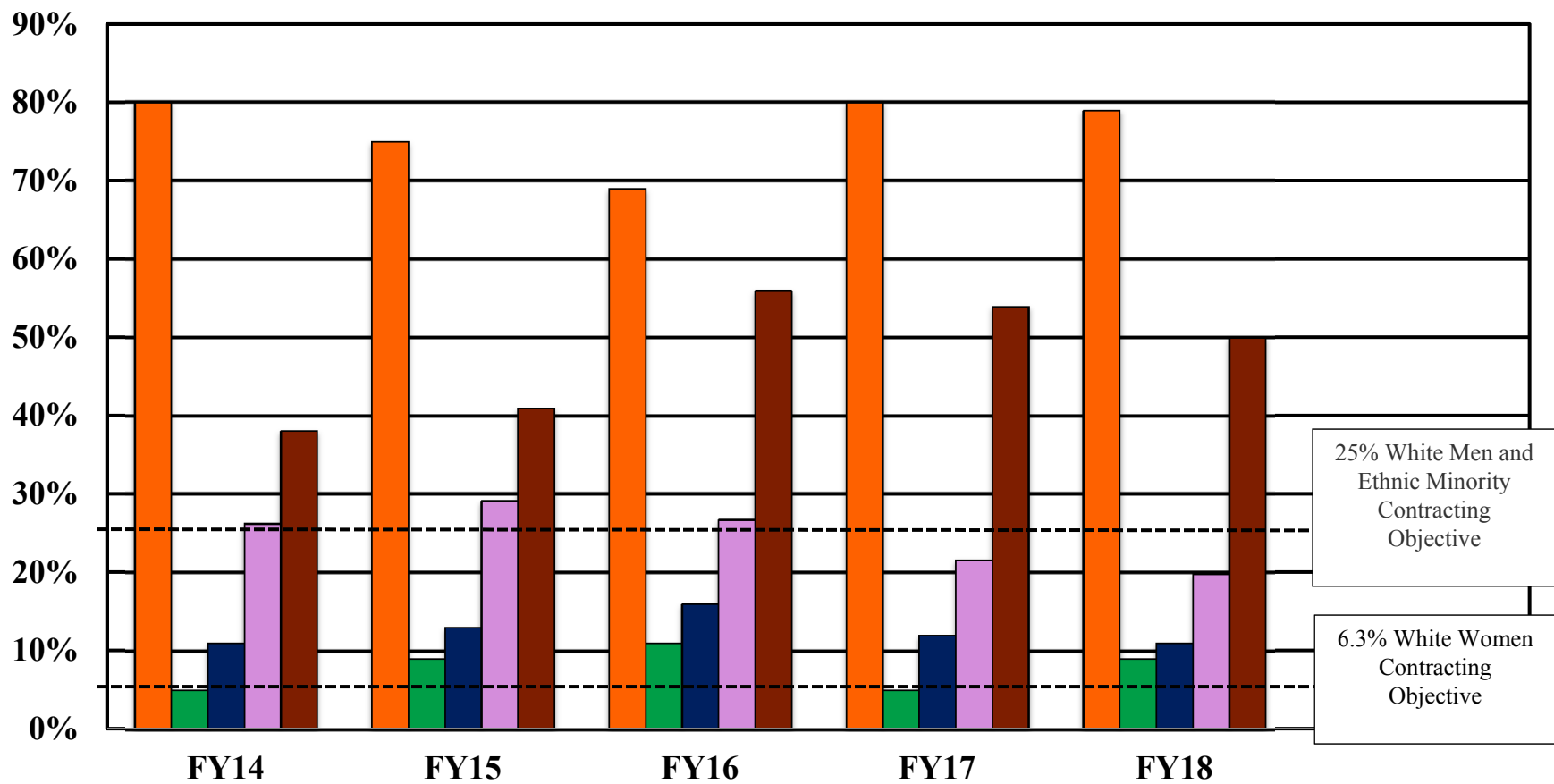
**** No Goal*

FY14-FY18 Contract Awards



5 Year Historical Contract Participation Overall FY14-FY18

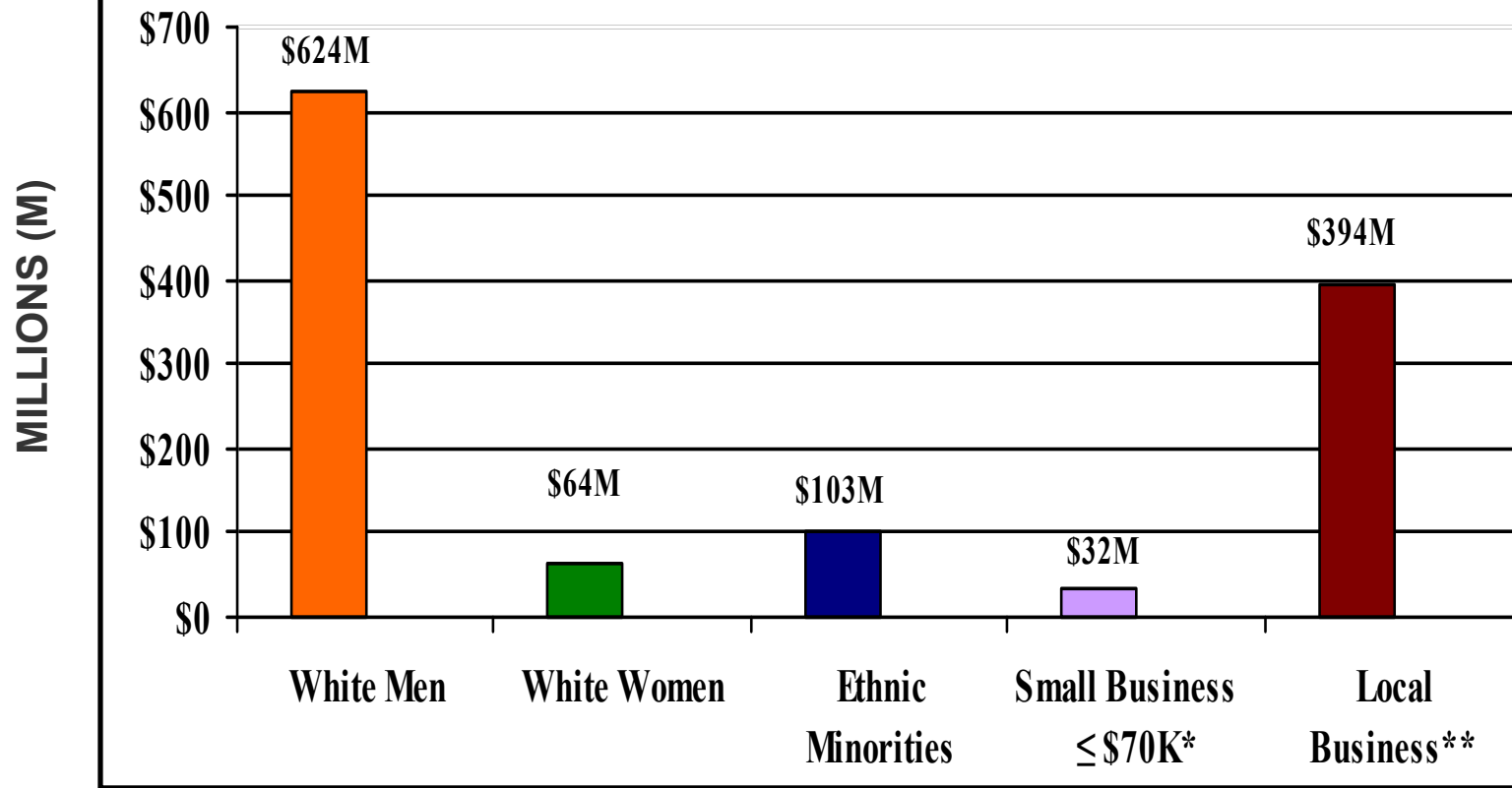
White Men White Women Ethnic Minorities SBE LBE



FY14-FY18 Contract Awards



5 Year Economic Distribution of Contract Awards FY14-FY18



Solid Colors = Actual Results

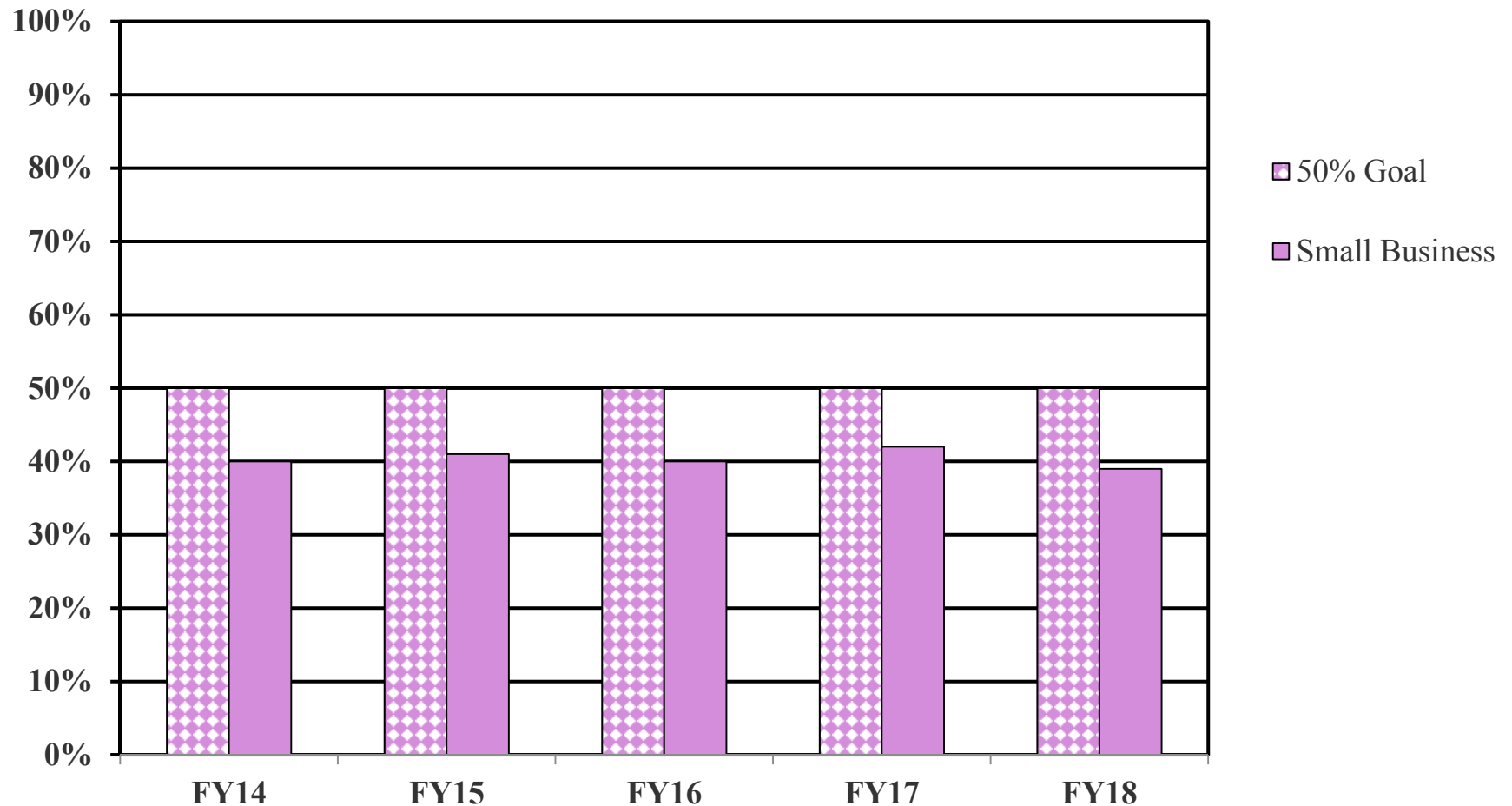
* Contracts ≤ \$70,000

** No Goal

FY14-FY18 Small Business Contract Awards



5 Year Historical SBE Participation for Contract Awards ≤\$70K FY14-FY18



Ongoing Contracting Challenges



- Regulatory Mandates
 - Awards to the lowest responsible bidder
- Specialized work and limited contracting opportunities



Local Hire Results



Based on 14 construction projects:

- 49% Local Work Hours with 46% being from county/counties directly impacted by the project
- Over \$4.6M in prevailing wages and benefits payments

Targeted 3 projects:

- Met 50% local hire goal with 2 of the 3 projects meeting the 30% goal for hires directly from county/counties directly impacted by the project

Spec. #2099
MacArthur/Davenport Pipeline Replacement Project
Contractor: JMB Construction (WBE)
44% Local Work Hours with 68% from Alameda County



FY18 Key Accomplishments



- 77 percent of contractors have a minority workforce that is at least 50 percent or more of their applicable Metropolitan Statistical Area (MSA).
- 45 community business-related events and four business forums:
 - ✓ Engineering Consultant Roster (ECR) Roundtable
 - ✓ 3rd Annual Contracts & Procurement Opportunities Workshop and Trade Fair
 - ✓ East Bay Economic Development Alliance's Building Blocks of Export Success
 - ✓ Insurance and Contract Requirements Update Business Forum

FY19 Key Initiatives



- Continue to pilot local hire component on construction projects with good faith goals of 50 percent for local residents
- Continue to explore ways to increase diversity of contract awards
 - Increase \$70K threshold to \$80K
 - Incorporate State of California provision for a higher size standard for Public Works Contractors
- Continue to engage in outreach and education efforts



Questions



Thank You!