



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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MEMORANDUM

TO: The Governing Board

FROM:  Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Officer

DATE: February 1, 2017

SUBJECT: **Agenda Item IX: Consideration of resolution adopting an Outreach and Advertising Policy for contracts and establishing a target participation rate for Disadvantaged Business Enterprises.**

Staff Recommendation: That the Governing Board adopt the attached resolution adopting an Outreach and Advertising Policy for contracts and establishing a target participation rate for Disadvantaged Business Enterprises.

Background: The MRCA's Purchasing and Contracting Procedures constitute the procedures required by law for the purchase of goods and services, leasing of equipment, letting of contracts for professional services, construction and improvement contracts and maintenance contracts. Public works contracts must be competitively bid and awarded to the lowest responsive and responsible bidder. Competitive bidding rules in public contracts are intended to provide qualified bidders with a fair opportunity to enter the bidding process and to protect the public from favoritism and fraud to obtain the best economic result for the public.

With respect to outreach and advertising, the existing Purchasing and Contracting Procedures include only legally-required items, and provide only minimal guidance on the inclusion of disadvantaged businesses. The proposed Outreach and Advertising Policy addresses this topic. The proposed approach to increasing participation of disadvantaged businesses emphasizes communication of MRCA's publicly advertised opportunities. To maximize participation in professional services opportunities, a bi-annual Request for Qualifications will be held to solicit qualified firms to establish short lists. Employment openings are also addressed in the policy, which requires that job opportunity bulletins be distributed to a wide range of community-based organizations and employment development departments.

Target Participation Rate: MRCA does not currently collect statistical information on contractors and therefore cannot fully calculate the participation of disadvantaged businesses in the past. Based on publicly accessible databases, certified minority-owned and woman-owned companies account for approximately 16% of open

contracts (by dollar value). For reference, the Caltrans DBE goal for 2016 is 12.5%, and the federal Department of Transportation requires a 10% participation rate. New contracts would require that the contractor submit statistical information about company ownership.

A target goal of 20% is recommended for the 2016-17 fiscal year. Not all businesses owned by disadvantaged persons complete a certification process. Disadvantaged populations also benefit when MRCA partners with community-based organizations, non-profits, and public sector organizations. The annual calculation of MRCA's disadvantaged business contracts will include participation of these types of organizations, in addition to the certified DBEs, to provide a complete picture.

Fiscal Impact: A negligible increase in project cost would result from additional staff time required to conduct the outreach to disadvantaged businesses. The use of paid listings will be evaluated on a project by project basis as budget allows. The bi-annual Request for Qualifications process will require staff time funded by the general fund, but the amount is not expected to be significant.