



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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MEMORANDUM

TO: The Governing Board

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

DATE: September 6, 2017

SUBJECT: **Agenda Item VII: Report on the participation rate of disadvantaged businesses in contracts during fiscal year 2016-2017.**

Background: On February 1, 2017, the Governing Board adopted an Outreach and Advertising Policy (policy) for contracts and established a target participation rate for disadvantaged business enterprises of 20%. The policy requires that staff submit a report to the Board detailing the participation rate by total contracts and dollar value at the end of each fiscal year. Since 2016-17 was the first year that this policy was implemented and such information collected, the statistics may not reflect the full impact of the new procedures for outreach and advertising.

To obtain the information for the report, the policy requires that all successful bidders and proposers complete a statistical information form including ethnicity and gender makeup of ownership, and any disadvantaged business certifications. Because the policy was adopted mid-year and some contractors failed to return a completed form, some statistical information is unavailable.

As stated in the policy, the overall goal is to increase the number of disadvantaged businesses and individuals benefitting from MRCA contracts and employment opportunities. To fully characterize that benefit, the statistics provided include not only certified Disadvantaged Business Enterprises, but also Non-profit and Community-based organizations, government partners, and businesses that have at least 50% ownership by disadvantaged persons. Certification programs vary but typically require a 51% ownership stake.

During fiscal year 2016-17, 117 contracts were awarded for a total value of \$5,743,844. The summarized self-reported data provided by contractors is shown below by number of contracts and dollar amount as required by the policy. By both measures the target goal was met.

Overall Participation of Disadvantaged Entities				
Type of Entity	# of Contracts	Amount	% by Number of Contracts	% by Dollar Value
Certified Disadvantaged Business Enterprise	28	\$ 3,202,934	24%	56%
Disadvantaged Ownership of at least 50% ¹	18	\$ 972,014	15%	17%
Non-Profit, Community-Based, or Government Entity ²	11	\$ 430,320	9%	7%
Other ³	32	\$ 838,900	28%	15%
Data Not Available	28	\$ 299,676	24%	5%
Total Disadvantaged Entity Participation:	57	\$ 4,605,268	48%	80%

Definitions:

¹ Data self-reported, certified DBEs not included.

² Includes corporations operated for the benefit of a non-profit or CBO.

³ Includes publicly traded corporations.

The tables below show the disadvantaged entity participation subdivided by two broad methods of contract award, low-bid and professional services. While staff has the ability to use a variety of factors when considering contractors for professional service contracts, low-bid contracts mandate that the lowest responsive and responsible bidder be granted such contracts. Furthermore, low-bid contracts over \$25,000 must be publicly advertised, and any qualified entity may submit a bid.

During fiscal year 2016-17, MRCA awarded 50 low-bid contracts totaling \$4,093,120. For low-bid contracts, the target rate of 20% was met by some measures but not others.

Participation in Low-bid Contracts				
Type of Entity	# of Contracts	Amount	% by Number of Contracts	% by Dollar Value
Certified Disadvantaged Business Enterprise	7	\$ 2,257,645	14%	55%
Disadvantaged Ownership of at least 50% ¹	17	\$ 969,514	34%	24%
Non-Profit, Community-Based, or Government Entity ²	3	\$ 26,116	6%	1%

Other ³	9	\$ 638,129	18%	15%
Data Not Available	14	\$ 201,716	28%	5%
Total Disadvantaged Entity Participation, Low-bid Contracts:	27	\$ 3,253,275	54%	80%

During fiscal year 2016-17, MRCA awarded 67 professional services contracts totaling \$1,650,724. Professional services contracts met the target rate.

Participation in Professional Services Contracts				
Type of Entity:	# of Contracts	Amount	% by Number of Contracts	% by Dollar Value
Certified Disadvantaged Business Enterprise	21	\$ 945,289	31%	57%
Disadvantaged Ownership of at least 50% ¹	1	\$ 2,500	1%	0%
Non-Profit, Community-Based, or Government Entity ²	8	\$ 404,204	12%	24%
Other ³	23	\$ 200,781	35%	13%
Data Not Available	14	\$ 97,950	21%	6%
Total Disadvantaged Entity Participation:	30	\$ 1,351,993	44%	81%