DATE: February 28, 2002

TO: Board of Trustees

FROM: Dr. Philip R. Day, Jr., Chancellor

SUBJECT: SPECIAL
FINANCE & ADMINISTRATION
SEMI-ANNUAL SLBE REPORT
(Resolution No. 020228-S3)

BACKGROUND INFORMATION:

At its April 2001 meeting, the Board adopted a policy instituting a program that transitions its former Minority, Women Local Business Enterprise (M/W/LBE) Program to a Small Local Business Enterprise (SLBE) Program. In June of 2001, the Board adopted guidelines for implementing the SLBE program. These guidelines were adapted from the former M/W/LBE Program. In accordance with the directive from that meeting, the Board is now being provided an interim (semi-annual) report on the program’s status. An annual report is scheduled for June 2002.

Since the inception of the M/WBE Program, the District has retained the services of Mason-Tillman Associates Ltd. (MTA) as its primary resource for carrying out its objective for equal opportunity procurement of construction and construction-related professional service contract services. MTA was also instrumental in providing the Board and staff with expert advice in establishing the M/W/LBE Program and making the transition to the SLBE program.

At the June 2001 Board meeting, staff was authorized to continue contracting with MTA for consulting and support services in implementing the new SLBE program. These services are required for a smooth transition to the new Contract Compliance Officer and required on-going support services. Specific changes in the MTA scope of work for the period July 2001 through June 2002 included the following:

1. Implementation of the Small Local Business Enterprise (SLBE) program.
2. Implementation of the website to manage information and promote the District’s bond measure funded contracting.
3. Implementation of a data collection system specifically designed for CCSF.
ACTIVITIES TO DATE:

Mason Tillman Associates Ltd. Activities
MTA has assisted in implementing the SLBE program by planning an outreach event, which was held January 31, 2002. Attendance and feedback survey information on that event is attached as Attachment “A” to this report. In addition to updates on legal and legislative matters impacting the SLBE program and equal opportunity in contracting, MTA is making a presentation of their semi-annual report to the Board as a part of this staff report. In MTA’s report to the Board is information about new legislation that allows the inclusion of SLBE goals on construction contracts over $15,000 that are formally bid and subject to the Public Contract Code requirements.

MTA has also designed a relational database specifically designed for District use in tracking and monitored its contracts. This database, which is a modification of the database used under the M/W/LBE program, tracks all District Facilities, Planning and Construction contracts, including vendors, award amounts, payment and payment sources. District staff is evaluating the database to determine its usefulness as a District tool independent of MTA’s consulting services.

In addition to the database, MTA has designed a website and deliver it to the District on CD-ROM. District staff are evaluating the website to determine if it can be uploaded to the District’s server and easily maintained, independent of MTA’s consulting services.

In the meantime, the Contract Compliance Officer has coordinated with Facilities Planning & Construction staff, as well as Vice Chancellor of Finance & Administration staff to facilitate dissemination of contracting and SLBE information on existing District web sites.

The District websites for locating this information are:


Contract Compliance Officer Activities
Per the SLBE policy adopted by the board, the Contract Compliance Officer has primary responsibility to implement and enforce compliance with the SLBE Program. The Contract Compliance Officer (CCO) was hired with an effective start date of September 17, 2001, reporting to the Dean of Administrative Services. (The Contract Compliance Officer performs contract administration functions in addition to implementation of the SLBE program.) The focus of the CCO’s initial efforts related to the SLBE program has been to understand the mechanics and procedures that are transferable from the M/W/LBE program to the new SLBE program. These efforts revolve around organization and developing internal contract compliance interface procedures consistent with the Board’s policy directive.

All applicable procurement activity is to be tracked and monitored by the Contract Compliance Officer. All solicitations for SLBE applicable contracts are reviewed by the Contract Compliance Officer to assure inclusion of appropriate contracting language regarding SLBE requirements.

The Contract Compliance Officer is actively involved in the establishment of goals for projects. Although, MTA recommends project goals, the Contract Compliance Officer must approve the goals and attends pre-submittal meetings to present SLBE requirements. The Contract Compliance Officer evaluates all SLBE applicable proposals and construction bids for SLBE compliance. Although, the Contract Compliance Officer has not monitored SLBE applicable oral interviews for selection of construction-related professional services contracts, she plans to do so in the future.

Other activity relating to the SLBE program is the development of a Pre-Qualification Application (See Attachment “B”) for use in hiring construction contractors on projects with cost estimates of $15,000
or less. Such a process will be very helpful for facilitating inclusion of HRC certified SLBE firms on emergency contracts. Opportunities to participate in this process for hiring Emergency Contractors will be rotated beginning with the first applicants. The form can be filled in from the Facilities Planning & Construction website and e-mailed to the Contract Compliance Officer. The Contract Compliance Officer is maintaining a database with the application information. From that database, a list of pre-qualified firms is made available to the Building & Grounds Manager and Facilities Planning & Construction project managers for informally bidding construction projects under $15,000.

The Contract Compliance Officer, along with other District staff reviewed the report being presented by MTA and provided input. Staff concurs with the MTA recommendation to consider inclusion of SLBE goals on construction contracts subject to the Public Contract Code.

RECOMMENDATION:

WHEREAS, Assembly Bill 1084 was enacted January 2002, allowing the District to require SLBE subcontracting goals or good faith effort to achieve those goals on its public works construction projects

RESOLVED: That authorization is given to explore the feasibility of modifying the existing SLBE program to include SLBE goals for construction contracts over $15,000, including analysis of the fiscal impact, reporting back to the Board in a subsequent report, and

FURTHER BE IT RESOLVED: That the Board of Trustees acknowledges receipt of and accepts the report presented by Mason Tillman Associates, Ltd.

Peter Goldstein, Originator
With Norma Nelson