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CITY OF SACRAMENTO

JUL 28 2 42 PM '88

DEPARTMENT OF
FINANCE

CITY OF SACRAMENTO
CALIFORNIA

CITY HALL
ROOM 14
915 I STREET
SACRAMENTO, CA
95814-2696

BUDGET DIVISION

August 23, 1988

City Council
Sacramento, CA.

PASSED FOR
PUBLICATION
& CONTINUED

TO 8-23-88

APPROVED
916-435-5845
BY THE CITY COUNCIL

AUG 23 1988

OFFICE OF THE
CITY CLERK

Honorable Members in Session:

SUBJECT: Report on Fiscal Year 1986-87 MBE/WBE Program and
Adoption of Ordinance to Provide Program Sanctions

SUMMARY

This report is a follow up to a June 21, 1988 report back to the Budget and Finance Committee on the MBE/WBE Program. As a part of that report back, \$100,000 in MBE/WBE program funding was recommended and later approved on June 28, 1988 as a part of the budget hearing. In addition, the June 21st report recommended that an Ordinance be adopted which imposes legal sanctions for falsification of MBE/WBE status and defines what constitutes the lowest responsible bid. This report to Council requests that the Ordinance be passed for publication on August 2, 1988 and adopted on August 23, 1988. In addition, this report recommends that the Mayor take action to appoint a MBE/WBE Task Force.

BACKGROUND

On April 20, 1985 the City Council adopted Resolution 85-328 which established a city-wide MBE/WBE Procurement Program. Since then, the Office of Economic Development, the Department of General Services, and the Department of Finance have established MBE/WBE Program outreach, marketing, certification and automated in-house tracking procedures and systems. The culmination of this work was the presentation on May 3, 1988 to the Budget and Finance Committee of the City's first MBE/WBE Annual Report.

At the May 3rd Budget and Finance hearing, the Committee recommended approval of the Annual Report with reports back on the following issues: a review of the City's goals; a detailed discussion on the management structure of the program; identification of a program budget; an analysis of how to streamline the certification process and continue an

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City Council
August 23, 1988
Page 2

effective outreach and marketing program; and a review by the City Attorney's Office of what legal sanctions are available for program enforcement.

A report back was presented to the Budget and Finance Committee on the issues identified above on June 21, 1988 as a part of the fiscal year 1988-89 budget hearings. On June 28, 1988 the \$100,000 budget for the MBE/WBE program was approved and along with this approval the management structure and placement of the program in the Department of General Services was implemented. (See Exhibit I for the full report that went before the Budget and Finance Committee on June 21, 1988.)

The report which is before you now, presents the non-budgetary recommendations which were made in the June 21st report back to Committee. These recommendations are listed below.

FINANCIAL DATA

See the Financial Data section of Exhibit I.

RECOMMENDATION

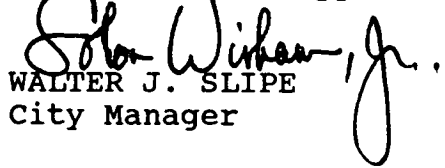
It is the recommendation of staff that a 20% MBE and a 5% WBE goal be established, that the Mayor appoint an eleven member MBE/WBE Task Force comprised of community business representatives, and that the attached Ordinance be passed for publication this evening and adopted at the next Council hearing on August 23, 1988.

Respectfully submitted,



Carol L. Branan
Sr. Management Analyst

Recommendation Approved:


WALTER J. SLIPE
City Manager

fm.

August 23, 1988
All Districts

A M E N D E D

ORDINANCE NO. 88-059

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

AUG 23 1988

AN ORDINANCE ADDING ARTICLES VIII AND IX
(SECTIONS 58.801 THROUGH 58.805 AND 58.901
THROUGH 58.902) TO CHAPTER 58 OF THE
SACRAMENTO CITY CODE, RELATING TO
PARTICIPATION OF MINORITY BUSINESS
ENTERPRISES AND WOMEN'S BUSINESS
ENTERPRISES AND SANCTIONS FOR PROVISION
OF FALSE INFORMATION IN BIDS AND PROPOSALS

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Article VIII (Sections 58.801 through 58.805) is hereby added to Chapter 58 of the Sacramento City Code, to read as follows:

**Article VIII. Participation of Minority Business
Enterprises and Women's Business Enterprises**

Sec. 58.801 Application.

This Article shall apply to all contracts let by the City of Sacramento, including without limitation purchases and contracts for supplies and nonprofessional services (Chapter 57), contracts for public projects (Chapter 58), and contracts for professional services (Chapter 59).

Sec. 58.802 Definitions.

For purposes of this Article, the following definitions shall apply:

(a) **Minority Business Enterprise (MBE):** An independent business entity, including a sole proprietorship, which is at least 51% owned by a person or persons who are Black, Asian or Pacific Islander, Hispanic, or American Indian or Alaskan Native who also control and operate it.

(b) **Women's Business Enterprise (WBE):** An independent business entity, including a sole proprietorship, which is at least 51% owned by a woman or women who also control and operate it.

ORDINANCE No. 88-059

AUG 23 1988

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ORDINANCE NO. 88-059

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

AN ORDINANCE ADDING ARTICLES XIII AND IX
(SECTIONS 58.801 THROUGH 58.805 AND 58.901
THROUGH 58.902) TO CHAPTER 58 OF THE
SACRAMENTO CITY CODE, RELATING TO
PARTICIPATION OF MINORITY BUSINESS
ENTERPRISES AND WOMEN'S BUSINESS
ENTERPRISES AND SANCTIONS FOR PROVISION
OF FALSE INFORMATION IN BIDS AND PROPOSALS

APPROVED
BY THE CITY COUNCIL

AUG 23 1988

OFFICE OF THE
CITY CLERK

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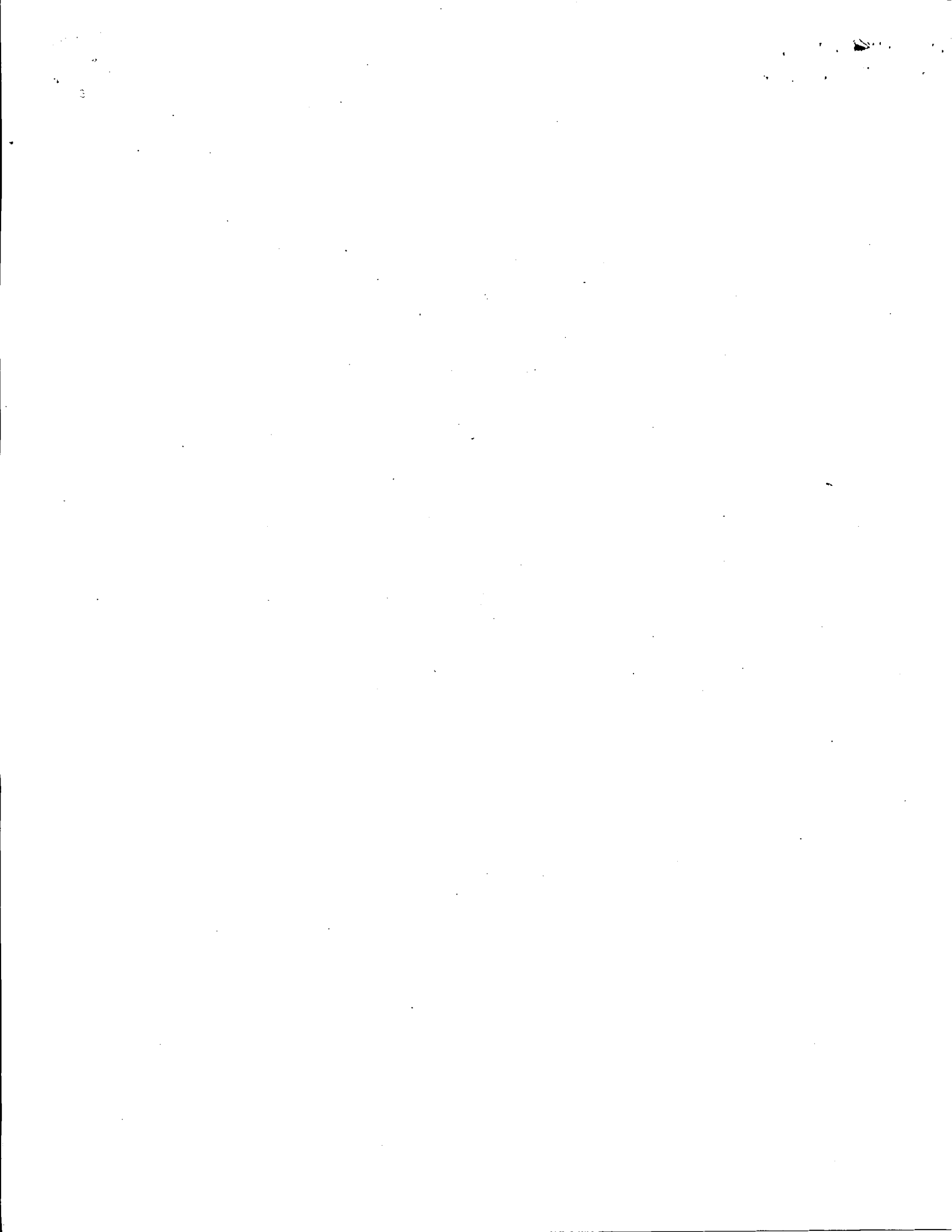
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(b) **Women's Business Enterprise (WBE):** An independent business entity, including a sole proprietorship, which is at least 51% owned by a woman or women who also control and operate it.



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(c) **Control:** Exercising the power to make policy decisions.

(d) **Operate:** Being actively involved in the day-to-day management of the business.

Sec. 58.803 MBE/WBE efforts required of responsible bidder.

The specifications or request for proposal for any contract to be let by the City may set goals relating to participation in the contract by subcontractors who are minority business enterprises or women's business enterprises. No bidder on said contract shall be considered a responsible bidder unless the bidder either meets the goals and requirements established for the contract or made a good faith effort prior to the time bids are opened to meet the goals and requirements by performing the following actions:

(1) The bidder attended any presolicitation or prebid meetings that were scheduled by the City to inform all bidders of the minority and women's business enterprise program requirements for the project for which the contract will be awarded.

(2) The bidder identified and selected specific items of the project for which the contract will be awarded to be performed by minority or women's business enterprises to provide an opportunity for participation by those enterprises.

(3) The bidder advertised, not less than 10 calendar days before the date the bids are opened, in one or more daily or weekly newspapers, trade association publications, minority or trade oriented publications, trade journals, or other media, specified by the City for minority or women's business enterprises that are interested in participating in the project. This paragraph applies only if the City gave public notice of the project not less than 15 calendar days prior to the date the bids are opened.

(4) The bidder provided written notice of his or her interest in bidding on the contract to the number of minority or women's business enterprises required to be notified by the project specifications not less than 10 calendar days prior to the opening of bids.

(5) The bidder followed up initial solicitations of interest by contacting the enterprises to determine with certainty whether the enterprises were interested in performing specific items of the project.

(6) The bidder provided interested minority and women's business enterprises with information about the plans, specifications, and requirements for the selected subcontracting or material supply work.

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(7) The bidder requested assistance from minority and women community organizations; minority and women contractor groups; local, state, or federal minority and women business assistance offices; or other organizations that provide assistance in the recruitment and placement of minority or women's business enterprises, if any are available.

(8) The bidder negotiated in good faith with the minority or women's business enterprises, and did not unjustifiably reject as unsatisfactory bids prepared by any minority or women's business enterprises.

(9) Where applicable, the bidder advised and made efforts to assist interested minority and women's business enterprises in obtaining bonds, lines of credit, or insurance required by the City or the contractor.

(10) The bidder's efforts to obtain minority and women's business enterprise participation could reasonably be expected to produce a level of participation sufficient to meet the goals and requirements.

Sec. 58.804 Provision of false information a misdemeanor.

- (a) No person shall submit false information to the City, or to the City's agent, for the purpose of establishing the status of any business entity, including a sole proprietorship, as a minority business enterprise or a women's business enterprise.
- (b) No person submitting any bid or proposal to the City of Sacramento shall provide false information regarding the MBE/WBE status of any business entity, including a sole proprietorship, or shall provide false information regarding efforts made by said person to meet the MBE/WBE participation goals set by the City.
- (c) Any violation of this section is a misdemeanor punished by a fine not exceeding one thousand dollars or imprisonment in the county jail for a term not exceeding six months, or by both such fine and imprisonment.

Sec. 58.805 Information to be provided under penalty of perjury.

- (a) Whenever any business entity, including a sole proprietorship, submits information to the City, or to an agent of the City, for the purpose of establishing such entity's status as a minority business enterprise or a women's business enterprise, such information shall be submitted under penalty of perjury.

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(b) Whenever any bid or proposal to be submitted to the City calls for the bidder or proposer to submit information about the MBE/WBE status of any business entity, including a sole proprietorship, or about the efforts made by the bidder or proposer to meet the MBE/WBE participation goals set by the City, such information shall be submitted under penalty of perjury.

SECTION 2.

Article IX (Sections 58.901 through 58.902) is hereby added to Chapter 58 of the Sacramento City Code, to read as follows:

Article IX. Sanctions for Provision of False Information

Sec. 58.901 Application.

This Article shall apply to all contracts let by the City of Sacramento, including without limitation purchases and contracts for supplies and nonprofessional services (Chapter 57), contracts for public projects (Chapter 58), and contracts for professional services (Chapter 59).

Sec. 58.902 Disqualification for provision of false information; termination of contract.

Any person or entity who submits a bid or a proposal containing information which said person or entity knows to be false shall be disqualified from bidding on future City contracts for a period of up to five (5) years, as determined by the City Manager. The City may terminate any contract which was awarded pursuant to a bid or proposal which contained false information.

DATE PASSED FOR PUBLICATION:

DATE ENACTED:

DATE EFFECTIVE:

ATTEST:

MAYOR

CITY CLERK

RESOLUTION NO. 88-738

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

APPROVED
BY THE CITY COUNCIL

AUG 23 1988

OFFICE OF THE
CITY CLERK

ESTABLISHING A 20% MINORITY BUSINESS ENTERPRISE AND A 5%
WOMEN OWNED BUSINESS ENTERPRISE GOAL, CREATING A MBE/WBE TASK
FORCE, AND ADDING MBE/WBE LANGUAGE TO CHAPTER 58 OF THE
SACRAMENTO CITY CODE

WHEREAS, the City of Sacramento is committed to strong
economic partnerships with all segments of the business and
financial community; and

WHEREAS, the City of Sacramento recognizes the social and
economic advantages of developing minority and women
businesses in the City;

NOW, THEREFORE, BE IT RESOLVED, that Resolution 85-328 is
hereby rescinded and that the City of Sacramento adopts the
following resolution that:

1. Establishes an annual Minority Business Enterprise goal of 20% and a Women Owned Business Enterprise goal of 5% for all discretionary purchases of the City. This goal may be adjusted at the discretion of the City Council;
2. Establishes an eleven member MBE/WBE Task Force comprised of business representatives from the City of Sacramento, appointed by the Mayor, to meet with the City Manager on a quarterly basis to provide input on the City's MBE/WBE program;
3. Passes for publication an ordinance to be adopted adding Articles XIII and IX (Sections 58.801 through 58.805 and 58.901 through 58.902) to Chapter 58 of the Sacramento City Code, relating to participation of Minority Business Enterprises and Women's Business Enterprises and sanctions for provision of false information in bids and proposals.

ATTEST:

 MAYOR

 CITY CLERK



EXHIBIT I

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DEPARTMENT OF
FINANCE

CITY OF SACRAMENTO
CALIFORNIA

CITY HALL
ROOM 14
915 I STREET
SACRAMENTO, CA
95814-2696

BUDGET DIVISION

June 21, 1988
88089:CB:ldc

916-449-5845

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: Report Back on the Minority Business Enterprise and
Women Owned Business Enterprise Program

SUMMARY

This report back on the Minority Business Enterprise/Women Owned Business Enterprise Program (M/WBE) provides follow-up detail to questions raised by the Budget and Finance Committee during the May 3, 1988 hearing on the first Annual M/WBE Report. Recommendations made in this report back are as follows: that the Council adopt a 20% MBE and a 5% WBE goal for non-capital improvement project expenditures; that the City Manager manage the M/WBE Program and the day-to-day administration of the Program will rest with the Department of General Services to provide certification, outreach, marketing and in-house training; that 1.75 new FTE be added to staff the Program; that funding in the amount of \$100,000 be approved; and that the City Code be amended to include legal sanctions for M/WBE Program enforcement.

BACKGROUND

On April 20, 1985 the City Council adopted Resolution 85-328 which established a city-wide M/WBE Procurement Program. Since then, the Office of Economic Development, the Department of General Services, and the Department of Finance have established M/WBE Program outreach, marketing, certification and automated in-house tracking procedures and systems. The culmination of this work was the presentation on May 3, 1988 to the Budget and Finance Committee of the City's first M/WBE Annual Report. The first Annual Report represented the end of Phase I of the M/WBE Program which

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Budget and Finance Committee
June 21, 1988
page two

emphasized putting the working structure of the program in place. Now that this working structure is in place, the Program emphasis will shift and Phase II of the Program will be run by the City Manager's Office and will focus on meeting annual M/WBE goals.

At the May 3rd Budget and Finance hearing, the Committee recommended approval of the Annual Report with reports back on the following issues: a review of the City's goals; a detailed discussion on the management/organizational structure of the program; identification of a program budget; an analysis of how to streamline the certification process and continue an effective outreach and marketing program; and a review by the City Attorney's Office of what legal sanctions are available for program enforcement.

REPORT BACK

The following report back is organized as follows:

- I. Program Goals
- II. Management/Organizational Structure
- III. Budget (See Exhibit III and Financial Data Section)
- IV. Certification, Outreach, Marketing
- V. Legal Sanctions

I. Program Goals

Recommendations:

- o Revise the present 20% combined M/WBE goal to 20% MBE and 5% WBE based on five year Census data
- o Set yearly goals at increments of 4% MBE and 1% WBE
- o Evaluate the goals each year and recommend corrective measures if progress is not made
- o Evaluate on a yearly basis the number of contracts awarded to M/WBE by ethnic breakdown and prescribe corrective measures if required
- o Evaluate on a yearly basis the dollar value of contracts to determine if a few large contracts are being awarded or numerous small contracts are awarded

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Budget and Finance Committee
June 21, 1988
page three

- o Evaluate on a yearly basis the product areas in which contracts are awarded
- o Evaluate on a yearly basis the types of contracts awarded (prime, subs, joint-ventures)

A number of cities/agencies were surveyed to determine how they set their M/WBE goals. Exhibit I provides a comparative chart of these goals.

A common methodology for setting goals exists among most of the M/WBE programs surveyed and is based upon either a locally conducted survey or the use of Census data to determine the number of M/WBEs within a defined area. The cities surveyed usually break the Census data down into the types of services that they are most likely to do business with and this number is then translated into the percentage of M/WBEs that represent these service categories to the total number of business enterprises within the Census' statistical area. The Census report identifying businesses is issued every five years with the most recent report issued in 1982. The Census Bureau has collected data for 1987 but the report will not be issued until 1990.

The Sacramento Housing and Redevelopment Agency (Agency) has established 20%/5% M/WBE goals based on the 1982 Census report and a survey of the services that the Agency contracts for. Many of these services overlap with those that the City contracts for and the goals can, therefore, be applied to the City as well as the Agency. This would standardize the City's M/WBE goals with those of the Agency. Since the Agency's goals are based on 1982 Census data, staff recommends that the City work with the Agency to re-evaluate goals when the 1987 Census data becomes available.

Before making our recommendation for a 20%/5% split goal, staff analyzed the pros and cons of a combined or a split goal. A combined goal allows easier program administration and may give the WBEs the benefit of a greater marketing effort in that they are included in a higher level of overall marketing effort. However, the combined goal may also work against WBEs in that an extra effort may not be made to reach this smaller segment of the business community if contracts with more prevalent MBEs satisfy the 20% goal. After talking to various cities/agencies with M/WBE programs, staff believes that a split goal guarantees specific, targeted efforts on the part of those who market the program and prime contractors who are looking for subcontractors.

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Budget and Finance Committee
June 21, 1988
page four

II. Management Structure

Recommendations:

- o That direct program administration rest with the City Manager. This responsibility will include the issuance of annual utilization goals, quarterly in-house progress meetings, and the issuance of the Annual M/WBE Report.
- o That outreach, certification, and marketing be housed in the Department of General Services Administrative unit with the Senior Administrative Services Officer designated as the M/WBE Program Manager, reporting directly to the City Manager's Office.
- o That 1.75 new staff positions be added to support the Program. These positions would be added at the Administrative Assistant II (1.0) and the Typist Clerk II (.75) level and would be directly supervised by the Sr. ASO.

At the May 3rd Budget and Finance hearing on the first Annual M/WBE Report, the Committee requested that staff report back on the management structure of the Program and identify where program responsibilities would be placed. The recommendations above identify program management that is vested with the City Manager who will rely on the Sr. ASO for the Department of General Services as the Program Manager.

The organizational chart (Exhibit II) identifies the recommended lines of responsibility. Staff first recommended (in the May 3rd Annual Report) that primary responsibility for the program be housed in the Procurement Services Division of the Department of General Services. However, a closer look at the various levels of responsibility and cross jurisdictional responsibilities has led to a revision of this original recommendation. Placement of the Program in General Services Administration provides a broader base for Program administration since the administrative unit directly oversees procurement services, a portion of CIP, and, indirectly, contractual services. Therefore, General Services Administration is recommended as the logical place to house and implement the day-to-day functions of the Program.

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Budget and Finance Committee
June 21, 1988
Page five

Other management options which were reviewed but not recommended due to operational problems or duplication of resources were the placement of the program with the Affirmative Action Officer in Personnel, contracting out for services, or multiple department responsibility. In this analysis, the Department of General Services was the one department where the M/WBE Program could be centralized and remain close to daily procurement, CIP, and contractual functions.

As recommended, the M/WBE Program Manager (Sr. ASO) will be responsible to the City Manager for implementation of the outreach, certification, and marketing efforts as well as in-house technical assistance to departments. This technical assistance will include providing departments with updated progress reports and computer runs, providing vendor lists for professional service contractors, providing bid/RFP advertisement language which includes M/WBE goals and other assistance as requested by departments. The Program Manager will also be responsible for developing and updating automated tracking and reporting systems.

III. Budget (See Exhibit III and Financial Data, page 9)

IV. Certification, Outreach, Marketing

Recommendations:

- o That 1.75 new FTE be added to accomplish certification, outreach, marketing, and provide technical assistance.
- o That a streamlined certification process be implemented whereby all information requests be referred to and applications mailed directly to the Department of General Services for certification. Staff would then be responsible for coordinating with City departments to provide a vendor list.
- o That a four working-day turn-around be established for review and action on certification applications.
- o That a detailed vendor directory, organized by service/product areas, be generated on an ongoing basis from the certifications.
- o That a number of software programs be developed from the certification directory that will allow for the generation

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Budget and Finance Committee
June 21, 1988
page six

of mailing lists, that will track awards to businesses listed in the M/WBE directory, that will track certifications by ethnic groupings, etc.

- o That General Services staff implement a proactive outreach program which targets those M/WBE service areas that are being sought for upcoming bids, professional service contracts, or purchases.
- o That target goals of 35 newly certified M/WBEs per month be generated from the outreach program during the first year.
- o That General Services staff act as liaison between City departments that will award bids and M/WBEs.
- o That General Services staff work with City staff to introduce M/WBEs to the City bid/contract process and provide assistance in problem areas.
- o That General Services staff follow-up initial contacts with M/WBEs in an attempt to increase vendor listings. Such follow-up will consist of mailings and phone calls as well as public service announcements.
- o That General Services staff develop an aggressive marketing program in conjunction with the already successful procurement workshops provided by the Economic Development Division.
- o That a three (3) month transition period be set to allow General Services staff to work with the Office of Economic Development on a daily basis to expand the marketing program.

Committee members commented during the May 3rd hearing that they would like to see the certification process streamlined and would like an aggressive outreach and marketing program for Phase II of the M/WBE Program. Based on these requests, the recommendations outlined above seek to focus the M/WBE certification, outreach, and marketing efforts by providing increased funding and staffing (\$100,000 and 1.75 FTE).

Budget and Finance Committee
June 21, 1988
page seven

Certification:

To streamline the certification process .25 of the new Administrative Assistant's time would be targeted for certification. The addition of staff and changes to the City's procedures can speed up the process to a four day turn-around. City departments responsible for bids and contracts would refer M/WBE certification requests/applications directly to the Department of General Services. All processing would be completed by the Department of General Services. This new process would streamline the existing City process which now has several processing points between the Procurement Services Division, the Office of Economic Development and the Agency.

Outreach:

A budget of \$100,000 is recommended to fund a combined outreach/marketing program. The new Administrative Assistant II would spend .50 of their time on an outreach program. A three month transition period between the Office of Economic Development and General Services would allow for a smooth transition in the outreach effort. General Services staff will work directly with City departments to identify upcoming bids and services requirements and will then identify and target outreach to M/WBEs who can provide these services. In addition to this targeted outreach, the program will continue general mailers (See Exhibit IV) and follow-up phone calls to M/WBEs who have not been certified.

Marketing:

The Office of Economic Development presently has an M/WBE marketing Program which consists of:

- Mailers
- Phone calls
- Conferences
- Presentation Charts
- Newspaper Ads
- Procurement Workshops
- Consultant Contracts

General Services staff will coordinate with the Office of Economic Development to further expand the marketing program



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Budget and Finance Committee
June 21, 1988
page eight

and to this end, the new Administrative Assistant II will spend .25 of their time on this marketing effort.

V. Legal Sanctions

Recommendations:

- o Amend City Code to add Ordinance with language imposing sanctions for falsification of M/WBE
- o Amend City Code to add Ordinance which allows one not in good faith to be declared a non-responsible bidder

At the request of the Committee, the City Attorney's Office has reviewed the M/WBE Program to determine what legal sanctions can be applied to enforce representations made in certification applications and in bid packages. Based on this analysis, the City Attorney's Office has put together the recommendations listed above which include amendment to the City Code to add language which imposes sanctions for falsification of M/WBE status.

Another concern of the Committee was how to incorporate M/WBE goals into the bid award process where, under existing City statutes, the bid must be awarded to the lowest responsible bidder. The Ordinance also provides language which defines the lowest responsible bid as one which has either achieved M/WBE goals or made a clearly defined good faith effort to achieve M/WBE goals. This Ordinance would work hand-in-hand with specific language to be included in all bid advertisements and Requests for Proposals that state the City's M/WBE goals and what constitutes a good faith effort.

FINANCIAL DATA

To adequately staff the certification, outreach, marketing, technical assistance and clerical components of the M/WBE Program, it is recommended that 1.75 FTE be added to the Department of General Services Administrative unit.

Exhibit III provides a detailed breakdown of the recommended budget of \$100,000 and shows that \$77,832 will be contributed by the General Fund and \$22,168 by the various Enterprise Funds. The methodology used to identify each funds' proportional share was the same as that used in the City's Cost Allocation Plan.

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Budget and Finance Committee
June 21, 1988
Page nine

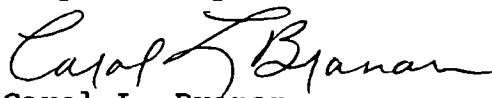
It is recommended that funding for the M/WBE Program be incorporated into the adopting resolution for the 1988-89 Operating Budget.

Recommendation:

It is the recommendation of staff that the attached Ordinance be recommended for approval and forwarded to the full Council for adoption. The attached Ordinance amends the City Code, adding Articles XIII and IX, Sections 58.801 through 58.805 and 58.901 through 58.902 to Chapter 58 to include M/WBE language. It is further recommended that staff be directed to incorporate M/WBE Program staffing and funding augmentations into the adopting resolution for the 1988-89 Operating Budget and approve the M/WBE Program recommendations made in this report.

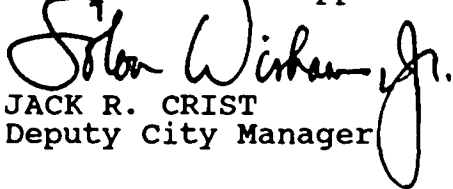
A final recommendation is that the Mayor appoint an eleven member citizen's M/WBE Task Force made up of business representatives from the community. This Task Force will meet with the City Manager on a quarterly basis to evaluate progress and provide input for changes to the M/WBE Program that will assist the City in strengthening the Program and meeting its goals.

Respectfully submitted,



Carol L. Branan
Sr. Management Analyst

Recommendation Approved:



for: JACK R. CRIST
Deputy City Manager

All Districts
June 21, 1988

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M/WBE GOALS BY CITY

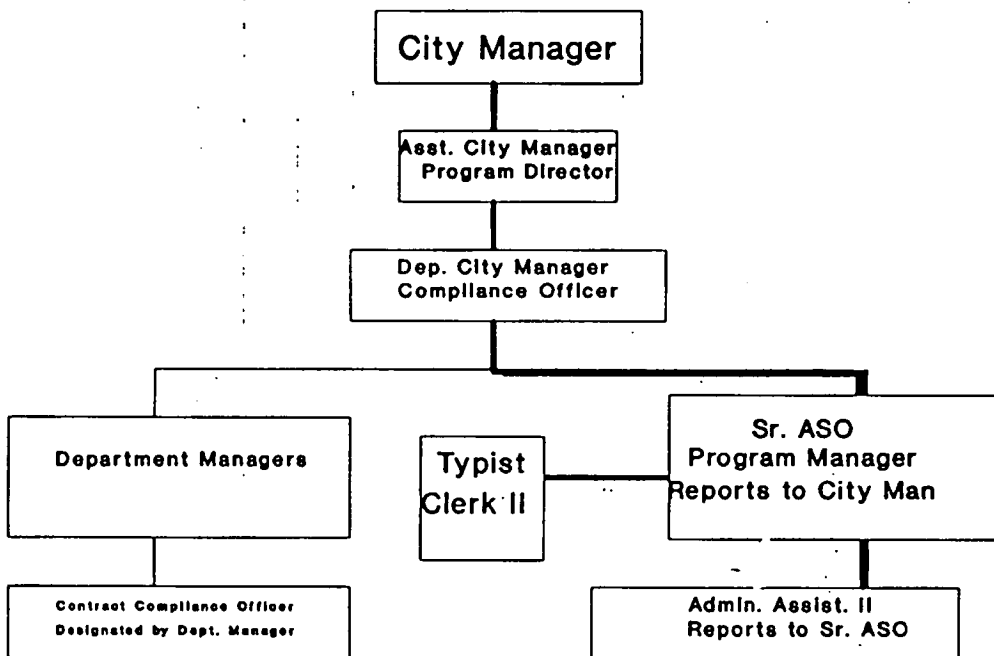
	GOAL	ACHIEVED	HOW SET
Hayward	Local MBE 1.8 Local WBE 2.3 Local BE 12.6	LMBE 1.6% LWBE .3% LBE 15.9%	Local Survey and Census Data Annual evaluation
Fresno	Const. MBE 25% Const. WBE 3% Procur MBE 5% Procur WBE 1%	Have met, but not exceeded goals	Census data and historical data Annual evaluation
Oakland	Procur MBE 35% Procur WBE 5% Procur 75% LBE Const MBE 30% Const WBE 5% Const LBE 50%	Procur MBE 22% Procur WBE 5.5% Procur LBE 81% Const MBE 31% Const WBE 5% Const. LBE 50%	Local telephone survey and mail survey Census data Annual evaluation
SHRA	MBE 20% WBE 5%	MBE 16.5% WBE 6.3%	Census data and service selection
CalTrans	MBE 13% WBE 3%	MBE 13% WBE 3%	Census data for area Evaluation by trade Annual evaluation

6/9/88

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EXHIBIT II

ORGANIZATIONAL CHART
MBE/WBE PROGRAM



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EXHIBIT III

BUDGET

4101	1.75 FTE includes benefits & overtime	\$67,000
4201	Postage	3,000
4202	Tel & Teleg	1,400
4213	Print & Bind	3,000
4233	Rent Equip	800
4258	Other Prof. Services	7,800
4261	Transp	500
4262	Meals	150
4270	Member Fees	250
4271	Newspapers	250
4272	Reg & Tuit	500
4411	Office Sup & Mat	500
4461	Small Tools	250
4462	Computer Supplies	600
4630	Equipment	14,000
		<u>\$100,000</u>
	General Fund Contribution	\$ 77,832
	Enterprise Fund Contributions	
	419	2,981
	417	331
	418	1,219
	414	3,312
	415	1,348
	413	7,464
	412	1,663
	425	3,880
		<u>\$ 22,168</u>

How To Do Business With The City Of Sacramento

The City of Sacramento purchases a wide variety of goods and services, ranging from automobiles to zoo animal food. The City Council and City staff place a high value on the information, assistance, and cooperation provided by suppliers who help the City obtain maximum value for purchases. To enhance the working relationship between vendors and the City of Sacramento, the City has developed the following information to briefly describe City purchasing opportunities and procedures.

CITY PURCHASING OFFICE

The City Purchasing Office is part of the Support Services Division of the City's General Services Department. The Purchasing Office is responsible for obtaining supplies and services necessary for the efficient operation of City government. In order to obtain maximum value and provide reliable services, most City purchases are made through a competitive bid process, with bids awarded to the lowest responsible bidder. City Purchasing Office Buyers will gladly answer telephone questions or make appointments to meet with vendors to describe the City's purchasing procedures, and answer questions.

Purchasing Office — City of Sacramento
5730-24th Street, Building Four, Sacramento, CA 95822-3699
916-449-5551

The office is open Monday-Friday, 8:00 a.m. - 4:30 p.m., except holidays

SUPPLIES AND SERVICES WHICH THE CITY PURCHASES

The following are examples of goods and services which the City purchases:

Adhesives, Advertising, Alarm Systems, Ammunition, Animals, Appliances, Automobiles, Bearings, Books, Brushes, Building Materials, Cable, Carpet, Chain, Chemicals, Cleaning Supplies and Equipment, Clothing, Compressors, Computers, Construction Materials and Services, Electricity, Elevators, Engines and Components, Excavation Services, Explosives, Feed, Fertilizer, Fire Fighting Equipment, Fittings, Food and Food Services, Fuels, Furniture, Garbage Collection Services, Gases, Guns, Hardware, Heating Equipment, Hose, Janitorial Services, Ladders, Landscaping, Laundry Services, Lawn Equipment, Lighting, Lumber, Maps and Mapping Services, Marine Equipment, Material Handling Equipment, Metal, Moving Services, Nursery Stock, Office Equipment and Supplies, Packaging Supplies, Paint, Paper, Pest Control Products and Services, Pipe, Plumbing Supplies and Services, Printing, Real Estate Services, Recreation Equipment, Rope, Safety Equipment, Salvage Services, Scaffolds, Sealers, Security Guards, Seeds, Signs, Sound Equipment, Space Rental, Telephone Services and Equipment, Temporary Staff Services, Tires, Tools, Towing, Tractors, Trailers, Training Services and Equipment, Transmission Equipment, Transportation, Travel, Trucks, Valves, Vehicle Maintenance Services and Equipment, Waxes, Welding Supplies, Window Cleaning Services, Zoo Animal Food.

Contracts for professional services are made directly by City Departments using the service.

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OPPORTUNITIES FOR BUSINESSES OWNED BY WOMEN AND MINORITIES

The City of Sacramento has resolved to increase purchase awards to minority and women owned businesses. In September of 1986, the City began certifying women owned business enterprises (WBE), and minority owned business enterprises (MBE). In order to be ready to do business with the City as a certified minority or women owned business you must: 1) Complete and file a Bidder's List Application; and (2) Complete and file a Minority and Women's Business Enterprise Self-Certification Questionnaire. Both forms can be obtained from the City Purchasing Office.

GENERAL GUIDELINES FOR VENDORS

- All sales representatives should deal directly with the City Purchasing Office. When appropriate, Buyers in the Purchasing Office will arrange meetings between sales representatives and City departments.
- Vendors must obtain a City purchase order number before delivering goods or initiating services.
- City employees are not allowed to accept any type of gift offered by vendors or their representatives.

BUYING PROCEDURES

The City of Sacramento actively encourages Sacramento area businesses to participate in competitive bidding for City goods and services. The City solicits bids for goods and services in the following ways:

Purchases Less Than \$10,000

Buyers in the Purchasing Office contact vendors on the City's Bidders List either by telephone, or by sending a Request for Quotation Bid Form. If contacted by telephone, vendors have the option to make a bid during the conversation, or to call back with a bid before the deadline set by the Buyer. City Buyers contact as many vendors as possible, and try to obtain at least three responsible bids for each purchase. However, the number of vendors contacted will vary, depending on the dollar amount of the purchase and the time available. For purchases less than \$10,000, bid awards are made by the City Purchasing Office after the staff has tabulated and analyzed the bids to determine the lowest responsible bidder.

Purchases of \$10,000 or More

A formal bid information packet is prepared by the City Purchasing Office and mailed by the City Clerk's Office to vendors on the Bidders List. The Clerk's Office also advertises all bid opportunities over \$10,000. Formal sealed bids are sent to the City Clerk's Office before the announced deadline. Bids are opened and read by the City Clerk on Tuesdays at 10:30 a.m. in the City Council Chambers. All bidders are welcome to attend bid openings. During the week following a bid opening, City staff tabulates and analyzes the bids to determine the lowest responsible bidder. Approximately two weeks after the analysis is completed, the City Council takes action to award the bid to the lowest responsible bidder. Bid awards appear on the City Council agenda and award actions are made during regularly scheduled City Council meetings at 7:30 p.m. on Tuesday evenings in City Hall at 915 I Street in Sacramento. All interested persons are welcome to attend these meetings.

BIDDERS LIST

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The City Purchasing Office maintains a master Bidders List of vendors. When the City solicits bids for products or services, potential suppliers on the Bidders List are contacted. Vendors who would like to be included on the Bidders List should contact the City Purchasing Office for a Bidders List Application Form. Applications can be mailed, or vendors can pick up applications at the City Purchasing Office. The application form may be submitted the same day it is received, and there is no charge for the application or for being included on the List. Vendors remain on the Bidders List as long as they continue to respond to the City's bid solicitations (mailing in a "No-Bid" is accepted as a response). Vendors who do not respond to three consecutive bid requests may be removed from the Bidders List.

BID INFORMATION PACKAGE

Bid request forms are usually accompanied by a bid information package containing bid specifications, terms, conditions, procedures, deadlines, instructions, and information on who to contact for further assistance. The bid information packet later becomes part of the bid award contract.

BID AND PERFORMANCE BONDS

Bid and performance bonds are required only when legally necessary, or when essential to protect the interests of the City because of the dollar value and complexity of the purchase.

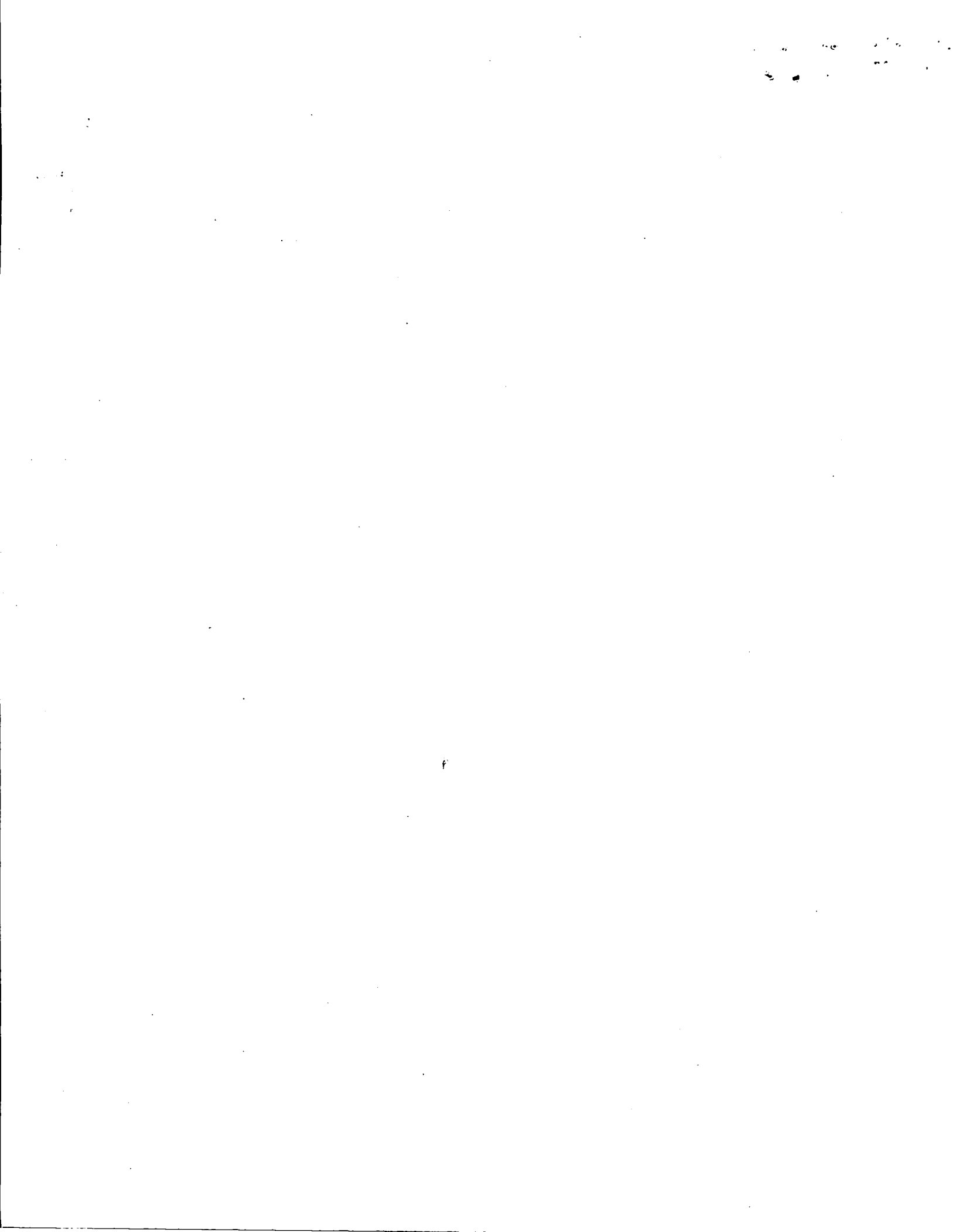
SUBMITTING YOUR BID

It is very important for vendors to carefully complete and sign all bid forms. Incomplete and unsigned bids will automatically be rejected. For informal telephone solicitations, bid deadlines will be given by a City Buyer during the telephone conversation. Bid deadlines are clearly printed on all bid request forms. Complete bid forms may be mailed or delivered in person to the address on the printed bid request. Vendors must allow adequate time for bid delivery. No bid modifications are allowed after the deadline and bids received after the deadline will be returned unopened. Vendors may call the contact person listed in bid information package before the deadline to verify that their bid has been received.

BID AWARDS AND CONTRACTS

It is the City of Sacramento's policy to award bids to the lowest responsible bidder. Bid information packages contain complete details about bid openings and awards. All interested vendors may attend bid openings and public meetings where bids are awarded. Vendors who have questions about bid openings, tabulation, analysis or bid awards, should contact the City Purchasing Office. Please refer to the bid number when inquiring.

In some cases, a purchase order will serve as the City's contract with a successful bidder. In other cases the City will prepare and send a written contract to vendors. The contract will describe specifications, terms, and conditions, such as conditions under which change orders will be allowed. The vendor is responsible for signing and returning all contract documents, and for complying with all provisions of the contract. Failure to sign and return contracts to comply with contract provisions, may cause the City to cancel a contract, and eliminate a vendor from future bid consideration.



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DELIVERY OF GOODS

A City purchase order authorizes a vendor to begin delivery of goods or services. Specific shipping and delivery instructions are written on the purchase order. Normally, the City requires that vendors deliver goods at no extra charge (FOB) to the delivery location noted on the purchase order. Acceptance of delivery is subject to the inspection and approval of the receiving City Department.

BILLING AND PAYMENT

Each shipment of goods must be billed separately. To receive payment vendors are required to submit three clearly printed and itemized invoices to:

Accounts Payable — City of Sacramento
City Hall — Room #114, 915 I Street, Sacramento, CA 95814-2683

All invoices must reference the City's purchase order number, and describe in detail the goods or services provided. Whenever possible, the City tries to take advantage of prompt payment discounts. Usually, payment is made 15-45 days after an invoice is received. For more information about payments, contact the City's Accounts Payable Office at 916-449-5769.

OTHER SOURCES OF INFORMATION

For more information about City purchases, vendors may want to follow City Council and Council Committee meetings. Information and agendas for those meetings are available from the City Clerk. Vendors may also wish to check bid opportunities on a weekly basis at the following:

Bid lists cannot be given out over the telephone

Bid Book
City Purchasing Office
5730-24th Street, Building Four
Sacramento, CA 95822-3699
916-449-5551

Bid Room
Sacramento Metropolitan
Chamber of Commerce
917-7th Street
Sacramento, CA 95814
916-443-3771

Bid List
City Clerk's Office
City Hall — Room 300
915 I Street
Sacramento, CA 95814-2671
916-449-5426

Bid Room
Sacramento Minority Business
Development Center
530 Bercut Drive
Sacramento, CA 95814
916-443-0700

September, 1987

