

CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

C-2-D



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June 18, 2002

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

Subject: Annual Report on the City of Long Beach Diversity Outreach Program (Formerly Semiannual Report on the City of Long Beach Disadvantaged-, Minority-, and Women-owned Business Enterprise Program) (Citywide)

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DISCUSSION

The City of Long Beach endeavors to ensure that its procurement process is open and inclusive to minority- and women-owned business enterprises. In 1988, the City Council furthered its equal opportunity goals by encouraging the use of Disadvantaged- (DBE), Minority- (MBE), and Women-owned (WBE) Business Enterprises in City contracts and establishing participation goals. A primary focus of this program was to develop outreach programs to disseminate contract and bid information to both public and private DBEs, MBEs and WBEs. In 1992, the City Council expanded its outreach commitment by adopting the City's "Buy Long Beach Program" to include outreach to the local business community.

On January 2, 2001, the City Council expanded the City's outreach commitment to include the Long Beach Disadvantaged Business Enterprise Program for U.S. Department of Transportation (DOT) Capital Improvement Projects. The DOT requires a good faith effort and analysis from the City to ensure that DBEs participate in transportation construction projects. This good faith effort, while enhancing the City's overall outreach commitment, only applies to federally-funded programs by the DOT.

On October 1, 2001, the Diversity Outreach Division was created in the Department of Financial Management. Although the Purchasing Division was previously conducting outreach, the focus was refined with the new outreach division. The division's mission is: "To create an environment of inclusion where our diverse and local business enterprises are given maximum opportunity to compete successfully in providing quality and cost-effective products and services to City Departments in a timely manner." The goals of the division include educating and encouraging, through a variety of outreach efforts, the City's diverse business community to participate in the City's procurement process.

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In short, every opportunity is given to all local diverse businesses to participate in the City's procurement process. Outreach methods currently include Internet promotion, telephone hotlines, counter resources, personalized buyer service, department contacts, and participation in Long Beach Chamber of Commerce activities. Other efforts include making presentations with local business organizations, participating in regional conferences, and serving on local and regional business organizations.

Current report submitted to the City Council include the Semiannual Report on the City of Long Beach Disadvantaged-, Minority-, and Women-owned Business Enterprise Program, the Quarterly Buy Long Beach Report, the Disadvantaged Business Enterprise Program report on DOT-funded projects and various on-request City Council reports. These reports focus primarily on the number of awards that have been made to local and diverse business enterprises.

In November 1996, Article I, Section 31 was added to the California Constitution by voter approval of Proposition 209. Section 31 prohibits state and local government entities from discriminating against or giving preferential treatment to individuals or groups in public education, public employment, or public contracting on the basis of race, sex, color, ethnicity, or national origin. Recent court challenges to Proposition 209 prompted the Department of Financial Management, with approval from the City Manager and support from the City Attorney, to re-evaluate the City's own DBE/MBE/WBE Program.

On September 1, 2001, the Department of Financial Management sent out bids and selected Perceptive Enterprises, a consulting firm and an MBE, to perform a comprehensive review and assessment of the City's existing program and provide recommendations for improvements on the City's outreach efforts. The second phase of the study will provide implementation support for the accepted recommendations. This plan for a comprehensive review was reported to the City Council on October 9, 2001.

The study's review and assessment section has already been completed and the recommendation section will be completed this summer. Upon completion, a final report will be circulated to the Mayor and City Council for review.

The preliminary review and assessment of the DBE/MBE/WBE Program has revealed that the direction the City has taken in promoting this program has been appropriate and correct. What has changed are the acceptable methods by which outreach is conducted, documented, and evaluated. As a result, the City Attorney will be requested to review the final report on the DBE/MBE/WBE Program for compliance with Section 31 and recent court challenges.

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In accordance with Section 31, and in preparation for the anticipated changes, it is recommended that the name of the program be changed from the "Disadvantaged-, Minority-, and Women-owned Business Enterprise Program" to the "City of Long Beach Diversity Outreach Program." The Diversity Outreach Program's mission will be appropriately communicated to all segments of the local diverse business community. This change will also enable the components of the DBE/MBE/WBE and the Buy Long Beach Programs to be combined into one program, thereby providing an understandable basis from which to report.

The City's primary progress reports have been the Semiannual DBE/MBE/WBE Report and the Quarterly Buy Long Beach Report. These reports rely on information from the City's Advanced Purchasing and Information and Control System (ADPICS). However, these reports focus only on the number of dollars spent on MBE/WBEs and Long Beach businesses. Changes to the methodology by which data is captured are necessary, as well as new and updated reports.

The City is moving forward with a procurement system upgrade that will enhance system features and reporting methods. A change in the methodology of capturing and reporting data is also underway. Preliminary discussions with Perceptive Enterprises indicate that outreach goals, instead of dollars spent goals, should be the primary focus. An increase in outreach should ultimately lead to increases in awards.

Consequently, this current report before the City Council incorporates a full year of information (April 1, 2001 through March 31, 2002). It is recommended that the City Council accept this report as the final report using the current (old) reporting methodology. It is further recommended that mid-year informal (off agenda) reports be submitted to the Mayor and City Council, with one formal annual report being submitted at the end of each fiscal year.

A comprehensive annual report, incorporating the implemented recommendations of the consultant study, will be presented to the City Council at the completion of the current fiscal year. That report will synchronize the City's fiscal year (October 1, 2001 through September 30, 2002) and will incorporate new data reporting methods. Although the first six months will overlap with the report currently before City Council, it is anticipated that the new annual report will provide more information as to the City's outreach efforts and awards. The change in reporting periods and methods will enable City staff to implement the accepted recommendations of the consultant's study, complete changes to its procurement systems, and develop new reports.

Attachment 1, which again follows the "old" format, details the dollars spent on MBE and WBE suppliers, excluding Harbor and Water Department purchases. Previous MBE/WBE reports have excluded Harbor and Water purchases, while they have been included in the Buy Long Beach Report. Future Diversity Outreach reports will include Harbor and Water purchases.

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In addition, non-competitive commodities from the Buy Long Beach section have been excluded to show only competitive purchases. The non-competitive commodities included utility payments for water and electricity. These purchases are considered non-competitive in that there is only one provider, not a Long Beach supplier, for these commodities; therefore, business is conducted without a competitive bid process.

The report reflects the City's performance on MBE and WBE expenditure goals for each of the following contract categories: Construction, Professional Services, and Materials and Supplies. For the reporting period of April 1, 2001 through March 31, 2002, the City expended approximately \$16.6 million (10.2 percent) on MBEs and approximately \$16.4 million (10.0 percent) on WBEs. This performance compares with current MBE and WBE annual goals of 15 percent, which were adopted by the City Council in June 1997, after the peak performance year of 1996.

Dollars spent decreased by 0.4 percent in the MBE percentage during the reporting period; however, it should be noted that the award or loss of large contracts could significantly skew actual performance in any given reporting period. For example, during the current reporting period, the WBE percentage (1.4 percent) for Construction declined markedly over the prior reporting period (6.4 percent.) The primary reason for this decline is due to a large-scale WBE construction contract (\$1.7 million) ending prior to the start of the current reporting period. In addition, as specified in the City Charter, contract awards can only be made to the lowest responsible bidder, which may also affect MBE and WBE dollars spent.

The current reporting period also shows that dollars spent in Long Beach represents 26.3 percent of all purchases reported. Of the total, non-city Manager departments account for 13.7 percent and City Manager departments represent 44.1 percent. As previously noted, water and electric payments have been excluded from these percentages. Future reports will include a more comprehensive review of non-City Manager departments and will further detail, as necessary, other non-competitive purchases.

This matter was reviewed by Deputy City Attorney Donna F. Gwin on May 13, 2002 and by Budget Manager Annette Hough on May 28, 2002.

TIMING CONSIDERATIONS

This report summarizes the Disadvantaged-, Minority-, and Women-owned Business Enterprise Program from April 1, 2001 through March 31, 2002.

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FISCAL IMPACT

None.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

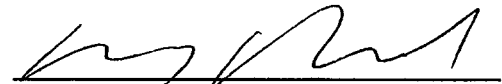
- (1) Change the name of the "Disadvantaged-, Minority-, and Women-owned Business Enterprise Program" to the "City of Long Beach Diversity Outreach Program."
- (2) Change the reporting period to the Mayor and City Council to one formal annual report submitted at the end of each fiscal year.
- (3) Receive and file this report.

Respectfully submitted,



ROBERT S. TORREZ
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



HENRY TABOADA
CITY MANAGER

CITY OF LONG BEACH

**DISADVANTAGED-, MINORITY-, AND WOMEN-OWNED
BUSINESS ENTERPRISE PROGRAM**

**ANNUAL REPORT
APRIL 1, 2001 - MARCH 31, 2002**



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INTRODUCTION AND OVERVIEW

On February 2, 1988, the City Council adopted the "City of Long Beach Disadvantaged-, Minority-, and Women-owned Business Enterprise Program" (Page 15). The program encourages the use of Disadvantaged- (DBE), Minority- (MBE), and Women-owned (WBE) businesses in City contracts. The City Council has adopted goals of 15 percent for DBE, MBE and WBE for each of the following contract categories: Construction, Professional Services, and Materials and Services. Pursuant to the program guidelines, a semiannual report, which identifies efforts undertaken by City staff and indicates the amount of purchases from MBE and WBE, is required. This report summarizes the full year from April 1, 2001 through March 31, 2002.

EXPENDITURES

The following information is based on expenditures for minority- and women-owned businesses during the reporting period:

	Expenditure Amount	% of Total Expenditure	Goal	% of Goal
<u>Construction Total</u>	\$38,542,016			
MBE Purchases	4086,269	10.6%	15%	70.7%
WBE Purchases	502,930	1.3%	15%	8.7%
<u>Professional Services Total</u>	\$35,927,900			
MBE Purchases	6,958,128	19.4%	15%	129.1%
WBE Purchases	8,782,135	24.4%	15%	163.0%
<u>Materials and Services Total</u>	\$89,171,099			
MBE Purchases	5,571,389	6.2%	15%	41.7%
WBE Purchases	7,157,971	8.0%	15%	53.5%
<u>GRAND TOTAL AWARDED</u>	\$163,641,015			
MBE	16,615,786	10.2%	15%	67.7%
WBE	16,443,036	10.0%	15%	67.0%

	Citywide	Buy Long Beach	Percent
Total Purchases	\$649,205,220	\$170,992,806	26.3%
Non-City Manager Total	\$378,842,944	\$ 51,890,710	13.7%
City Manager Total	\$270,362,275	\$119,102,095	44.1%

For the reporting period April 1, 2001 through March 31, 2002, the City expended approximately \$16.6 million (10.2 percent of total expenditures) on MBEs and about \$16.4 million (10.0 percent of total expenditures) on WBEs. The following table compares the FY 99, FY 00, FY 01, and FY 02 MBE and WBE statistics.

Category	FY 99	FY 00	FY 01	FY 02
Construction				
MBE	24.4%	18.1%	12.5%	10.6%
WBE	3.5%	18.2%	6.4%	1.3%
Professional Services				
MBE	24.8%	31.5%	25.6%	19.4%
WBE	29.1%	34.3%	27.5%	24.4%
Materials and Services				
MBE	7.0%	5.7%	5.5%	6.2%
WBE	7.1%	6.7%	4.9%	8.0%
Grand Total				
MBE	12.4%	11.6%	10.6%	10.2%
WBE	11.1%	12.8%	9.6%	10.0%

OUTREACH

During the reporting period of April 1, 2001 through March 31, 2002, departments initiated and maintained several DBE, MBE, and WBE activities, including:

City Clerk

- Maintained brochures, flyers and business cards of all MBEs and WBEs that are relevant to the department. The department continues to utilize MBE/WBE services whenever possible.

Community Development

- To generate minority and women's interest, the Housing Development Division advertised in the Los Angeles Sentinel, the Long Beach Press-Telegram, La Opinion, Dodge Green Sheet, Los Angeles Times, the United Cambodian Community Newsletter, and the Neighborhood News Newsletter.
- The Housing Services Bureau, in conjunction with the Neighborhood Services Bureau, participated in joint public information events to neighborhoods with high ethnic populations.
- The Economic Development Bureau made two Capital Availability loans to MBEs and WBEs. These low-interest rate loans benefit existing businesses within the CDBG-designated areas of the city. Also, 79 \$2,000 Business Start-up Grants were issued to minority and women entrepreneurs who opened businesses along City Council-designated commercial corridors, including 26 Hispanics, 24 Asian-Americans, 1 Middle Eastern-American, and 24 African-Americans.
- One Revolving Loan was made to a Minority- and Women-owned business. The Revolving Loan Fund provides gap financing of up to several hundred thousand dollars to existing businesses.
- The Economic Development Commission approved extension of the \$2,000 Business Start-up Grant Program to include the south side of Willow Street in the central area of Long Beach. The goal is to increase business services in this heavily minority community and to support minority business development within the city.
- The Economic Development Bureau participated in Minority Business Opportunity Day at the Long Beach Convention Center on February 13, 2002. At this event, staff provided information and assistance to primarily MBs and WBs. The event, attended by approximately 1,000 people, facilitated outreach to Long Beach MBEs, WBEs, and DBEs, in addition to providing MBE/WBE certification assistance.
- The Housing Services Bureau continued a special outreach to minority property owners to participate in the Rehabilitation Loan Program.
- A written statement was included in all Requests for Proposals (RFPs) and Requests for Qualifications (RFQs) that encouraged MBEs and WBEs to respond.

- Staff is currently working with businesses on the Westside to form a business association; the majority of these businesses are minority-owned. In addition, staff is looking into having Small Business Development Center (SBDC) evening workshops in the community.
- The Economic Development Bureau continues to support minority business associations (Latino Business Leaders Association, Hispanic Chamber of Commerce, Black Business and Professional Association, the Korean Chamber of Commerce, and the Long Beach Area Chamber of Commerce) by providing printing and mailing assistance. Staff attends association meetings in the community to market loan programs and offer technical assistance.
- Business Outreach Consultants received 181 surveys from MBEs and WBEs. These surveys provide businesses an opportunity to voice concerns and indicate areas of assistance. Of these surveys, 45 businesses were interviewed as a follow-up to the surveys, and an additional 111 businesses were visited.
- Advertisements on the loan programs, SBDC workshops, and consulting services, are being placed on a monthly basis with minority-owned publications, such as the Long Beach Times and La Opinion.
- SBDC provides technical assistance to help existing and prospective business owners start, maintain and expand their businesses. The SBDC provided one-on-one business consulting to approximately 182 MBEs and WBEs. In addition, owners of approximately 464 MBEs and WBEs attended business development workshops on such topics as starting a business, writing a business plan, marketing and bookkeeping. These workshops are held in various areas of Long Beach.
- The Microenterprise Loan Program, which assists in the development of new low-to-moderate income businesses that do not have access to normal credit, made one loan to a MBE and WBE.
- The City served as a co-sponsor for the Small Business Opportunities Conference that was held on August 17, 2001. The conference served as an interactive arena for small businesses to obtain contracts, certification assistance and procurement information with government and private industry.
- The City procured a \$1 million grant from the Economic Development Administration (EDA) for targeted loans and technical assistance to MBEs.
- The City supported the African-American Economic Summit held on May 18-19, 2001, which was sponsored by the Black Business and Professional Association. The Economic Development Bureau provided in-kind support, materials and resources.
- The Long Beach Housing Development Company, the non-profit branch of the Community Development Department, continued to conduct special mass mailings to MBE/WBE companies when soliciting suppliers, professional services and contractors and gave additional points during the evaluation and selection process.

- The in-house MBE/WBE database continues to be updated and is used to market the Business Development Center and its programs and services. Staff is currently looking into the feasibility of publishing a MBE/WBE directory.
- Economic Development staff attended the Cambodian New Year's celebration at El Dorado Park and distributed business development program information from the City of Long Beach exhibitor booth.

Financial Management

- Bidders Application requests can now be downloaded from and reviewed on the City's Purchasing Web Page, www.lbpurchasing.org. This provides convenient access to the City's informal and formal bid notices, communicates information to potential suppliers, and helps increase the City's outreach to Local Long Beach (local), DBEs, MBEs and WBEs .
- All formal and informal bid specifications can now be downloaded from and reviewed on the Internet. This provides convenient access to potential suppliers and helps increase the City's outreach to Local, DBEs, MBEs and WBEs.
- The 24-hour procurement opportunity hotline, which provides information on the City's formal and informal bids, is updated by the Purchasing Division once a week. Information provided on the hotline is also included in the "City Source," a citizen referral directory maintained by the Department of Library Services.
- The following statement is shown on all Invitations to Bid (ITB) issued by the Purchasing Division: "LONG BEACH, DISADVANTAGED-, MINORITY-, AND WOMEN-OWNED BUSINESSES ARE ENCOURAGED TO RESPOND TO THIS SOLICITATION."
- In addition to using the Disadvantaged, Minority, and Women directories of the City of Los Angeles, the County of Los Angeles and other local agencies, the Purchasing Division is utilizing an on-line supplier directory which provides priority selection for Local, DBEs, MBEs, and WBEs. A copy of the online directory is printed semiannually and distributed to DBE/MBE/WBE/Buy Long Beach Steering Committee members.
- The Purchasing Division continued to send a minimum of four bids to DBEs and MBEs, one bid to a WBE and two bids to Long Beach businesses.
- The Purchasing Division conducts monthly department training sessions to assist department's understanding of the process to hire professional and general services providers. These sessions assist departments in communicating to potential service providers, including Local, DBEs, MBEs and WBEs, the process necessary to hire service providers.
- The Purchasing Division placed advertisements in the following publications to seek Local, MBEs and WBEs to participate in bids for equipment, materials and services: the Minority Business Entrepreneur, the Wrigley Bulletin, and the Long Beach Times.

- The Purchasing Division, in conjunction with the Community Development Department, continued to show a Public Service Announcement (PSA) related to DBEs, MBEs and WBEs, business assistance and buying goods and services in Long Beach. The PSA was shown on local networks and at business and community meetings.
- In a continuing effort to increase participation of Local, DBEs, MBEs and WBEs, the Purchasing Division sent bid notifications to the following agencies: Bidnet Processing Center; Bixby Knolls Business Improvement Association; Black Business Association of Los Angeles; Black Business and Professional Association of Long Beach; Black Chamber of Commerce of Orange County; Contractors Information Network; Construction Market Data; Downtown Long Beach Business Association; East Los Angeles Minority Business Development Center; Filipino-American Chamber of Commerce of Long Beach; Latino Business Association; Latino Business Leaders Association; Latino Entrepreneurial Association; Long Beach Area Chamber of Commerce; Los Angeles Urban League; MBE/WBE Advisory Services; National Center for American Indian Enterprise Development; Open Bid, Incorporated; Small Business Exchange; U.S. Government Advertiser; and the United Cambodian Center.
- City departments were individually responsible for issuing RFPs for professional services. To facilitate the public's access to information regarding these RFPs, a listing was made available in the Purchasing Division's public counter for review and on the Purchasing website.
- The Purchasing and Diversity Outreach Divisions participated in monthly meetings in the Small Business Council & Connections Committee, a Long Beach Chamber of Commerce committee.
- The "How To Do Business With Long Beach" brochure has now been posted on the Purchasing website in both Spanish and Khmer (Cambodian).
- Participated in the Small Business Opportunities Conference, held on August 17, 2001, which was sponsored by the Purchasing Division and the Economic Development Bureau, in partnership with the Long Beach Area Chamber of Commerce, Earth Tech and the Boeing Company.
- On August 21, 2001, the "Update to the City of Long Beach Disadvantaged Business Enterprise Program for U.S. Department of Transportation Capital Improvement Projects" report was submitted to City Council.
- On September 21-23, 2001, the Diversity Outreach Officer participated in the Black Business Expo.
- The Diversity Outreach Division was created to help coordinate MBE/WBE and other related types of programs. During this period, one-on-one consultations to numerous MBEs, WBEs, DBEs and Other Business Enterprises (OBEs) on how to do business with the City and on how to be more competitive were provided, in addition to generalized information.

- The Diversity Outreach Officer met with various Long Beach, minority and women business associations, institutions and organizations to solicit their assistance in improving the City programs. These include the Long Beach Alliance for Business Associations; Latin Business Association; Black Business and Professional Association of Long Beach; Latin Business Leaders Association; Hispanic Chamber of Commerce; Long Beach Black Chamber of Commerce; the National Association for the Advancement of Colored People (NAACP); the United Cambodian Center; and the American Business Women's Association.
- The Diversity Outreach Officer provided training to DBE/WBE/MBE/Buy Long Beach Committee members during bi-monthly meetings; to Long Beach Area Chamber of Commerce members during a breakfast meeting; to the City's Economic Outlook Conference business participants; and to various other business associations and organizations.
- The Diversity Outreach Officer continues to participate in the Small Business Opportunities Conference planning committee, which is scheduled for October 18, 2002 at the Queen Mary. Since many small businesses are Minority- and/or Women-owned, this conference is very important.
- The Diversity Outreach Officer participated in several minority and women business oriented events, including the Southern California Regional Purchasing Council Conference held on February 12-13 at the Long Beach Convention Center; the Los Angeles Minority Business Opportunity Committee Contracting Seminar on February 28, 2002; the Jet Propulsion Laboratory High Tech Small Business Conference held on March 6-7; and the City of Long Beach Economic Conference held on March 14.
- The Diversity Outreach Officer advertised the City's DBE/MBE/WBE programs in the Long Beach Business Journal, Long Beach Times and the Minority Business Entrepreneur periodicals, the Long Beach Press-Telegram, and other publications.
- The Diversity Outreach Officer participated in the ongoing Los Angeles Area Unified Certificate Program Cluster Group meetings to ensure compliance with upcoming supplier certification requirements.
- The Diversity Outreach Officer created an incentive program for the City's DBE/WBE/MBE/Buy Long Beach Steering Committee.
- The Diversity Outreach Officer participated in the Mayor's New Business reception on January 10, 2002.
- On September 26, 2001 the Diversity Outreach Division participated in the departmental Office Product Show sponsored by Office Depot, which attempted to encourage departments to use products provided by minority and women subcontractors.
- The Diversity Outreach Officer participated in the monthly Los Angeles Minority Business Opportunity Committee meetings.

- The Diversity Outreach Officer provided business outreach at the Martin Luther King Park community meeting held on September 25, 2001.

Fire

- In addition to utilizing the City's MBE and WBE Directory, the Fire Department continued to use a list of MBE/WBE suppliers it compiled from attending trade shows, conferences and seminars.
- Currently working with Financial Management to begin utilizing an online supplier directory which provides priority selection for Local, MBEs and WBEs.
- Continued to track purchases made through its four-imprest cash funds regarding Local, MBE and WBE. All purchases and services continue to be reviewed to determine whether a MBE/WBE business can be used.
- Continued to utilize the "Buy Long Beach" Management Report, which is distributed to staff on a monthly basis and assists in improving our knowledge and selection of Local, MBEs and WBEs.
- Continued to be an active member of the City's MBE/WBE Steering Committee, which meets on a regular basis to explore various methods to increase the City's commitment to doing business with MBEs and WBEs.
- Continued to be a participant at the annual Minority- and Women-owned business outreach seminars that have been sponsored by the City.
- Attended the Small Business Opportunities Conference that was held August 17, 2001 at the Long Beach Convention Center.

Harbor

- Special efforts have been made to provide outreach to DBEs and MBEs, including advertising construction bids in minority publications in the State (Eastern Group Publications, an Hispanic publication, and the Los Angeles Urban League).
- The Port participates as a member of the Alameda Corridor Joint Partners Authority in the Alameda Corridor Business Outreach Program to provide jobs/contracts in the Alameda Corridor Transportation Authority development area.
- The Port has adopted the Disadvantaged Business Enterprise Program for federally funded projects.

Health And Human Services

- On November 15, 2001, Preventive Health Bureau staff attended a workshop titled "A Tapestry of Health: Strategies to Improve Healthcare Access in Culturally Diverse Communities." This workshop highlighted the cultural health practices of Arabic, Muslim, Armenian, East African, Latinos and Asian and Pacific Islander communities. This is important to help understand healthcare practices among minority groups and to help ensure health-related safety in minority businesses.

- On December 7, 2001, the Director of Health and Human Services and various Department of Health and Human Services staff attended the grand opening of the new headquarters of the Cambodian Association of America.
- On February 21, 2002, a community meeting, in which several Health and Human Services staff were present, was held to begin development of a flyer to educate residents on the hazards of purchasing food from unlicensed food vendors. This is important, as many minorities and women purchase food from such vendors, and many of these vendors are MBEs and WBEs. A later meeting will be held to finalize the flyer.

Human Resources

- A Risk Management staff representative attended a the Small Business Opportunities Conference on August 17, 2001, who displayed an exhibit and made a presentation as part of the "Meet the Buyer and Department Contact."
- Risk Management has a \$100,000 contract with a MBE/WBE designated consulting firm, Insure Tech, Inc.
- The Employee Benefits Division has contracted with a WBE designated firm to handle the procurement of Service Awards and Charity Drive Awards.
- The Equal Employment Americans With Disabilities Act (ADA) Division contracted with MBE/WBE designated consulting firms to conduct discrimination complaint investigations.
- Personnel Operations Division solicited RFPs from MBE/WBE businesses for the City's Temporary Clerical Program.
- Executive staff continues to utilize a WBE consulting firm for professional consultations.
- The Department encourages staff to procure goods and services from MBEs and WBEs whenever possible by utilizing the City of Long Beach MBE and WBE Directory.

Library

- This year, in an effort to better serve individual communities served by library branches, individual branches again had authorization to directly purchase ethnic materials.
- Department of Library Services continues to make purchases from MBEs and WBEs, including the use of a WBE to provide computer training to staff, in an effort to provide a more effective service to a multicultural community.
- Staff participated in the Small Business Opportunities Conference held on August 17, 2001 at the Long Beach Convention Center.

Long Beach Energy

- Continued to solicit MBE/WBE suppliers for all procurements including construction and professional services.
- Currently evaluating a program to better monitor imprest cash purchases and continue to utilize MBE/WBE suppliers for these purchase whenever possible.
- Staff training regarding ways to attract more MBEs and WBEs has been ongoing.
- During this period the department paid 50 percent of the publication costs associated with the distribution of *The Wave*, a full-color newsletter that provides information about the City and its utilities for City residents. The monthly newsletter is published in English and Spanish, and therefore provides a valuable communications tool and outreach mechanism to the City's non-English speaking residents and businesses.
- During this period a number of staff from all bureaus were trained and given access to initiate purchase requisitions and direct purchase orders. These employees have been advised of the department's commitment to the City's MBE/WBE program and to strongly consider utilizing MBEs and WBEs whenever possible.
- Was an exhibitor and panelist at the Small Business Opportunities Conference held on August 17, 2001.
- Various flyers were printed in English, Spanish and Khmer and mailed to Long Beach businesses and distributed at community events. These flyers were related to household hazardous products, refuse clean-up and the anti-litter campaign. Motor oil collection banners in Spanish and Khmer were also posted throughout the Long Beach neighborhood business areas.
- Fleet Services sent a representative to a seminar on contracts held at the Los Angeles Metropolitan Water District in Los Angeles on February 28, 2002, which involved information helpful to MBE/WBE/DBE participants.
- The Supervisor of Stores and Property represented the department as an exhibitor at the February 13, 2002 Southern California Regional Purchasing Conference at the Long Beach Convention Center. The department was also represented by Fleet Services.

Oil Properties

- Continued to send staff members to the Southwest Regional Training Center, a Women/Minority-owned enterprise, for computer training during FY 2000-01.
- Continued to use the City of Long Beach MBE and WBE Directory to review and determine whether a MBE/WBE could be used.
- Reviews of all purchases and services were continued to determine whether a MBE/WBE business could be used.

- When sending out notices to bid for crude oil sell-offs, Oil Properties encourages MBEs/WBEs/DBEs to place bids on contracts.

Parks, Recreation And Marine

- The department continually encourages staff to procure services from MBEs and WBEs whenever possible. The City of Long Beach MBE and WBE Directory has been distributed to all bureaus.

Planning And Building

- In conducting the 2000 Census, the department made special efforts to reach out to various community organizations that have minority/women leadership and/or serve a primarily minority population.
- In filling its staff vacancies, Planning & Building has requested Civil Service to advertise in MBE and WBE publications to attract minority applicants.
- The department continues to encourage staff to procure services from MBEs and WBEs whenever possible.
- The Superintendent of Building and Safety and two staff members participated in the April 21, 2001 Engineering Symposium held at the Harbor Department in an effort to attract engineering candidates to fill City vacancies. The Symposium attracted a great number of minority and women attendees.
- Utilized a WBE/MBE company to translate the department's marketing flyers and posting violation notices in Spanish.
- Utilized a MBE company to purchase and install furniture and fixtures for the second floor of City Hall East where a portion of Code Enforcement will be relocated.

Police

- Cultural awareness training was conducted for all police personnel. The training provides psychological/sociological instructions on cultural diversities and awareness, exploring various cultures that reside in the City of Long Beach and addressing how "community policing" personnel interact with the public.
- The department continues to release newsletters and flyers in Khmer and Spanish. This provides better interaction between the department and the Hispanic and Cambodian communities.
- The Business Watch unit of the Police Department's Community Relations Division continuously provides safety and security information in a variety of languages to the owners/managers of all locally-based stores. These stores are primarily owned and managed by minority members of the community.
- Staff served as a panelist for the Small Business Opportunities Conference held August 17, 2001.

Public Works

- Sent invitations to bid to several clearinghouses serving the Disadvantaged-, Minority- and Women-owned construction industry: the Small Business Exchange; Open Bid, Incorporated; Construction Market Data/Daily Construction Service; the National Center for American Indian Enterprise Development; Van Nuys Plan Room; Los Angeles Urban League; F.W. Dodge; Triaxle Management Services-Los Angeles; National Association of Women Business Owners; the Alliance for Small, Minority and Women Business Owners; the Garden Grove Plan Room; MBE/WBE Advisory Services, and the U.S. Government Advertiser.
- Continued to add Minority- and Women-owned vendors to the department's consultant database that is used to contact candidates for RFPs/RFQs and purchase requisitions, which include a statement encouraging them to respond. The Administration and Planning Bureau, which maintains this database, now has 797 engineering consultants from the California area, of which 299 are identified as being DBEs, MBEs and WBEs. Bids for construction projects are advertised on the City's Internet website, as well as in the Press-Telegram.
- Public Works and the Purchasing Division continued to make available, upon request, information related to the State Bond Guarantee Program offered by Pacific Coast Regional (PCR) in Los Angeles. The program, which is available for any small or emerging contractor working on a public works project, provides a bond guarantee that can be used to support bid, performance and/or payment bonds issued by a surety company. Contractors interested in the program can apply directly to PCR.
- The Public Works Department has been working closely with the Los Angeles Cluster Area (Metropolitan Transit Authority, City of Los Angeles, John Wayne Airport and the Orange County Transit Authority) of the California United Certification Program (UCP) to create a cohesive program by which MBEs and WBEs may become certified as disadvantaged businesses by a single agency. This MBE/WBE certification will be recognized by all participating governmental agencies in California.

Technology Services

- Flyers are distributed at conferences/workshops to potential suppliers that list the types of goods and services required by Technology Services. This practice has resulted in additional business contacts and periodic awarding of contracts and purchase orders to MBEs/WBEs.
- Continued to distribute to staff a listing of MBEs and WBEs by commodity.

Water

- The Long Beach Water Department makes every effort to transact business with MBEs and WBEs. It participates in a Cooperative Procurement and Materials Management Forum with other Metropolitan Water District agencies to stay current with the water works industry's qualified suppliers, which include MBEs and WBEs.

- The Supervisor of Procurement and the Warehouse is involved in networking for the purpose of obtaining information on the best practices in purchasing and information on MBE/WBE suppliers, which includes attending various classes, seminars and conferences.
- Although water works materials and water projects are predominantly purchased from old establishments that are not MBEs/WBEs, due to the nature of the business, the Purchasing Section of the Long Beach Water District makes every possible effort to promote MBE/WBE businesses when the opportunity arises.
- Strongly emphasizes networking for the purpose of obtaining information on the best practices in purchasing and information on MBE/WBE suppliers.
- Attended and participated in the Greater Los Angeles Vendor Fair held on May 2, 2001 and the Small Business Opportunities Conference held on August 17, 2001.
- Participated in the Cooperative Procurement and Materials Management Forum, which is held six times a year.

Miscellaneous

- The DBE/MBE/WBE/Buy Long Beach Steering Committee, headed by the Diversity Outreach Officer and consisting of the City Manager or his designee and representatives from departments reporting to the City Manager, continued to meet. Representatives from the Water and Harbor departments also attended the meetings. The purpose of the Committee is to share ideas and discuss the City's program and the various efforts undertaken by departments to attain the City's goals. DBE/MBE/WBE and Long Beach issues, achievements and inquiries are also communicated through the Purchasing and Diversity Outreach Divisions' Intranet website.

ADOPTED
CITY OF LONG BEACH
DISADVANTAGED-, MINORITY- AND WOMEN-OWNED
BUSINESS ENTERPRISE PROGRAM

As amended 6/10/97

CITY OF LONG BEACH DISADVANTAGED-, MINORITY-, AND WOMEN-OWNED BUSINESS ENTERPRISE PROGRAM

1. Purpose and Scope

It is the policy of the City of Long Beach to utilize Disadvantaged-, Minority- and Women-Owned Business Enterprises (DBEs, MBEs and WBEs) in all aspects of contracting relating to construction, materials and services, professional services, land development-related activities and leases and concessions.

This policy applies to all City departments reporting to the City Manager who may, by their authority, award contracts in those areas.

The City is fully committed to encouraging the participation of Disadvantaged-, Minority- and Women-owned businesses in all phases of construction, materials and services, professional services, land development, leases and concessions contracting.

The City of Long Beach, through the City Council, will ensure that Disadvantaged-, Minority- and Women-owned business enterprises have the maximum opportunity to participate in the performance of contracts and subcontracts consistent with the City Charter. In this regard, the City will take all responsible steps to ensure that Disadvantaged-, Minority- and Women-owned business enterprises have the maximum opportunity to compete for and perform contracts and services.

2. Definitions

The following definitions shall govern this program:

- a. As defined by Section 8 (a) of the Small Business Act 15 U.S.C. paragraph 637 (a), "Disadvantaged Business Enterprise" means a small (underlining added) business concern that is (1) at least 51 percent owned by one or more socially and economically disadvantaged individuals, or, in the case of any publicly-owned business, at least 51 percent of the stock is owned by one or more socially and economically disadvantaged individuals, and (2) the management and daily business operations of which are controlled by one or more socially and economically disadvantaged individuals who own it. Those groups which are considered socially and economically disadvantaged are citizens of the United States who are Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans or Asian-Indian Americans.
- b. "Minority" means the following groups: Blacks, Hispanics, American Indians, Asian/Pacific Islanders and Asian/Indians.
- c. "Minority Business Enterprise" means a business which is at least 51 percent owned, managed and operated by one or more minorities, or in the case of a publicly-owned business, at least 51 percent of the stock must be owned, and the business managed and operated, by minorities.

- d. "Woman-Owned Business Enterprise" means a business which is at least 51 percent owned, managed and operated by one or more women, or, in the case of a publicly-owned business, at least 51 percent of the stock must be owned, and the business managed and operated, by women.

3. Goals

The primary goal shall be to contract with disadvantaged-, minority- and women-owned businesses for a reasonable and equitable amount of business as set annually by the City Council.

Each fiscal year, the City Manager will recommend to the City Council appropriate goals for DBE, MBE and WBE participation in the contract process. On June 10, 1997, the City Council adopted new goals of 15% DBE/MBE and 15% WBE for all of the procurement categories. The previous goals were 14% DBE/MBE and 10% WBE for each of the contract categories.

4. Departmental Responsibilities

The City Manager will assign to each department head the responsibility for developing, managing and implementing the DBE, MBE and WBE policy and program on a day-to-day basis. In order to more effectively implement this stated policy, the following program areas will be incorporated within the body of each individual department plan:

- a. Development of information and communication outreach programs on contracting and bidding procedures, along with timely dissemination of contract and bid information to both public and private Minority Business Development Centers, Chambers of Commerce, and Minority and Women Business and Trade Associations.
- b. Development of effective contractor, vendor and consultant data bases of disadvantaged-, minority- and women-owned and operated businesses which will be made available to all departmental personnel with authority to solicit bids. Information from other agencies and cities will form the basis of these data bases along with the annual updating of the City of Long Beach's Minority-Owned and Women-Owned Business Enterprise Directory.
- c. Participation in minority trade fairs and other outside activities related to the development of minority and women contractors, vendors and consultants. Such participation may include the renting of booths for staffing by City personnel during such trade fairs and purchase of advertisements in conference programs or brochures.

- d. Provide information to DBEs, MBEs and WBEs on projected department contractual needs, conduct pre-award and post-award conferences to discuss awarding procedures, and permit DBEs, MBEs and WBEs to review and evaluate successful bid documents of similar contracting opportunities.
- e. Evaluate and verify, as necessary, the eligibility of all firms and joint ventures who claim to be disadvantaged-, minority- or women-owned through the use of certification lists of other agencies and cities.
- f. All departments involved with the bidding of contracts shall maintain such records and provide such reports as are necessary to ensure compliance with this policy.
- g. All bids, RFQs, RFPs and construction notices will give notice that the City encourages the use of disadvantaged, minority and women contractors in the performance of City contracts. Additionally, all bids, RFQs, RFPs and construction notices will state that, whenever possible, the contractor should seek to accomplish a goal of at least fifteen percent (15%) DBE/MBE participation and fifteen percent (15%) WBE participation.
- h. All City departments are encouraged to coordinate activities, when and where feasible, to eliminate duplication of effort and cost.

5. Semiannual Reports

Semiannual reports shall be prepared for the City Council and the City Manager covering the activities relating to the efforts undertaken by respective City departments to implement the DBE, MBE and WBE program. The report shall be due 30 days after the close of the previous report period and shall cover at minimum:

- a. The names and dollar amount of contracts awarded to disadvantaged-, minority- and women-owned enterprises and what percentage of the total amount of contracts awarded this represents.
- b. The number of minority and women opportunity seminars, conferences, and other related events participated in by the department.
- c. All significant and related efforts undertaken to implement various elements of the DBE, MBE and WBE program herein outlined.

6. Annual Review

There shall be an annual review of this program by the Personnel and Civil Service Committee.