



**San Francisco Office of the City Administrator**

# LBEAC Director's Report

June 1, 2023

# Agenda

- 1) **Introduce CMD** staff assigned to Public Works, Rec & Park, and (some) Chapter 21 Departments
- 2) **Understanding the LBE Program** within the universe of other small business inclusion programs
- 3) Update 1: LBE Directory  
Update 2: Disparity Studies
- 4) Deliverable 1: Private-Public Forecast
- 5) Pilot Program Updates

## **Priorities**

Activate public purse and role to create economic opportunity

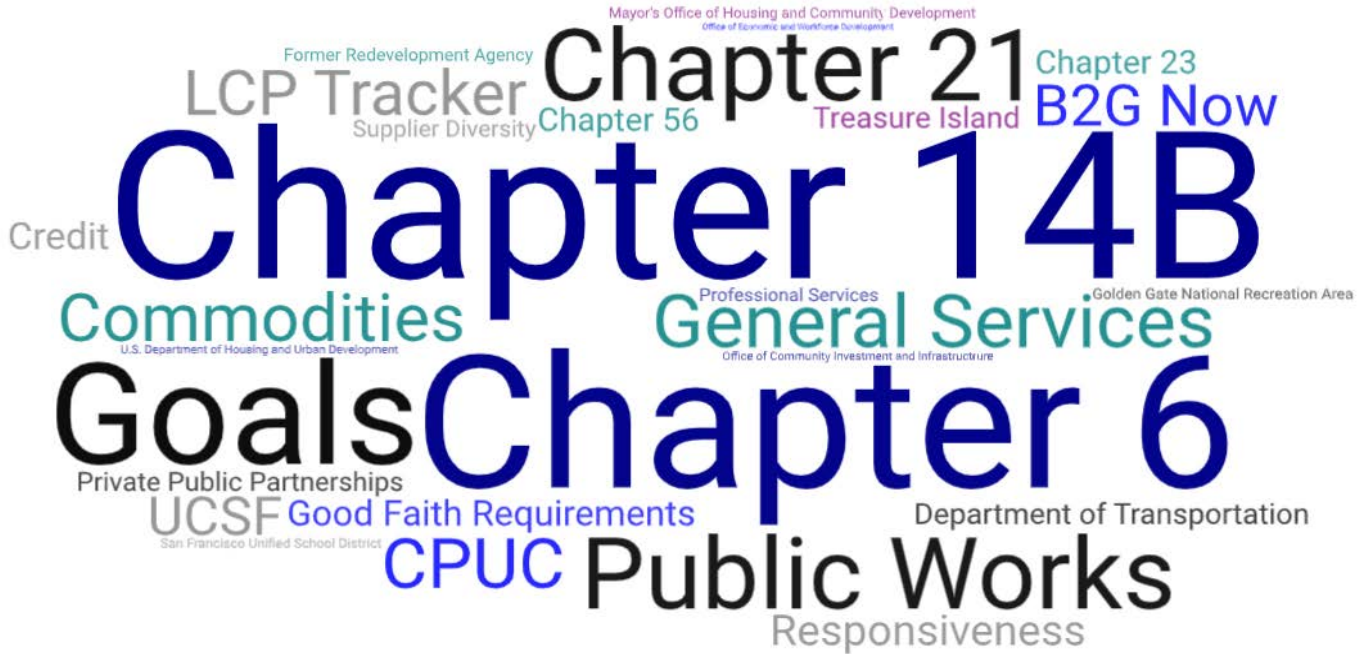
Nurture ecosystem of diverse local businesses

Lead equity in contracting practices

# Certification ABCs



# Compliance Program ABCs



# What are the Small Business Inclusion Programs for Contracts?

## By Legislation or Executive Order

### Local

- San Francisco – Chapter 14B
- Other Jurisdictions like Oakland, Contra Costa, Alameda, San Jose

### State

- OCII
- California CPUC
- State of California

### Federal

- Department of Transportation
  - Federal Aviation Agency
  - Department of Defense
- and more...

## By Agreement

### Negotiated Agreements with Jurisdictions

Private Owner Inclusion Program

Prime-Initiated

### Encouraged - By Incentive

AB 2873

# Key Questions



Who is the  
Owner or  
Authority?



Where is the  
Funding?



Where is the  
Location?



**LBE** or SBE or DBE or Other Program

# CMD Scenario 1: LBE Program in Chapter 14B



CCSF Chapter 6  
& Chapter 21  
Departments



Local Funding or  
Allows Local  
Program



SF or PUC  
Regional Area,  
Not OCII Area



Guidelines in Chapter 14B LBE Program



# CMD Scenario 2: CMD Compliance, but **not** Chapter 14B program



Development and Disposition Agreement (DDA),  
Development Agreement (DA),  
Mayor's Office of Housing and  
Community Development  
(MOHCD)



It's  
Complicated



SF and NOT  
Treasure Island



Program Specifications Vary

# Not a CMD Compliance Program



Treasure Island,  
SFMTA, City  
College, School  
District, UCSF, The  
Presidio



Federal Funding  
and no Local  
Preferences  
allowed



OCII Area,  
Outside of SF and  
non-PUC  
Regional Area



Program Specifications Vary

# Small Business Inclusion – Key Program Components

- What certification is needed?
- Is there underlying regulation or agreement?
- Who does compliance?
- Is there a bid discount/rating bonus?
- Is small business inclusion a requirement or goal?
- What is role of good faith?
- What is compliance system for reporting?
- Where are the opportunities posted?
- What is escalation pathway when there are concerns?
- How do you get on jobs?
- What are the other programs?

	<b>SF Chapter 14B Program</b>		<b>SF Chapter 14B Program</b>
<b>What certification is needed?</b>	Certified by Contract Monitoring Division. LBE for San Francisco program. LBE and PUC-LBE for PUC projects outside of San Francisco	<b>What is the compliance system for reporting?</b>	Peoplesoft/San Francisco Supplier Portal. PUC uses SOLIS.
<b>Is there underlying regulation or agreement</b>	City and County of San Francisco Chapter 14B, Rules and Regulations	<b>Where are the opportunities posted?</b>	SF City Partner or departmental website.
<b>Who does compliance?</b>	Contract Monitoring Division	<b>What is the escalation pathway when there are concerns?</b>	Start with CMD.
<b>Is there a bid discount/rating bonus?</b>	Yes, Check contract value for percentage of discount for certified LBEs (Micro, Small, and sometimes SBA-LBEs). Joint <a href="#">Venture</a> . Neighborhood Preference Program.	<b>How do you get on jobs?</b>	Direct Purchasing for >\$10,000. Prime work or with LBE sub participation requirement.
<b>Is there a small business requirements or goal?</b>	Requirement in order to be responsive	<b>What are the other programs to support small business?</b>	CMD: Contractor Development Program, Bonding Assistance Program, Contractor Accelerated Payment Program, Mentor Protegee Program Within City of SF: Office of Small Business, Small Business Development Center
<b>What is the role of good faith?</b>	For formal contracts this is a requirement – see Attachment Form 2B. Three approaches.		

# Update 1: LBE Directory

Issue: Working with the Office of the Controller to transition the CMD directory to stable and updated system.

- Data source will change from legacy system to Peoplesoft
- Improved search functionality.

Schedule: 1) Preliminary testing of functionality in upcoming weeks 2) Data validation 3) Go live when data is reliable – Summer/Fall 2023

Seeking: A few LBEs who can test the directory from your perspective. Time Commitment > 2 hours.

Everyone: CMD will contact you this summer to validate your data. Please confirm your contact phone number, email, certification categories to ensure you are listed in the directory accurately.

# Update 2: Disparity Study

City Administrator and CMD heard community concerns and did further research on disparity studies.

- Primary value (and cost!) is to set legally defensible race and gender-based programs. City and County is restricted from implementing this type of race and gender conscious program.
- Disparity study has a specific process for legal acceptance including that client cannot set the geographic market area.
- Estimated cost was at least \$750,000, but likely over \$1 Million and 18 months duration.
- Disparity study is not necessary to implement other improvements
- Program evaluation is an alternative – similar goals, community engagement.

Seeking – A few LBEs who want to work with Director and Office of City Administrator on advising on a scope of work.

# Deliverable 1: Forecast of Private-Public Projects

## Issue

How to ensure LBEs know about future bidding opportunities on private –public projects ?

## Implement

[sf.gov/contracting](https://sf.gov/contracting)

## Impact

Forecast information is needed for LBEs to plan, strategize, and network

Part of Contracting with the City and County of San Francisco

### Future contracting opportunities

Explore, plan, and prepare for future opportunities.

Many departments share contracting forecasts to help businesses plan for future opportunities.

Please note Forecasts are only projections, are not guaranteed, and are subject to change without notice. Resources forecasts are not intended to be complete lists of all contracting opportunities with the City.

[To learn about where you can find current opportunities, visit the page below.](https://sf.gov/contracting)

#### Resources

<b>Department of Public Works Forecast</b> We are one of the largest municipal operations in the City, with a \$384 million annual operating budget.	<b>Office of Contract Administration Forecast</b> We help the City procure goods and services to provide residents with essential government services.
<b>SF Department Transportation Authority Forecast</b> We manage Muni, as well as bicycling, pedestrian, parking, public, walking and taxis.	<b>SF Port Forecast</b> We manage SF's water front and advance environmentally and financially sustainable opportunities.
<b>SF International Airport Forecast</b> We offer the most knowledge service from SF and the Bay Area to the rest of the U.S. and the world.	<b>SF Public Utilities Commission Forecast</b> We provide drinking water and wastewater services to SF and customers and enter power to City departments.

# Standing Items – Pilot Programs Update

LAST UPDATED 5.31.23

City Department	Name of project	Type of Project A/E, PS, CONST, GS	Delivery Method (i.e. Low Bid, Best Value, DB, CMGC)	Location (i.e. 94124, 94134, 94110, 94103)	Proposed Bid/RFP/RFQ Advertising Date	Contract Advertisement Number	Bid/RFP/RFQ Due Date	Separate Goals (micro, small, and/or SBA, LBE)	Neighborhood Preference Program ("NPP")	Micro-LBE Trucking	Comments
PW	Baltimore Way Median Improvement	Construction	Low Bid/JOC	94124	TBD?					REMOVED	
PW	SOMA Arts Cultural Center - ADA Barrier Removal	Construction	Low Bid	94103	TBD				x		
PW	1399 Marin	Construction	CMGC	94124	2/3/2023			X		REMOVED	
PRT	Pier 70 Shore and Sediment Remediation	Construction	Low Bid	94107	FY22/23				X		
PW	Ingleside Police Station renovation	Construction	CMGC	94112	10/27/2022		1/19/2023	X			Award forthcoming by PW
PW	SFMTA Parking Enforcement Headquarters	Construction	CMGC	94124	9/11/2022		11/1/2023	X		X	
PUC	PRO 0230 Bay Corridor Transmission As-Needed CM Services	Professional Services	Highest score	94124	TBD				X		
PUC	WW719A Folsom Area Stormwater Improvements - SOMA (Mission Sewer Replacement Program)	Construction	Low Bid	94110 and 94103	11/17/2022	WW-719A	3/2/2023		X		
PUC	WW736 Castro & Mission Districts Sewer Improvement Project	Construction	Low Bid	94110 and 94114	2/1/2023	WW-736	3/23/2023		X		Awarded to Precision Engineering (SBA-LBE)
PW	10037391 Various Locations Pavement Renovation No. 60	Construction	Low Bid	94116, 94118, 94122	11/9/2022	0000007995	4/12/2023	X			
PW	PW Minna Natoma Streetscape (PW Minna Stscp Prj)	Construction	Low Bid	94103	Spring Summer	0000005008		X	TBD		
PW	Potrero Bus Yard and Housing Development Project	Construction	Design/CMGC	94107				X		X	SFMTA Leading Compliance
PUC	WD-2879R City Distribution Division Campus at 2000 Marin Street	Construction	CMGC	94124	12/27/2021	WD-2879R	3/23/2022	X		X	
RPD	Gene Friend Recreation Center	Construction	CMGC	94103	3/16/2022		3/30/2022	X		X	
PW	Hunters Point, Central Waterfront and Potrero and Street Pavement Renova	Construction	Low Bid	94124, 94110	Spring Summer 2023	0000007433			X		
PW	Various Locations Pavement Renovation No. 61 and Sewer Replacement	Construction	Low Bid	Districts: 9, 10, 11	7/1/2023	0000005575			X		
PUC	WW-750 SEP7 Operations, Engineering & Maintenance Buildings	Construction	CMGC	N/A (Bayview)	Summer 2023	WW-750	N/A yet	X		X	Newly Added
PUC	PRO.0271 Harrison/Treat Box Sewer Construction Management (CM) Staff Augmentation Services	Professional Services	Low Bid	94103 and 94110, Districts 6 and 9	Jul-23	PRO.0271	N/A yet		X		Newly Added



**Questions**