

## ADMINISTRATIVE BULLETIN

Number:

Date:

Section: Purchasing

**Subject: Small Business Enterprise Programs and Local Bid Preference Program**

Contents:

- I. APPLICABILITY
- II. AUTHORITY
- III. DEFINITIONS
- IV. POLICY/PURPOSE
- V. PROGRAM AND PROCEDURES
- VI. EXEMPTIONS
- VII. REPORTING
- VIII. RESOURCES

- I. **APPLICABILITY.** The Small Business Enterprise (SBE) Program applies to: (1) County-funded construction contracts of \$200,000 or less; (2) purchasing transactions of \$200,000 or less; and (3) professional/personal service contracts of \$200,000 or less.

The Local Bid Preference Program applies to the purchase of supplies, materials and/or equipment made by the Purchasing Agent for the County in an amount in excess of twenty-five thousand dollars (\$25,000) through the use of a written or competitive bid,

- II. **AUTHORITY.** The Local Bid Preference Program is required pursuant to [County Ordinance Code Section 1108-2.407](#). The SBE Program was adopted by the Board of Supervisors on January 25, 2000, and most recently amended by the Board on November 7, 2023. This administrative bulletin applies to all County departments.

III. **DEFINITIONS**

- A. Small Business Enterprise (SBE) as defined by the California Government Code, Section 14837, Chapter 3.5 means an independently owned and operated business that is not dominant in its field of operation, the principal office of which is located in California, the officers of which are domiciled in California, and which, together with affiliates, has 100 or fewer employees, and average annual gross receipts of ten million dollars (\$10,000,000) or less over the previous three years, or is a manufacturer, as defined in subdivision (c), with 100 or fewer employees. Commencing January 1, 2019, the average annual gross receipts threshold shall be fifteen million dollars (\$15,000,000).

- B. Disabled Veteran Business Enterprise (DVBE) must be at least 51% owned and managed on a daily basis by one or more disabled veterans of the military, naval, or air service of the United States with a service-connected disability of at least 10 percent, and who is also a resident of California; AND a sole proprietorship corporation or partnership with its home office located in the United States that is not a subsidiary of a foreign firm.
- C. Disadvantaged Business Enterprise (DBE) must be at least 51% owned and managed on a daily business by socially and economically disadvantaged individuals (pursuant to Section 3 of the Small Business Act). DBE certifications are used only for state or federally funded projects that have DBE goals or requirements.
- D. Local Business Enterprise (LBE) must have the principal place of business located within the boundaries of Contra Costa County.
- E. Women Business Enterprise (WBE) must be at least 51% owned and managed on a daily business by one or more women who are citizens or lawful permanent residents of the United States AND its home office is located in the United States.
- F. Minority Business Enterprise (MBE) must be at least 51% owned and managed on a daily basis by one or more minorities who are citizens or lawful permanent residents of the United States and members of a recognized minority ethnic or racial group AND its home office is located in the United States.

#### IV. POLICY/PURPOSE

Contra Costa County values the contributions of small and local businesses and has developed programs to increase small business participation in County business opportunities. With the 2000 adoption of the Small Business Enterprise Program, the Board of Supervisors set a goal of awarding at least 50% of eligible product and service dollars to small businesses.

Local Bid Preference Ordinance 1108-2.407 provides an opportunity for local vendors. When the Purchasing Agent purchases supplies, materials and/or equipment in an amount in excess of twenty-five thousand dollars (\$25,000) for the County through the use of a written or competitive bid, the Purchasing Agent in evaluating the bid or price for such supplies, materials and/or equipment will determine if the lowest responsible vendor is a local vendor as defined in County Ordinance 1108-2.407 and, if so, the award will be given to the local vendor. If the low bid is not a local vendor, any responsive local vendor who submitted an offer within seven (7%) percent of the lowest responsive bid as determined by the Purchasing Agent will have the option of submitting a new offer within forty-eight (48) hours (not including weekends/holidays) of the County's notification. Such new offers must be in

an amount less than or equal to the lowest responsive bid. If no new bids are received, the lowest responsible bidder is awarded.

## V. PROGRAM AND PROCEDURES

### A. Department Responsibilities

It is the responsibility of each County department to observe and make every reasonable effort to achieve the Board's goal of awarding at least 50% of dollars spent on eligible products and services to small businesses, and track and report SBE data for purchases, contracts, and construction contracts.

### B. Public Works Department Purchasing Division

The Purchasing Division is responsible for maintaining the Purchasing Portal where SBEs register to do business with the County. SBEs can select their SBE designation type when registering on the Purchasing Portal.

The Purchasing Division is responsible for providing continuous training on this bulletin and implementation of the SBE Program, coordinating required SBE reporting, and providing a regular forum for Department SBE Coordinators to discuss the program.

The Procurement Services Manager is responsible for the implementation of the Local Bid Preference Ordinance and for regularly reviewing and making any recommendations for SBE and Local Bid Preference program changes to the Board's Internal Operations Committee, which is charged to oversee the County's purchasing policies.

### C. Vendor/Contractor Responsibilities

Vendors and contractors are responsible for keeping accurate and current information in the Purchasing Portal and Periscope for contracting opportunities.

## VI. SBE PROGRAM EXEMPTIONS

The Procurement Services Manager maintains a Purchasing Manual describing the guidelines for the purchase of goods and services. SBE Exemptions are included in the Purchasing Manual and reviewed periodically. Changes to the exemptions are subject to approval by the County Administrator's Office and promulgated by the Procurement Services Manager.

## VII. REPORTING

Each County Department has responsibility to track and compile SBE data for purchases, contracts, and construction contracts.

The Procurement Services Manager is responsible for compiling SBE purchasing and contracts activities to provide countywide reports to the County Equity Committee which is charged with monitoring the County's performance under the SBE Program. The reports indicate the number and dollar value of all purchasing transactions, contracts, and construction contracts eligible under the SBE Program compared to the actual number of SBE awards in each business designation.

The Procurement Services Manager is responsible for reporting on the number of instances when the Local Bid Preference Program is used.

## VIII. RESOURCES

Local Bid Preference Ordinance  
Purchasing Manual  
SBE Reporting Guide