

MWBE PROGRAM REPORT ANNUAL SUMMARY 2007

The attached status report provides dollar figures and percentages of Minority and Woman-owned Business Enterprise (MWBE) utilization for calendar year 2007. The information is being tracked as defined in Title 20 and outlined below:

1) **ACCOUNTS PAYABLE** - MWBE utilization in actual payments made by the County. Every vendor in the FMS system and Synergen has been given a code based on ownership MWBE status. The vendor coding is reviewed on a monthly basis to update changes in status and code new entities. The information being tracked in other areas of the program is based on contract awards, which will not coincide with payments made in the same time period.

2) **A & E PROFESSIONAL SERVICES/QCL** - RFPs for architectural and engineering services from the public works departments processed through the Procurement Design & Construction division have MWBE participation points available in the evaluation criteria. Points are awarded on total MWBE participation by certified, local MWBEs, including subcontractors. Qualified Consultant lists (QCL) are used for "As Needed" projects.

3) **NON A & E PROFESSIONAL SERVICES** - RFPs for Professional Services handled through the Procurement Department have MWBE participation points available in the evaluation criteria. Points are awarded on total MWBE participation by certified, local MWBE.

4) **CONSTRUCTION PROJECTS** - Every construction project over \$50,000 is evaluated for subcontracting opportunities for certified Minority-owned Business Enterprises (MBEs). A goal is set for MBE subcontractor participation on each project where certified MBEs are available. The disparity study found that no disparity existed for Woman-owned Business Enterprises (WBEs) in construction. Bidders can request a waiver of all or part of a subcontracting goal by submitting a Certificate of Good Faith Effort and verifiable proof that a good faith effort was made to subcontract with MBEs, as outlined in Title 20.

5) **GOODS** - Only those purchases of goods that are processed through the Pima County Procurement Department are included. On each solicitation the buyers are required to solicit quotations from at least one MBE and one WBE, if available. Local certified MWBE firms are eligible for a 5% price preference. Purchases made by other departments are not reflected in this data. For solicitations where no local certified MWBE firms are available, the buyers contact DBEs or DBWs, which are certified MWBEs located outside the Tucson Statistical area. They may also contact self declared MWBEs, (SCMs or SCWs).

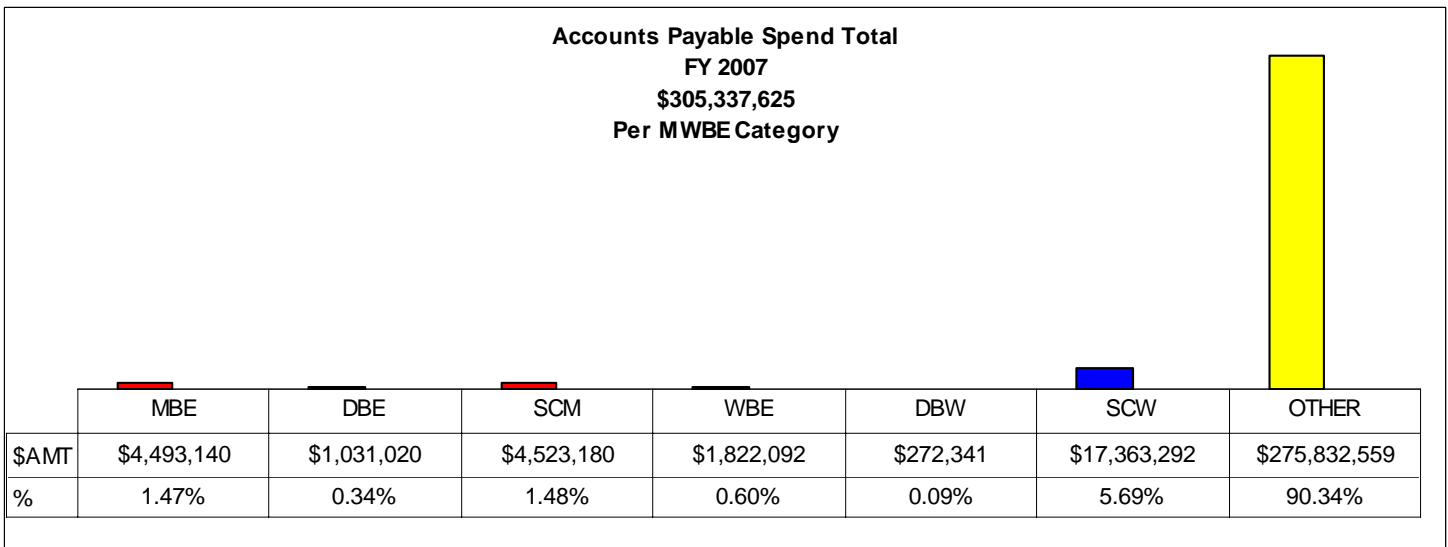
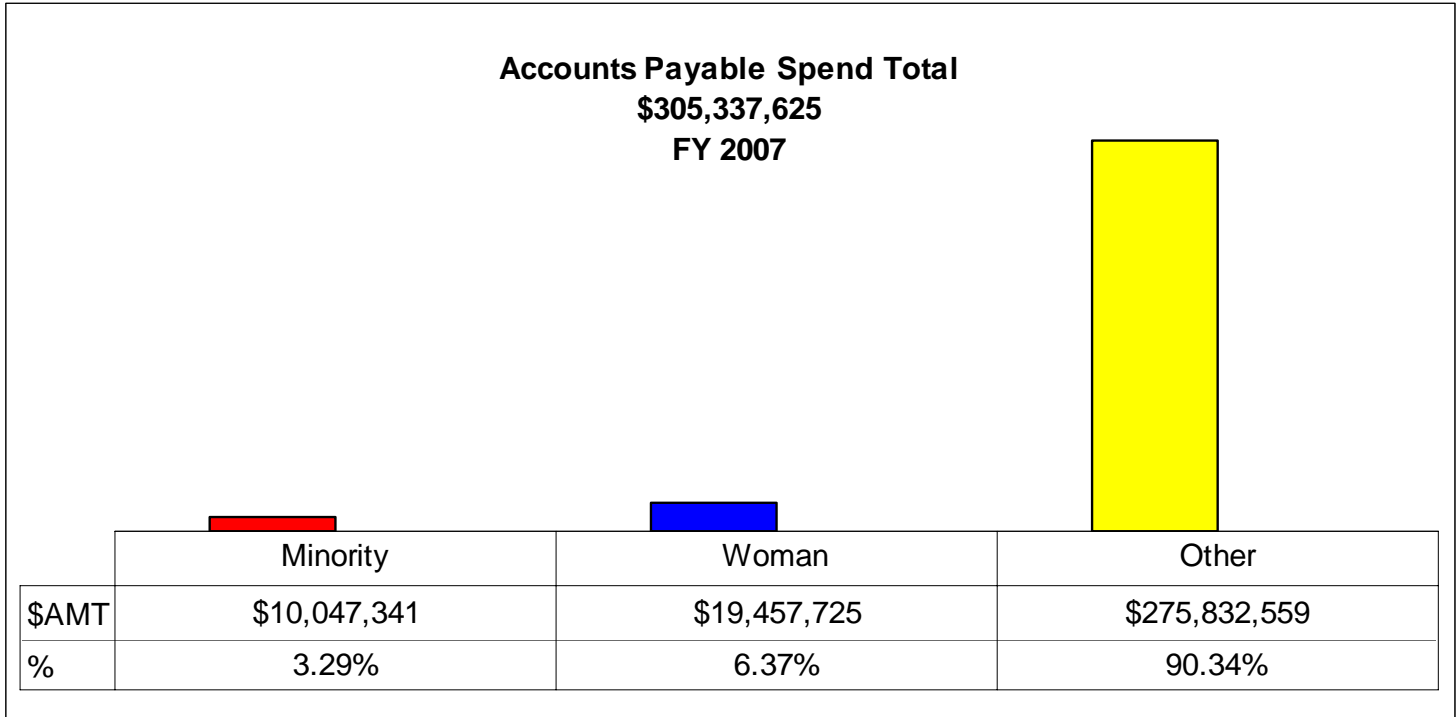
6.) **GENERAL SERVICES** - Only those purchases of general services that are processed through the Pima County Procurement Department are included. On each solicitation the buyers are required to solicit quotations from at least one MBE and one WBE, if available. Local certified MWBE firms are eligible for a 5% price preference. Purchases made by other departments are not reflected in the data. For solicitations where no local certified MWBE firms are available, the buyers contact DBEs or DBWs, which are certified MWBEs located outside the Tucson Statistical area. They may also contact self declared MWBEs, (SCMs or SCWs).

7) **OUTREACH** - The MWBE Program is designed to increase the participation of MWBEs in Pima County procurement through contracting, subcontracting and supplying goods and services.

8) **UTILIZATION COMPARISON** – A comparison of the annual average MWBE utilization data to the data from 2002 Disparity Study II.

ACCOUNTS PAYABLE DATA ANNUAL SUMMARY 2007

The information below summarizes the MWBE utilization in payments made by the County through the FMS system accounts payable module for calendar year 2007. **The information is based on actual payments made Countywide.**



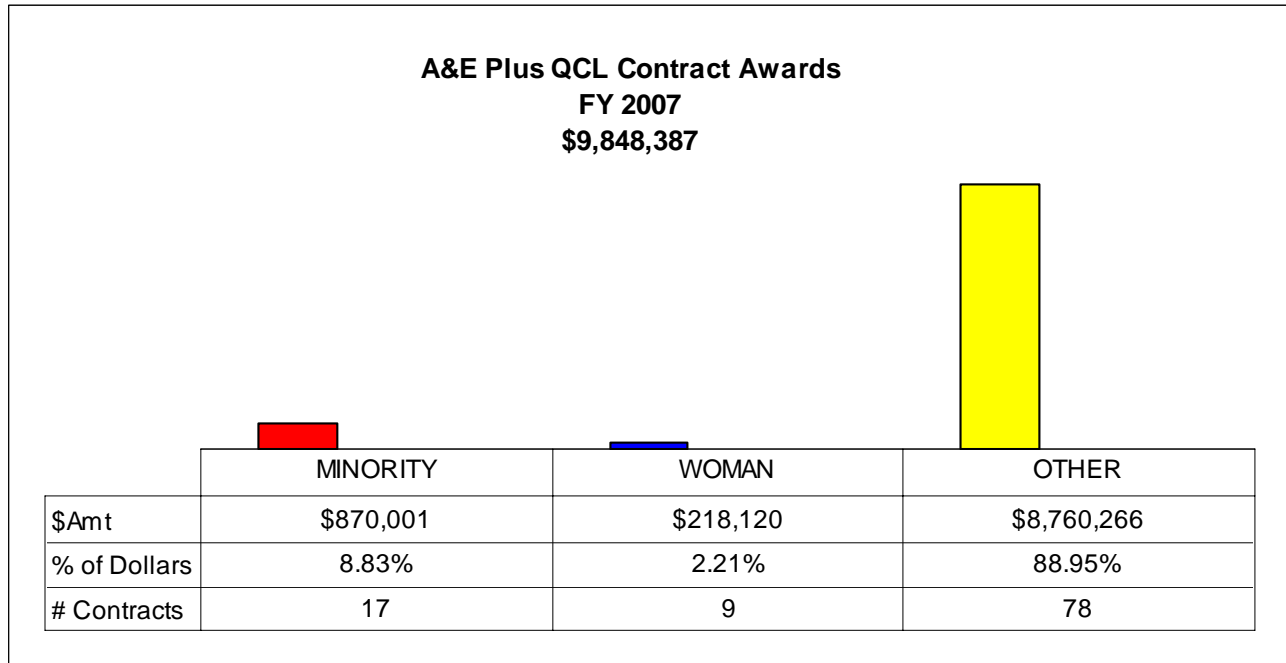
CLASSIFICATIONS OF MWBE UTILIZATION

- MBE (LOCAL CERTIFIED MINORITY OWNED BUSINESS)
- DBE (NON LOCAL CERTIFIED MINORITY OWNED BUSINESS)
- SCM (SELF DECLARED MINORITY OWNED BUSINESS)
- WBE (LOCAL CERTIFIED WOMAN OWNED BUSINESS)
- DBW (NON-LOCAL CERTIFIED WOMAN OWNED BUSINESS)
- SCW (SELF DECLARED WOMAN OWNED BUSINESS)
- OTHER (NON-DESIGNATED BUSINESS)

A & E PROFESSIONAL SERVICES ANNUAL SUMMARY 2007

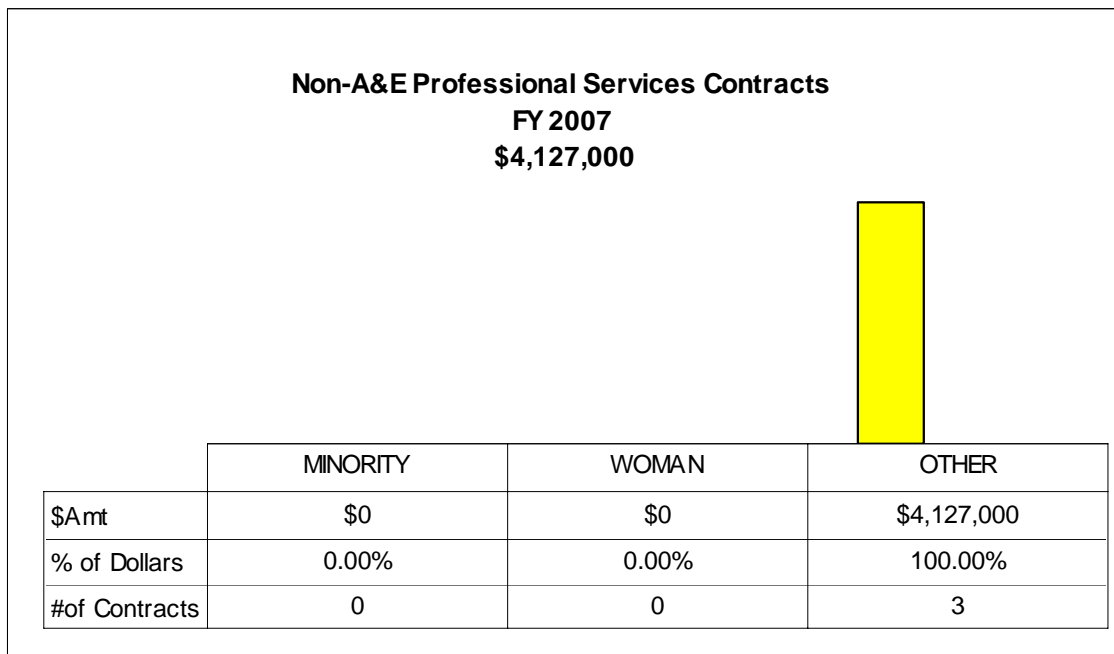
Participation points are awarded for A&E, QCL and non-A&E Professional Service contracts, based on the bidders' submittals of an Affirmative Action Statement and a Team Utilization Report. The Team Utilization Report indicates the proposed MBEs / WBEs to whom project labor will be outsourced.

The graph below combines the A&E Professional Service contract awards and the Qualified Consultants (QCL) contract awards. There is no compliance process in place for tracking actual MWBE utilization on QCL or A&E contracts, therefore, subcontracted MWBE labor is not tracked, nor reported at this time.



NON-A & E PROFESSIONAL SERVICES ANNUAL SUMMARY 2007

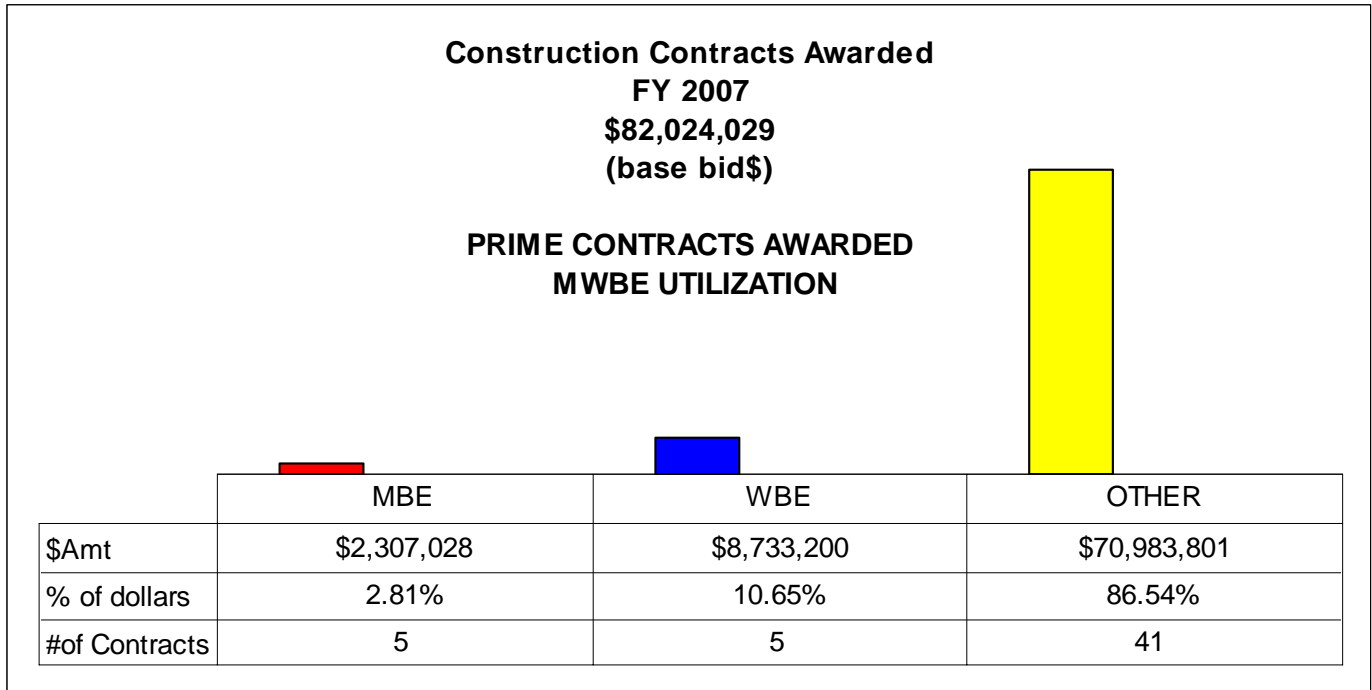
The graph below summarizes the awards for Non-A&E Professional Services Request for Proposals (RFPs) processed through the Procurement Department, with evaluation and award recommendations in calendar year 2007.



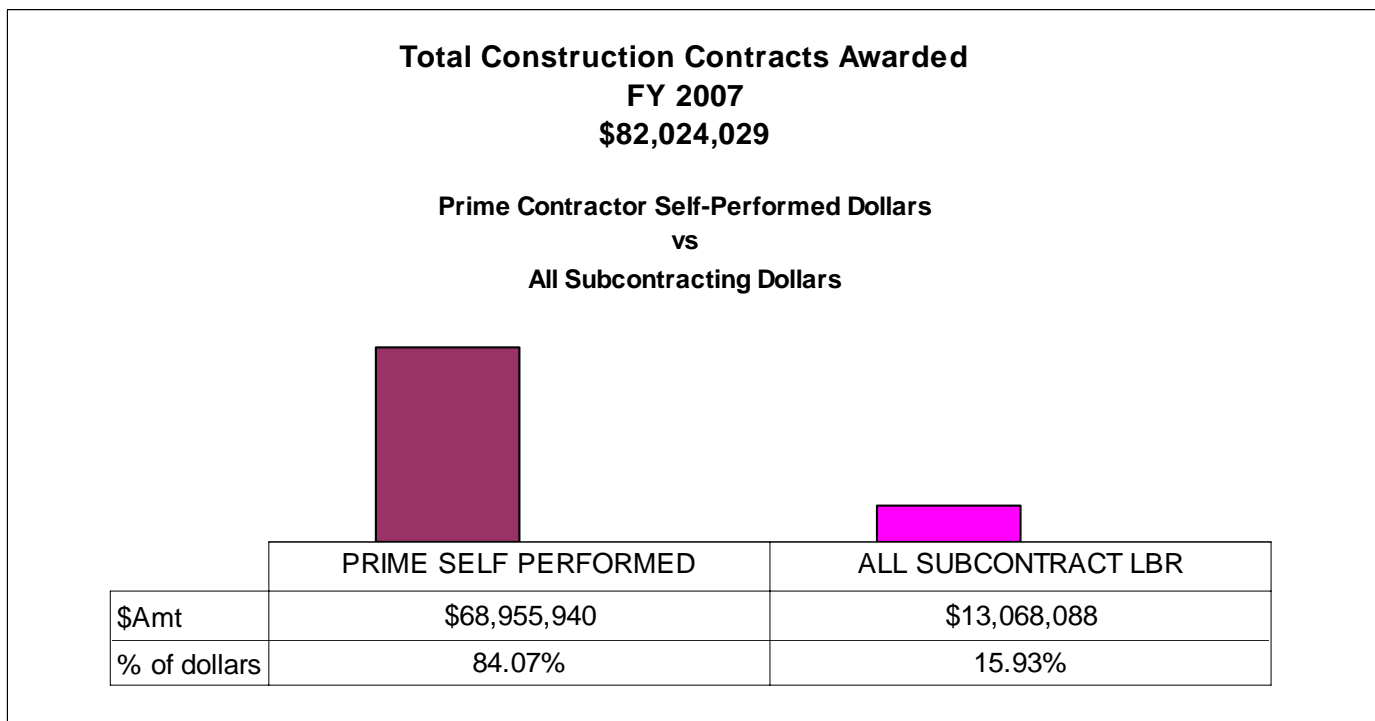
PUBLIC WORKS CONSTRUCTION ANNUAL SUMMARY 2007

The information below summarizes the MWBE utilization for construction projects with award recommendations in calendar year 2007. The subcontractor information is based on information provided by the contractor with the bid documents. Only certified MBE firms are eligible to meet the MBE goals.

The graphs below defines the dollar distribution of the fifty (51) Contracts awarded to Minority, Woman and Other non-designated businesses.

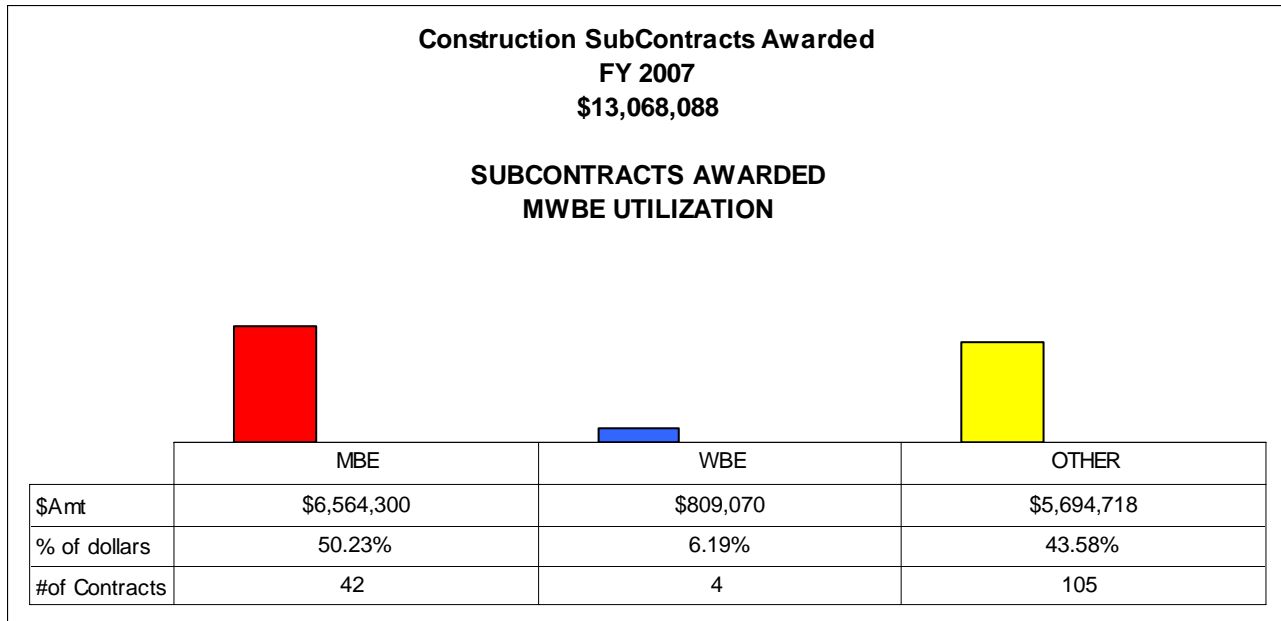


The graph below defines the distribution of work which was self-performed by the Prime contractor versus the total dollar amounts contracted to subcontractors.



PUBLIC WORKS CONSTRUCTION ANNUAL SUMMARY 2007 (continued)

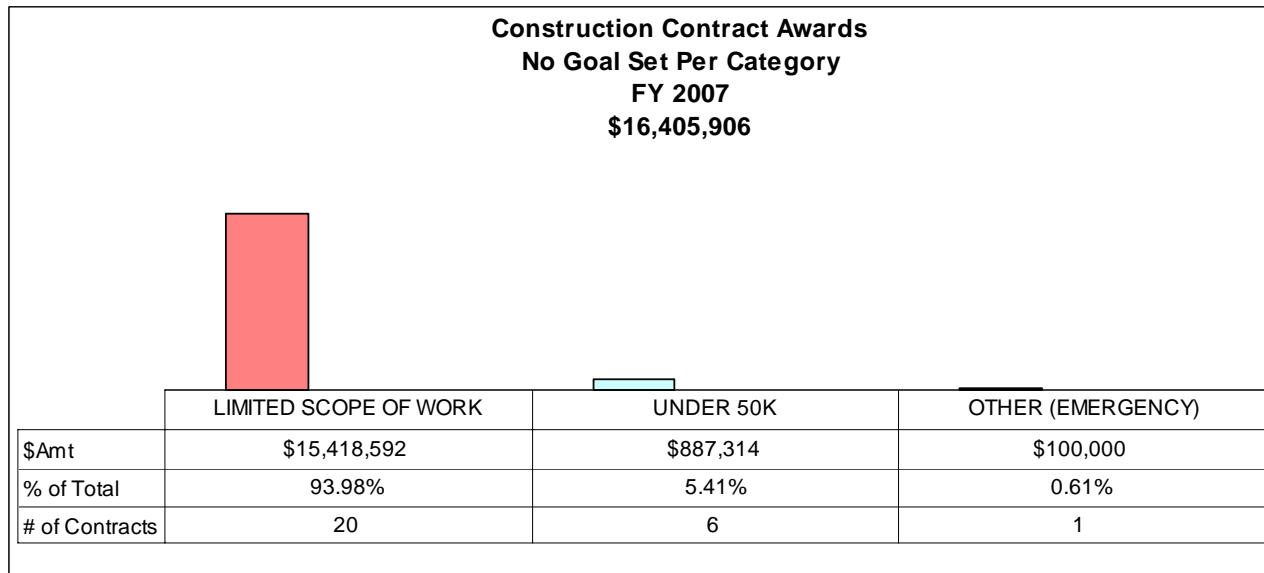
The graph below defines the distribution of work, which was contracted by the Prime contractor to the various subcontracting categories.



MBE – Minority-owned Business Enterprise, certified and self-proclaimed
WBE – Woman-owned Business Enterprise, certified and self-proclaimed
OTHER - Non-designated or Anglo Owned Business Enterprise

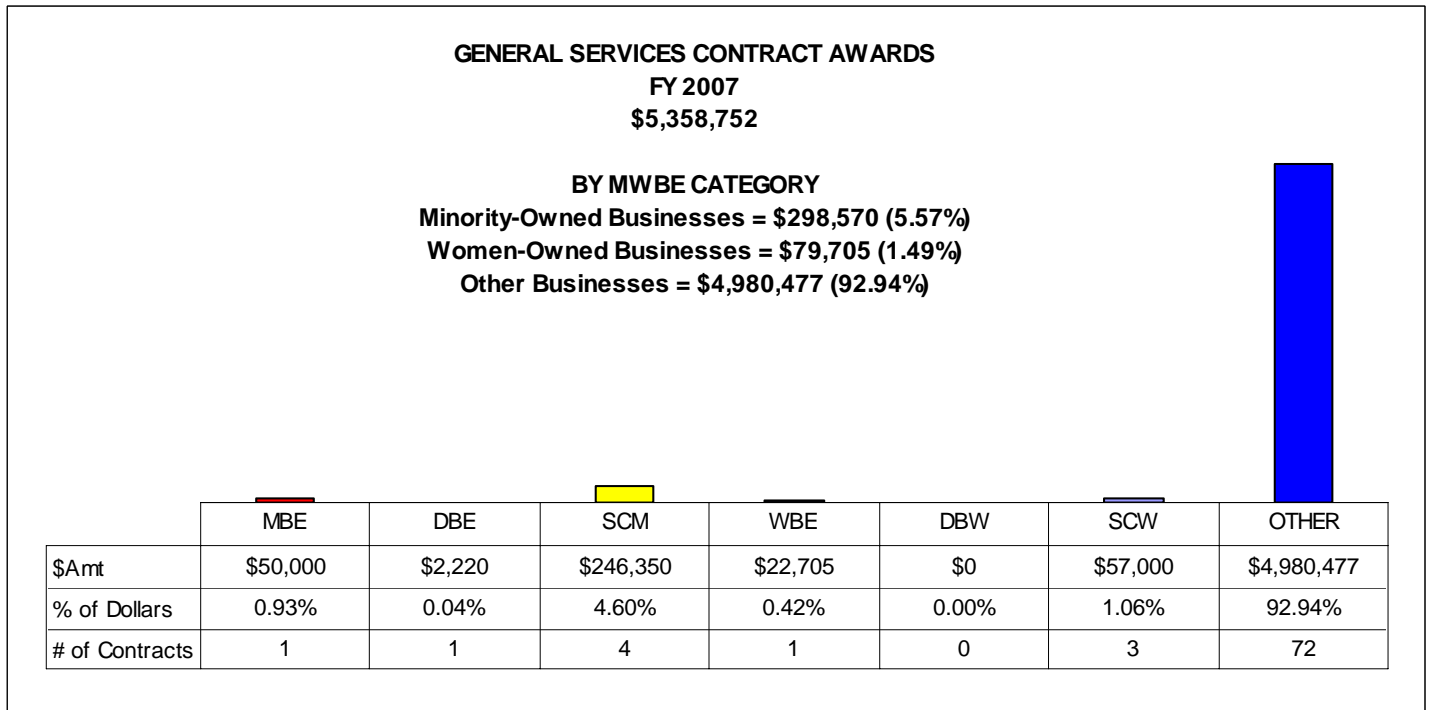
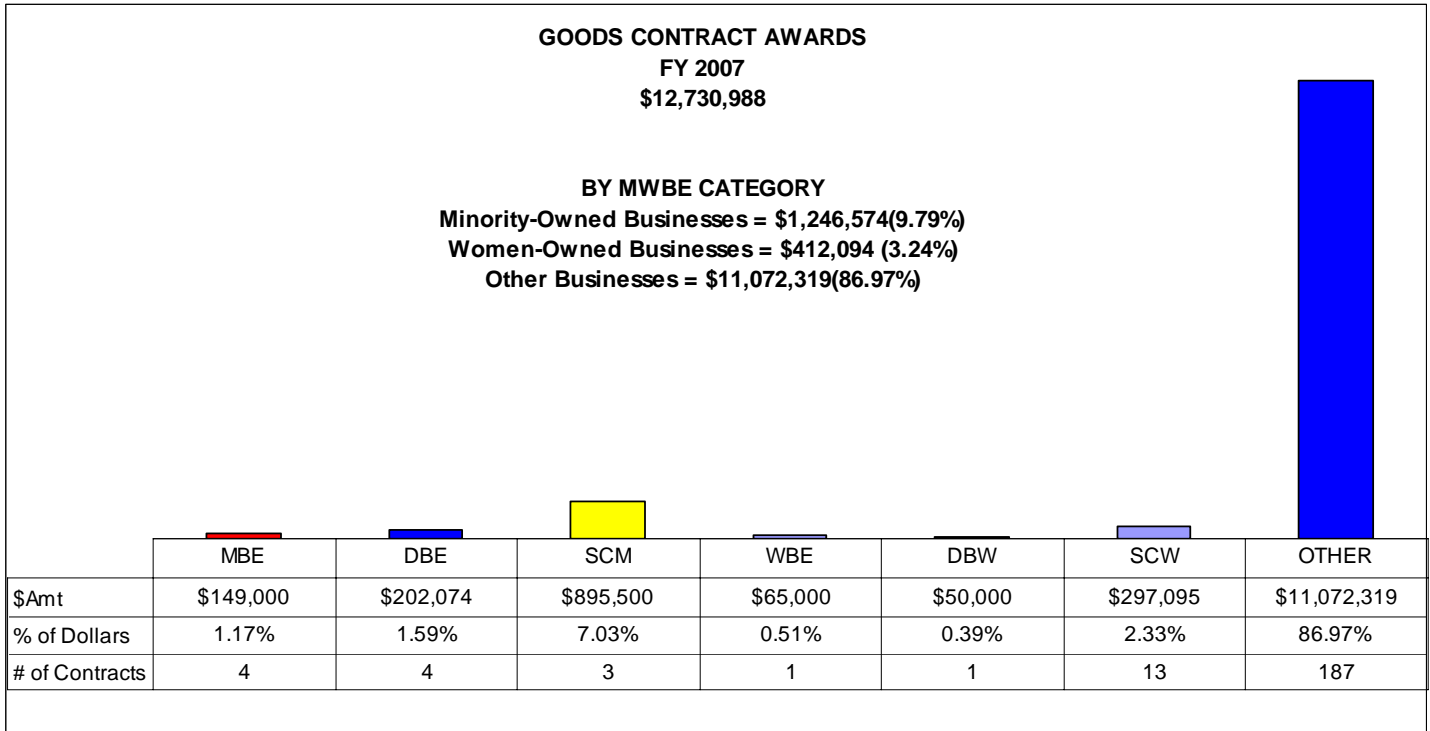
(Note: the tracking of non-MBE subcontracts continued to be difficult due to Prime contractors not providing this information when they are awarded contracts with no goals, additionally subcontracting dollars were only provided for the MBEs that were utilized to reach the MBE goal on projects with goals. Therefore, the MBE percentage may appear inordinately high. The MWBE Division and Design & Construction have created a new form which provides all subcontracting dollars in the bid proposals, however many bidders still do not provide all subcontracting dollars).

Of the \$82,024,029 in contract dollars, \$65,618,123 (80%) had MBE Goals. The remaining \$16,405,906 (20%) had no goals assigned. The graph below defines the different categories for the twenty-seven (27) contracts totaling \$16,405,906 that were not assigned MBE goals. “Other” includes emergency purchases and specialty construction projects.



GOODS & GENERAL SERVICES ANNUAL SUMMARY 2007

The information below summarizes the MWBE utilization for goods & general services solicitations processed through the Pima County Procurement Department. The information is based on tracking reports completed by the Procurement Staff combined with reports ran from Synergen. MWBE Classifications are located at the bottom of page 2.



OUTREACH ACTIVITIES ANNUAL SUMMARY 2007

The MWBE Program is designed to increase the participation of MWBEs in Pima County procurement through contracting, subcontracting and supplying goods and services. A major function of the MWBE Division is outreach to the vendor community to increase the pool of qualified MWBE vendors available to do business with the County. Outreach includes trade shows, business expos, presenting training seminars, and attending and sponsoring events specifically targeting the MWBE business community.

Outreach efforts include:

- The MWBE staff attended pre-bid and pre-construction meetings on projects with MBE goals.
- Continued education of MWBE staff through training seminars, conferences, and networking events.
- Outreach to new and existing vendors to educate on MWBE certification
- Educated new and existing vendors on how to use the Pima County Procurement Website to search for new solicitations and/or awards
- The MWBE division participated in 28 events during 2007, including but not limited to:
 - Minority Enterprise Development Week (MEDWeek)
 - Multi-Chamber Business Expo
 - Southern Arizona Procurement Fair
 - Business of Construction Courses
 - National Association of Women Business Owners (NAWBO), member meetings
 - Hispanic Chamber member meetings
 - Doing Business with the Federal Government Seminars
 - City of Tucson Seminar to Assist Minority/Women-Owned Businesses
 - Small Business Commission Meetings
 - Alternative Delivery Methods Seminar
 - Pima County/ADOT Construction Matchmaking Event
 - University of Arizona Supplier Showcase
 - PPEP 40th Anniversary & International Micro-business EXPO

Continued enhancement of the MWBE Program continued to be the primary objective of the MWBE Division. FY 2007, the Pima County MWBE Division:

- Conducted the Business of Construction Courses held in Tucson. These courses provided the prime contracting and subcontracting community with information regarding the construction process. These courses were held from June through October of 2007 and included the following courses.
 - ❖ Getting The Work, Plans and Specifications, Scheduling, Project Management, Planning, Insurance & Bonds, Construction Financial Management, Safety, and Partnering and Legal Considerations in Government Construction.
- Held the Business of Construction Graduation and the Construction Matchmaker with ADOT. The intent of this event was to bring prime contractors and subcontractors together to network with each other and with local government agencies. The City of Tucson and ADOT also presented information on the Certification process for local Minority and Woman-Owned firms. This event took place on October 25, 2007, following the Business of Construction Courses and over 300 representatives from various construction and engineering firms attended the event.
- Maintained MWBE Solicitation tracking Database for Materials and Services. Designed and maintained Crystal Reports to capture contracts and/or purchase orders awarded to MWBEs vs non-MWBEs, to ensure accuracy of quarterly and annual MWBE reports.
- Prepared the solicitation and awarded a contract for the 07/08 Disparity Study in partnership with the City of Tucson. Coordinated the Pima County Disparity Study Team which had representation from each County Department with construction or A&E Projects during the study period from 2002 through 2006. Worked with the Disparity Study Consultant, D. Wilson, the Pima County Information Technology Department and other County Departments to gather electronic and hard copy contract data for the Disparity Study analysis. Planned and scheduled Public Hearings in partnership with the City of Tucson. Scheduled completion of the Disparity Study is in August of 2008.

COMPARISON TO DISPARITY STUDY II BY PERCENTAGE OF TOTAL DOLLARS PER CATEGORY

The data compares the dollars contracted as a percentage of total dollars in that category. ***Note:** MBE Sub-Contracts Awarded percentage is high due to Prime contractors providing only MBE utilization on contracts with MBE goals. This percentage reflects MBE subcontracting dollars utilized to reach the MBE goals. (The MWBE Program and Design & Construction have created a new form which provides all subcontracting dollars in the bid proposals, however many bidders still do not provide all subcontracting dollars.)

	DSII 1995-2000	2005	2006	2007
<u>GOODS</u>				
MBE	0.00%	7.26%	1.81%	9.79%
WBE	0.00%	9.49%	3.79%	3.24%
Total %:	0.00%	16.75%	16.75%	13.03%
<u>GENERAL SERVICES</u>				
MBE	1.10%	5.28%	1.71%	5.57%
WBE	2.24%	.38%	4.30%	1.49%
Total %:	3.34%	5.66%	6.01%	7.06%
<u>A&E/QCL SERVICES</u>				
MBE	48.51%	10.83%	4.23%	8.83%
WBE	4.68%	9.42%	6.09%	2.21%
Total %:	53.19%	20.25%	10.32%	11.04%
<u>NON-A&E PROF SERV</u>				
MBE	5.41%	5.60%	2.08%	0.00%
WBE	28.57%	0.00%	0.00%	0.00%
Total %:	33.98%	5.60%	2.08%	0.00%
<u>CONSTRUCTION</u>				
Prime Contracts Awarded				
MBE	2.00%	.44%	1.80%	2.81%
WBE	16.40%	5.04%	8.11%	10.65%
Total %:	18.40%	5.48%	9.91%	13.46%
Sub -Contracts Awarded				
MBE	74.50%	99.49%	58.00%	*50.23%
WBE	10.60%	0.00%	6.30%	6.19%
Total %:	85.10%	99.49%	64.30%	*56.42%
Total % All-Construction Dollars				
MBE	14.80%	8.18%	8.80%	10.82%
WBE	15.30%	5.04%	8.86%	11.63%
Total %:	30.10%	13.22%	17.66%	22.45%