



Building Our Future Together:

Diversity & Inclusion: That's how we do business!

Mayor's Office of Equal Opportunity 2013 Annual Report

City of Cleveland

Frank G. Jackson, Mayor

601 Lakeside Avenue,
Room 335

Cleveland, Ohio 44114

March 14, 2014

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“Self help means to invest in the local economy by procuring goods and services from local companies and by hiring local employees...Contracting is one strategy that the city of Cleveland is using to promote local economic investment and inclusion for community benefit.”

**Frank G. Jackson
Mayor**



A Letter from the Director

For the OEO Team effective contract compliance is not just a matter of oversight of contractual investments, it is a matter of effective public administration in the interest for the public good. By mission, OEO exist ***“To advance equal economic benefit for all Clevelanders by ensuring compliance with contractor goals and requirement; by providing development and support activity for target group, and by overall advocacy with a commitment to excellent public service”***. To be effective, we interface with contracting departments, Law and Purchasing resulting in clearly articulated scope of work in RFPs & Bid Specs as well as Ordinance expectations. This inter-departmental synergy provides a solid foundation for Good Faith Effort evaluation, contract compliance, and creates a level of transparency on the expectations for which projects will be monitored, audited, and closed out.

Our quest in 2013 was to examine how OEO could create a culture of “best in class” contract compliance and advocacy. We achieved this through roll out and full implementation of a web-based contract compliance system, Business to Government Now (B2GNow) and LCP Tracker [conducted 80+ technical assistance sessions throughout 2013] in January 2013. These tools helped us to achieve greater efficiency and transparency through a system of monitoring and auditing to document contract to actual on deliverables for Contractors, Contracting Department, and OEO based upon the Board of Control creating real time reporting and documentation of payments to Primes; Subs; Resident Employment; Apprentice Utilization, Prevailing Wage; and Section 3 utilization.

In addition to taking a more proactive and transparent approach to contract compliance, our investment in professional development for OEO staff has resulted in 5 members of the OEO Team earning a certificate as Contract Compliance Officers through the American Contract Compliance Association (*two additional staff will receive their certification in August 2014*).

I am pleased about the in depth position that the OEO Team continues to undertake as we seek to become “best in class” in contract compliance. Accomplishments achieved in 2013 included:

January 2013	Implemented B2Gnow and LCP Tracker
February 2013	Signed a Memorandum of Understanding for Community Benefit Agreement
June 2013	Increased the threshold for subcontractor inclusion from \$10,000 - \$50,000
June 2013	Expanded the contracting market to include the 6 contiguous counties to Cuyahoga
August 2013	Completed an Organizational Assessment to become more effective.

Of the accomplishments, the one that is the most catalytic is the engagement of stakeholders for a mutual agreement that Community Benefits Agreements are a tool that we will embrace to change the culture of contracting in Cleveland. We continue to work collaboratively to ensure that where appropriate, CBAs are built into contracts. The accomplishment that moved us from *good to great* is the Organizational Assessment which resulted in the strengthening of our protocols and processes.

For 36 years the Office of Equal Opportunity has served as an advocate for business enterprises (Cleveland, Minority, and Female). My team and I remain committed and are excited about continuing to advance and institutionalize **Self Help** in 2014.

Sincerely,

Natoya J. Walker Minor

Natoya J. Walker Minor

Chief of Public Affairs & Director of Office of Equal Opportunity

OEO Staff

OEO is responsible for the administration, monitoring and enforcement of the Fannie M. Lewis Cleveland Resident Employment Law, Minority Business Enterprise (MBE), Female Business Enterprise (FBE), Cleveland Small Business (CSB), Local Producer (LPE), and Local Sustainable Business program (SUBE); the latter two are for smaller, local businesses. The staff at OEO is committed to the enforcement of Cleveland Codified Ordinance Chapters 123, 187, 187A, 188 and 189.

OEO staff members include:

Natoya J. Walker Minor	Chief of Public Affairs & OEO Director
Diana Anthony	Compliance Manager
Michael Curry	Compliance Manager
Barbara Esperon	Contract Compliance Officer
Shanelle Johnson	Certification Officer
Lynn Peculis	Contract Compliance Officer
DeAndrea Pruitt	Contract Compliance Officer
Nora Singleton	Executive Assistant to the Director
Hank Swager	Contract Compliance Officer
Jeremiah Triplett	Contract Compliance Officer
Carol Whitaker	Certification Officer
Jennifer Wiman	Contract Compliance Officer

Executive Summary

This annual report represents the City's spend on contracting for the 2013 calendar year, outreach efforts to encourage and ensure inclusion, and our outlook for 2014.

The report is organized into seven parts: Mission & Objectives, Methodology, Outreach, and Summary of Results for Contract Awards, Contract Compliance & Monitoring, Departmental Expenditures, and an Appendix. The Summary of Results section presents an overview of the awards to MBE, FBE, and CSB enterprises and the number of contracts let through the City. The Contract Compliance and Monitoring section reviews the annual participation goals, trends and number of contracts by department.

In 2013, 46 Prime contractors and 181 certified subcontractors were awarded more than \$183 million of contracts over \$50,000. Subcontracting awards accounted for \$68 million of the \$183 million awarded. Of these certified contractors 178 were certified as Local Producer Enterprises (LPE), they received 63% of the City's 2013 contracting dollars.

Most businesses certified by the City of Cleveland carry multiple certifications (more than one classification). To ensure that percentages are accurate and total 100%, this report categorizes companies into seven groups: CSB, CSB/MBE, CSB/FBE, CSB/MBE/FBE, FBE, MBE and MBE/FBE.

Important Note: "Vertical construction" is the only subsector having race/gender specific goals (15% MBE, 7% FBE and 8% CSB.). The goals established by OEO for all other categories (horizontal construction, professional services, other), are race/gender neutral and are achieved through Cleveland Small Businesses (CSB).

In June 2013, OEO implemented the following recommendations from the 2012 Disparity Study:

1. Increased the threshold for diversity and inclusion from \$10,000 to \$50,000 for subcontracting goals
2. Expanded the contracting market for MBE and FBE certification only from Cuyahoga County only to include Cuyahoga County and the six contiguous counties: Geauga, Lake, Lorain, Medina, Portage, and Summit.

Throughout 2014, OEO will continue to work with the Division of Purchasing and the Department of Law to further implement recommendations from the study.

Method of Analysis:

Data for analysis in this report is collected from the B2GNow Compliance Software and the City of Cleveland's Board of Control (BOC) records for contract awards greater than \$50,000. Data was also collected for contracts under the Departments of Community and Economic Development that are not subject to BOC approval, and/or contracts awarded under Section 138.07 of the Codified Ordinances. This ordinance allows the Department of Building and Housing the authority to enter into contracts for boarding-up or demolition of unsafe structures outside of the standard bidding process.

Good Faith Effort:

A major function of OEO is to evaluate the schedules that are submitted with bid packages. The evaluation is based on “good faith effort” to achieve the inclusion goals. Listed below is the definition and process that is utilized in making a determination of good faith effort:

Process:

OEO reviews Schedules 1 through 4 to determine whether bidders have made a good-faith effort to employ CSB, MBE, and FBE subcontractors, as applicable to the contract. To make their determination, OEO examines primarily the following aspects of the project and any particular bid:

Opportunities for Subcontracting What opportunities the project presents for subcontracting part of the work is determined from the nature of project and scope of services and what bidders propose to subcontract.

Availability of CSB/MBE/FBE Potential Subcontractors The OEO then takes into consideration the number of CSB/MBE/FBE firms that are listed in its *CSB/MBE/FBE Registry* (available on the City’s B2GNow website cleveland.diversitycompliance.com) for each potential area of subcontracting.

Bidder’s Commitment to CSB/MBE/FBE Subcontractors OEO refers to a bidder’s Schedules 2 and 3 to determine whether they represent a commitment to subcontract portions of the project work that the bidder represents it will subcontract to certified CSB/MBE/FBEs (measured as a percent of the total bid amount) in order to meet the percentage goal(s) for the contract.

Bidder’s Efforts to Subcontract to CSB/MBE/FBE Firms If a bidder does not demonstrate in its Schedules that it will subcontract to certified CSB/MBE/FBEs a percent of work approximately meeting the contract goal(s), the OEO refers to a bidder’s Schedule 4. A bidder must document their efforts to contact available certified firms to meet the contract goal(s) and/or explain the unavailability of firms or the impracticality of subcontracting, as applicable. In evaluating Schedule 4, OEO considers the subcontracting opportunities and number of certified firms available for each opportunity.

Cleveland Resident Employment Law (Fannie Lewis Law):

Since 2009, OEO has kept records of penalties assessed to Contractors for failure to comply with the Cleveland Resident Employment Law. The amount penalized versus the amount collected varies due to penalties being paid in subsequent years and penalties being overturned during the appeal process. The chart below captures the number of penalties, firms and amounts for the period 2009 – 2013:

	Penalty Assessments	Number of Firms	Penalty Hearings	Amount Penalized in Year	Amount Collected
2009	17	12	6	\$49,063.00	\$42,593.00
2010	12	9	2	\$43,597.00	\$40,220.03
2011	2	2	0	\$9,748.00	\$20,248.00
2012	12	6	3	\$30,769.53	\$30,769.53
2013	8	6	2	\$89,459.30	\$80,690.97

****As of 12/31/2013 OEO has collected \$214,521.53****

In 2013, OEO monitored 130 construction contracts over \$100,000 to ensure compliance with the Cleveland Resident Employment Law. In 2013, the average achievement of resident employment exceeded the law with 23% achieved. This makes 4 consecutive years of surpassing the requirement.

Report highlights:

- City of Cleveland awarded contracts totaling more than \$288 million.
- Certified firms garnered more than \$183 million.
- Primes were awarded \$115 million and subcontractors \$68 million.
- Certified CSB firms received the largest amount of contracts with \$106 million.

Conclusion:

This report and the work of OEO continue to emphasize **Self Help** as the foundation for economic growth and inclusion in our community. In 2014, OEO will continue our work with our strategic partners to encourage Community Benefit Agreements on private development; expand the Cleveland Resident Employment Law and adopt Green Building Standards to strengthen our Community Benefit Policy; continue our work with the joint apprenticeship Training Council (JATCs) around pre-apprenticeships; and continue building interface with Economic Development and Workforce Development.

Methodology

Methodology

Results for 2013 were based upon contracts awarded during that year and monitored by OEO. B2GNow and the City of Cleveland's Board of Control (BOC) records were the primary data sources for contract awards over \$50,000. An exception is contracts under the supervision of Community and Economic Development that are not subject to BOC approval and those under the Department of Building & Housing awarded under an emergency ordinance.

Certification Data

The Office of Equal Opportunity administers a certification program to identify Cleveland Area Small, Minority, Female, Local Producer, Sustainable, and Storefront Renovation Program (CSB, MBE, FBE, LPE, SUBE, & SRP) businesses to participate in the procurement activities of the City of Cleveland. Certification requires a review and analysis of the validity of companies requesting certification. The process ensures and confirms that a business meets the requirements for certification.

The certification program creates a registry of the local, minority, and female owned businesses, which serves as a directory of products and services that identifies businesses available for procurement and subcontracting opportunities. Certification is validated on an annual basis.

City contract awards are reported as a percentage given to CSB, MBE, and FBE owned firms. The contract amounts are divided among the various certification areas as follows:

- Cleveland Area Small Business (CSB)
- Minority Business Enterprises (MBE)
- Female Business Enterprises (FBE)

Presently, there are 647 prime and subcontracting firms certified by the City of Cleveland representing 1910 certifications. OEO has seen an increase in the number of applications submitted with the introduction of the online application process.

OEO maintains an electronic certification registry available online at: <https://cleveland.diversitycompliance.com>.

The Certification Registry is provided as a user-friendly method for the public to be informed of what companies are certified by the City and which certification they have. The registry is updated on a continuous basis.

Highlights

James H. Walker Turner Construction Training Program:

The James H. Walker Construction Management Course is sponsored by the City of Cleveland, Turner Construction and Cleveland State University. The purpose of the program is to aid area small businesses with the business management facet of construction such as procurement, accounting, marketing and several other construction management areas that allow construction jobs to be efficient and prosperous.

The Walker program is a twelve session course with classes held once a week. The course is taught by experienced construction and management professionals in the fields that were previously mentioned and more. To date over 1,500 entrepreneurs, small as well as major business owners and trades people, have taken this course and are now operating successful and distinguished businesses.

The course is named in honor of the late James H. Walker, a former employee of the Office of Equal Opportunity. Mr. Walker advocated for the advancement of minorities in construction and general contracting. In 2013, thirty-two individuals were a part of the 44th graduating class. Over the past four years 112 students have graduated from the class.

Contractor Remarks:

The Office of Equal Opportunity (OEO) was a joy to work with. Hooper Corporation, an electric power construction firm headquartered in Wisconsin, reached out to the OEO prior to beginning work with Cleveland Public Power. Our compliance monitor was very helpful in providing a list of third party agencies in an effort to bring Cleveland resident to the IBEW, and consequently, onto the project.

Hooper Corporation's long term goal, when moving into a new area, is to hire and develop a local work force. An Ohio State engineering graduate was hired to work as an assistant project manager/quality control engineer which allowed Hooper to develop a local office/project management staff in the Cleveland area.

~Ted Hicks, Hooper Corporation

We started using the systems [B2G and LCPtracker] in March of 2013. Although the first month was difficult, with our compliance monitor's help I was able to learn the system fairly quickly. Do to the fact that our payroll system allows me to download my certified payroll report in the LCPtracker format and the ability to set up the fringes for each employee, downloading payroll into the system has become a quick and efficient process for me. Also, I have had no problems reporting my sub-contractor payments through the system as it is fairly user friendly. I feel that is has made meeting my reporting requirements easier than submitting paper reports.

~Joe Harrison, West Roofing Systems

2013 Certified Prime Contractors

46 certified primes were awarded City contracts amounting to \$115,718,570.85 in contract awards. The following is a list of the certified primes:

Aggregate Construction, Inc.	NOCE Enterprises
Allstate Industrial, Inc.	Northeast Lubricants, Ltd
Architectural Floors of Cleveland, Inc.	Osborn Engineering
B&B Wrecking	Paige Food Services
B.P. Britches	Partners Environmental Consulting, Inc.
Binkowski-Dougherty Distribution, LLC	Perk Company, Inc.
Bonnie Speed Delivery	Petty Group, LLC
Civic Builders, LLC	R. A. Strauss Electric Supply Co.
Coleman Spohn Corporation	R.J. Platten Contracting Co.
Consumer Petroleum	Recess Creative, LLC
Cook Paving & Construction Co., LLC	RNR Consulting
DLZ Ohio, Inc.	Rockport Construction & Materials, Inc.
Emerald Supply, Inc.	Simplified Alternatives, Inc.
Envirocom Construction, Inc.	Terrace Construction Co., Inc.
Euthenics, Inc.	The H. Leff Electric Company
F Buddie Contracting, Ltd	The Millcraft Paper Company
Fabrizi Recycling, Inc.	The R.W. Clark Company
Great Lakes Petroleum	The WM Plotz Machine & Forge Company
Industrial Energy Systems, Inc.	Ty, Incorporated
McPhillips Plumbing, Heating, & A/C Company	United Survey, Inc.
Millstone Management Group, Inc.	Utilicon Corporation
Multitude Service	Vandra Brothers Construction, Inc.
Nerone & Sons, Inc.	Ziska Architecture

2013 Certified Subcontractors

181 certified subcontractors were utilized by city contractors. These firms generated \$68,058,071.20 in sub-contract awards. The following is a list of those certified subcontractors:

A New Image Construction & Repair	Cuyahoga Fence
AAMCO Transmission	Cuyahoga Supply & Tool
A-C Plastering, Inc.	D&C Developers, LLC
Action Door	Dan-Ray Construction
Adrian Maldonado & Associate	DC Heating & Cooling
Aggregate Construction	Decker Steel & Supply, Inc.
All Construction & Remodeling	Delta Industries
Alternate Electric	Dependable Painting, Co.
American Fire & Sprinkler, LLC	Devore Technologies
Architectural Siding & Trim	Dingus & Daga
Automatic Mechanical	DJAM, Inc.
B.B.C. Electrical Company, Inc.	DLZ Ohio
Ballast Construction	Don Koo
Ballast Fence	Donato Electric
Behnke Associates	Down to Earth Landscaping
Binkowsky-Dougherty Distribution	Eclipse Co., LLC
Booker & Sons Trucking	Envirocom Construction
Bruder Building Materials	Environmental Management Specialist
C & S Door	Euthenics
C.P. Braman & Co., Inc.	F. Buddie Construction
Carr Brothers, Inc.	Fabrication Group
Caver Brothers	Fabrizi Recycling
Chagrin Valley Engineering Ltd	Field Day Cleaning, Inc.
Chagrin Valley Steel Erectors	Firestop Specialty, LLC
Chieftain Trucking & Excavating, Inc.	Fortuna Construction Co., Inc.
City Architecture	Frank Novak & Sons, Inc.
CJI, Inc.	Friedel Trucking
Clark Mechanical	G & T Associates
Coleman Spohn Corp.	Gateway Electric, Inc.
Cook Paving	Genie Repros
Cordova Enterprises	Granger Trucking
Corlett Trenching & Plumbing	Greatlake Pipe Line
CorStone	H. Leff Electric
C-Town Charters, Inc.	H.M.H. Restoration
Cunningham Paving	HD Baker Sales Co., Inc.

HLMS
HzW Environmental Consultants
I. A. Lewin & Associates
Imperial Mechanical
Industrial Safety Surface
IPM Construction, LLC
J.C. Sharp Corporation
J.L.J.I. Enterprises
Jubilee Excavating
Kenetic, Inc.
Kin-Co
Knight & Stolar
Krusoe Sign
L.V. Surveying
Lakeside Supply Co.
Lakewood Supply Co.
Lawhon & Associates
LB Construction
Lito Trucking, Inc.
M&O Electric
M. Rivera Construction, Inc.
M. Neff Design Group
MA Building & Maintenance Co.
Maggio's Home Improvement
McGuiness Unlimited
MCM
McMahon Masonry Restoration, Ltd.
Michael Benza & Associates
Midland Concrete & Sand Transport
Midtown Trucking
Miles Mechanical
Moody Nolan
MUI Construction, LLC
MV Painters
Nerone & Sons
New Management, Inc.
Ning Enterprises
North Coast Concrete, Inc.
Safeguard Associates, Inc.

North Electric
Northeast Blueprint
Nowak Mechanical Services, Inc.
O.P. Aquatics
OBON Trucking
Om Consulting
Paragon Tech, Inc.
Pardo Consultants
Partners Environmental Consulting
Penn & Associates
Performance Painting
Pete & Pete Containers
Petty Group, LLC
PGT Construction
Pinkney-Perry Insurance Agency
Poly Services
Post Painting, Inc.
Precision Air Balance
Precision Analytical
Pro Geotech, Inc.
Quez Media Marketing
R & R Mechanical
R. Engineering Team
RA Strauss
Ramos Trucking
RAR Contracting
Recess Creative
Regency Construction
Relmec Mechanical
Resource International
Riverstone Co.
RNR Consulting
Robinson Builders, LLC
Rockport Ready Mix
Royal Landscape Gardening, Inc.
RWJ Wiring
S. Lockjaw Trucking
S.E. Blueprint
Samsel Supply Company

Saunders & Sons Painting Co.
Schroeder Plastering, Inc.
Servco Products
Signature Sign Co., Inc.
Simplified Alternatives
Smith Architects, LLC
Solar Testing Laboratories, Inc.
Somat Engineering
SONA Construction, LLC
Staffing Solutions Enterprises
Steven Hovancsek & Associates
Stewart Enterprises Limited, Inc.
Studio Graphique
Superior Insulation Company
Tech Ready Mix
Terrace Construction

The Chas E. Phipps Company
The Company, Inc.
The Kelly-Buck Company
The Markey Group
The Vallejo Company
Thermo-Tec Insulation
Total Roofing Services
Trafftech, Inc.
Trinity Cleaning Service
Troutman Supply
Tucker-Grubbs Construction
Van Auken Akins
Vandra Brothers
VIP Restoration, Inc.
Western Reserve Asphalt
Work Best Electric

Summary of Results for Contract Awards: 2013 Cleveland Contract Information

The City has established participation goals for sub-contractors within five categories (see **Figure 1**). These categories include design build, vertical construction, horizontal construction, professional services, and other. The category “other” includes supplies, requirement contracts, maintenance contracts, etc.

Only vertical construction contracts have specific MBE (15%), FBE (7%) and CSB (8%) participation goals. The disparity study found that only this sub-sector within the construction category lacks diversification. The remaining contract types have a CSB goal.

The participation goals for 2013 were as follows:

Figure 1: 2013 Annual Participation Goals

Citywide Goals	
Design Build	40% CSB
Horizontal Construction	30% CSB
Vertical Construction *	15% M 8% C 7% F
Other	20% CSB
Professional Services	10% CSB
*M-MBE, C-CSB, F-FBE	

Citywide Results

In 2013, Cleveland awarded contracts totaling more than **\$288 million** (see **Figure 2**). Approximately \$142 million was awarded to firms in the construction category (includes Community and Economic Development). Over \$89 million was awarded to firms providing other services. While, professional services firms earned contracts totaling more than \$56 million. No contracts were awarded in the design build category with the above subcontracting goals.

Over the last several years there has been a trend of increasing contracts in the professional services category with them receiving the bulk of the City spend. In 2013, that trend has changed with professional services contracts receiving a total of 19% of the total contract dollars awarded, down from 43% last year. Other services saw a slight increase in dollar allocation this year with 31% of the contract dollars. While over 49% of the total contract dollars awarded were distributed to firms within the construction category.

Figure 2: 2013 City’s Contracting as a Whole

Total City Contracting	2013	2012	2011
Total Awarded:	\$288,864,157.86	\$298,466,170.40	\$326,607,920.72
Construction* (includes CD & ED)	\$142,176,589.82	\$72,662,999.03	\$112,249,402.58
Const. % of total	49.22%	24.35%	34.37%
Design Build	\$0.00	\$19,261,600.00	\$0.00
Design Build % of total	0.00%	6.45%	0.00%
Other Services	\$89,867,687.44	\$77,860,397.46	\$105,581,566.27
Other Serv. % of total	31.11%	26.09%	32.33%
Professional Serv.	\$56,819,880.60	\$128,681,173.91	\$108,776,951.87
Prof. Serv. % of total	19.67%	43.11%	33.31%

* - Award amounts calculated for both CD & ED only includes City funds.

Certified Firms

Figure 3: 2013 Certified Firms – Total Dollars

Total Certified Firms		
Prime	\$115,718,570.85	40.06%
Subcontractors	\$68,058,071.20	23.56%
TOTAL	\$183,776,642.05	58.81%

Figure 4: 2013 Total - All Certified Firms (based on city contracts totaling \$288m)

All Certified Firms 2013		
CSB	\$106,947,574.08	37%
CSB/FBE	\$28,607,813.58	9.9%
CSB/MBE	\$34,748,191.94	12.0%
CSB/MBE/FBE	\$7,237,606.95	2.5%
FBE	\$1,420,550.00	0.5%
MBE	\$4,810,115.50	1.7%
MBE/FBE	\$4,750.00	.001%

CSB firms received \$106 million of Total City Contracting dollars awarded, CSB/FBE firms earned \$28 million and CSB/MBE firms obtained \$34 million in awards. Additionally, CSB/MBE/FBE firms garnered awards totaling \$7 million. FBE firms were awarded \$1 million; MBE firms were awarded approximately \$4 million. CSB firms were awarded the largest cumulative amount and held the largest percentage of city contract dollars to certified contractors (see **Figure 4**).

Certified Primes

Figure 5: Certified Prime – Contract Awards

Certified Primes	
Total Received:	\$115,718,570.85
CSB	\$97,340,426.49
CSB/FBE	\$7,534,606.60
CSB/MBE	\$8,852,576.31
CSB/MBE/FBE	\$694,225.95
FBE	\$0.00
MBE	\$1,296,735.50
MBE/FBE	\$0.00

CSBs contracted for more than \$97 million. CSB/FBE prime firms saw a decrease from \$13 million in 2012 to more than \$7 million, or 6.5% of the total **certified** prime contract dollars awarded. With CSB/FBE firms, the majority of the awarded dollars (\$4 million) came from the construction category. CSB/MBE prime firms saw an increase from last year's total of \$2 million and kept stable in percentage of certified prime dollars: 7% in 2012 and 7% in 2013.

Figure 6: Certified Primes – Total Dollar Breakdown

Certified Primes 2013				
	<u>Construction</u>	<u>Professional Serv.</u>	<u>Other Services</u>	<u>Total</u>
CSB	\$88,540,532.72	\$1,050,700.00	\$7,749,193.77	\$97,340,426.49
CSB/FBE	\$4,064,891.60	\$355,483.50	\$3,114,231.50	\$7,534,606.60
CSB/MBE	\$7,123,948.00	\$499,129.68	\$1,229,498.63	\$8,852,576.31
CSB/MBE/FBE	\$0.00	\$0.00	\$694,225.95	\$694,225.95
FBE	\$0.00	\$0.00	\$0.00	\$0.00
MBE	\$0.00	\$1,296,735.50	\$0.00	\$1,296,735.50
MBE/FBE	\$0.00	\$0.00	\$0.00	\$0.00
Totals	\$99,729,372.32	\$3,202,048.68	\$12,787,149.85	\$115,718,570.85

Certified primes within the construction category earned the largest amount of certified prime contract dollars, totaling more than \$99 million (see **Figure 6**). This total made up 86% of dollars awarded to certified prime contractors. CSB primes received the most within the construction category with 88% of the subtotal.

The second largest amount with almost \$13 million dollars was garnered by primes in the other services category. CSB primes made up 60% of the subgroup within this category with more than \$7 million. The professional services category rounded out the group with 2.7% or about \$3 million of all certified prime dollars. MBE firms made up 40% of the certified prime professional service dollars with more than \$1.2 million.

Certified Subcontractors

In 2013, 181 certified subcontractors received more than \$68 million. There were some instances in which subcontractors worked within several different categories. This distinction makes it nearly impossible to break down by category without duplicative calculations.

CSB/MBE received the largest contract dollars with \$25 million or 38% of certified subcontracting awards (see **Figure 7**). Construction firms made up the majority of the CSB/MBE group, receiving more about than \$21 million.

Figure 7: Certified Subcontractors – Contract Awards

Certified Subcontractors	
Total Received:	\$68,058,071.20
CSB	\$9,607,147.59
CSB/FBE	\$21,073,206.98
CSB/MBE	\$25,895,615.63
CSB/MBE/FBE	\$6,543,381.00
FBE	\$1,420,550.00
MBE	\$3,513,420.00
MBE/FBE	\$4,750.00

CSB/FBE subcontractors received the second largest amount of contract dollars awarded with more than \$21 million, or 30%. Firms within the construction categories earned the most in this subgroup, with \$19 million. On the other end of the spectrum, MBE/FBE only contractors earned the least amount with \$4,750. Also, firms that were certified as a CSB/MBE/FBE earned more than \$6 million (see **Figure 8**).

Figure 8: Certified Subcontractors – 2013 Breakdown

Certified Subcontractors 2013					
	Construction	Design Build	Professional Serv.	Other Serv.	Total
CSB	\$8,740,714.85	\$0.00	\$1,050,700.00	\$7,749,193.77	\$97,340,426.49
CSB/FBE	\$19,329,923.98	\$0.00	\$355,483.50	\$3,114,231.50	\$7,534,606.60
CSB/MBE	\$21,868,400.43	\$0.00	\$499,129.68	\$1,229,498.63	\$8,852,576.31
CSB/MBE /FBE	\$6,422,626.00	\$0.00	\$0.00	\$694,225.95	\$694,225.95
FBE	\$1,314,150.00	\$0.00	\$0.00	\$0.00	\$0.00
MBE	\$3,513,420.00	\$0.00	\$1,296,735.50	\$0.00	\$1,296,735.50
MBE/FBE	\$4,750.00	\$0.00	\$0.00	\$0.00	\$0.00
Totals	\$99,729,372.32	\$0.00	\$3,202,048.68	\$12,787,149.85	\$115,718,570.85

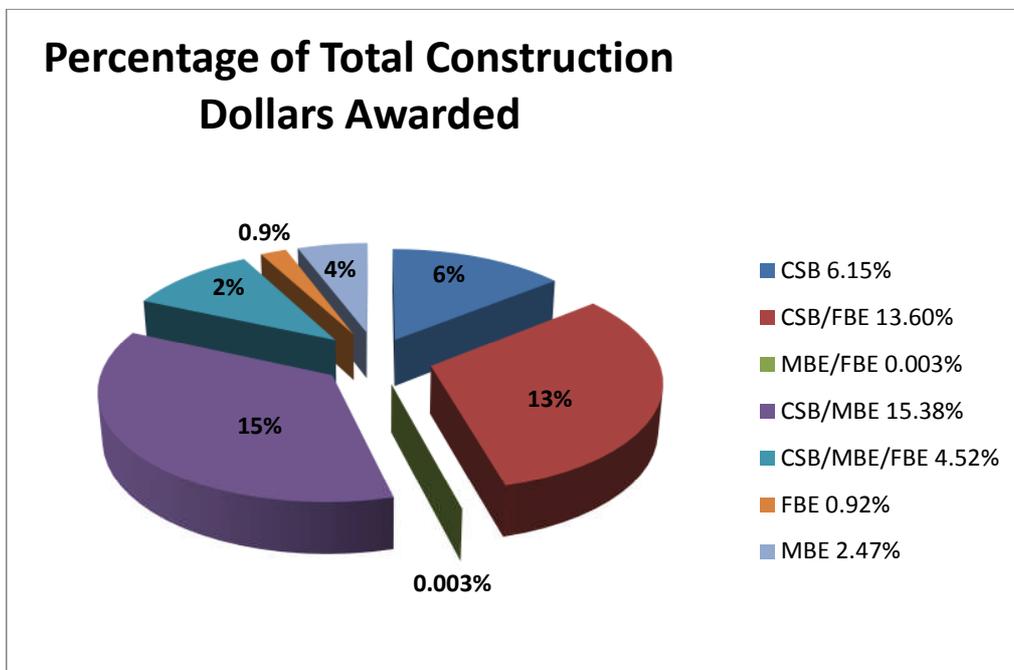
Contract Compliance and Monitoring

Cleveland awarded \$115 million with 46 certified prime contractors during 2013. Approximately 181 certified subcontractors were awarded \$68 million. Certified firms earned \$183 million in city contracts. This total amount was roughly 58% of the total amount (\$288 million) of contract awards issued during the fiscal year.

Construction

Last year, the city awarded \$142 million to firms in the construction category. Certified subcontractor firms in the construction category were awarded \$61 million. CSB/MBE certifications were the most common with \$21 million, or 15% (see **Figure 9**). The second most common certification in Construction was CSB/FBE, with a total of \$19 million.

Figure 9: OEO Awards – Construction (Subcontractors)



The OEO goal for the construction category is a total of **30%** MBE/FBE/CSB subcontractor participation. Certified subcontractor companies were awarded **43%** of the **construction** dollars in 2013.

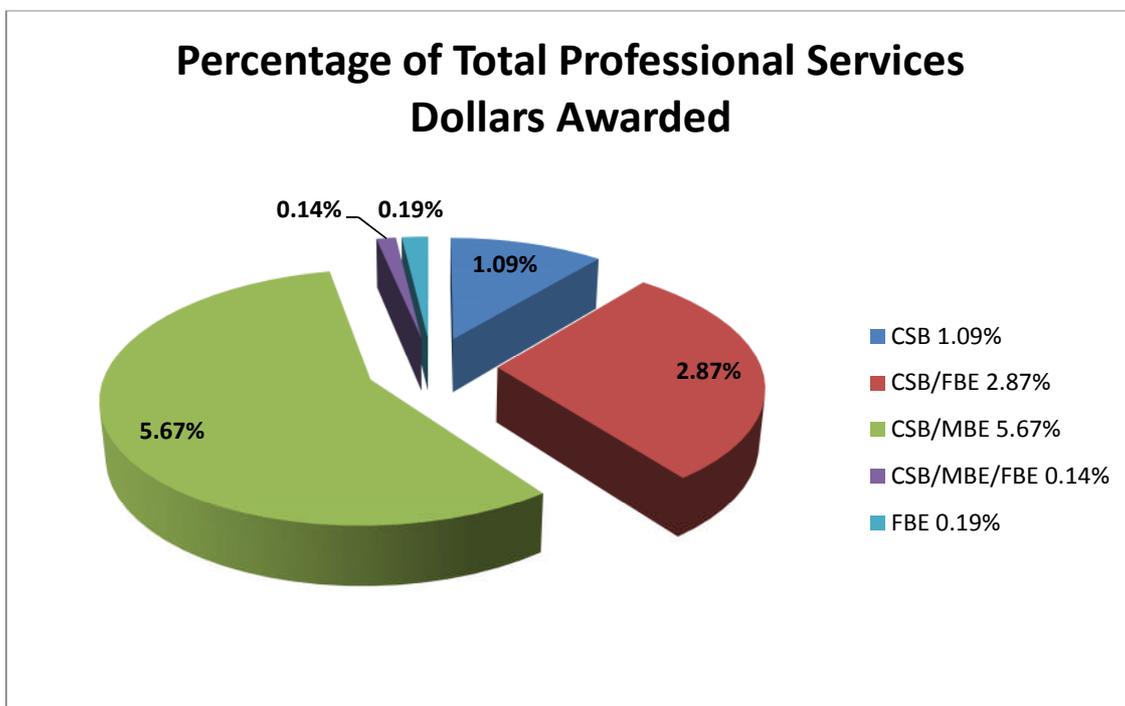
Design Build

The City did not have any contracts that were classified as a design build that had CSB, MBE, or FBE subcontracting goals on the contract.

Professional Services

The City awarded \$56 million to firms in the professional services category. The certified subcontractor firms within this category garnered \$5.6 million. CSB/MBE enterprises were the most common amongst certified firms in this category (see **Figure 11**). These businesses (CSB/MBE) earned 5.6% of the city contracts awarded to the category.

Figure 11: OEO Awards – Professional Services (Subcontractors)

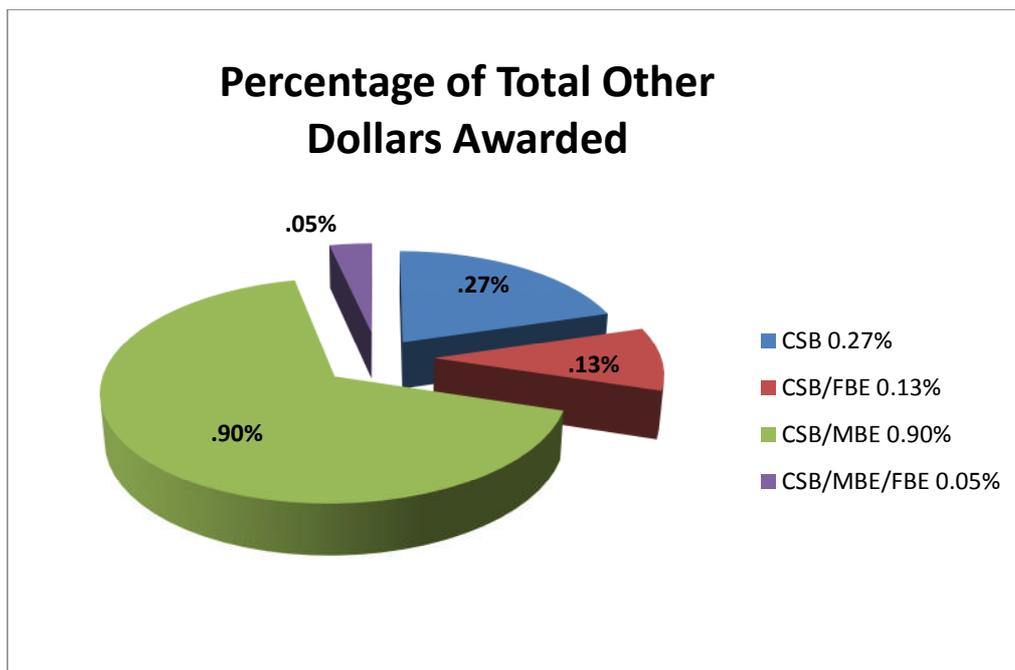


The OEO goal for the professional services category is **10%** CSB subcontractor participation. The professional services category saw the most growth this year. In 2013 the City awarded **9.9%** of contract dollars in the **professional services** category to certified subcontractors.

Other Services

The City awarded \$89 million to firms in the other services category. The certified subcontractor firms within this category garnered \$1.2 million. CSB/MBE enterprises were awarded the most amongst certified subcontractor firms in this category (see **Figure 12**). These businesses (CSB/MBE) earned 0.9% of the city contracts awarded to the category.

Figure 12: OEO Awards – Other Services



The OEO goal for the other services category is **20%** CSB subcontractor participation. In 2013, \$806k (**1.3%**) was awarded to certified subcontractors in the **other services** category.

Department Totals for Contracts over \$50,000

In 2013, certified subcontractors received \$68 million in contracts awards from the City of Cleveland for projects over \$10,000.

- Public Utilities awarded the most to subcontractors with \$23 million (34% of the total contracts awarded to certified subcontractors). Public Utilities awarded the CSB/FBE and CSB/MBE firms the largest amount of the contracts with \$8 million and \$13 million, respectively.
- MOCAP awarded the CSB only, FBE only, and MBE only firms the largest amount of contracts with \$2.67 million, 747,603, and \$3.4 million, respectively.
- Economic Development awarded the most to CSB/MBE/FBE firms the largest amount of contracts with \$6.4 million.

The Building & Housing (B&H) Department is unique in that a majority of their projects are defined as Emergency. As such, Codified Ordinance 138.07 allows B&H the authority to execute contracts for the boarding-up and/or demolition of structures which are found to be unsafe structures and declared public nuisances immediately.

A large majority of these projects are valued at less than the Council authority threshold, \$50,000. However, to be compliant and in alignment with the Mayoral directive of Self Help” B&H has ensured diversity and inclusion in their contracting.

Find below the summary of demolition, asbestos, & survey contractor performance in 2013:

- 58 contractors in total
- 3 contractor was CSB/MBE/FBE Certified
- 10 contractors were CSB/MBE Certified
- 6 contractors were CSB/FBE Certified
- 2 contractors were CSB Certified
- 1 contractor was FBE Certified

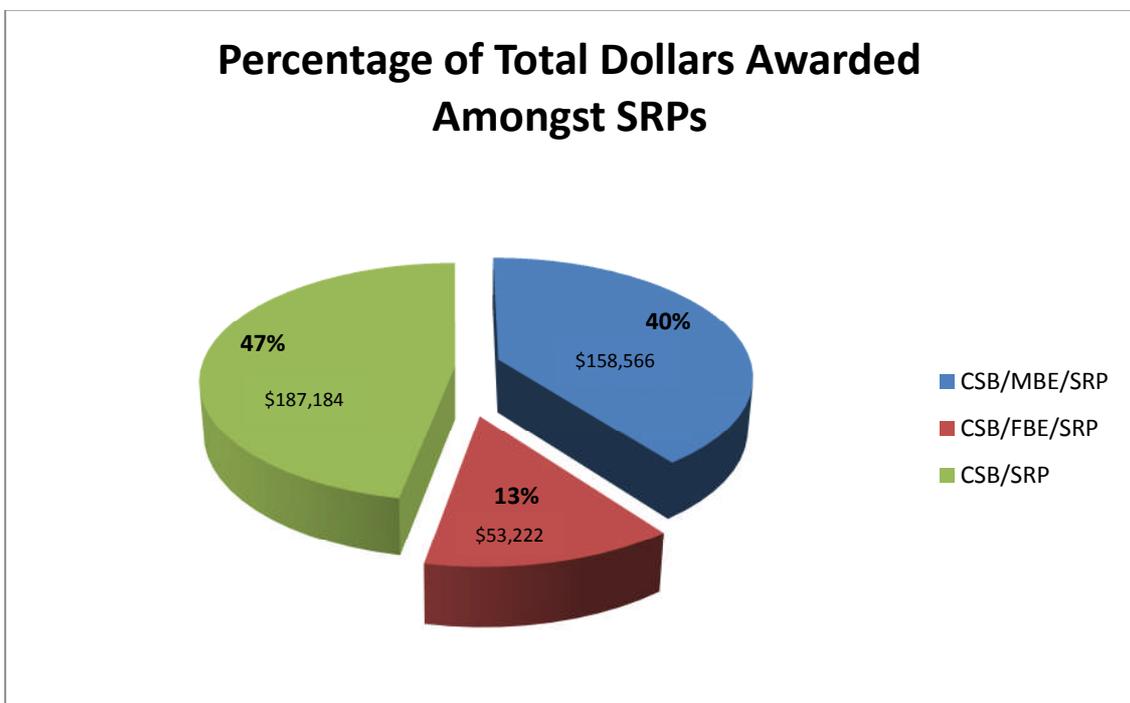
Contracts awarded breaks down as follows:

- CSB/MBE/FBE Certified contractors: received 101 contract or 5% of all contracts
- CSB/MBE Certified contractors: received 431 contracts or 22% of all contracts
- CSB/FBE Certified contractors: received 173 contracts or 9% of all contracts
- CSB Certified contractors: received 34 contracts or 2% of contracts
- FBE Certified contractors: received 34 contracts or 2% of contracts

Storefront Renovation Program (SRP) Certification

The Storefront Renovation Program helps fund the rehabilitation/renovation of (primarily) traditional storefront building exteriors; these projects are usually completed by one man shops or very small contracting companies. Currently, there are 41 companies certified with the SRP designation, with the majority of them being multi-certified. These smaller companies usually did not submit or have the documentation necessary to become certified as a CSB, MBE, or FBE contractor but did have the expertise. Through the SRP certification OEO can now track these smaller firms. The graph below illustrates the total dollar amount awarded amongst certified SRPs. These firms were awarded a total of \$398,972, which are broken down in the graph below (see Figure 13).

Figure 13: SRP Awards



Subcontracting Comparison

As the Office of Equal Opportunity increases its capacity we are taking a more analytical look at the data. From reviewing the Board of Control data, OEO has noticed that in 2013, a majority of the subcontracting work has gone to certified companies. Non-certified companies received a total of 25% and certified companies received a total of 30% of overall **adjusted** City spend (see **Figure 14**).

Figure 14: 2013 Department Subcontracting Totals

Certified vs Noncertified Subcontractor Usage - Summary by Departments					
	Total	Certified	Percentage	Non Certified	Percentage
Community Development	\$ 12,364,903.78	\$ 9,596,353.00	78%	\$ 11,695,205.00	95%
Economic Development	\$ 24,293,230.00	\$ 8,887,189.00	37%	\$ 28,000,814.00	115%
Public Works	\$ 11,644,746.87	\$ 6,707,364.12	58%	\$ 3,032,406.00	26%
Public Utilities	\$ 95,078,666.38	\$ 23,611,203.94	25%	\$ 7,790,316.00	8%
Public Safety	\$ 1,307,464.00	\$ 47,843.00	4%	\$ -	0%
Port Control	\$ 20,520,521.00	\$ 2,214,659.00	11%	\$ 682,772.00	3%
MOCAP	\$ 45,258,638.76	\$ 16,610,813.14	37%	\$ 4,924,564.25	11%
Law	\$ 750,589.17	\$ -	0%	\$ -	0%
Human Resources	\$ 375,000.00	\$ -	0%	\$ -	0%
General Government	\$ 7,230,209.00	\$ -	0%	\$ -	0%
Finance	\$ 5,873,867.00	\$ 382,646.00	7%	\$ -	0%
Aging	\$ 200,000.00	\$ -	0%	\$ -	0%
TOTAL	\$ 224,897,835.96	\$ 68,058,071.20		\$ 56,126,077.25	
Percent		30%		25%	
Total Waived	\$ 63,966,321.90				
TOTAL CITY SPEND	\$ 288,864,157.86				
Percentage Waived	22%				

** Percentages are based on the adjusted amount of city contracts awarded in 2013.*

APPENDIX

Citywide Goals

Design Build	40% CSB
Horizontal Construction	30% CSB
Vertical Construction	15% M 8% C 7% F
Other	20% CSB
Professional Services	10% CSB
*M-MBE, C-CSB, F-FBE	

City as a Whole		2013
Total Received:	\$288,864,157.86	
Construction (includes CD & ED)	\$142,176,589.82	
Const. % of total	49.22%	
Design Build	\$0.00	
Design Build % of total	0.00%	
Other Services	\$89,867,687.44	
Other Serv. % of total	31.11%	
Professional Serv.	\$56,819,880.60	
Prof. Serv. % of total	19.67%	

Certified Primes		2013
Total Received:	\$115,718,570.85	
CSB	\$97,340,426.49	
CSB/FBE	\$7,534,606.60	
CSB/MBE	\$8,852,576.31	
CSB/MBE/FBE	\$694,225.95	
FBE	\$0.00	
MBE	\$1,296,735.50	
MBE/FBE	\$0.00	

Certified Subcontractors		2013
Total Received:	\$68,058,071.20	
CSB	\$9,607,147.59	
CSB/FBE	\$21,073,206.98	
CSB/MBE	\$25,895,615.63	
CSB/MBE/FBE	\$6,543,381.00	
FBE	\$1,420,550.00	
MBE	\$3,513,420.00	
MBE/FBE	\$4,750.00	

Total Certified Firms			2013
Prime	\$115,718,570.85		40.06%
Subcontractors	\$68,058,071.20		23.56%
TOTAL	\$183,776,642.05		58.81%

Certified Primes 2013

	Construction	Professional Serv.	Other Services	Total
CSB	\$88,540,532.72	\$1,050,700.00	\$7,749,193.77	\$97,340,426.49
CSB/FBE	\$4,064,891.60	\$355,483.50	\$3,114,231.50	\$7,534,606.60
CSB/MBE	\$7,123,948.00	\$499,129.68	\$1,229,498.63	\$8,852,576.31
CSB/MBE/FBE	\$0.00	\$0.00	\$694,225.95	\$694,225.95
FBE	\$0.00	\$0.00	\$0.00	\$0.00
MBE	\$0.00	\$1,296,735.50	\$0.00	\$1,296,735.50
MBE/FBE	\$0.00	\$0.00	\$0.00	\$0.00
Totals	\$99,729,372.32	\$3,202,048.68	\$12,787,149.85	\$115,718,570.85

Certified Subcontractors 2013

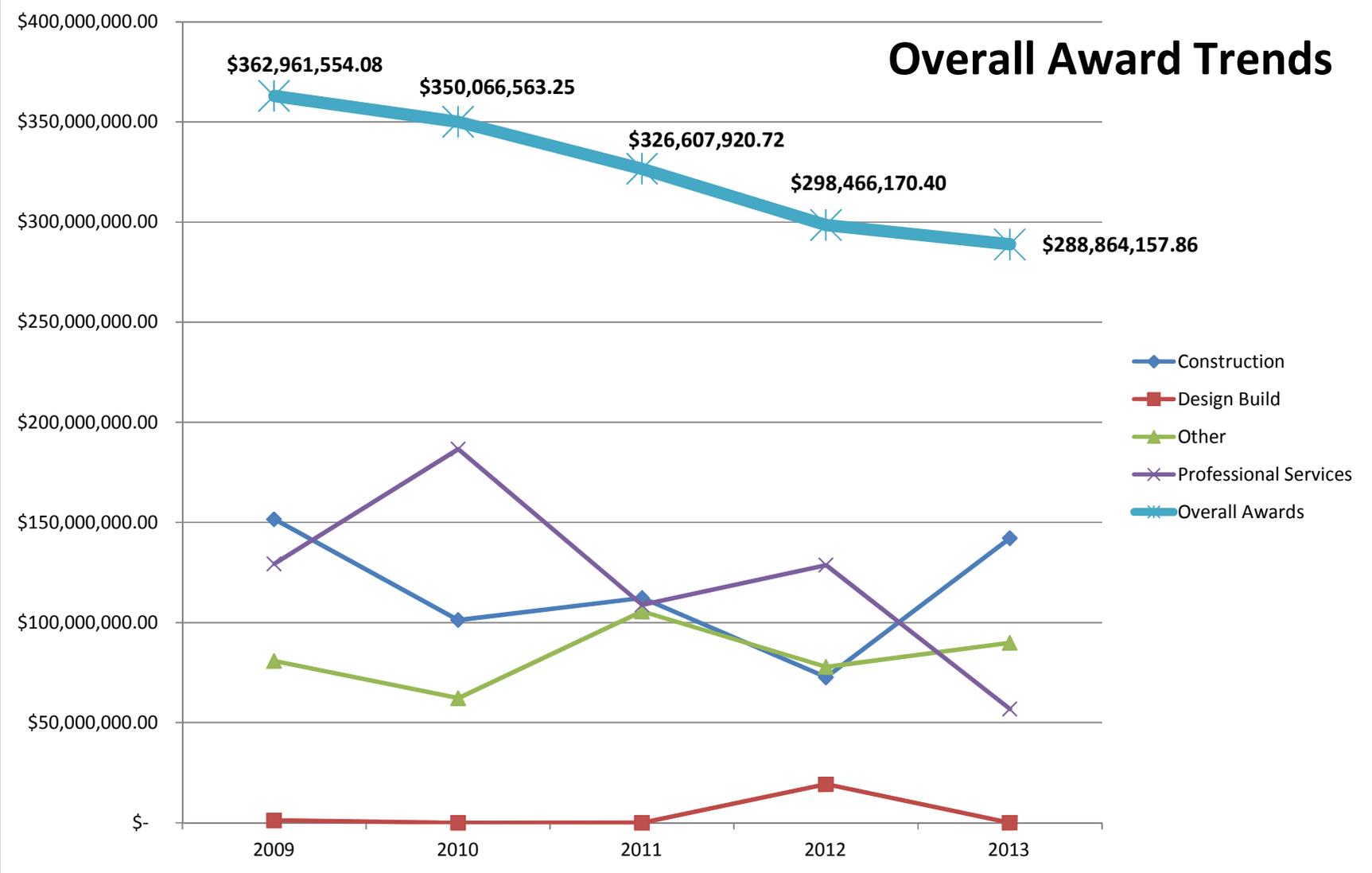
\$142,176,589.82	CSB	\$8,740,714.85	6.15%
Construction	CSB/FBE	\$19,329,923.98	13.60%
	CSB/MBE	\$21,868,400.43	15.38%
	CSB/MBE/FBE	\$6,422,626.00	4.52%
	FBE	\$1,314,150.00	0.92%
	MBE	\$3,513,420.00	2.47%
	MBE/FBE	\$4,750.00	0.00%
\$89,867,687.44	CSB	\$245,691.04	0.27%
Other Services	CSB/FBE	\$114,231.00	0.13%
	CSB/MBE	\$806,318.00	0.90%
	CSB/MBE/FBE	\$42,012.00	0.05%
	FBE	\$0.00	0.00%
	MBE	\$0.00	0.00%
	MBE/FBE	\$0.00	0.00%
\$56,819,880.60	CSB	\$620,741.70	1.09%
Professional Serv.	CSB/FBE	\$1,629,052.00	2.87%
	CSB/MBE	\$3,220,897.20	5.67%
	CSB/MBE/FBE	\$78,743.00	0.14%
	FBE	\$106,400.00	0.19%
	MBE	\$0.00	0.00%
	MBE/FBE	\$0.00	0.00%

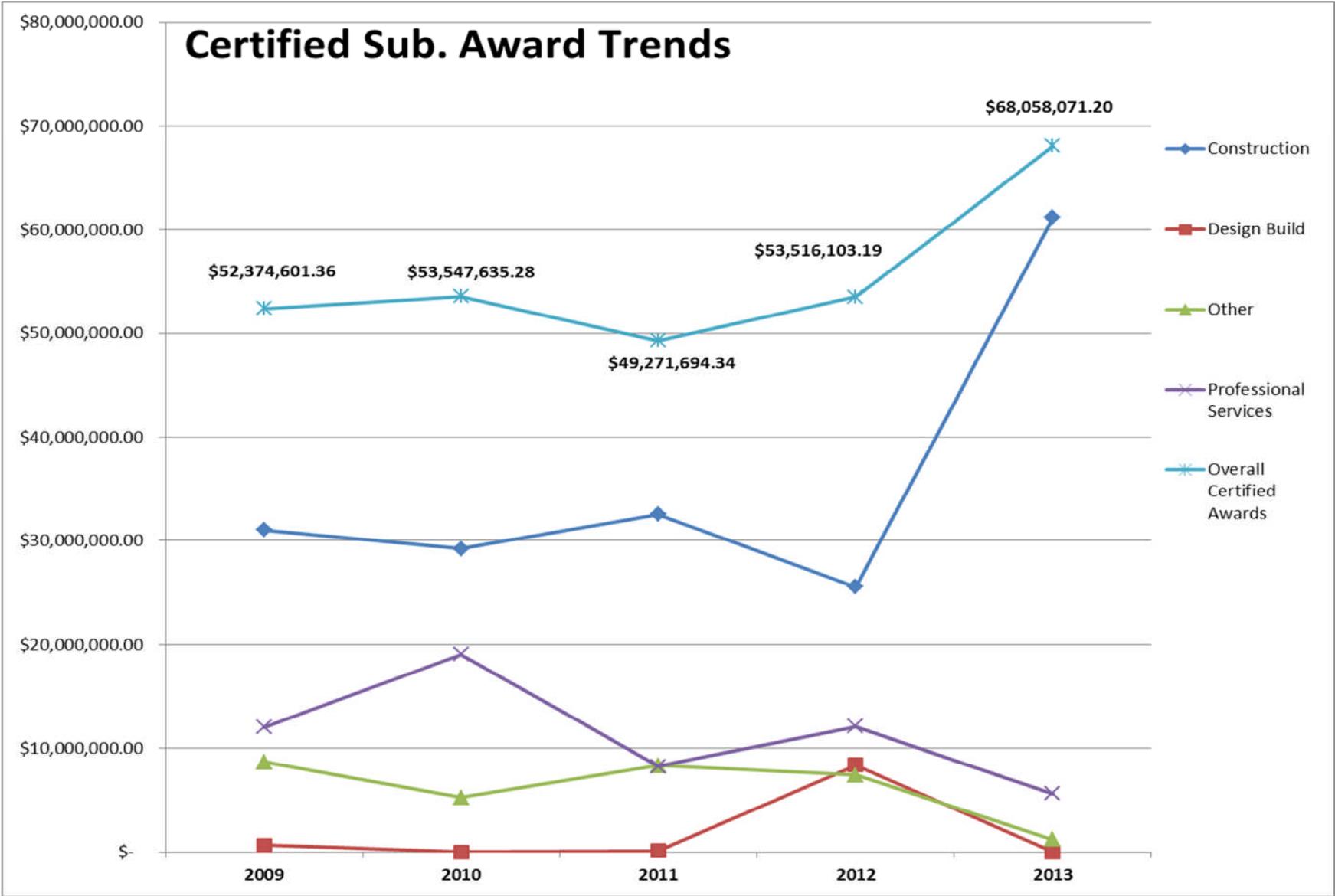
All Certified Firms 2013

\$288,864,157.86	CSB	\$106,947,574.08
	CSB/FBE	\$28,607,813.58
	CSB/MBE	\$34,748,191.94
	CSB/MBE/FBE	\$7,237,606.95
	FBE	\$1,420,550.00
	MBE	\$4,810,155.50
	MBE/FBE	\$4,750.00

All Certified Subcontractor* Companies 2013							
Construction	\$142,176,589.82 **	CSB	\$8,740,714.85	6.15%			
		CSB/FBE	\$19,329,923.98	13.60%			
		CSB/MBE	\$21,868,400.43	15.38%			
		CSB/MBE/FBE	\$6,422,626.00	4.52%			
		FBE	\$1,314,150.00	0.92%			
		MBE	\$3,513,420.00	2.47%			
		MBE/FBE	\$4,750.00	0.00%			
		<u>\$61,193,985.26</u>			30%	% of Construction \$	% of All \$ Awarded by the City in 2013
						<u>43.04%</u>	21.18%
	\$0.00 **						
Design Build		<u>\$0.00</u>			40%	% of Design Build \$	% of All \$ Awarded by the City in 2013
						<u>N/A</u>	0.00%
Other	\$89,867,687.44 **	CSB	\$245,691.04	0.27%			
		CSB/FBE	\$114,231.00	0.13%			
		CSB/MBE	\$806,318.00	0.90%			
		CSB/MBE/FBE	\$42,012.00	0.05%			
		<u>\$1,208,252.04</u>			20%	% of Other \$	% of All \$ Awarded by the City in 2013
						<u>1.34%</u>	0.42%
Professional Serv	\$56,819,880.60 **	CSB	\$620,741.70	1.09%			
		CSB/FBE	\$1,629,052.00	2.87%			
		CSB/MBE	\$3,220,897.20	5.67%			
		CSB/MBE/FBE	\$78,743.00	0.14%			
		FBE	\$106,400.00	0.19%			
		<u>\$5,655,833.90</u>			10%	% of Professional Serv. \$	% of All \$ Awarded by the City in 2013
						<u>9.95%</u>	3.92%
Total						<u>Total % Subcontractor Utilized in 2013</u>	
	\$288,864,157.86 **						<u>25.52%</u>

* Reflects the amounts awarded to certified subcontractors **only**
 **Total dollar amount the City awarded in that category







CITY OF CLEVELAND