

# **SMALL BUSINESS CONSTRUCTION PROGRAM (SBCP)**

## **Program Overview**

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### **I. OVERVIEW**

The proposed Small Business Construction Program (SBCP) will provide a race-neutral means of contracting for various construction bid opportunities. The SBCP program will be designed for projects with an estimated construction budget of less than \$50,000. These projects will be reserved for initial solicitation to certified Small Business Enterprises (SBEs). If no certified SBEs respond, the projects will be re-solicited to a more general bidding audience.

The SBCP will be administered in partnership with the Small & Minority Business Resources Department (SMBR) and the Contract and Land Management Department (CLMD), Contract Procurement Division (CPD). The estimated start date is July 2011.

### **II. ELIGIBILITY REQUIREMENTS**

In order to qualify for inclusion in the SBCP, a firm, and its affiliates, must have an average annual gross receipts over the past three years that have not exceeded \$14 million. This threshold is based on the Specialty Trades Small Business Administration size standard as defined in 13 CFR Part 121 or [http://www.sba.gov/sites/default/files/Size\\_Standards\\_Table.pdf](http://www.sba.gov/sites/default/files/Size_Standards_Table.pdf). In order to participate in the SBCP, an applicant must complete an affidavit attesting to firm size or bring tax documentation supporting firm size to SMBR for review.

### **III. PARTICIPATION IN THE SMALL BUSINESS CONSTRUCTION PROGRAM (SBCP)**

The City of Austin has developed this program to reserve certain contract bid opportunities exclusively for eligible SBEs. In order to compete for these contracts, a firm must first register as a vendor with the Purchasing Office's Vendor Self Service (VSS) system. As part of the registration process, basic information about the applicant will be provided to SMBR. The applicant must provide an affidavit from a licensed Certified Public Accountant (CPA) stating that the applicant meets the SBE size standard. SMBR will review this document for completeness. If the applicant prefers, they can also bring documentation supporting the size of the firm to SMBR for review. SMBR will randomly audit back-up documentation from SBEs and reserves the right to review these documents at any time to ensure compliance. Once a firm is certified as an SBE, the certification will need to be updated annually.

The contracts that qualify for the SBCP will have few if any subcontracting opportunities. However, if subcontracting opportunities are identified the SBE will be expected to provide the necessary paperwork to list subcontractors in accordance with the City's MBE/WBE Procurement Program. Only contracts that are funded with City of Austin funds (i.e., no federal funding) will be eligible for this program.

### **III. ROLES AND RESPONSIBILITIES**

#### **SBE Responsibilities**

- Register and contact SMBR for certification purposes
- Respond to SBE bid opportunities
- Update contact information in VSS

#### **SMBR Responsibilities**

- Certify potential SBEs
- Review and approve SBE applications and supporting documentation
- Maintain SBE certification records
- Track overall SBE participation of subcontractors

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- Monitor the SBE program
- Provide quarterly reports

**CLMD Responsibilities**

- Send bid opportunity notification to registered SBEs
- Contract with successful bidders
- Monitor SBE participation and the overall SBE program
- Provide quarterly reports

**IV. SBE PROCESS**

Step	Responsible Party	Action
1	SBE Applicant	New firms must first register as a vendor on the City of Austin Vendor Self Service System (VSS). Applicants must submit completed affidavit from CPA attesting to meeting size standards or provide documentation to SMBR.
2	SMBR	Review affidavit for completeness. Assign 'SBE' certification to firm in VSS. Review will take no longer than 10 days.
3	Client Department	Requests work by completing and signing Request for SBE Contractor form and submitting it to Contract Procurement.  SBE Contractor Request form must include the following information: <ul style="list-style-type: none"> <li>• Date of request</li> <li>• Funding source</li> <li>• Client department and PM name</li> <li>• Assignment name</li> <li>• Estimated cost and duration</li> <li>• Scope of work</li> <li>• Client signature</li> <li>• Any added project specific requirements, i.e. specifications, drawings, etc.</li> </ul> <p><b>NOTE:</b> No assignments are to be made without a completed and signed SBE Contractor Request form.</p>
4	CLMD (CPD)	In accordance with established procedures, Contract Procurement sends notifications to registered SBEs in the scope of work(s) identified.
5	SBE Contractor	Submits bid meeting all requirements.  Lowest responsible/responsive bid will be awarded the contract.
6	CLMD (CPD)	Work with Client Department to provide contract documents to

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		successful SBE Contractor.
7	CLMD (CPD)	If SBEs do not respond by established timeframe, Contract Procurement will notify Client to follow up with a solicitation open to all vendors.  If lowest bid received is greater than \$50,000 the project will be re-solicited and open to all vendors.
8	CLMD (CPD) and SMBR	Meet at least monthly to monitor and receive reports on ongoing SBCP procurements and SBE certification reports and review information in accordance with SBCP Goals and Objectives.

**V. REPORTING REQUIREMENTS**

Step	Responsible Party	Action
1	CLMD (CPD)	Maintain a data sheet which will be used as a record of information for reports. The data sheet will contain: <ul style="list-style-type: none"> <li>• Name of each SBE Contractor awarded a Contract.</li> <li>• Amounts encumbered to date for each SBE Contractor.</li> <li>• Additional data deemed necessary for reporting in accordance with SBCP Goals and Objectives.</li> </ul>
2	SMBR	Provide quarterly SBE award reports to management in accordance with SBCP Goals and Objectives.