

SFO DBE Program's Small Business Element

May 25, 2021



SFO

Agenda

1. Prime Contractors & Small Businesses
2. Effected Contracts
3. Small Business Element and SFO
4. Required Subcontract Provisions
5. Eligible Small Business Certifications
6. Next Steps

Prime Contractors & Small Businesses

Requirements for Federally-Funded Contracts

- In multi-year design-build contracts or other large contracts, bidders **must** specify elements of the contract or specific subcontracts that **small businesses**, including DBEs, can **reasonably perform**
- On prime contract without DBE goals, prime contractors **must** provide subcontracting opportunities of a size that **small businesses**, including DBEs, **can reasonably perform, instead of self-performing the work**

Effected Contracts

Timeline and Criteria

- Federally funded projects with Airport Improvement Program dollars
- Effective immediately moving forward for:

#50289 Professional Services Noise Insulation Program (June 2021)

Estimated value: \$4.2M for 3 year term + \$3M for 2 year option

#10665.61 Runway 10L-28R 5kV Cable Replacement (June 2021)

Estimate: \$3.2M

Small Business Element & SFO

- Goals on FAA-AIP and other USDOT funded contracts (professional services and construction)
- Good Faith Efforts (GFE) are an element of Responsiveness (meet goal or demonstrate GFE)
- Nondiscrimination, Prompt Payment, (Early) Release of Retention/ Retainage
- Small business subs listed must perform work for which listed in proposal/bid
- Small business subs may not be substituted or removed without written authorization of DBELO
- Enforcement Mechanisms: Funds may be withheld; penalties; liquidated damages; termination of the contract; debarment; report to USDOT for false, fraudulent, or dishonest conduct.

Required Subcontract Provisions – Contract Assurances

The Contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of Department of Transportation-assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the Owner deems appropriate, which may include, but is not limited to:

- 1) Withholding monthly progress payments;*
- 2) Assessing sanctions;*
- 3) Liquidated damages; and/or*
- 4) Disqualifying the Contractor from future bidding as non-responsible.*

The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 7 days from the receipt of each payment the prime contractor receives from San Francisco International Airport. The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the San Francisco International Airport. This clause applies to both DBE and non-DBE subcontractors.


Small Business Certifications

Eligible Certifications


Jurisdiction	Certification	Link
San Francisco Only	Local Business Enterprise (LBE)	https://sfgov.org/cmd//lbe-certification-0
California	Small Business (SB)/Disabled Veteran Business Enterprise (DVBE)	https://caleprocure.ca.gov
Federal	Disadvantaged Business Enterprise (DBE)	https://caltrans.dbesystem.com
Federal	Woman-Owned Small Business (WOSB)	https://beta.certify.sba.gov/
Federal	HUBZone	https://www.sba.gov/federal-contracting/contracting-assistance-programs/hubzone-program
Federal	Small Business Administration 8(a) Business Development Program	https://www.sba.gov/federal-contracting/contracting-assistance-programs/8a-business-development-program
Federal	Service-Disabled Veteran-Owned Small Business Development Program	https://www.sba.gov/federal-contracting/contracting-assistance-programs/veteran-assistance-programs

Personal Net Worth Form

- **For non-DBE certified small business**
- Each solicitation requires this form
- *No Change Declaration available ~ within 6 months*
- Takes 2-3 weeks if all supporting documents are submitted

		U.S. Department of Transportation		Personal Net Worth Statement For DBE/ACDBE Program Eligibility		OMB APPROVAL NO: 2105-0510 EXPIRATION DATE: 10/31/2021	
				As of _____			
<small>This form is used by all participants in the U.S. Department of Transportation's Disadvantaged Business Enterprise (DBE) and Airport Concession DBE (ACDBE) Programs. Each individual owner of a firm applying to participate as a DBE or ACDBE, whose ownership and control are relied upon for DBE certification must complete this form. Each person signing this form authorizes the certifying agency to make inquiries as necessary to verify the accuracy of the statements made. The agency you apply to will use the information provided to determine whether an owner is economically disadvantaged as defined in the DBE program regulations 49 C.F.R. Parts 23 and 26. Return form to appropriate certifying agency, not U.S. DOT.</small>							
Applicant Name:						Residence Phone	
Residence: (As reported to the IRS) Address, City, State and Zip Code							
Business Name of Applicant Firm						Business Phone	
Marital Status: <input type="checkbox"/> Single, <input type="checkbox"/> Married, <input type="checkbox"/> Divorced, <input type="checkbox"/> Union				Spouse's Full Name:			
ASSETS		(Omit Cents)		LIABILITIES		(Omit Cents)	
Cash and Cash Equivalents		\$		Loan on Life Insurance (Complete Section 5)		\$	
Retirement Accounts (IRAs, 401Ks, 403Bs, Pensions, etc.) (Report full value minus tax and interest penalties that would apply if assets were distributed today) (Complete Section 3)		\$		Mortgages on Real Estate Excluding Primary Residence Debt (Complete Section 4)		\$	
Brokerage, Investment Accounts		\$		Notes, Obligations on Personal Property (Complete Section 6)		\$	
Assets Held in Trust		\$		Notes & Accounts Payable to Banks and Others (Complete Section 2)		\$	
Loans from You to the Firm, Other Entities, Individuals, & Other Receivables (Complete Section 6)		\$		Other Liabilities (Complete Section 8)		\$	
Real Estate Excluding Primary Residence (Complete Section 4)		\$		Unpaid Taxes (Complete Section 8)		\$	
Life Insurance (Cash Surrender Value Only) (Complete Section 5)		\$					
Other Personal Property and Assets (Complete Section 6)		\$					
Business Interests Other Than the Applicant Firm (Complete Section 7)		\$					
Total Assets		\$		Total Liabilities		\$	
				NET WORTH			
Section 2. Notes Payable to Banks and Others							
Name of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral		

Certification & Personal Net Worth Verification

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Business Name of Applicant Firm				Business Phone	
Marital Status: <input type="checkbox"/> Single, <input type="checkbox"/> Married, <input type="checkbox"/> Divorced, <input type="checkbox"/> Union		Spouse's Full Name:			
ASSETS (Omit Cents)		LIABILITIES (Omit Cents)			
Cash and Cash Equivalents	\$	Loan on Life Insurance (Complete Section 5)	\$		
Retirement Accounts (IRAs, 401Ks, 403Bs, Pensions, etc.) (Report full value minus tax and interest penalties that would apply if assets were distributed today) (Complete Section 3)	\$	Mortgages on Real Estate Excluding Primary Residence Debt (Complete Section 4)	\$		
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Assets Held in Trust	\$	Notes & Accounts Payable to Banks and Others (Complete Section 2)	\$		
Loans from You to the Firm, Other Entities, Individuals, & Other Receivables (Complete Section 6)	\$	Other Liabilities (Complete Section 8)	\$		
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		NET WORTH			
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Name of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral

Verification includes

- 5 page application
- Supporting documentation
- <https://www.transportation.gov/sites/dot.gov/files/docs/mission/civil-rights/disadvantaged-business-enterprise/56646/pnw-statement.pdf>

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Next Steps

Action Item	Primes	Small Business Primes	Subs
Get certified now		X	X
Get Personal Net Worth (PNW) certified		X	X
Encourage partner subs to get certified and have PNW verified	X	X	
Outreach to new Subs (DBE or other certified firms with PNW verification)	X	X	
Outreach to Primes			X
Partner with ECD on outreach efforts	X	X	
Stay connected to ECD to learn about upcoming opportunities and resources			X

Questions?



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Thank you

