



Small Business Program Overview

Disadvantaged Business Enterprise (DBE)

- At least 51% owned and controlled by socially and economically disadvantaged individual/s
- Groups presumed to be socially and economically disadvantaged
 - Women and Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans and Subcontinent Asian Americans are presumed to be socially and economically disadvantaged. Other individuals can also qualify as socially and economically disadvantaged on a case-by-case basis.
- Small Business per SBA (3-year avg. gross receipts < \$23.98M)
- Personal net worth below \$1.32M

Disadvantaged Business Enterprise (DBE)

- Minnesota Unified Certification Program
- Agencies collaboratively work to certify firms as DBE
 - Metropolitan Council
 - Minnesota Department of Transportation
 - Metropolitan Airports Commission
 - City of Minneapolis
- Apply by mail – download application from mnucp.org or online - [MN Certification Portal](#)
- Public facing directory [DBE Directory](#)

DBE Program Administration

- Applicable to contracts that include funding assistance from Federal Transit Authority (FTA) and Environmental Protection Agency (EPA)
- Elements include:
 - Triennial Goal setting (FTA & EPA)
 - Contract Goal Setting
 - Contract Compliance Oversight
 - Semi-Annual participation reports to FTA
 - Annual participation reports to EPA

Triennial Goal

- “Annual” goal for the agency. Remains for 3 years
- Based on relative availability of DBEs absent effects of discrimination
 - Data collected
 - 3-year forecast analyzed
 - Capacity and volume
 - Statistical disparities considered
- Public comment period
- Council approval

Race Gender Conscious

- Race Conscious –Program measures focused on assisting only DBEs.
(Contract goals)
 - Contract goals are established to meet any portion of annual goal that cannot be met with RGN measures.

Race Gender Neutral

- Race-Gender Neutral (RGN)– Program measures used to assist all small businesses. (race and gender neutral)
 - Unbundling large contracts
 - Eliminate unnecessary restrictive requirements in solicitations
 - Technical assistance
 - Reducing bonding requirements
- Achieve annual goal with as much RGN participation as possible

Metropolitan Council Underutilized Business (MCUB)

- Minnesota based
- Certified as one of the following:
 - Disadvantaged Business Enterprise Program - DBE –certified by MNUCP
 - Targeted Group Business Program – TGB – certified by MN Dept. of Admin
 - Veteran Owned Small Business – VOSB – certified by MN Dept. of Admin
 - Central Certification Program – CERT (Minority and Women only) - certified by City of St Paul
- Public facing directory [MCUB Directory](#)

MCUB Program Administration

- MCUB program adopts and adheres to standards of Federal DBE regulation
- Applicable to non-federally assisted contracts and procurements
- Elements include:
 - Contract Goal Setting
 - Contract compliance oversight
 - Council wide goals
 - MCUB Select – sheltered market solicitations
 - Quarterly internal reporting

Goal Methodology

1. $\frac{\text{\# DBE Available}}{\text{\# Total MN Firms}} = \text{Relative Availability (RA)}$
2. $\text{RA} \times \text{Cost of work item} = \text{DBE Value}$
3. $\frac{\text{Sum of DBE values}}{\text{Total Project value}} = \text{Base Goal}$
4. Adjustments

Goal Calculation Sample

Item #	Work scopes		Estimated value	Revised value (with contingency)	NAICS codes	Total MN firms certified under NAICS	Total DBE firms certified under NAICS	Relative Availability	DBE Value
1	General Conditions, Permits, Mobilization, Regulatory Requirements, Difficult Working Conditions, Overhead, Insurance, Profit, etc.		\$50,936	\$56,029				0.00	\$0
2	Demo and Site Prep		\$18,561	\$20,417	238910	241	74	0.31	\$6,269
3	Door/Openings		\$7,000	\$7,700	238350	343	25	0.07	\$561
4	Painting and Wall Covering		\$2,400	\$2,640	238320	487	36	0.07	\$195
5	Flooring and Carpet		\$1,600	\$1,760	238330	246	10	0.04	\$72
6	Ceiling Work		\$800	\$880	238310	221	18	0.08	\$72
7	Low Voltage Electrical, Communications and Security		\$26,318	\$28,950	238210	612	32	0.05	\$1,514
		Project total:	\$107,615	\$118,376				DBE value	\$8,682
		Contingency	\$10,761						
								Base Goal:	7.33%

No Goal

- If no subcontracting opportunity
 - OEO challenges project managers to break project into smaller scopes
 - OEO prepares list of DBE/MCUB firms that match work scope
 - OEO/Procurement sends solicitation directly to this list
 - DBE/MCUB firms get direct access to the opportunity

Contract Compliance

- Evaluate bidders' efforts to meet the DBE/MCUB goal
- Enforce commitment at pre-con
- Monitor participation
- Monitor payments
- Site visits
- Ensure all DBE payments are received prior to final payment to prime
- Close out achievement

Growth & Sustainability

- MCUB Sustainability Team – long term strategic plan
- Capitalizing on internal opportunities
- Targeted outreach - certification
- Targeted scope – technical information sessions
- Capacity building – Mentor Protege
- On boarding & follow up - newly certified firms
- Doing Business with the Council Symposium

Workforce

Minnesota Department of Human Rights is the authority on setting and enforcing workforce goals on all state-funded or state-assisted construction contracts over \$100,000.

- Regional workforce goals
 - 32% People of Color
 - 20% Women

(Achievement is measured by the number of hours work by People of Color and Women. Women of color are counted in each category)

Work Force Support and Collaboration

- Met Council and Minnesota Department of Human Rights (MDHR) are committed to support contractors in meeting their workforce goals.
- Met Council is taking an active role in supporting MDHR by working directly with prime contractors to enforce contract requirements.