Small Business Program

Recommendations and Implementation

Ashanti Payne, Asst. Director OEEO

Metropolitan Council Meeting: July 9, 2025





1). Approval & Implementation of "Small Business Spend Plan Policy"



Full authorization and utilization of engagement and procurement tools for small business provided by Legislative Authority and Policy that includes intentional planning, accountability and shared responsibility across the organization:

- MCUB Direct Ability to spend up to \$25K without a competitive solicitation
- MCUB Select (Sheltered Market) Allows for solicitations up to \$175,000 (No cap for State agencies and Hennepin County) competitively bid exclusively by MCUB firms when there are likely three MCUBs that will respond. The Council should remove the \$175,000 cap.
- De-bundling scopes of work into packages that are sized for small businesses that are like to bid.
- Develop and monitor metrics to gauge success.

2). Development and implementation of Metropolitan Council Small Business Program (MSBP)



Develop a small business program similar to Hennepin County's "Small Construction Roster Program that is based on size of businesses and annual gross receipts.

- 1. Emerging Small Businesses ----- 3 years annual gross receipts of \$4 million and under.
- 2. Small Business Enterprise ----- 3 years annual gross receipts above \$4 million but under \$9.5 million
- 3. Targeted Small Businesses ----- 3 years annual receipts above \$9.5 million and under \$12 million
- This would also include support the decision to move to a new certification portal and DBE System Directory (B2G Now). MnDOT has secured funding to cover all costs for MnUCP members for the 1st year. We would include in this request to shift our current MCUB Directory to B2G Now as well. This shift would support external contractor efforts with included functionality to search for firms based on size determinations. This would also save the Council money and additional resources needed for certification and program administration.

3). Council Bid Board & Direct Solicitation to small business for Council opportunities



This is a tool that Hennepin County utilizes within its Small Construction Roster Program.

Business owners engaged identified "Not knowing where to find contracting opportunities" when asked to identify the top barriers that if removed would be impactful (survey). We currently have the opportunity to leverage resources with the State (currently has a vendor on board) and other participating agencies in the State Disparity study.

4). Dedicated funding for continued administration of the Council's Supportive Services program for Certified Small Business



Hennepin County has been operating the Elevate Hennepin program

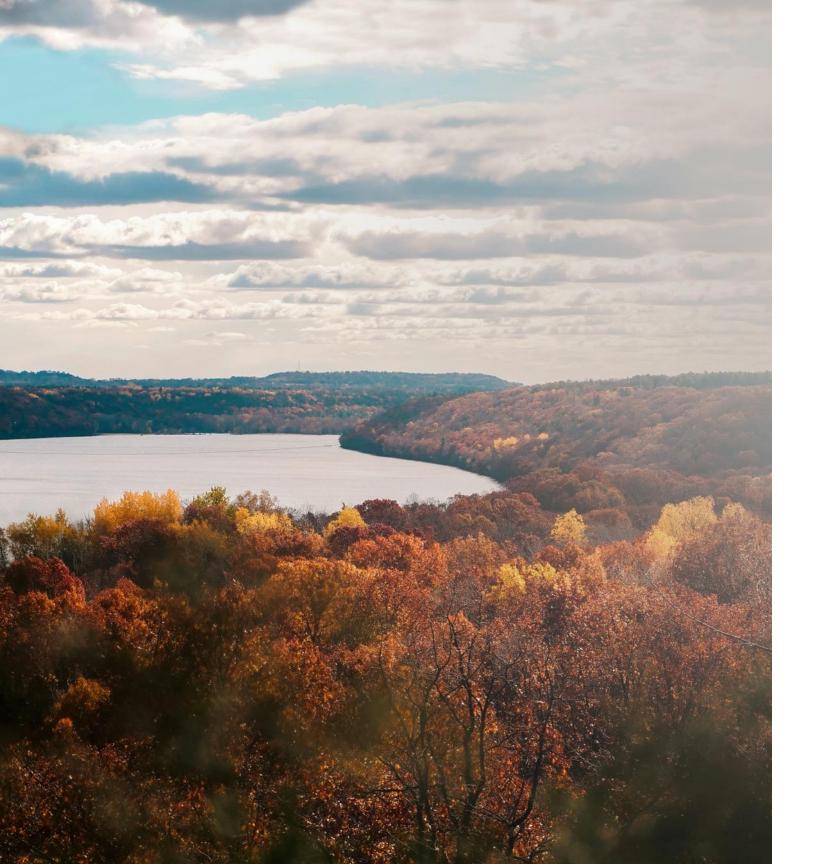
Hennepin County has been operating the Elevate Hennepin program. The Council's program is operating with Thrive Equity funds that will run out soon. These efforts provide technical training, business consultation and connections to resources that assist contractors with navigating the challenges of working with a public agency, and build capacity to compete effectively for opportunities.

5). Strengthen the Council's Prompt Payment monitoring & Compliance and Change Order Process



Prompt Payment is the number one issue identified by certified small business as a barrier to their successful completion of Council projects.

- Alternative Dispute Resolution language for Contractor-initiated change orders
- Escalation of non-payment after 30 days
- Penalties for non-payment in violation of State and/or federal prompt payment requirements
- Clear and transparent reporting of payments, nonpayments and penalties for late/non-payment.
- Project Bank Account for large capital projects (GLE, BLE)



Ashanti Payne

Assistant Director, Office of Equity & Equal Opportunity

<u>Ashanti.payne@metc.state.mn.us</u>

