

# **Small Business Construction Program (SBCP)**

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# [ SBCP Overview ]

- SBCP program is designed for projects with an estimated construction budget of less than \$50,000.
- These projects will be reserved for initial solicitation to certified SBEs.
- If no certified SBEs respond, the projects will be re-solicited for a more general bidding audience.
- SBE Certification will be available to firms who meet the requirements set forth by the COA.
- Anticipate releasing certification documents in mid-May 2011 and program start date of July 2011.

# [Outreach Status – conducted]

- MBE/WBE and Small Business Advisory Committee
- MBE/WBE and Small Business Council Subcommittee
- Construction Advisory Committee
- City of Austin Department Directors
- City of Austin CIP Staff
- SMBR Monthly Outreach Session
- CLMD Vendor Session
- Austin Black Contractor's Association
- US Hispanic Contractors Association
- Asian Contractor Association
- Community Mentor Protégé Initiative
- Austin General Contractors (Building & Highway and Heavy)
- Austin Building and Contractors Association
- Austin Independent Business Alliance
- Capital City Chamber
- Greater Austin Hispanic Chamber

# [Outreach Status – scheduled]

- Asian Chamber
- Austin Contractors and Engineers Association
- Greater Austin Chamber
- Follow-up with individual departments
  - Parks and Recreation Department
  - Library Department
  - Neighborhood Housing and Community Development Department
  - Building Services
  - Austin Water Utility
  - Aviation
  - Austin Energy
  - Public Works

# [SBCP Target Audience]

- The target business for the program is one that has predominately bid City projects as a sub-contractor and is ready to build capacity towards being a prime contractor.

# [SBCP Goals & Objectives]

- To expand contracting opportunities to small business. This program maintains a competitive environment while ensuring that contracts will be awarded to small businesses and that these small businesses will be on a more even footing during the bid processes.
- To enhance the Minority/Women Business Enterprise (MBE/WBE) program. The SBCP program expands opportunities for small businesses and complements the MBE/WBE program. It addresses the Disparity Study recommendation for a race and gender neutral initiative
- To administer the SBE in a manner consistent with applicable federal and state law and the City Charter.

# [ SBCP Performance Measures ]

- Number of companies bidding as a prime that have traditionally bid as subs. (Number of new primes)
- Average number of firms bidding. (Reviewing overall response rate)
- Number of unique firms bidding. (Reviewing ability to attract firms to program)
- Number of new MBE/WBE certified firms resulting from SBE based certification.

# [ SBCP Certification Tracking ]

- Number of firms
- Location of firms
- MBE/WBE status
- Number of firms that are denied certification
- Post-award compliance is subcontracting is identified

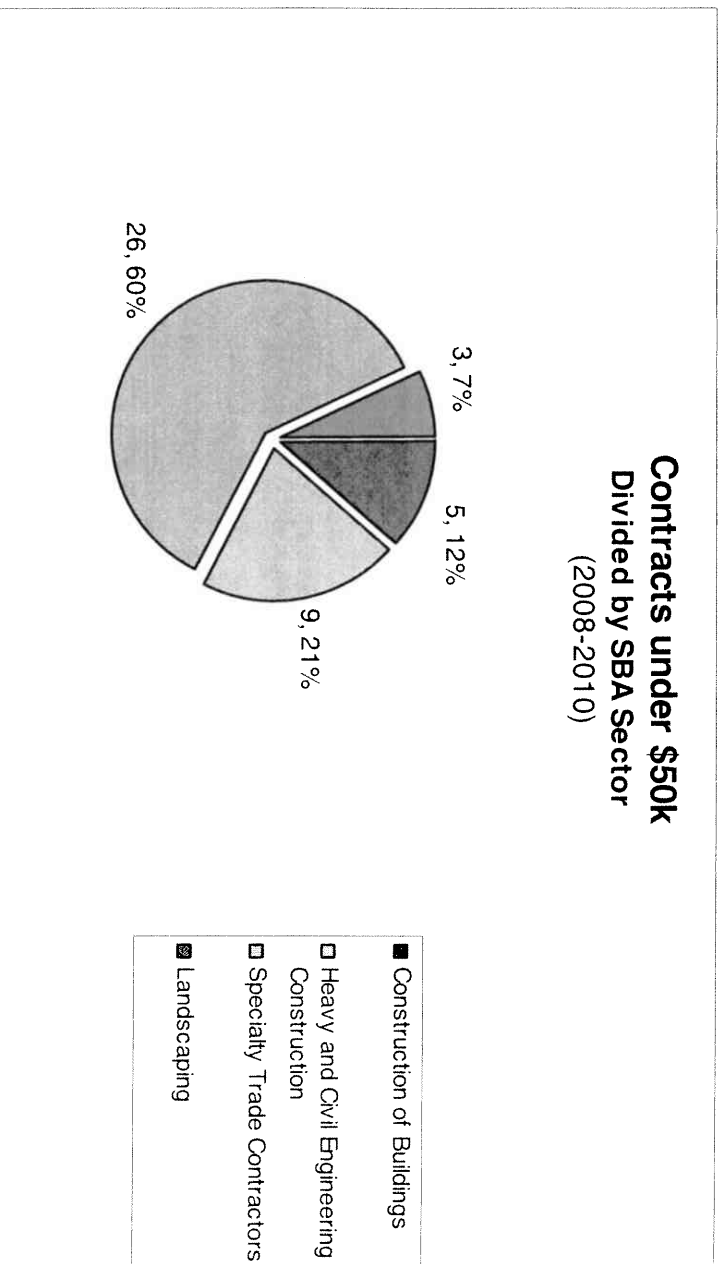


# [SBCP Procurement Tracking]

- Number of solicitations
- Source of solicitations (customer department)
- Primary scope of solicitation (SBA Sector)
- Subcontracting rate
- Response rate 1) per solicitation and 2) over all solicitations
- Estimate versus bid amounts
- Number of times a project must be reissued because of 1) no SBE bids or 2) over \$50,000 limit
- Average contract amount

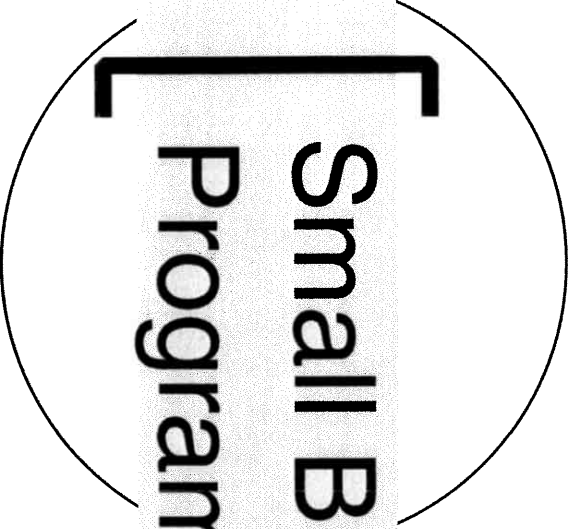
# [SBCP Size Standards]

- Majority of work is within the Specialty Trades Industry
- Recommendation is to utilize the Special Trade size standard (\$14M Gross Sales) as basis of certification



# [Next Steps]

- **May:** Continue outreach
- **Mid-May:** Certification application is released and certification process begins
- **July:** SBCP Program launches



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## **Questions and Answers**