

# **The City of San Antonio Aviation Department's Small Business Element**

One method of providing race-neutral efforts for DBE participation will be through City of San Antonio Aviation Departments small business element, which is incorporated into this DBE Program. The small business element is intended to facilitate compliance with the two objectives in 49 CFR 26.51: (1) To meet the maximum feasible portion of the overall goal by using race-neutral means of obtaining DBE participation and (2) to establish DBE contract goals to meet any portion of the overall goal the City is unable to meet using race-neutral methods alone. The City will implement the small business element upon approval from FAA.

## **Program Objectives**

1. To provide opportunities for small businesses to participate in all phases of the City's contracting activities;
2. To ensure nondiscriminatory practices in the utilization of small businesses in the City
3. To encourage all small businesses to seek work as either a prime or a sub contractor when qualified and when work is available; and
4. To create formal processes and procedures that adequately and effectively assists in small business participation.

## **Definition of a Small Business**

In determining whether a firm is eligible to compete as a small business, The City defines a small business as any business whose annual gross income averaged over the past three (3) years does not exceed the Small Business Administration's (SBA) size standards as set forth in 13 CFR, Part 121. A size standard is the largest that a firm can be and still qualify as a small business.

## **Strategies**

An important part of the City's small business element is its outreach activities. These outreach efforts include active, effective steps to increase small business participation, such as soliciting bids/proposals from DBEs and SBEs, responding to requests for information, participating at pre-bid and pre-proposal meetings, and participating at outreach and training events for DBEs and small businesses. The City will collaborate with regional resources by pooling resources and/or creating joint SBE activities.

As time and resources allow, the City will help plan and/or participate in outreach and informational events for DBEs and small businesses that may be coordinated with other U.S. DOT recipients, federal agencies, or local organizations. Discussed during these outreach events will be procedures on how to do business with the City, how to become certified as a DBE or SBE, the City's DBE Program requirements, and other topics of interest to DBEs and small businesses.

## **Outreach and Other Technical Assistance**

The City will include in its Procurement Processes:

1. Procurement procedures requiring its contract administrators/buyers to obtain, when feasible and practical, at least one of three price quotations from an SBE for informal competitive procurements (i.e., other than Invitation for Bids (IFBs) and Request for Proposals (RFPs)).
2. Continuing to closely review, through its Procurement Office, any proposed changes to existing contracts to ensure that small businesses are being given the opportunity to bid on any new work that is out of the scope of an existing contract;
3. Assist to facilitate easier interaction between prime contractors and subcontractors, including DBEs and SBEs;
4. Revise current boilerplates for Invitations to Bid (IFBs) and Request for Proposals (RFPs) language to include SB Element/Program provisions and requirements;
5. Seek to develop methods for “micro” and small purchases under \$50,000 that encourage small business participation.
6. Issuing guidance through adopted policy to encourage communication between contract administrators, project managers and the City staff involved with DOT-assisted contracts and procurements in order to identify work that small businesses can perform;
7. Notifying the City’s vendors/contractors of the new SB Element provisions through written materials, seminars, workshops and providing specialized assistance to individual firms;

Other strategies that the City will consider as a part of its small business element include unbundling contracts and setting SBE contract-specific goals when subcontracting opportunities are available. *\*Note: the City will NOT establish a DBE goal and an SB Element “target goal” on the same contract.*

## **Accountability/Counting Participation**

The City will seek to implement one or more appropriate SB elements on all of the City’s contracting activity, regardless of funding source. When a race-conscious measure (such as a contract-specific DBE goal) is placed on a particular contract, the City will not set an SB Element/Target Goal requirement on the same contract.\* By doing this, the City will avoid confusion and misinterpretation of the City’s DBE goal in the business community.

The City’s program success will be measured by compiling statistical data that quantifies the number of prime and subcontract awards to small businesses. Although FAA does not currently require project goals for the new SB element program, the City proposes to track SBE participation in order to establish baseline information in the event that FAA sets a requirement or goal setting methodology for this program. The City will monitor and review its goal achievement each year. If goals are achieved, no further action is required except to fulfill its reporting requirements as per 49 CFR 26. If the City does not achieve its goal(s), a corrective action plan indicating reasons goals were not achieved will be submitted to FAA as per Section 26.47 ©. The City will retain its analyses for a period of three years.

For purposes of the City's DBE Program, a small business enterprise (SBE) is defined as a Small Business Concern that does not exceed the Business Size Standard. The City's small business element includes a verification process to ensure eligibility of small business firms to participate in its DBE Program. To avoid fraud, a firm's small business status will be verified when the City utilizes SBE contract goals on a project. The City will rely on the certification/verification process used by other agencies, providing their process is to confirm eligibility consistent with those of Part 26, including the requirement that the SBE firm may not exceed the Business Size Standard. The City will not accept certifications/verifications by agencies that allow companies to self-certify as small businesses. A currently certified DBE is presumed eligible to participate in the small business element of the City's DBE Program. The City will require that all SBEs and any DBEs not certified by the Texas Unified Certification Program provide documentation to verify their certification status. The City may require SBEs to submit additional documents, as necessary, to verify their eligibility.

The City will track and report any race-neutral participation by currently certified DBEs achieved through the small business element in the same way it reports race-neutral DBE participation obtained through other methods. To the extent feasible, data on small business participation will be collected and maintained in order to respond to any future questions regarding the results of the City's DBE Program.

### **Program Oversight/Monitoring & Enforcement**

The Disadvantaged Business Enterprise Liaison Officer (DBELO) has overall DBE and SB Element/Program oversight.

### **Assurance**

The City will make the following assurances:

1. The program is authorized under state law;
2. Certified DBEs that meet the size criteria established under the program are presumptively eligible to participate in the program;
3. No limits are placed on the number of contracts awarded to firms participating in the program, but every effort will be made to avoid creating barriers to the use of new, emerging, or untried businesses; and
4. Aggressive steps will be taken to encourage those minority and women owned firms that are eligible for DBE certification to become certified.
5. The program is open to small businesses regardless of their location (i.e., there is no local or other geographic preference).