



## Board Report

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**EXECUTIVE MANAGEMENT COMMITTEE  
JULY 16, 2015**

**SUBJECT: SMALL BUSINESS PRIME PROGRAM**

**ACTION: RECEIVE AND FILE**

**RECOMMENDATION**

RECEIVE AND FILE the **one year update regarding the Small Business Prime Program (SB Prime)**.

**ISSUE**

On January 13, 2014, the Board approved Metro's set-aside program (SB Prime) to reserve certain types of contracts for Small Business Enterprises (SBEs) when three or more are available in specific North American Industry Classification System (NAICS) codes. This includes competitively negotiated contracts, sealed bids and public works that meet threshold criteria from \$3,000 up to \$5 million. In addition to FTA funded procurements, Metro also expanded the program to include non-federally funded procurements, creating unprecedented opportunities for certified SBEs.

This report provides an update on progress made since the launch of the program June 2, 2014.

**DISCUSSION**

**Agency Impact**

SB Prime has been a game changer in how the Agency has structured its contracting requirements, creating landmark small businesses inclusion for acquisitions across Metro. Small business consideration is at the forefront of procurement planning through policies and procedures that were established for the Program.

Since May of 2014, over 70 training sessions in SB Prime Procedures and SBE Database Query were completed with 650 employees, including Project Managers, Contract Administrators/Buyers and Managing Department staff. Updated sessions continue to be scheduled throughout 2015.

In February 2015, Metro implemented a new marketing campaign called Metro Connect. Metro

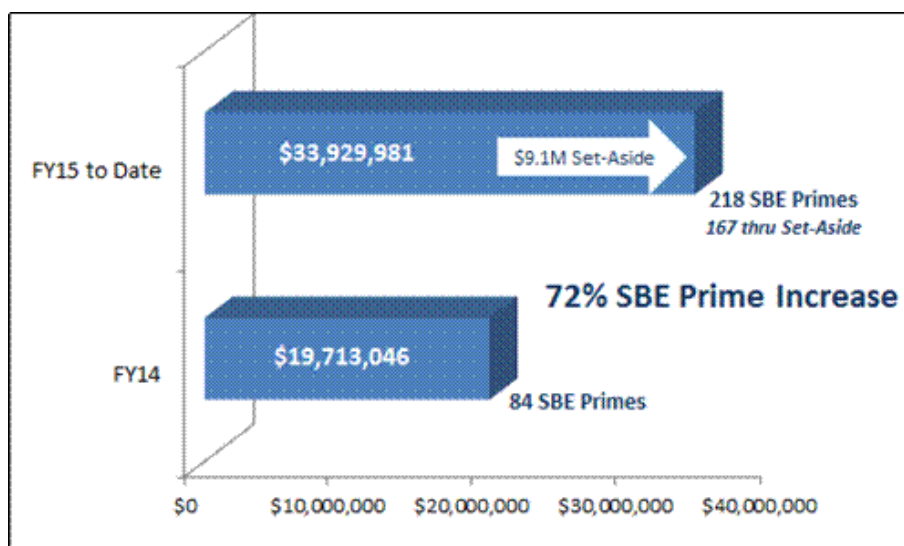
Connect aims to increase the opportunity for small businesses, provide greater access and transparency around the agency’s procurement process, provide a direct link to Metro’s small business programs, and increase the number of certified small businesses.

On June 4, 2015, NAICS codes from previous contracting opportunities were identified through CIMS reporting as having less than three SBE certified firms within Metro’s database, and were sent to the small business community. These firms are also encouraged to frequent the new Vendor Portal where they can access current and future Metro opportunities, including a filter for SB Prime solicitations.

### SBE Impact

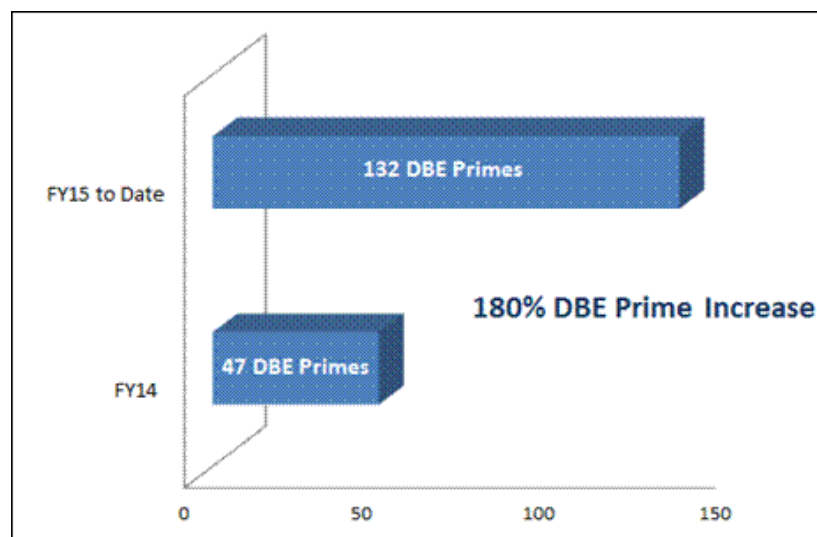
The primary purpose of the SB Prime program is to increase the number of opportunities for small businesses to compete as primes, and measurably grow their participation in Metro contracts. SB Prime is exceeding its objectives. Through May 2015, 218 SBE prime contract awards have been made (167 through the Program) compared to 84 contract awards made during FY14, prior to program implementation. SB Prime has more than doubled the number of contract awards from FY14.

Within the same time period (June 2014 through May 2015), Metro has made significant progress in increasing small business contracting dollars. \$33,929,981 has been awarded to SBE primes (\$9,161,027 awarded through the set-aside program) as compared to \$19,713,046 awarded in FY14, representing a \$14,216,935 increase (72%). (These numbers only reflect SBE *prime* numbers; all SBE contracting in 2015 to date, including SBE subcontractors total \$52,385,772).



## DBE Impact

SB Prime continues to benefit Disadvantaged Business Enterprise (DBE) firms. Of the 167 SBEs that have received prime contract awards, 132 or 79% are DBEs. A total of 47 DBEs received prime contract awards during FY14, so after 12 months of operation, the program has increased the number of awards to DBEs by 180%.



## Informal and Formal Acquisitions

Ranging from \$3,000 to \$1.8 million, SB Prime awards have included 152 informal acquisitions (less than \$100K) totaling \$3,276,521. There have been 15 formal acquisitions (above \$100K) totaling \$5,884,506. Tracking indicates that more than 15 additional formal contracts (including \$1 million plus projects) are in process through SB Prime at the time of this report.

SB Prime contracts have been awarded to various types of work across the agency, including the following areas:

- Accounting and Consulting
- Automotive Equipment
- Construction

- CPA Services
- Engineering Services
- Environmental Consulting
- Heavy Duty Vehicle Lift Equipment
- Information Technology
- Management Consulting
- Market Research
- Printing and Digital Document Management
- Promotional Items
- Public Relations
- Real Estate Development
- Stationery Office Supplies

### **NEXT STEPS**

- Metro staff will continue to monitor the effectiveness the Program, and will conduct a survey of SB Prime awardees, the business community and Metro employees to obtain feedback.
- Metro will present the Small Business Prime Program at the Conference of Minority Transportation Officials (COMTO) 44<sup>th</sup> National Meeting and Training Conference in Boston on July 14, 2015.

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