

SECTION 00 22 11

SUPPLEMENTARY INSTRUCTIONS TO BIDDERS:
LOCAL BUSINESS ENTERPRISE (LBE) PROGRAM

1.1 CONTRACT MONITORING DIVISION BIDDING REQUIREMENTS

- A. This Contract is subject to the applicable requirements of Chapter 14B of the San Francisco Administrative Code.
- B. Bidders' attention is directed to the City's Subcontracting and Non-Discrimination requirements for this Contract as specified in CMD Attachment 1. Refer to the following website to download a copy of CMD Attachment 1: <http://sfgov.org/cmd/important-forms>
- C. All references to Section 14B in this Section shall mean the Sections in Chapter 14B of the San Francisco Administrative Code.
- D. Prime contractors and subcontractors who are awarded contracts as a result of the bid process are required to use the web-based Local Business Utilization Tracking System (LBEUTS) to submit 14B prime contractor and subcontractor payment information, including monthly progress payment invoices. The LBEUTS replaces CMD Forms 7 and 9. Refer to CMD Attachment 1 for more details, or visit the CMD website: <https://sfgov.org/cmd/lbe-tracking-system-lbeuts>.
- E. To be eligible for award of the Contract, each Bidder must comply with all applicable requirements of the San Francisco Contract Monitoring Division ("CMD").
- F. Copies of the LBE certification applications and the listing of CMD-certified LBEs can be obtained from <http://sfgov.org/cmd/important-forms> , or at:

Contract Monitoring Division
1155 Market Street, 4th Floor
San Francisco, CA 94103
(415) 581-2310

1.2 LBE CERTIFICATION

- A. The San Francisco Contract Monitoring Division certifies firms as Local Business Enterprise (LBE) which meet the certification requirements under Section 14B.3.
- B. The three categories of LBEs are Small-LBEs, Micro-LBEs, or SBA-LBEs. Such LBEs are also either MBEs, WBEs, or OBEs.

1.3 LBE SUBCONTRACTOR PARTICIPATION

- A. The LBE Subcontractor Participation Requirement for this Contract is **10 percent**.
 - 1. Pursuant to Sec. 14B.9 of the Administrative Code, bidders are hereby advised that the availability of Minority Business Enterprises (MBE), Woman Business Enterprises (WBE) and Other Business Enterprises (OBE) to perform subcontract work on this project is as follows:
3.9% MBE; 2.5% WBE; 3.6% OBE.

2. Bidders are further advised that they may not discriminate in the selection of subcontractors on the basis of race, gender, or any other basis prohibited by law, and that they shall undertake all required good faith outreach steps in such a manner as to ensure that neither MBEs nor WBEs nor OBEs are unfairly or arbitrarily excluded from the required outreach.
- B. Only Contract Monitoring Division certified Small-LBEs and Micro-LBEs can be utilized to comply with the LBE Subcontractor Participation Requirement. Bidders shall not use SBA-LBEs to meet the LBE Subcontractor Participation Requirement.
 - C. The City will monitor the quantities of Work and amounts paid therefor, dependent upon the method of construction and operations, for compliance with Contractor's LBE subcontracting commitments.
 - D. Bidders are reminded that when purchasing manufactured equipment, LBE credit to meet LBE Subcontractor Participation Requirement will be calculated as follows:
 1. If any of the equipment listed in subparagraph (4) below is manufactured by and purchased from an CMD certified LBE manufacturer the entire amount of the purchase order regardless of who does the installation will be credited towards meeting the LBE Subcontractor Participation Requirement. Any such LBE manufacturer must be listed on Section 00 43 36 (CMD Form 2A). If no equipment is listed under subparagraph (4) below, Bidder shall identify in its Proposed Subcontractors Form (Section 00 43 36) the LBE-certified manufacturer and, as its portion of work, the specific equipment to be manufactured with a reference to the relevant specifications section. Failure to provide the necessary information may result in the Bidder not receiving participation credit for that manufacturer.
 2. Notwithstanding Chapter 14B Rules and Regulations and CMD Attachments 1 if any of the equipment listed in subparagraph (4) below is purchased from an CMD certified LBE supplier only 5% of the purchase price of the equipment will be credited towards meeting the LBE Subcontractor Participation Requirement. No LBE credit beyond the 5% mentioned above will be given for any claimed services (including, but not limited to, costs of insurance, warehousing, and general maintenance) provided by the LBE supplier. Any such LBE supplier must be listed on Section 00 43 36 (CMD Form 2A).
 3. A bidder shall receive full LBE subcontracting participation credit for any labor associated with the installation of the equipment, provided the installation is performed by an CMD certified LBE which has been listed on Section 00 43 36 (CMD Form 2A).
 4. List of Equipment:
 - a) None.
 - E. Acceptance of Bids shall not constitute approval by the City of the list of subcontractors submitted with any Bid. To obtain such approval, each Bidder and its subcontractors shall satisfactorily complete, execute, and submit all required CMD forms in a timely manner, and be in compliance with all other applicable provisions of the Contract Documents.

1.4 BID DISCOUNTS

- A. In accordance with Section 14B.7(E), a 10% bid discount shall apply to any bid from a Small-LBE or Micro-LBE.
- B. If after the application of the bid discount specified above to any Bid from Small-LBE or Micro-LBE the apparent low bidder is not a Small-LBE or Micro-LBE, a 5% bid discount shall apply to any Bid from a SBA-LBE. The 5% bid discount for SBA-LBEs shall not be applied if it would adversely affect a Small-LBE or Micro-LBE.

1.5 GOOD FAITH EFFORTS REQUIREMENTS

- A. In accordance with Sections 14B.8(D) and (E), all bidders, unless they meet the exception noted below, shall submit documented good faith efforts with their bids and must achieve 80 out of 100 points to be deemed responsive. Refer to CMD Form 2B for more details.
- B. Exception: Bidders who demonstrate that their total LBE participation exceeds by **35%** the LBE Subcontractor Participation Requirement for this contract (as specified in paragraph 1.3A above) will not be required to conduct good faith efforts or to file evidence of good faith efforts.
- C. For the sole purpose of determining whether a bid meets the above exception, participation by the following LBEs shall be counted:
 - 1. Small-LBE and Micro-LBE prime contractors;
 - 2. Small-LBE and Micro-LBE subcontractors;
 - 3. SBA-LBE subcontractors.

1.6 CMD BIDDING FORMS

- A. Submit the following form with the Bid, including supporting documentation for Items 2 and 4 of the Form (refer to CMD Attachment 1):
 - 1. FORM 2B: "Good Faith Outreach" Requirements Form.
- B. No later than 5 working days after the date of the City's notification of the bid results, the apparent low Bidder, and any other Bidder so requested, shall submit completed and properly signed the following CMD Forms to CMD Compliance Officer:
 - 1. Supporting documentation for Form 2B, Items 5 and 6.
 - 2. FORM 3: CMD Non-Discrimination Affidavit.
 - 3. FORM 6: CMD LBE Subcontractor Participation Affidavit.
 - 4. FORM 6A: CMD LBE Trucking Form.
- C. Failure to submit properly completed CMD Bid forms may render the Bidder non-responsive and may be cause for rejection of its Bid.

1.7 CITY'S CONTRACTOR DEVELOPMENT PROGRAM

- A. Bidders are alerted to the City's Contractor Development program, which assists LBE contractors in obtaining bonding and financing for contracts awarded by the Director of Public Works. For further information regarding enrollment eligibility and program services, call (415) 986-3999 or email bond@imwis.com or cdp@imwis.com.

END OF SECTION