

M E M O R A N D U M

TO: Governing Board Members

FROM: Sandra Close Turnquest, Deputy Executive Director, Corporate Resources

DATE: July 12, 2007

SUBJECT: Adopt Amendments to Rule 40E-7, Part VI, Florida Administrative Code, of the South Florida Water Management District's (District) Small Business Enterprise (SBE) Contracting Rule, to clarify the District's Procurement process as it relates to the SBE Rule

Recommendation:

Staff recommends adoption of amendments to Rule 40E-7, Part VI, Florida Administrative Code, of the South Florida Water Management District's Small Business Enterprise Contracting Rule, to clarify the District's Procurement process as it relates to the Small Business Enterprise Rule, as set forth in the Notice of Rulemaking published on May 25, 2007 in the Florida Administrative Code.

Background:

On August 3, 2006, the District's SBE Rule became effective. Since the implementation of the SBE Program, staff has identified several areas within the rule that necessitate an amendment to provide greater access for small businesses to participate in the District's procurement and contracting activities. These areas include, but are not limited to, bid equalization, sheltered market program, subcontracting requirements for proposals, and certification review procedures.

First, the bid equalization is a process that enables the District to place SBEs on a more level playing field when bids are submitted to the District. The proposed change in the bid equalization is to clarify the application of the bid equalization process.

Secondly, the Sheltered Market Program provides designated procurement opportunities where only SBEs bid. The proposed change redefines how the District designates a Sheltered Market. The proposed change will enhance the District's efforts in providing increased opportunities for SBE firms to compete in its procurement and contracting activities, and create an environment to promote the growth and development of SBEs.

Thirdly, subcontracting requirements for proposals are awarded based on evaluation criteria. The District would propose to change the current Rule language so that a firm seeking evaluation points designated for SBE participation would not receive evaluation points if they fail to submit the required forms specified in the Rule.

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Finally, the current certification review procedures allow applicants to submit a preliminary SBE Certification Application by facsimile machine; however, the signature page of the application, with the original signature of the owner, must be submitted to the District within thirty (30) days of facsimile submission. The proposed change is to remove this language thus requiring an original application with the original signature. This is more in line with other District processes such as permitting and Procurement Solicitations. Receiving completed applications and required support documents will ensure information is processed timely and efficiently.

How does this help meet the District's 10-year Strategic Plan: The amended language will clarify the original intent of the specific areas thereby providing greater access to SBEs wanting to do business with the District.

Funding Source: The SBE Program is funded through funds allocated for Procurement functions.

This Board item impacts what areas of the District? Both resource areas and geography:

The impacts of this item will be recognized throughout all District resource areas, especially in Procurement, Finance, Construction/Engineering and Project Management. Geographically the SBE Program will impact all areas of the District.

What concerns could this Board item raise?

The proposed language more clearly represents the intent and philosophy of the program.

Why Should the Board approve this item? On several occasions the Board has emphasized its commitment to "spreading the work around" and "leveling the playing field" for businesses - large and small. The SBE Program re-affirms this commitment.

If you have any questions, please call me at ext. 6351.

SCT/fh
Attachment