

**NC Division of Water Infrastructure Small and Disadvantaged Business
Utilization Compliance Supplement
Instructions for CDBG-I Program**

(This package combines the various aspects of State of NC HUB program requirements and Federal DBE requirements into a single compliance supplement to eliminate redundancy and ambiguity)

ITEM:	WHAT TO DO WITH IT:
Good Faith Efforts Form	Provided by all bidders to be responsive
Table A (summary of firms on job)	Provided by all bidders to be responsive
Table B (per trade being subcontracted)	Provided by all bidders to be responsive (if subcontracting is achieved)
Provide documentation of anything you did that is mentioned later in this supplement. Documentation includes, but not limited to: • Proof of trade paper advertisement • Print out of DBE sources used • Solicitation via emails and/or letters	Provided by all bidders to be responsive (if subcontracting is achieved) Local Governments must retain copies in grant files.

NOTES ON THIS COMPLIANCE SUPPLEMENT:

Small and Disadvantaged Businesses include all the below:

- MBE = Minority Owned Business Enterprise
- HUB = Historically Underutilized Business
- WBE = Women Owned Business Enterprise
- DBE = Disadvantaged Business Enterprise
- SB = Small Business
- VO = Veteran Owned
- LSAF = Labor Surplus Area Firms = maintained by Department of Labor (DOL) every fiscal year. (See <https://www.dol.gov/agencies/eta/lsa> for current listing)

State of NC MBE/WBE participation goal: 10% (combined)

These are goals that the State of North Carolina reports against and are not quotas. Good faith efforts must be adhered to, and all forms provided regardless of what percentage utilization is achieved.

Small and Disadvantaged Business Utilization Certification:

For a firm to count towards the goals, a firm must be properly certified. **Table A** and **Table B** both provide spaces to note who certified the firm. The North Carolina Department of Administration (NCDOA) (<https://ncadmin.nc.gov/businesses/hub>) and North Carolina Department of Transportation (NCDOT) (<https://www.ebs.nc.gov/VendorDirectory/default.html>) are the most common certifications we see listed. However, some contractors do not register with both agencies; therefore, check both lists. All certifications will be verified during the review of bids.

You have any questions on complying with these requirements, please contact the HUB office at 984-236-0130 or visit their website at <https://ncadmin.nc.gov/businesses/hub>.

GUIDANCE ON Small and Disadvantaged Business Utilization OUTREACH

1. Minimum Acceptable Outreach Standards

The program shall include **MBE, WBE, DBE, Small Business, Veteran Owned and Labor Surplus Area Firms** in all contracting activities entered by the participating jurisdiction to facilitate the provision of any federal and state law applicable to such jurisdiction. Minimum HUD standards require that each participating jurisdiction's outreach effort to minority and women-owned businesses be:

- A good faith, comprehensive and continuing endeavor to solicit bids from **Small and Disadvantaged Business Utilization**;
- Supported by a statement of public policy and commitment published in the print media of widest local circulation;
- Supported by an office and/or a key, ranking staff person with oversight responsibilities and access to the chief elected official; and
- Designed to utilize all available and appropriate public and private sector local resources.

2. Guidelines for Outreach Program

Under the minimum HUD standards cited above, the following guidelines are provided for use by participating jurisdictions in implementing outreach programs to ensure the inclusion, to the maximum extent possible, of entities owned by **small and disadvantaged businesses**. Each participating jurisdiction should:

- Develop a systematic method for identifying and maintaining an inventory of certified **small and disadvantaged businesses**, their capabilities, services, supplies and/or products;
- Utilize the local media, electronic and print, to market and promote contract and business opportunities for **Small and Disadvantaged Business Utilization**;
- Develop informational and documentary materials (fact sheets, program guides, procurement forecasts, etc.) on contract/subcontract opportunities for **Small and Disadvantaged Business Utilization**;
- Develop procurement procedures that facilitate opportunities for **Small and Disadvantaged Business Utilization** to participate as vendors and supplies of goods and services;
- Sponsor business opportunity-related meetings, conferences, seminars, etc., with **Small and Disadvantaged Business** organizations; and
- Maintain centralized records with statistical data on the utilization and participation of **Small and Disadvantaged Business Utilization** as contractors/subcontractors in all HUD-assisted program contracting activities.

Each participating jurisdiction, utilizing the standards and guidelines listed above, shall prescribe procedures and actions it will undertake in implementing a **Small and Disadvantaged Business Utilization** outreach program. The above items represent basic outreach-related activities and are not all-inclusive actions a participating jurisdiction may undertake.

Pertinent State of North Carolina General Statutes and Federal Regulations Regarding Small and Disadvantaged Business Utilization Compliance. The provisions in this Compliance Supplement constitute compliance with: *N.C.G.S. 143-128.2, N.C.G.S. 143.131(b), 143.64.31(a), N.C.G.S. 143.128.3, N.C.G.S. 143.133.1 and 2 C.F.R. 200.321.*

RESOURCES

Some sources for identifying **Small and Disadvantaged Business** firms:

- <https://www.doa.nc.gov/divisions/historically-underutilized-businesses-hub> (NCDOA)
- <https://www.ebs.nc.gov/VendorDirectory/default.html> (NCDOT)

Some sources for finding minority trade papers for potential solicitation advertisements and Federal advertising options:

- <https://www.mbda.gov/> (US Dept. of Commerce)

Section 3 Information resources available here:

- <https://www.deq.nc.gov/about/divisions/water-infrastructure/i-have-funding/cdbg-i-compliance-and-reporting-information#Tab-Section3Resources-1830>

GOOD FAITH EFFORTS FORM

Attempts to provide subcontracting opportunities for **Small and Disadvantaged Business** firms. Per 01 NCAC 30I .0101, 50 points must be claimed below by the bidder. *(This is identical to State of NC Affidavit A)*

- ☐ **1 – (10 pts)** Contacted minority businesses that reasonably could have been expected to submit a quote and that were known to the contractor, or available on State or local government maintained lists, at least 10 days before the bid date and notified them of the nature and scope of the work to be performed.
- ☐ **2 --(10 pts)** Made the construction plans, specifications and requirements available for review by prospective minority businesses or providing these documents to them at least 10 days before the bids are due.
- ☐ **3 – (15 pts)** Broken down or combined elements of work into economically feasible units to facilitate minority participation.
- ☐ **4 – (10 pts)** Worked with minority trade, community, or contractor organizations identified by the Office of Historically Underutilized Businesses and included in the bid documents that provide assistance in recruitment of minority businesses.
- ☐ **5 – (10 pts)** Attended pre-bid meetings scheduled by the public owner.
- ☐ **6 – (20 pts)** Provided assistance in getting required bonding or insurance or provided alternatives to bonding or insurance for subcontractors.
- ☐ **7 – (15 pts)** Negotiated in good faith with interested minority businesses and did not reject them as unqualified without sound reasons based on their capabilities. Any rejection of a minority business based on lack of qualification should have the reasons documented in writing.
- ☐ **8 – (25 pts)** Provided assistance to an otherwise qualified minority business in need of equipment, loan capital, lines of credit, or joint pay agreements to secure loans, supplies, or letters of credit, including waiving credit that is ordinarily required. Assisted minority businesses in obtaining the same unit pricing with the bidder's suppliers to help minority businesses in establishing credit.
- ☐ **9 – (20 pts)** Negotiated joint venture and partnership arrangements with minority businesses to increase opportunities for minority business participation on a public construction or repair project when possible.
- ☐ **10 - (20 pts)** Provided quick pay agreements and policies to enable minority contractors and suppliers to meet cash-flow demands.

Results of Good Faith Efforts Undertaken (you must check one box below)

- ☐ No subcontractors are being used for this contracted work. Fill out **Table A** listing only the Prime Contractor. *(This statement takes the place of State of NC Affidavit B)*
- ☐ Subcontractors are being used. Fill out **Table A** to list the Prime Contractor and selected subcontractors. Fill out **Table B** for each trade. **Each Table B lists a minimum of 3 firms.**
- ☐ Subcontractors are being used. If any **Table B** has fewer than 3 solicitations, you must also advertise in a **Small and Disadvantaged Business** trade paper and indicate what source of **Small and Disadvantaged Business** firms you used (must list at least one). Some possible papers and sources of **Small and Disadvantaged Business** firms are listed in the Instructions of this Supplement.

Name of the Trade Paper: _____

Submit proof of advertisement with package

M/WBE Sources: Source: _____ Source: _____

Submit printouts from **small and disadvantaged business** source(s).

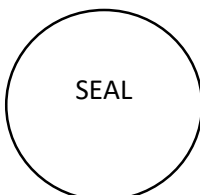
Certification Statement and Affidavit of Contractor.

The below affidavit constitutes compliance with 01NCAC 30I .0308(7)(a) and (b) and takes the place of State of North Carolina Affidavits C and D.

I have read the information in this compliance supplement and all information provided to the State in this package is accurate and true to the extent of my knowledge including the calculated percentages and the good faith efforts presented herein.

Prime Contractor Company Name (Print)

Prime Contractor Representative (Sign & Date)



State of _____, County of _____

Subscribed and sworn to before me this _____ day of _____ 20____

Notary Public _____

My Commission Expires _____

Table A: Prime Contractor and List of Selected Subcontractors

List Prime and ALL the selected subcontractors (both **Small and Disadvantaged Businesses** and non- **Small and Disadvantaged Businesses**) being used on the project (use multiple **Table A** if needed). Each Trade listed on this sheet should have a **completed Table B: Subcontract Solicitation List** showing the **Small and Disadvantaged Business** firms (and Section 3 firms**) contacted and given opportunities to bid.

Company Name (list prime first then subs)	Company Address and Phone	Trade (Above) and Price (Below)	Firms certified by which state agency (NCDOT, NCDOA)? <u>if applicable*</u>	(Local Governments Only) Listed on federal and state debarred lists?
		\$		
		\$		
		\$		
		\$		

Calculate M/WBE utilization as a percent (00.00%) of the prime contract. Limited to 100% even if the Prime is a DBE.

M/WBE/DBE subs total	\$	_____ %
Prime Contract Price	\$	

**Submit documentation of certification*

***MWBE/DBE/HUB outreach should be done concurrently with Section 3 firm outreach. Ask the **Small and Disadvantaged Business** firms if they may qualify for Section 3 and if they will complete the Section 3 self-certification.*

Note: Table A substitutes the State of NC "Identification of Minority Participation" form

Table B: Subcontract Solicitation List

Each Trade being subcontracted should have a completed **Table B** showing the **small and disadvantaged business** firms (and Section 3***) contacted and given opportunities to bid. Use as many of these sheets as necessary to cover every trade being subbed out.

Trade: _____ (enter the trade being solicited, paving, hauling etc.)

- List the firm being used on the project first. If a minimum of three **Small and Disadvantaged Business** firms are not listed, additional information must be provided showing advertisements and/or sources used to identify **Small and Disadvantaged Business** subs.

Company Name	Company Address and Phone	Firms' classification and certified by which state agency (NCDOT, NCDOA), if applicable*	How was this firm contacted (email, letter, phone) and what was the result of the solicitation? **

**Submit documentation of certification*

***Must all solicitation documentation, including but not limited to copies of emails, letters, contact lists, advertisement in trade newspaper, etc. If phone calls were made this sheet can serve as documentation of calls. *** **Small and Disadvantaged Business** Outreach should be done concurrently with Section 3 firm outreach. Ask the **Small and Disadvantaged Business** firms if they may qualify for Section 3 and if they will complete the Section 3 self-certification.*