

# Metropolitan Council

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## **METROPOLITAN COUNCIL UNDERUTILIZED BUSINESS (MCUB) PROGRAM**

### **ENVIRONMENT COMMITTEE**

# MCUB Program History at Metropolitan Council

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- **Metropolitan Council's Policy 3-4-6 explains the DBE program used for federal funded procurements (FTA & PFA)**
- **For procurements not funded with federal monies, the Council does not currently have an approved Targeted Group Business Program in place**

# Governor Dayton's MCUB initiative

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- **Spring of 2011 Governor Dayton requested the Metropolitan Council to re-emphasize our commitment to Targeted Group Business (TGB)**
- **Governor Dayton identifies MN Department of Administration's TG/ED program as preferred vehicle to accomplish goal**

# Making the MCUB work at the Metropolitan Council

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- **MN Department of Administration's TG/ED program not a good fit with Metropolitan Council**
  - **Preference Points – Risk of lawsuit, procurement department does not support**
  - **Economically Disadvantaged – All 43 Minnesota counties fall outside metro region**
  - **Dept. of Admin TG/ED program's focus on goods and services, Metropolitan Council's program focus on construction and design projects**

# MCUB Program Development

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- **Response letter from Council Chair Haigh (December 2012) to Governor office**
- **Metropolitan Council is committed to Governor Dayton's inclusion efforts**
- **Build on our federal DBE successes**
- **Multi-phase plan beginning in 2012**

# MCUB Phase I - 2012

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## **MCUB Program 2012 Goals**

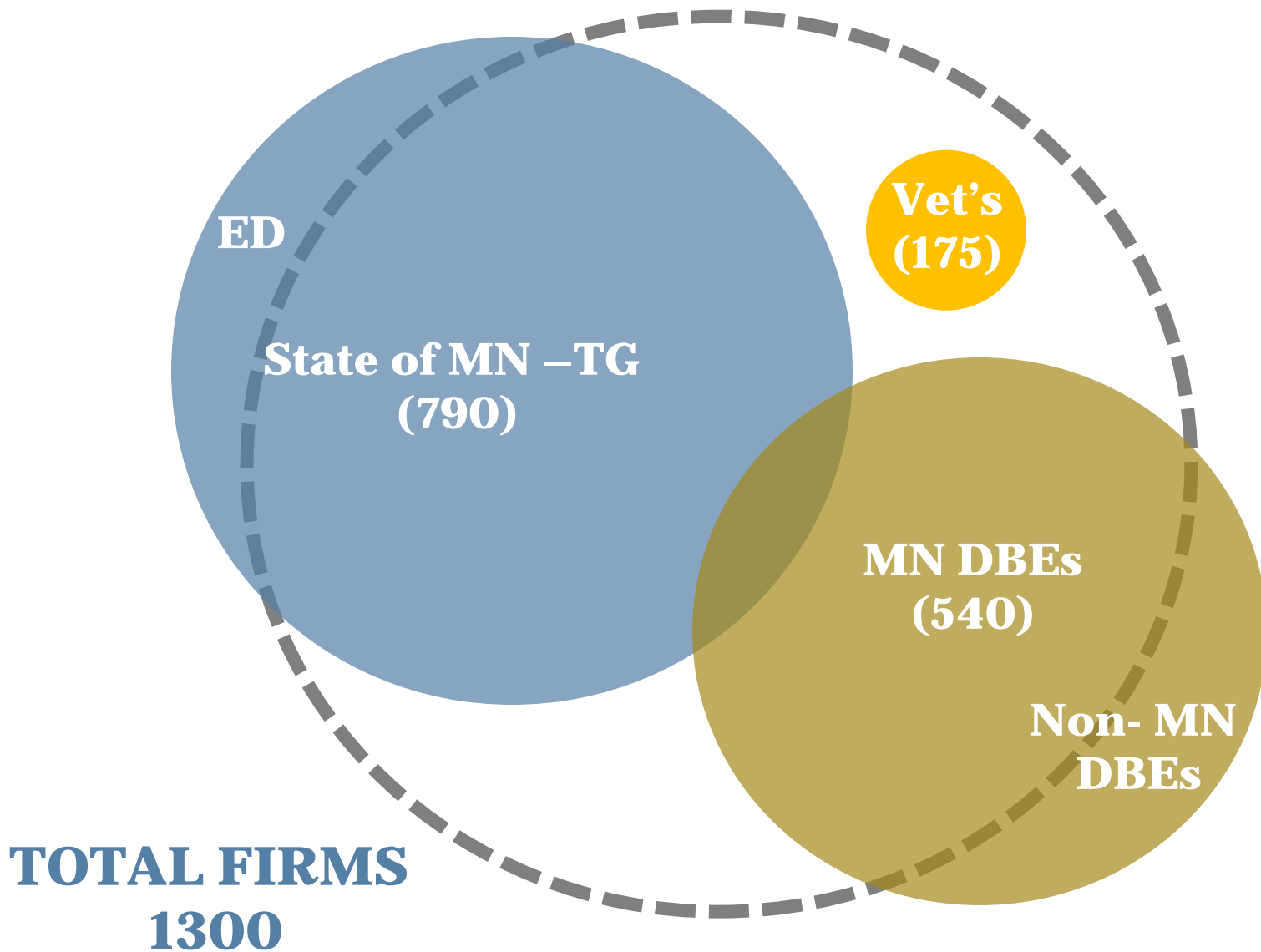
- Outreach / Education
- Contracts with MCUB goals
- Tracking of MCUB procurement activity

# What is a Met Council MCUB

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- **Utilizing existing certification programs – no additional certification process specific to Met Council Underutilized Business**
- **Focused on targeting Minnesota based firms**
- **Continued Met Council efforts to support Minnesota Veterans**

# MCUB ELIGIBILITY POOL





# Outreach / Education Efforts

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- **2 MCUB Vendor Fair (Spring & Winter)**
- **2 Educational Sessions – “Doing Business with the Council” (Summer & Winter)**
- **Internal Education & Awareness Efforts – Training Sessions for Met Council Buyers**
- **Met Council MCUB Directory for internal and external use**
- **Resources used: MCUB Lead & 1 intern**

# MCUB Contracts - Criteria

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**MCUB Goals will be put on contracts if:**

- **Locally funded design & construction projects over \$100,000**
- **Contracts have subcontracting opportunities**
- **There are MCUB firms available to perform the work**

# MCUB Contracts – Setting Goals

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- Met Council MCUB pool is different than DBE pool
- Do not have data to support Met Councils blanket 15% DBE Goal
- MCUB contracts represent a wide variety of work scopes
- Therefore, ODEO is proposing to calculate contract specific MCUB goals

# MCUB Contracts – Setting Goals

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- **At time of CIM, contracts that meet MCUB Program criteria will go through a MCUB Program goal calculation step**
- **The goal will be calculated based on relative availability of MCUB firms**
- **Goal will reflect scopes of work available for subcontracting**

# Example of MCUB goal calculation

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**Contract #** 12P001  
**Contract name** Interceptor Rehab  
**Division** ES

Description of Work	Approx Project \$	NAICS #	Number of TGBs	Number of all firms	Relative Availability	TGB \$ Value
Excavation	\$30,000	237310,	32	329	0.097	\$2,917
Electrical	\$10,000	238310	23	1638	0.014	\$140
Temp Signage	\$5,000	237310	32	329	0.097	\$485
Turf Establishment	\$2,500	561730	29	1,825	0.016	\$40
Mobilization	\$10,000	-	-	-	-	\$0
Rehab work	\$75,000	236441	15	866	0.017	\$1,300
						\$4,882
						\$132,500

TGB goal	4%
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# MCUB Contracts - Administration

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**ODEO Administration of MCUB contracts will mirror DBE program. For all contracts with MCUB goals ODEO will:**

- **Calculate and set goals**
- **Evaluate bid/proposals**
- **Monitor contracts – progress reports and site visits**
- **Close out – verify payment and address issues**
- **Staff resources – MCUB lead & two interns**

# Tracking MCUB Procurements

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- **Track MCUB utilization on all contracts with MCUB goals**
- **Track procurements made to MCUB firms – data will direct future recommendations**
- **Staff resources: MCUB lead, business analyst, .5 intern**

# Potential Future MCUB Phases

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- **Future MCUB Program phases involve all locally funded procurements – smaller goods and services contracts**

**Future phases require:**

- **Data on procurement activity – current utilization of MCUBs**
- **Adequate resources**
- **Developing the efficient mechanics of executing program**



# Immediate Next Steps

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- **A clarification of Metropolitan's Policy 3-4-6 is currently being crafted**
- **Policy Clarification will be reviewed by Metropolitan Council's Policies and Procedures Steering Committee**
- **Governor Dayton's official response expected this Spring**

# Immediate Next Steps

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- **Metropolitan Council's Policies and Procedures Steering Committee Approval –**
- **Completion of bids/proposal documents, support information –**
- **Eligible contracts be assigned MCUB goal –**
- **First “MCUB Vendor Fair” –**
- **First “Doing Business with the Council” Session –**

# Questions or Comments

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