

# Metropolitan Council

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**TGB PROGRAM**

**MANAGEMENT  
COMMITTEE**

# TGB 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 small targeted group business (TGB) program in place”

# Governor Dayton's TGB initiative

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- Spring of 2011 Governor Dayton requested the Metropolitan Council to re-emphasize our commitment to Targeted Group Business
- Governor Dayton references MN Department of Administration's program as preferred vehicle to accomplish goal

# Making the TGB work at the Metropolitan Council

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MN Department of Administration's TGB program not a good fit with Metropolitan Council

- Preference Points – Risk of lawsuit, procurement department does not support
- Economically Disadvantaged – Metropolitan Council's Policies do not recognize this category
- Dept. of Admin TGB program's focus on goods and services, Metropolitan Council's program focus on construction and design projects

# TGB Program Development

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

# TGB Phase I - 2012

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## **TGB Program 2012 Goals**

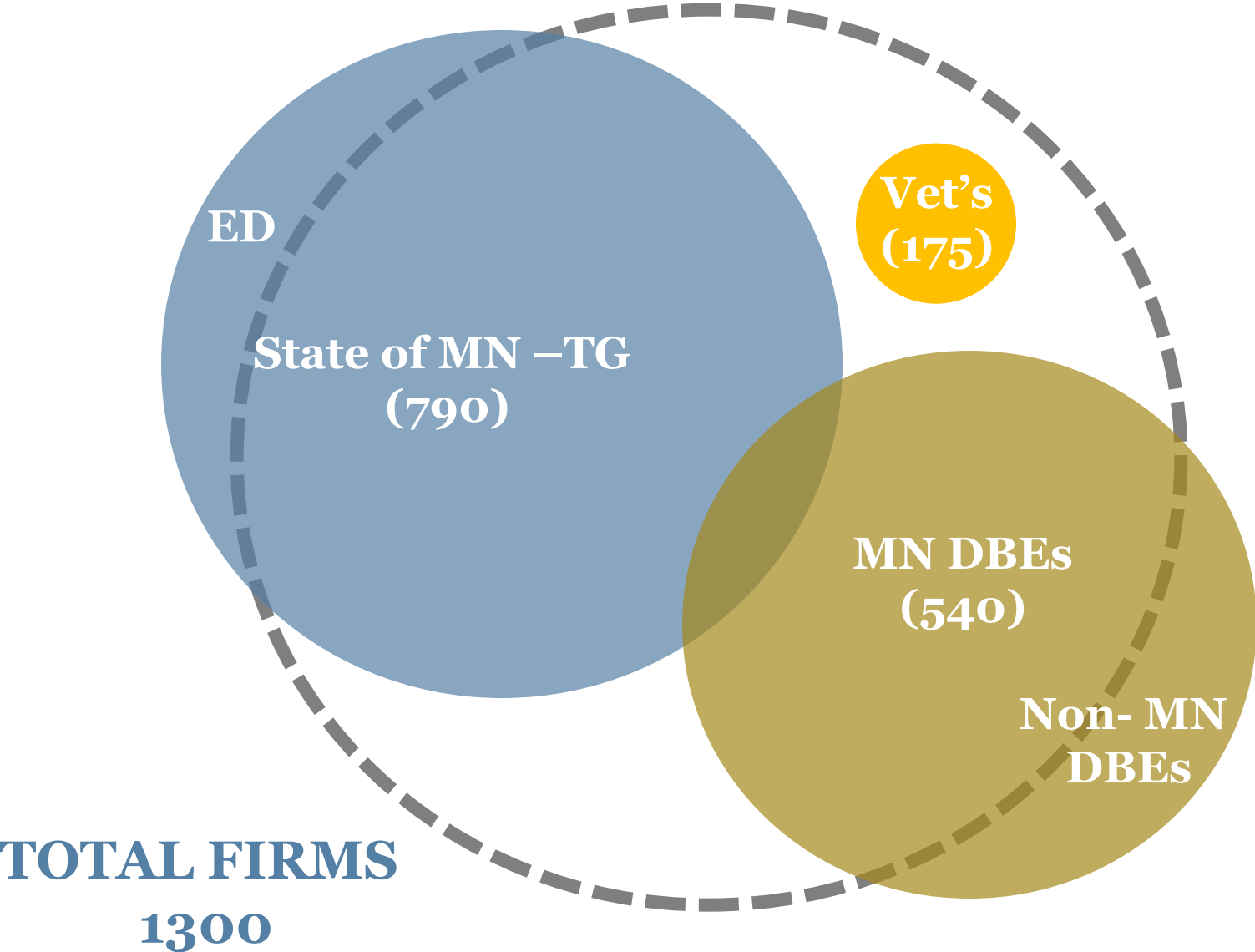
- Outreach / Education
- Contracts with TGB goals
- Tracking of TGB procurement activity

# What is a Met Council TGB

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

# TGB ELIGIBILITY POOL





# Outreach / Education Efforts

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- 2 TGB 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 TGB Directory for internal and external use
- Resources used: TGB Lead & 1 intern

# TGB Contracts - Criteria

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TGB Goals will be put on contracts if:

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

# TGB Contracts – Setting Goals

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

# TGB Contracts – Setting Goals

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- At time of CIM, contracts that meet TGB criteria will go through a TGB goal calculation step
- TGB goal will be calculated based on relative availability of TGBs
- TGB goal will reflect scopes of work available for subcontracting

# Example of TGB 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      |
|                     | \$132,500         |         |                |                     |                       | \$4,882      |

TGB goal

4%

# TGB Contracts - Administration

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ODEO Administration of TGB contracts will mirror DBE program. For all contracts with TGB 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 – TGB lead & two interns

# Tracking TGB Procurements

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

# Potential Future TGB Phases

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Future TGB Program phases involve all locally funded procurements – smaller goods and services contracts

Future phases require:

- Data on procurement activity – current utilization of TGBs
- 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 – March 30<sup>th</sup>
- Completion of bids/proposal documents, support information – March 31<sup>st</sup>
- Eligible contracts be assigned TGB goal – April 1st
- First “TGB Vendor Fair” – May 15<sup>th</sup>
- First “Doing Business with the Council” Session – June 10<sup>th</sup>

# Questions or Comments

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