



CONTRACT MONITORING DIVISION CITY ADMINISTRATOR'S OFFICE



London N. Breed, Mayor
Naomi M. Kelly, City Administrator

Romulus Asenloo, Director

RPD Herz Playground Renovation Project Pre-Bid Meeting, April 28, 2022 @ 11AM

CMD Contact Information > **Ivan Oldenkamp**; email ivan.oldenkamp@sfgov.org

CMD Attachment 1 > Please read CMD Attachment 1 carefully. Chapter 14B requirements and forms are included in Attachment 1, which can be found in the specs or on CMD's website: www.sfgov.org/cmd/8/1/16

LBE bid discount

- San Francisco Micro- and Small-LBE Primes will receive a 10% bid discount for this project. LBE primes that apply for the bid discount must be certified by the bid due date
- SBA-LBEs will receive a 5% bid discount, but, the SBA-LBE bid discount cannot be used to trump the bid of a competing Micro- or Small-LBE.
- If you are interested in becoming certified please contact our certification unit as soon as possible. Please be aware that CMD may not be able to complete the certification of new firms by the bid due date. **Certification Unit at (415) 581-2310.**

Prime Bidders must meet the LBE sub participation AND the Good Faith Outreach in order to be responsive! These are 2 separate requirements

LBE subcontracting requirement

- The LBE subcontracting participation requirement is **20%**. Bids must meet the **20%** LBE subcontracting requirement on Section 00 43 36 at the time of bid or your bid may be deemed nonresponsive.
 - LBE subcontractors must be listed on Section 00 43 36 in order to receive credit towards the 20% requirement, and the scope of work they are listed for must match their certification listing in the directory
- LBE prime participation cannot count towards meeting the LBE subcontracting requirement.
- **Only San Francisco Micro and Small-LBEs** certified by CMD can be utilized to meet the LBE subcontracting requirements and a list of certified firms are available on the CMD website. LBE subs must be listed on the certified by the bid due date *and* they must be certified in the areas that they are being listed to perform.
- The Prime cannot use deletable bid items, allowances, and contingency bid items to meet the LBE subcontracting participation requirement.

Good Faith Outreach

There are two approaches you can use to meet the good faith outreach requirements. However, under both approaches, you must still meet the **20%** LBE subcontracting requirement.

1. Under the first approach, the Prime must submit CMD Form 2B, the Good Faith Outreach Requirements Form, along with all supporting documentation. You must achieve at least 80 points out of the possible 100 points. → Of particular importance, the Prime Contractor must advertise and contact the requisite number of subcontractors no later than 10 days before the bid due date.

OR

2. Under the second approach, if the Prime Proposer exceeds the project's stated LBE participation requirement by 35%, the Prime Proposer does not have to meet the 80 points on Form 2B that I just went over.

For this project, 35% of the 20% subcontracting requirement is 7%. Add 7% to 20%, you get 27%. In order for the Prime to be exempt from meeting the "Good Faith Outreach" requirements that I mentioned above, the Prime's LBE participation must meet or exceed 27%. If you will be utilizing this approach, you must check YES under Section A of Form 2B. **This is also clearly outlined in the specs.**

Pay attention to each of the required steps listed on Form 2B. Form 2B will walk you through the two options that I just mentioned. Please have your outreach person contact me so I can walk them through the CMD website. The LBE Online Directory is also on the CMD website, if you go to www.sfgov.org/cmd.

Other Requirements

- **Trucking:** You must list all lower tier trucking subs on CMD Form 6A when subcontracting out any portion of the trucking work. You will receive *only* a 60% participation credit when an LBE owned trailer is pulled by a non-LBE owned tractor. And vice versa.
 - Keep in mind that disposal fees do not count towards meeting the LBE sub requirement; make sure you separate that part out if the LBE trucking firm provides a quote that includes the disposal fees.
 - Please make sure the LBE trucking firm that you are listing to do the hauling work owns its trucks, and the trucks must be listed under its LBE certification.
 - Any equipment like grit separators, tanks, and debris boxes fall under the LBE category "Construction Equipment" and not under the "Trucking and Hauling" category. Make sure you indicate the correct LBE category for the appropriate scope that you are listing them to perform on Section 00 43 36. LBE firms under the "Construction Equipment" category are equipment sale and rental firms, which only 60% of the equipment rental fee (current market rate) can be credited towards meeting the LBE sub requirement.

Forms to be submitted with Bid from CMD Attachment 1:

- Submit CMD Form 2B along with all supporting documentation as required.
- Section 00 43 36 of the bid specs must be submitted with the Bid. If you are using an LBE to meet the LBE subcontracting requirement, even if the percentage of LBE work is under ½ of 1%, the sub must be listed on Section 00 43 36 to receive LBE credit. This includes LBE trucking firms and LBE suppliers.