



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Transportation and
Public Facilities

CIVIL RIGHTS OFFICE

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July 17, 2012

David Miller
Alaska Division Administrator
Federal Highway Administration
P.O. Box 21648
Juneau, AK 99802

RE: Fostering Small Business Participation –SBE Plan

Dear David Miller:

On February 28, 2012, the Alaska Department of Transportation and Public Facilities (DOT&PF) submitted the Fostering Small Business Participation Plan (SBE Plan). Since then, we have communicated with Ms. Elizabeth Hoffman, Civil Rights/Realty Specialist FHWA, Alaska Division and she has identified items we need to address on our SBE Plan.

Attached is the revised SBE Plan. With this submission, the DOT&PF requests that the Federal Highway Administration (FHWA) accept the proposed revised SBE Plan.

If you have any questions about this matter, please contact Grace San Miguel Morfield at (907) 269-0854.

Sincerely,


Mark O'Brien
Chief of Contracts Officer & DBELO

Attachment

cc: Grace San Miguel Morfield-CRO Manager
Elizabeth Hoffman, Civil Rights/Realty Specialist, FHWA, AK Division

Attachment:

Fostering Small Business Participation (SBE) (49 CFR 26.39)

To meet the requirements of 49 CFR 26.39, the State of Alaska Department of Transportation & Public Facilities (ADOT&PF) will implement an element to structure contracting requirements in order to facilitate competition by small business concerns. The fostering small business participation component of the ADOT&PF's DBE program is written to conform to the US DOT's requirements. This component is only applicable to federally funded projects and includes the following assurances:

- No geographic preferences will be implemented
- There are no limits on the number of contracts awarded to firms participating in the program.
- Efforts will be made to avoid creating barriers to the use of new, emerging, and/or untried businesses.
- The SBE program is not prohibited by State law.

The specific elements of this component are as follows:

A. Small business definition

1. Small businesses, for the purposes of this component, are defined according to SBA size standards.
2. The ADOT&PF will use the federal Central Contractor Registration website (<https://www.bpn.gov/ccr/default.aspx>) to verify whether a business has certified as a small business according to the SBA size standards.
3. For monitoring purposes, small businesses must be certified by the State of Alaska as a DBE and/or self-certified by the SBA as a small business at the time of contract signing. Also, small business owners are required to have a personal net worth below the threshold in 49 CFR 26.67(2) (i) or the size standard definition under 49 Part 26.65(b). ADOT &PF will do the following to monitor small business and verify self-certified small business.
 - a. At the time of bid, small businesses that are not registered bidders with ADOT&PF will be required to fill out Bidder's Registration Form (Form 25D-6). The form is available at <http://www.dot.state.ak.us/stwddes/dcsconst/assets/pdf/constcontforms/25d06.pdf>
 - b. At the time of award, self-certified small businesses is required to submit a signed, notarized certification with appropriate supporting documentation that they meet the definition of small

business in accordance with 49 CFR Part 26.65 (b) or 49 CFR Part 26.67(2) (i).

- c. Civil Rights Office will conduct a verification audit of the notarized certification and the appropriate documents. DBE Certification staff in the CRO will randomly pick ten (10) self-certified small business affidavits to verify annually.

B. Unbundling of contracts

Unbundling contracts - when practical, specifying elements of the contract, or subcontract, to enable small businesses to bid as subcontractor or prime. When determining if contracts are practical to unbundle, all criteria listed below will be considered:

1. **Maintenance of project integrity and management efficiency.** Unbundling contracts should not disturb the overall administration and quality of the project or unreasonably increase project costs.
2. **Number of small businesses working in the specific region.** A high number of small businesses in the area can indicate the likelihood that small businesses will successfully submit a proposal or bid on the contract.
3. **History of DBEs and small businesses submitting bids on similar types of projects.** If DBEs and small businesses have a history of submitting proposals or bids on similar types of projects, past participation can indicate the probability that small businesses will successfully submit a proposal or bid on the contract.

C. Outreach and networking

1. ADOT&PF will develop an outreach program for fostering small business participation that will address small businesses' concerns and eliminate obstacles encountered by small businesses looking for opportunities to do business with the Department.
2. ADOT&PF will conduct outreach efforts to small businesses to inform procurement opportunities.
3. The outreach program for fostering small business participation will be focused in promoting business infrastructure growth and procurement opportunities. ADOT&PF will conduct or facilitate training workshops on the areas of the following but not limited to marketing strategies, capital investments, contract law, bonding, insurance and etc.

4. Provide networking opportunities between small businesses and prime contractors for the development of business relationships. These events will be published through ADOT&PF website, email blast, social media, email marketing websites and ADOT&PF's newsletter, the "Transporter".
5. Identify and publish training opportunities being sponsored by groups outside of the Alaska Unified Certification Program (AUCP)
6. Include in the "Transporter" newsletter, information regarding industry changes and various business-related topics
7. Workshops on doing business with the Government (Federal and State)
8. Counseling and referral to other small business programs including but not limited to:
 - a) DBEs certified through AUCP
 - b) Small Business Administration 8A Small Business Development Program Certification
 - c) Historically Underutilized Business (HUB) Zone Certification
 - d) Woman-Owned Small Business
 - e) Veterans-Owned Small Business
 - f) Service-Disable Veteran-Owned Small Business

D. Implementation Schedule

The Implementation Schedule will be submitted 150 days after FHWA has approved the revised SBE Plan.