

CITY OF ROCHESTER, MINNESOTA
TARGETED BUSINESS AND WORKFORCE PARTICIPATION PLAN

I. DECLARATION OF POLICY STATEMENT

It is the policy of the City of Rochester (City) to promote increased participation by qualified Targeted Businesses (TB) in all Destination Medical Center (DMC) public infrastructure project contracting.

II. OBJECTIVES

The objectives of this Plan are:

- A. To provide businesses owned by minority, women, veterans and disabled persons an opportunity to participate in DMC public infrastructure construction and contracting.
- B. To promote increased participation in workforce employment opportunities for women and minorities.
- C. To provide procedures that will enable the City to fulfill DMC statutory requirements related to TB participation in DMC public infrastructure construction projects.

III. DEFINITIONS

Best Value Procurement (BVP) – A procurement process where price and other key factors can be considered in the evaluation and selection process to minimize impacts and enhance the long-term performance and value of construction.

Bidder – Any person, firm, partnership, corporation, association, or joint venture seeking to be awarded a public contract or subcontract. This term is extended to include proposers under the BVP process.

CERT – Central Certification Program administered by the City of St. Paul for small businesses including those owned by minorities and women.

Contract – A mutually binding legal relationship or any modification thereof, obligating one party to furnish equipment or services, including construction and leases, and obligating the other party to pay for them.

Contractor – Any person, firm, partnership, corporation, association or joint venture which has been awarded a DMC public infrastructure contract.

Development Assistance Agreement – A binding document between a developer of a DMC public infrastructure project and the City, which specifies the obligations of both parties and the terms of any public assistance that may be provided.

Goal – The aspirational percentage of TB participation and workforce participation for each construction project.

Low Bidder – Any person, firm, partnership, corporation, association, or joint venture awarded a DMC related public infrastructure contract or subcontract that provides the lowest responsible and responsive bid or has been selected for award of contract through the best value procurement process.

MnUCP – Minnesota Unified Certification Program established to certify Minnesota M/WBE firms and provide a directory of contractors for transportation related projects.

M/WBE – A minority-owned or woman-owned small business enterprise certified by the MnUCP, TG/ED or CERT.

Project Developer – The entity that is undertaking a DMC public infrastructure project.

Public Infrastructure Project – "Public infrastructure project" means a project financed in part or in whole with public money in order to support a project, as identified in the DMCC development plan. A public infrastructure project may:

- (1) acquire real property and other assets associated with the real property;
- (2) demolish, repair, or rehabilitate buildings;
- (3) remediate land and buildings as required to prepare the property for development;
- (4) install, construct, or reconstruct elements of public infrastructure required to support the overall development of the destination medical center development district including, but not limited to, streets, roadways, utilities systems and related facilities, utility relocations and replacements, network and communication systems, streetscape improvements, drainage systems, sewer and water systems, subgrade structures and associated improvements, landscaping, façade construction and restoration, wayfinding and signage, and other components of community infrastructure;
- (5) construct or reconstruct, and equip parking facilities and other facilities to encourage intermodal transportation and public transit;
- (6) install, construct or reconstruct, furnish, and equip parks, cultural, and recreational facilities, facilities to promote tourism and hospitality, conferencing and conventions, and broadcast and related multimedia infrastructure;
- (7) make related site improvements including, without limitation, excavation, earth retention, soil stabilization and correction, and site improvements to support the destination medical center development district;
- (8) prepare land for private development; and
- (9) construct and equip all or a portion of one or more suitable structures on land owned by the city for sale or lease to private development; provided, however, that the portion of any structure directly financed by the city as a public infrastructure project must not be sold or leased to a medical business entity.

Small Business Enterprise (SBE) – An entity certified as a small business under MnUCP, TG/ED or CERT.

Subcontractor – Any named person, firm, partnership, corporation, association, or joint venture identified in a public contract that supplies any work, labor, services, supplies, equipment, materials, or any combination of the foregoing under contract with the Contractor.

Targeted Business (TB) – Economically Disadvantaged Small Business Enterprise with majority ownership held by minority, women, veterans, or disabled persons.

TG/ED – Targeted Group / Economically Disadvantaged Small Business Program administered by the Materials Management Division of the Minnesota Department of Administration.

Veteran-Owned Business – A small veteran-owned business (VBE) is a firm certified as a Service-Disabled Veteran Owned Small Business (SDVOSB) or a Veteran Owned Small Business (VOSB) by the United States Department of Veteran Affairs. Each VBE also must be a Minnesota-based business.

IV. ADMINISTRATION OF THE TB PROGRAM

The City Administrator or his designee shall direct implementation of this program. The City may contract with other governmental or nongovernmental persons or entities to administer the program on behalf of the City.

V. GOALS

The following goals for workforce participation, TB and contracting and VBE and SBE preferences represent current targets and may be adjusted to meet changing business conditions or specific project needs.

A. Workforce employment goals will align with the Minnesota Department of Human Rights goals for Southeast Minnesota (2017):

Minorities: 15%.

Women: 6% in 2020, 7% in 2021, 8% in 2022 and 9% in 2023.

B. Targeted Business participation:

Construction: 7% of the total value for each construction project, except heavy construction 4%.
Professional Services & Construction Administration: project specific TB goal will be determined based on relative availability.

C. VBE Preference: Up to 6 percent preference when responding to solicitations. The preference is applied only to the first \$1 million of the solicitation and will not exceed \$60,000.

D. SBE Preference: Eligible verified small businesses with their principal place of business in Minnesota may receive up to 6 percent preference in the evaluation of their project proposal. The preference is applied only to the first \$1 million of the solicitation and will not exceed \$60,000.

VI. CERTIFICATION

Directories to facilitate identifying TBs with stated capabilities relative to general contracting procurement, and professional service requirements are available under MnUCP, TG/ED or CERT.

VII. DMC CONTRACT BID REQUIREMENTS

A. Evidence of compliance with bid documents.

All DMC public infrastructure project Bidders are required to submit evidence to the Project Developer, with their bid documents, demonstrating compliance with and commitment to the outreach goal or, alternatively, good faith efforts towards compliance. Before the contract is awarded, the Bidder shall submit evidence of its compliance with the requirements of the plan in a form prescribed by the City.

B. Commitment to goal.

Before a contract is awarded, the selected bidder on a DMC related public infrastructure project contract must submit evidence to the Project Developer, such as letters of intent to contract, that it has or will enter into binding contracts with certified subcontractors whose contract dollar amounts meet or exceed the levels of participation established, or have documented that they have engaged in good faith efforts.

If a VBE preference is being applied in a solicitation, the solicitation document will include language and a form relative to the preference. Eligible VBE small businesses should complete the VBE Preference Form, and include any required documentation. Only eligible, verified VBE small businesses that provide the required documentation will be given the preference.