

CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139
Tel. 498-9011

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

March 14, 1983

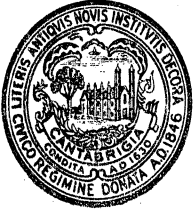
To the Honorable, the City Council:

Enclosed please find copy of a draft for the Minority
Business Enterprise (MBE) Program for the City of Cambridge as approved
by the Massachusetts Commission Against Discrimination.

Very truly yours,

Robert W. Healy
City Manager

RWH/mbf
Enc.



CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT
City Hall Annex Inman & Broadway

To Robert W. Healy, City Manager

From *KAS* Kathy A. Spiegelman, Assistant
City Manager for Community Development

Date February 24, 1983

Subject Citywide Minority Business Enterprise (MBE) Program

The Community Development Department has been working with the Massachusetts Commission Against Discrimination to devise a city-wide MBE program. Such a program is required in order for the City to maintain its eligibility for many state and federal programs which fund construction and development activities.

MCAD has approved the draft program proposal prepared by the City. We hope to assist you in final review of this draft with appropriate City agencies. We also hope that the MBE program will be operational and a Minority Business Compliance Officer designated by the end of this fiscal year.

TABLE OF CONTENTS

	<u>Page</u>
I. - <u>POLICY STATEMENT</u>	1
II. - <u>OBJECTIVES AND GOALS</u>	3
III. - <u>DEFINITION, CERTIFICATION, AVAILABILITY AND QUALIFICATIONS OF MINORITY BUSINESS ENTERPRISES</u>	
A. Definition	4
B. Certification	4
C. Availability and Qualifications	4
IV. - <u>RESPONSIBILITY FOR IMPLEMENTATION</u>	
A. City Manager	6
B. Minority Business Compliance Officer	6
V. - <u>ADVANCE PLANNING AND GOAL SETTING</u>	
A. Six-Month Projection by Departments	7
B. Compliance Officer Use of Projections	7
VI. - <u>MINORITY BUSINESS PROGRAM PROCEDURES FOR PUBLICLY-BID CONSTRUCTION CONTRACTS</u>	
A. Preparation of Bidding Documents	8
B. Outreach	9
VII. - <u>MBE PROGRAM PROCEDURES FOR PUBLICLY-BID EQUIPMENT OR SUPPLIES CONTRACTS</u>	10
VIII. - <u>MINORITY BUSINESS PROGRAM PROCEDURES FOR INFORMALLY-BID CONTRACTS</u>	11
IX. - <u>MINORITY BUSINESS PROGRAM PROCEDURES FOR NEGOTIATED CONTRACTS</u>	11
X. - <u>MONITORING, RECORD-KEEPING, REPORTING, AND EVALUATION</u>	
A. Monitoring	11
B. Record-Keeping and Reporting	12
C. Evaluation	12
XI. - <u>DISSEMINATION OF MINORITY BUSINESS ENTERPRISE PROGRAM</u>	12

TABLE OF CONTENTS (continued)

	<u>Page</u>
APPENDIX A - <u>MINORITY DEFINITIONS--STATE OFFICE OF MINORITY BUSINESS ASSISTANCE</u>	
- Minority Person	13
- Minority Business Enterprise	13
APPENDIX B - <u>COMPLIANCE FORMS</u>	
- Contractor Certification of Compliance with MBE Requirements	17
- Request-for-Waiver	18
- Information on Unsuccessful Contact of Minority Business Enterprise	19
- MBE Letter-of-Intent	20
- MBE Review Committee Sign-Off on Bid Proposals	21
APPENDIX C - <u>COMPLIANCE DETAILS</u>	22
APPENDIX D - <u>SEMI ANNUAL REPORT ON MINORITY BUSINESS ENTERPRISE CONTRACTING</u>	24



The Commonwealth of Massachusetts
Commission Against Discrimination

1 ~~State~~ ~~Street~~ ~~Place~~, Boston 02108

'83 JAN 12 AM 9 01

EDWARD J. KING
GOVERNOR

LEON A. BRATHWAITE II
CHAIRMAN

ADMINISTRATIVE SERVICES: 727-3990

CAMBRIDGE COMMUNITY
DEVELOPMENT DEPT.

January 5, 1983

Mr. Robert W. Healy
City Manager
Cambridge City Hall
Cambridge, MA 02139

Dear Mr. Healy:

I am in receipt of your December 20, 1982 submission of the City of Cambridge's Draft Minority Business Enterprise (MBE) Program.

My staff has reviewed the City's MBE Program submission and has found that it comports with state guidelines. The plan appears to contain elements necessary to ensure proper and effective implementation.

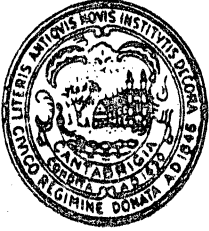
The Commission's concurrence with the MBE Program submission assumes that this program will be adopted and fully implemented. The City should provide the MCAD with the name of the staff person assigned responsibility for performing the duties of the City's Minority Business Compliance Officer, as soon as possible.

I would like to thank you for your cooperation in this matter.

Very truly yours,

Leon A. Brathwaite, II
Chairman

LAB:bm



CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139

Tel. 498-9011

EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

December 20, 1982

Mr. Leon A. Brathwaite II
Chairman
Massachusetts Commission Against Discrimination
One Ashburton Place
Boston, MA 02108

Dear Mr. Brathwaite:

As called for by the MCAD-Cambridge Memorandum of Agreement Concerning Minority Business Enterprise Program, I am transmitting herewith by messenger, on December 20, 1982, a City of Cambridge Minority Business Enterprise Program for review and approval by the Massachusetts Commission Against Discrimination.

Upon receiving your approval of the enclosed draft program I will move to establish it, by Executive Order, as our official City of Cambridge Minority Business Enterprise Program. Pending receipt of your approval, our Affirmative Action Office will proceed with the Program as presented.

I understand, of course, that MCAD's Minority Business Enterprise Specialist may well request changes in the program we have prepared. The relatively short time period within which it was necessary for us to prepare the program did not allow for the in-process review we would otherwise have requested from your staff.

Similarly, the short time available for development of the program has precluded its in-process review by appropriate Cambridge organizations, including but not limited to (1) the Cambridge School Department; (2) the City's other 40 departments; and (3) the Cambridge city Council. I have singled out the School Department for a separate review process, as most of its contracting is done in-house, rather than through the City's Purchasing Department. We will carry out these reviews as expeditiously as practical, and will request your approval of any resultant revisions in the plan prior to making official amendments.

VIII. MBE PROGRAM PROCEDURES FOR INFORMALLY-BID CONTRACTS

In handling informally-bid contracts (below \$4,000), the Purchasing Department buyers shall seek to secure bids from all MBE companies identified in the SOMBA Minority/Women Business Directory as able to provide the type of equipment or supplies for which the informally-bid contract is to be let. However, in cases where the purchase is to be below \$250, the Purchasing Department buyers may use their own judgment as to the optimum number of bids to solicit.

IX. MINORITY BUSINESS PROGRAM PROCEDURES FOR NEGOTIATED CONTRACTS

All City department shall contact the Minority Business Compliance Officer at least ten calendar days prior to distributing a Request-for-Proposal or contacting businesses as a first step to entering into a negotiated contract. This includes negotiated contracts for professional services, personal services, consultants, etc. Equal Employment Opportunity/Affirmative Action procedures must be followed in hiring consultants for non-payrolled staff positions.

The Compliance Officer shall prepare a list of minority business firms to be contacted by RFP or otherwise. After contacting the firms on the list the Compliance Officer will give a copy of it to the City department involved.

The City department must receive written approval from the MBE Review Committee before the contract is awarded. Such approval shall not be given unless the City department provides the MBE Review Committee with satisfactory evidence that it has dealt with all proposals received from minority firms in an objective, fair and otherwise appropriate manner.

X. MONITORING, RECORD-KEEPING, REPORTING AND EVALUATION

A. Monitoring

The Minority Business Compliance Officer shall monitor each department's contracting procedures at least once a year in order to

V. ADVANCE PLANNING AND GOAL SETTING

A. Six Month Projections by Departments

All City Departments shall submit to the Minority Business Compliance Officer annually, on July 15, a projection of contracts to be let, and of goods and supplies to be purchased, during the next two calendar quarters. Insofar as possible, the projections for construction contracts shall include information on the expertises (trades or suppliers) for which parts of the construction contract could be sub-contracted. A voluntary update may also be made on December 15 by each department, at its discretion.

B. Compliance Officer Use of Department Projections

After receiving the departmental projections, the Compliance Officer shall proceed as follows:

1. Using the most recently-updated SOMBA Minority/Women Business Directory, the Compliance Officer shall prepare lists of minority firms to which invitations to bid, or Requests-for-Proposal where applicable, should be sent for each of the projected contracts.
2. The Compliance Officer, in consultation with the department business officers, shall review possibilities for subdividing projected contract work in such a way as to maximize the opportunity for small, minority firms to participate. Based on this joint review, agreements between departments and the Compliance Officer shall be reached as to making such subdivisions of the projected work.
3. In consultation with SOMBA, the Compliance Officer shall select, when and as determined practical, certain negotiated sub-contracts or entire contracts that will be designated for one hundred (100) per cent participation.
4. Also through consultation with SOMBA, the Compliance Officer shall set a minimum percentage for MBE participation in each projected contract. This determination will be based on SOMBA's general knowledge of the current availability of each type of business to be involved, and may vary from 0 to 100%.

DRAFT FOR
MCAD REVIEW

MINORITY BUSINESS ENTERPRISE PROGRAM

CITY OF CAMBRIDGE, MASSACHUSETTS

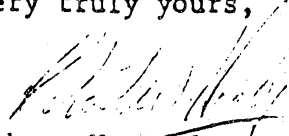
December 20, 1982

To: Mr. Brathwaite II (cont.)

December 20, 1982

In closing this transmittal letter, I want to take the opportunity to express my appreciation for the fine cooperation and assistance we have received from your Public Sector Division with regard to this effort, as well as from the staff of the State Office of Minority Business Assistance.

Very truly yours,



Robert W. Healy
City Manager

RWH/b
Attachment

cc: Richard C. Rossi, Deputy City Manager
Kathy A. Spiegelman, Assistant City Manager/Community Development
Oliver C. Brown, Business Manager, Cambridge School Department
David Harris, Jr., Deputy Commissioner, State Office of Minority
Business Assistance
Anne Strong, Affirmative Action Officer
Edward A. Handy, Block Grant Director
Kathleen Mullen, Acting Block Grant Compliance Officer

CITY OF CAMBRIDGE, MASSACHUSETTS
MINORITY BUSINESS ENTERPRISE PROGRAM

I. POLICY STATEMENT

It is the policy of the Government of the United States of America, the Commonwealth of Massachusetts and the City of Cambridge that:

1. No person shall be discriminated against in any manner whatsoever because of race, color, national origin, sex, religion, age or handicap;
2. No person shall because of race, color, national origin, sex, religion, age or handicap be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded entirely or in part by the City, the State, or the Federal Government;
3. Affirmative action shall be taken by all level of governments where necessary to support the underlying objectives of said anti-discrimination policies.

The City of Cambridge, as a recipient of Federal and State funds, unequivocally subscribes to the above policies and will fully comply with Federal, State and local laws and directives governing non-discrimination, equal opportunity, and affirmative action in all municipal activities.

To further support its non-discrimination, equal opportunity and affirmative action policies, the City of Cambridge herein establishes a Minority Business Enterprise Program that specifies administrative standards and procedures for the utilization of minority contractors, sub-contractors, and suppliers, as well as for minority professional-service firms such as architects, engineers, lawyers, accountants, etc.

The City of Cambridge strongly affirms that it will administer and implement its Minority Business Enterprise Program at all levels with

every possible effort to assist the MBE in obtaining bonding. Where the MBE is to be a sub-contractor, the prime contractor shall join with the City in providing this assistance. Where such additional efforts fail, and a non-construction contract is involved, the City shall request that the prime contractor exercise its option to assume the MBE sub-contractor's bond obligation.

II. OBJECTIVES AND GOALS

The City of Cambridge Minority Business Enterprise (MBE) Program is a set of specific results-oriented procedures and has been formulated to further implement the City's policies as set forth on Page One herein. The main objective of the Program is to develop maximum feasible MBE participation in construction contracts and in the procurement of goods, services, and supplies.

Success in meeting this objective will be affected by the availability of minority businesses with expertise required by the City of Cambridge. Nothing in this program shall be construed to require MBE participation in circumstances where no qualified minority business enterprise is available.

The annual MBE utilization goal for the City of Cambridge shall be set at (but not limited to) at least ten (10) per cent of the total annual dollar value of all construction contracts and the procurement of goods, services, and supplies. On a contract-by-contract basis, however, the goal may vary from zero (0) per cent to one hundred (100) per cent.

(SOMBA) and to known minority business associations at least five days prior to advertising for bids, and at least 20 days prior to the date of opening of bids.

3. Advertising - Bid notices shall be advertised in the Cambridge Chronicle, as well as in the Dodge Report. The MBE Compliance Officer will request SOMBA to notify MBE's that all City of Cambridge advertising will be done in these publications.
4. Pre-Bid Conferences - A Pre-Bid Conference shall be held for all publicly-bid construction contracts, and for other publicly-bid contracts when determined appropriate by the Minority Business Compliance Officer. A major function of the Pre-Bid Conference will be to explain the Minority Business Enterprise Requirements. Technical assistance in preparing bids will be available at this time. The date, time, place, and MBE elements of the Pre-Bid Conference shall be clearly set forth, in bold-face type, in the Invitation-To-Bid as mailed and as advertised.
5. SOMBA Directory - A copy of the SOMBA Minority/Women Business Directory shall be available with each bid package issued by the Purchasing Department to prospective bidders.
6. Technical Assistance - Technical Assistance will be available to prospective bidders by City personnel as regards preparing the Minority Business Enterprise bid forms or as to any other aspect of preparing a bid. Both the Invitation-To-Bid and the Bidding Documents shall clearly identify the staff person(s) to contact.

VII. MBE PROGRAM PROCEDURES FOR PUBLICLY-BID EQUIPMENT OR SUPPLIES CONTRACTS

The City's Purchasing Department shall mail an Invitation-To-Bid to each MBE company in the SOMBA Minority/Women Business Directory, identified as handling the type of equipment or supplies for which a publicly-bid contract is to be let. Such Invitations-To-Bid shall be mailed at least two days prior to advertising for bids, and fifteen calendar days prior to the date on which bids will be opened, with copies of each to SOMBA.

a positive, aggressive and supportive attitude. To this end, it will appoint a Minority Business Compliance Officer who will be responsible for the implementation and monitoring of the City's Minority Business Enterprise Program, and who will report directly to the Cambridge City Manager.

The following Minority Business Enterprise Program is hereby instituted on behalf of the City of Cambridge.

Robert W. Healy
City Manager

Date: _____

III. DEFINITION, CERTIFICATION, AVAILABILITY AND QUALIFICATIONS OF MINORITY BUSINESS ENTERPRISES

A. Definition

For the purposes of this Program, a "Minority Business Enterprise" (MBE) shall be as defined by the Massachusetts State Office of Minority Business Assistance (SOMBA). The precise definition established by SOMBA is provided in Appendix "A" of this Program. In summary, an MBE is a business at least fifty-one (51) percent owned or controlled by Minority Group Members, or an individual contractor or professional who is a minority group member.

A "Minority Group Member" shall be as defined by SOMBA in Appendix "A" of this Program. Generally speaking "Minority Group Members" are permanent residents of the United States who are Black, Hispanic, Asian, American Indian, Eskimo, Aleutian, or Cape Verdean.

B. Certification

Certification of Minority Business Enterprises as meeting all SOMBA standards is performed by SOMBA as part of its ongoing services. The City of Cambridge will recognize as an MBE for the purposes of this Program only those individuals and firms included in SOMBA's most recently updated directory of certified minority businesses, or such unlisted individuals and firms referred to SOMBA by the City of Cambridge and subsequently found by SOMBA to qualify for inclusion in the next update of the directory.

C. Availability and Qualifications

An MBE shall be considered available if located within the Boston Metropolitan Area. However, efforts to locate minority business enterprises need not be limited to this area.

An MBE shall be judged qualified if it can perform services or supply materials that are needed at a satisfactory level.

In construction projects, prime contractors will be expected to use MBE's with less experience than available non-minority enterprises, and will also be expected to provide technical assistance to MBE's as needed. Inability to obtain bonding by itself shall not necessarily disqualify an MBE. Where this occurs, the City shall make

determine whether both the letter and the spirit of the procedures established in this MBE Program are being properly implemented. An annual report on such monitorings shall be submitted by the Compliance Officer to the City Manager and to the MBE Review Committee, but only after submitting to department heads for their comment any negative comments to be included in a report.

B. Record-Keeping and Reporting

The Compliance Officer shall maintain records necessary to provide all information needed for preparation of a report entitled SEMI-ANNUAL REPORT ON MINORITY BUSINESS ENTERPRISE CONTRACTING. The format for this report is provided in Appendix "D". The report shall be completed and distributed by the last working day of the month following each half year. The distribution list shall include but not be limited to the City Manager, the MBE Review Committee, all department heads, SOMBA, MCAD, and the HUD Area Office Fair Housing and Equal Opportunity Division.

C. Evaluation

The Compliance Officer shall prepare annually--following the close of the City's fiscal year--an evaluation of the City's MBE contracting performance during the previous twelve months. This report shall include recommendations for improving procedures, where called for by a negative evaluation. The report shall be directed to the City Manager, with a copy to the MBE Review Committee.

XI. DISSEMINATION OF MINORITY BUSINESS ENTERPRISE PROGRAM

The MBE PROGRAM shall be disseminated to the City Manager, the MBE Review Committee, all department heads, SOMBA, MCAD, and the HUD Area Office Fair Housing and Equal Opportunity Division. A transmittal memorandum to each department head shall accompany the Program, and shall require that the department head return the memorandum with initialing indicating that the Program has been reviewed, understood, accepted as workable, and assigned to an appropriate staff person (whose name shall be specified) for implementation.

SOMBA Definition of Minority Business Enterprise and Minority Person

Minority/Women-Owned Business Enterprise (M/WBE) means a business enterprise that has been certified by SOMBA as meeting the five-pronged test set forth in these criteria.

The following are more definitive descriptions of the definable minority groups to which these regulations apply:

CATEGORY

DEFINITION

Black

All persons having origins in any of the Black groups of Africa.

Hispanic

All persons of Mexican, Puerto Rican, Cuban, Central or South American origin.

American Indian

All persons having origins in any of the original peoples of North America, and who are recognized as an Indian by a tribe or tribal organization.

Eskimo and Aleut

All persons having origins in any of the peoples of Northern Canada, Greenland, Alaska, and Eastern Siberia.

Asian

All persons having origins in any of the original peoples of the Far East, South east Asia, the Indian Subcontinent, or the Pacific Islands. This area includes for example, China, Japan, Korea, the Phillipine Islands and Samoa.

Cape Verdean

All persons having origins in any of the original peoples of the Cape Verdean Islands who are of Black African origin.

OWNERSHIP REQUIREMENT

An applicant must satisfy A, B, or C, and D, E, and F below in order to be considered 51% owned by members of a definable minority group.

- A. In a Corporate form of organization, the minority shareholder of the corporation must own at least 51% of each and every class of shares, including 51% of all voting stock in the corporation;

or

- B. In a Partnership form of organization, the minority partners must own at least 51% of the partnership;

or

- C. In any other form of organization, the minority owners must own at least 51% of the business interest of the organization

- and engaging in regular business activities,
- b. the company has not been bidding solely on projects or contracts that are included in special minority business programs, and
 - c. until January 1, 1982 companies that are less than three (3) months old need not meet the requirements of a & b above so long as all other tests are met and SOMBA determines that their intent is to be an ongoing concern.

Contract Identification _____

City of Cambridge, Massachusetts
Bid Form

CONTRACTOR REQUEST-FOR-WAIVER OF MINORITY BUSINESS ENTERPRISE REQUIREMENTS

The below-signed General Bidder certifies that it made a good faith effort to develop the required _____% Minority Business Enterprise participation in this contract, but was able to develop only _____%, as shown on the CONTRACTOR CERTIFICATION OF COMPLIANCE WITH MBE REQUIREMENTS Bid Form submitted with this Request-for-Waiver.

The below-signed General Bidder further certifies that it contacted the below-listed firms from the SOMBA MINORITY/WOMEN BUSINESS DIRECTORY supplied by the City of Cambridge Purchasing Department with the Bidding Documents; that said contacts were bone fide efforts to develop the required Minority Business Enterprise participation in the above-identified contract but were unsuccessful due to circumstances beyond the control of the General Bidder; and that the information given on the following pages about each contact made is accurate and complete.

MBE Companies Contacted

- | | |
|-----------|-----------|
| 1. _____ | 11. _____ |
| 2. _____ | 12. _____ |
| 3. _____ | 13. _____ |
| 4. _____ | 14. _____ |
| 5. _____ | 15. _____ |
| 6. _____ | 16. _____ |
| 7. _____ | 17. _____ |
| 8. _____ | 18. _____ |
| 9. _____ | 19. _____ |
| 10. _____ | 20. _____ |

The below-signed General Bidder therefore requests that the City of Cambridge waive the Minority Business Enterprise percentage participation required in the Bidding Documents, and that the City accept _____% for the purposes of awarding the above-identified contract.

Date

Name of MBE Company

Authorized Signature

Business Address

- B. Any one of the following conditions creates an irrebuttable presumption that the minority owners do not have dominant control of the business that is applying for certification if:
- i. the minority owners are current employees of a non-minority business corporation, or individual, or partnership which has any ownership interest in the business firm applying for certification;
 - ii. the directors and/or management of the applicant is substantially the same as the affiliated non-minority firm;
 - iii. the applicant is a wholly-owned subsidiary or affiliate of a non-minority firm;
 - iv. the applicant has an extremely dependent relationship on a non-minority firm or individual.
- C. Any agreement, option, right of conversion, scheme or other restraint which, if exercised, would result in less than dominant control by the minority owners is prohibited.

SUBSTANTIAL INVESTMENT IN BUSINESS REQUIREMENT

The minority owners must demonstrate that they have substantial personal investment in the business. Proof of such substantial investment must be established by producing evidence of the following:

- i. a substantial amount of money invested in the business;
- or
- ii. investment in the form of capital, equipment, contribution of property, space, patents, and copyrights.

Contribution of personal or professional services alone will not be considered "substantial investment" for the purpose of this section. However, a contribution of such services will receive consideration when given in conjunction with other tangible forms of investment.

There will be an irrebuttable presumption that the minority owners have not made a substantial investment in the business if a significant portion of the applicant's equity is financed by a loan or gift from a non-minority corporation, partnership, or individual that has a significant interest in the applicant.

ON-GOING CONCERN REQUIREMENT

The applicant must be an on-going concern; it must demonstrate to the satisfaction of the Certification Committee that it was not established solely for the purpose of competing for MBE programs.

In order to meet this requirement the firm must demonstrate at least the following:

- a. The company has been actively seeking contracts or orders

including but not limited to 51% of the ownership of assets, dividends, and intangible assets such as copyrights and patents;

and

- D. the minority owners must demonstrate that they are entitled to receive substantial sharing of the profits from the business firm and that they are entitled to share in any other benefit which accrues to all owners of the business firm;

and

- E. the minority owners must substantially share in all the risks assumed by the business firm;

and

- F. the business firm cannot at any time enter into any agreement, option, scheme or create any rights of conversion which, if exercised, would result in less than 51% minority ownership of the business firm.

CONTROL REQUIREMENTS

To prove that the minority owners possess dominate control over the business, an applicant must satisfy all the requirements of Section A, B, and C below:

- A. The minority owners must demonstrate that they have dominant control over:

1. every aspect of the day-to-day management of the business, and
2. the policy making mechanism of the business.

The minority owners must establish their dominant control by providing substantial evidence that they meet all of the following:

- a. Have dominant control over the purchase of goods, equipment, business inventory, and services needed in the day-to-day operation of the business;
- b. have the authority to hire and fire employees;
- c. control corporate accounts (savings, checking, and other financial accounts);
- d. have a thorough knowledge of the financial structure of the business and control overall financial affairs;
- e. have the capability, knowledge, and experience required to make decisions regarding that particular type of work; and
- f. have displayed independence and initiative in seeking and negotiating contracts, accepting and rejecting bids, and in conducting all major aspects of the business.

Contract Identification _____

City of Cambridge, Massachusetts
Contract Bid Form

CONTRACTOR CERTIFICATION OF COMPLIANCE WITH MINORITY BUSINESS ENTERPRISE REQUIREMENTS -

Name & Address of Participating Minority Bus. Enterprises	Nature of Participation	Dollar Val. of Participation
Line #7 - Grand Total for Minority Business Commitment		
PERCENTAGE MINORITY BUSINESS ENTERPRISE PARTICIPATION - <u>Line #7 Grand Total</u> <u>Total Bid Price</u>		%

The below-signed bidder certifies that it will honor the above Minority Business Enterprise Commitment and that it understands that a breach of this commitment constitutes a breach of the contract.

Date

General Contractor

Authorized Signature

Business Address

COMPLIANCE DETAILS (continued)

- D. In any proceeding involving the imposition of sanctions by the City, no sanctions shall be imposed if the City finds that the Prime Contractor has taken every possible measure to comply with the MBE Requirements, or that some other justifiable reason exists for waiving the MBE Requirements in whole or part.
- E. Any bidder or contractor shall provide such information as is necessary in the judgement of the City to ascertain its compliance with the MBE Requirements.
- F. No sanctions shall be imposed by the City until after notice has been given to the contractor and the contractor has had a reasonable amount of time to comply. Such reasonable time shall be three days or as determined by the City.
- G. A Prime Contractor shall have the right to request suspension of any sanctions imposed by the City upon a showing that it is once again in compliance with the MBE Requirements.

CITY OF CAMBRIDGE
MINORITY BUSINESS ENTERPRISE REVIEW COMMITTEE

MEMORANDUM TO: PURCHASING AGENT

FROM: _____
for the MBE REVIEW COMMITTEE

SUBJECT: SIGN-OFF ON GENERAL BIDDER'S
MINORITY BUSINESS ENTERPRISE SUBMITTAL

DATE: _____

This will certify that the City of Cambridge MBE Review Committee has reviewed the bid forms submitted by

(Name of General Bidder)

for

(Contract Identification)

and has determined that said General Bidder is in compliance with the Minority Business Enterprise requirements established by the City of Cambridge and set forth in the Bidding Documents for the above-identified contract.

cc: Minority Business Compliance Officer

Contract Identification _____

City of Cambridge, Massachusetts
Bid Form

INFORMATION ON UNSUCCESSFUL CONTACT OF MINORITY BUSINESS ENTERPRISE

(Additional copies of this information form shall be prepared by the General Bidder in the quantity necessary to comply with the bidding requirements)

ITEM NO. ON "REQUEST-FOR-WAIVER" FORM _____

NAME OF MBE COMPANY CONTACTED _____

ADDRESS OF " " " _____

TELEPHONE NO. " " " _____

DATE OF INITIAL CONTACT _____

HOW WAS CONTACT MADE? (Check appropriate answer) TELEPHONE _____ IN PERSON _____

SUB-CONTRACT WORK OFFERED TO THIS MBE COMPANY _____

RESULT OF CONTACT (Check appropriate answer) MBE FIRM DECLINED JOB _____;
MBE FIRM OFFERED TO DO JOB AT PRICE OF \$ _____, WHICH WAS DETERMINED
BY OUR COMPANY TO BE TOO HIGH _____; MBE COMPANY OFFERED TO DO THE JOB AT A
PRICE OF \$ _____, WHICH WAS SATISFACTORY, BUT THE MBE COMPANY WAS
JUDGED BY OUR COMPANY TO BE UNQUALIFIED FOR THE JOB _____.

NAME AND TITLE OF MBE COMPANY OFFICER WHO CAN VERIFY ABOVE INFORMATION AS
TO MBE COMPANY'S RESPONSE _____

It is certified herewith by the below-signed officer
of the General Bidder that the above information is
accurate and complete.

Date

Name of General Bidder

Authorized Signature

Business Address

MINORITY BUSINESS ENTERPRISE LETTER OF INTENT TO PARTICIPATE

(Additional copies of this "Letter of Intent" form shall be prepared by the General Bidder in the quantity necessary to comply with the City of Cambridge bidding requirements. Each Minority Business Enterprise listed in the bid as a participant must complete a Letter of Intent for submittal by the General Bidder as part of its bid)

TO: _____
(Name of General Bidder)

1. My company intends to perform work under the above-identified contract as:

- _____ an individual
- _____ a partnership
- _____ a corporation
- _____ a joint venture with _____
- _____ other (explain) _____

2. My company has been certified by the State Office of Minority Business Assistance (SOMBA) as a Minority Business Enterprise and is listed as such in the most recently-issued SOMBA Minority/Women Business Directory. I hereby certify that my company's qualifications as a Minority Business enterprise have not changed since its application was submitted to SOMBA. I further certify that my company will give immediate notification in writing to both SOMBA and your company in the event that its minority ownership, control, or management should change.

3. My company understands that if your company is awarded the contract, your company intends to enter into an agreement with my company to perform the activity described below for the prices indicated. My firm also understands that your firm, as General Bidder, will make substitutions and quantity changes only as allowed or required by the provisions of the contract with the City of Cambridge.

ITEM NO.	DESCRIPTION OF MY COMPANY'S ACTIVITY*	QUANTITY	UNIT PRICE	AMOUNT
TOTAL AMOUNT				

* Description of Activity should include notations such as "Labor Only", "Material Only", etc.

_____ Date

_____ Name of MBE Company

_____ Authorized Signature

_____ Business Address

COMPLIANCE DETAILS

PERCENTAGE OF MBE PARTICIPATION Percentage of MBE participation shall be that percentage of the total bid price represented by the amount to be paid to the MBE(s). The General Bidder's compliance with the percentage requirement shall continue to be determined by reference to the above-described method throughout the term of the contract, even though the total of actual contract payments may be greater or less than the bid price. The General Bidder shall submit to the Minority Business Compliance Officer signed copies of its subcontracts with all MBE's involved in meeting the percentage of Minority Business Enterprise Requirement.

ROLE OF THE MBE REVIEW COMMITTEE The MBE Review Committee shall have referred to it by the Purchasing Agent and the Minority Business Compliance Officer all questions of interpretation of the MBE Program that arise during the Program's operation. The MBE Review Committee shall have the responsibility and the authority to respond with binding answers to these questions. It shall also have the responsibility and authority to recommend to the City Manager whatever improvements it believes can be made in the Program, based on operating experience.

CHANGES OF MBE STATUS Any change or substitution of the officers or stockholders in a participating MBE company that reduces the minority ownership or control to less than the requisite percentage will immediately rescind the MBE designation previously given by SOMBA. The General Bidder (Prime Contractor) shall immediately notify the Minority Business Compliance Officer upon learning of such a change of MBE status. In this event, the Prime Contractor shall submit to the Minority Business Compliance Officer a revised Contractor Certification of Compliance With MBE Requirements, as well as a new or revised "Request-for-Waiver" if necessary.

SANCTIONS (to be incorporated into Bidding Documents and contracts)

- A. If the Prime Contractor does not comply with the terms of the Minority Business Enterprise requirements of the contract, the City may (1) suspend any payment for the activity that should have been performed by the MBE pursuant to the contract, or (2) require specific performance of the Prime Contractor's obligation by requiring the Prime Contractor to subcontract with an MBE for any contract or specialty item at the contract price established for that item in the proposal submitted by the Prime Contractor.
- B. To the extent that the Prime Contractor has not complied with the MBE requirements of the contract, the City may retain an amount determined by multiplying the bid price of this contract by the required percentage of MBE participation, less the amount paid to MBE's for work performed under this contract and any payments already suspended under "A" above.
- C. In addition, or as an alternative, to the remedies under "A" and "B" above, the City may suspend, terminate, or cancel this contract, in whole or in part, or may call upon the Prime Contractor's surety to perform all terms and conditions in the contract, unless the Prime Contractor is able to demonstrate its compliance with the MBE Requirements, and may further deny to the Prime Contractor the right to participate in any future contracts awarded by the City for a period of up to three years.

(continued)

IV. RESPONSIBILITY FOR IMPLEMENTATION

A. City Manager

The City Manager, as Chief Executive Officer, has overall responsibility for the City's Minority Business Enterprise Program. This is because the success of the Minority Business Enterprise Program depends upon the full understanding and cooperation of all Department Heads and staff within the Cambridge government.

B. Minority Business Compliance Officer

The Minority Business Compliance Officer is responsible for the start-up, on-going operations, monitoring, evaluation, and reporting functions of the Minority Business Enterprise Program and is directly responsible to the City Manager. A major element of his/her work will be the coordination of the Program's operations throughout the City's more than forty departments.

VI. MBE PROGRAM PROCEDURES FOR PUBLICLY-BID CONSTRUCTION CONTRACTS

A. Preparation of Bidding Documents and Invitation to Bid

1. Focus on MBE Requirements - Both the cover page for the Bidding Documents and the Invitation To Bid shall provide a sharp focus on the MBE requirements in the documents (e.g. page nos. for MBE requirements; Risk of losing contract award where low bidder fails to meet MBE requirements; etc.)
2. Certification of Compliance - The Bidding Documents shall include a Contractor Certification of Compliance With MBE Requirements to be filled out and submitted with the Bid Proposal. See Appendix "B" for this form.
3. Request-for-Waiver - The Bidding Documents shall include a Request-for-Waiver form to be submitted with the Bid Proposal in the event that a bidder has been unable to secure MBE participation at the minimum percentage level specified in the Bidding Documents. In this event, full documentation of the effort made is required. See Appendix "B" for this form.
4. Per Cent MBE Participation - The Bidding Documents shall clearly state the minimum MBE participation percentage established for the contract. (See V-B-4 above as to procedure for setting percentage).
5. MBE Letter of Intent - The Bidding Documents shall include a form (Minority Business Enterprise Participation Letter of Intent) to be filled in by each MBE listed in the bidder's Contractor Certification of Compliance. The Letters of Intent shall be submitted with the Bid Proposal. See Appendix "B" for this form letter.
6. Ten-Day Rule - The Bidding Documents shall include a provision that, in the event that the low bidder has submitted a Request-For-Waiver that is acceptable to the City's MBE Review Committee (see #7 below), said committee will allow the low bidder ten working days to develop the required MBE participation and to submit the Contractor Certification of Compliance and

Letter(s) of Intent. This will provide the low bidder with an opportunity to recruit MBE's who were previously not available, due to their tie-in with other bidders on the same contract. The Bidding Documents shall further state that the ten-day period will begin with the first working day following the low bidder's receipt of written notification (by Certified Mail-Return Receipt Requested) that the MBE Review Committee has found the Request-for-Waiver satisfactory and is, therefore, granting a ten-day additional period for meeting the MBE Requirement. This notification shall state that the Contractor Certification of Compliance and Letter(s) of Intent must be received and date-stamped at the City's Purchasing Department before 5 p.m. on the tenth day.

7. MBE Review Committee - the Bidding Documents shall state that the City has established an MBE Review Committee (City Manager or designee, Purchasing Agent or designee, Minority Business Compliance Officer) and that this Committee's written approval must be achieved by the Purchasing Department before a contract award can be made. This written approval shall be given on a standard form, MBE Review Committee Sign-Off on Bid Proposals, included in Appendix "B".
8. Compliance Details - The Bidding Documents shall contain the Compliance Details set forth in Appendix "C", dealing with Percentage of Participation, Role of the MBE Review Committee, Changes of MBE status, and Sanctions.

B. Outreach

1. Invitations to Bid - Invitations-To-Bid shall be mailed by the Compliance Officer to qualified minority businesses at least five days in advance of advertising for bid, and at least twenty days in advance of the date for opening bids. The mailing list shall be prepared by the Minority Business Compliance Officer as set forth in V-B-1 above.
2. SOMBA ET AL - Copies of Invitations-To-Bid shall also be mailed by the Purchasing Department to the State Office of Minority Business Assistance

S-111B

Draft for the Minority Business Enterprise
(MBE) Program.

In City Council,

March 14, 1983