

POLICY 1200.04: VETERAN BUSINESS ENTERPRISE (VBE)

POLICY

The Veteran Business Enterprise (VBE) Program (Program) of the Greater Orlando Aviation Authority (Aviation Authority) is designed to promote the development of businesses owned and operated by Veteran individuals as defined herein and to ensure opportunities for these firms to compete for work at its facilities. The Program is also designed to promote economic vitality and enhance employment opportunities in the Orlando area and surrounding counties. A diverse pool of qualified and available contractors is necessary to sustain continued growth at the Aviation Authority's airports. The Program will seek to provide full and equal business opportunities to all VBEs in the Aviation Authority's construction contracting, procurement, and professional services activities.

DEFINITIONS

Affiliates: Any entity: 1) having the ability to exercise control over the firm under review, 2) under control by the firm being reviewed, or 3) under the common control with the firm under review. The affiliation rules promulgated by the Small Business Administration under 13 C.F.R. 121.103 may be used as a basis for affiliation analysis under this Program.

Aviation Authority Board: The Greater Orlando Aviation Authority Board that governs the Orlando International Airport and the Orlando Executive Airport.

Certification: The process by which an applicant is determined to be a bona fide Veteran Owned Business.

Certification Area: The State of Florida.

Chief Executive Officer: The Chief Executive Officer of the Aviation Authority or the person or persons designated by the Chief Executive Officer to act on his behalf with respect to issues delegated to the Chief Executive Officer's authority in this Program.

Construction and Construction Administrative Services: Professional Services to include construction management, bid and proposal administration, OAR, or other services as identified.

Contract: Any agreement with the Aviation Authority for non-federally funded construction projects, the purchase, lease or disposal of supplies or other Goods, maintenance, installation or other Services, including Professional Services. Real property, space use permits,

employee benefits, taxes, judgments, agreements for travel, dues, pensions, utilities, subscriptions, auto allowances, debt service requirements, or postage are not included in this Program.

Domicile: A firm whose Principal Place of Business is in the Certification Area and which is at least 51% owned by a person or persons whose Primary Residence is in the Certification Area.

Goods: Any supply, material, equipment, product, article, or thing that is purchased by an Aviation Authority department in the accomplishment of its responsibilities.

Local Developing Business Program: A program of the Aviation Authority by which it certifies active operating businesses that are domiciled in the Standard Metropolitan Statistical Area and that meet the Revenue Limitations or Gross Profit limitations and that are owned and controlled by one or more individuals whose personal net does not exceed Net Worth Limitations, all as set forth in the Aviation Authority's Local Developing Business Policy.

Principal place of business: The VBE headquarters, or the place where the chief or principal affairs and business of the firm are transacted as of the date the procurement documents, including but not limited to: Request for Proposal, Invitation for Bid, or Request for Letters of Interest, is published. This is the office where the VBE books are kept and where the partners, directors, officers, or managers assemble to discuss and transact the important day to day business of the firm.

Primary Residence: A place of abode which is recognized and intended to be maintained as the person's principal residence. Persons maintaining other places of abode in another state, or outside of the U.S., may manifest evidence of their Primary Residence to the Aviation Authority by submitting a certified copy of a sworn statement, filed pursuant to §222.17, Florida Statutes, as to what residence constitutes their predominant and principal residence and that they intend to continue it permanently as such.

Professional Services: Services rendered by an independent contracting individual or firm having experience in a particular industry or subject matter due to specialized education, training, licensure or skill, of advice, reports, conclusions, recommendations, or other outputs resulting from the time and effort of the service provider, as opposed to the acquisition of specific commodities or of services not requiring any specialized education, licensing, training, or skill.

Services: The furnishing of labor, time, expertise or effort, not including the rendition of Professional Services, employment or

collective bargaining agreements, or the providing of a tangible end product.

Standard Metropolitan Statistical Area (SMSA): This area, according to the United States Department of Census, includes the counties of Orange, Seminole, Osceola and Lake.

Veteran: An individual who has served in any branch of the United States Armed Forces as determined by the United States Department of Veteran Affairs or Florida Department of Management Services.

Veteran Business Enterprise or VBE: A business that has been certified by the United States Department of Veteran Affairs or the State of Florida Department of Management Services- Florida Office of Supplier Diversity.

SMALL BUSINESS LIAISON OFFICER

The Aviation Authority has designated a Small Business Liaison Officer. The Office of Small Business Development recommends administration of the program to the Chief Executive Officer. The Small Business Liaison Officer will be responsible for administering the Aviation Authority's VBE Policy, and will conduct periodic surveys to determine whether the Aviation Authority's VBE Policy is achieving its objectives. Annual reports will be used to assist in determining whether the Program is reaching its objective to recruit VBEs for opportunities with the Aviation Authority. If corrective action is necessary, the Small Business Liaison Officer will make appropriate recommendations to the Chief Executive Officer.

The Small Business Liaison Officer will also be responsible for:

- Providing information to VBEs on the Aviation Authority's contractual needs and future plans;
- Providing assistance in resolving procurement and contracting issues affecting VBEs;
- Scheduling seminars to acquaint VBEs with information on Aviation Authority bid specifications, procurement policies, and general bidding requirements;
- Providing bid specifications and plans to entities providing assistance to small businesses;
- Evaluating the effectiveness of the Program;
- Ensuring that only VBEs benefit from the Program;

- Ensuring that the VBE Directory accurately reflects VBEs available to compete for Contracts;
- Assisting in monitoring contractors' and subcontractors' compliance with VBE commitments throughout the performance period of Contracts;
- Attending pre-bid, pre-proposal and pre-construction conferences to explain VBE requirements and respond to questions;
- Assisting in monitoring mentoring relationships;
- Participating on bid and proposal review panels;
- Evaluating the participation and recommend adjustments when appropriate;
- Ensuring that advertisements for contracting opportunities are placed in local small business media and in plan rooms designed to assist small businesses, and;
- Performing related duties, as assigned.

**PROCEDURES TO
ENSURE THAT VBES
HAVE AN EQUITABLE
OPPORTUNITY TO
COMPETE FOR
CONTRACTS AND
SUBCONTRACTS**

In order to ensure that VBEs have an equitable opportunity to compete for Contracts and subcontracts, the Aviation Authority will take affirmative steps to facilitate their involvement. These steps include:

- Notifying small business assistance organizations that Aviation Authority contracting and subcontracting opportunities are available.
- Providing, upon request, plans and specifications to small business assistance organizations at reduced cost.
- Participating in pre-bid/pre-proposal conferences to provide firms with an opportunity to ask questions about VBE requirements; VBE firms will be encouraged to attend these conferences.
- Providing, upon request, VBEs with lists of firms bidding as prime contractors if such information is available.
- Continuing recruitment efforts directed at VBEs.

- Identifying as many trade items as are reasonable and prudently possible into small contractual work elements which will enable small firms to compete effectively.
- Assisting bidders/proposers in efforts to obtain the names and addresses of VBE firms that may be utilized as subcontractors.
- The Aviation Authority will require a prime contractor to make good faith efforts to replace a VBE that is terminated or has otherwise failed to complete its work on a Contract with another certified VBE. The Aviation Authority will require the contractor to notify the Small Business Liaison Officer immediately of the VBE's inability or unwillingness to perform and provide documentation as to the replacement firm's VBE status or as to the contractor's good faith efforts, when appropriate, to utilize a VBE to replace the non-performing VBE. Acceptance of the proposed replacement VBE subcontractor will require the prior written approval of the Chief Executive Officer.

PROCEDURES TO ASCERTAIN THE ELIGIBILITY OF VBES

In order to ensure that only bona fide VBEs benefit from this Program, certain information must be provided to the Aviation Authority prior to award of the Contract and updated upon request during Contract performance. This information will be used to verify the eligibility of firms seeking VBE status. Specifically, if a firm wishes to be considered a Veteran Business Enterprise under the Aviation Authority's VBE Program, the VBE must provide evidence of current VBE certification from either United States Department of Veteran Affairs or the State of Florida Department of Management Services- Florida Office of Supplier Diversity. The Aviation Authority's Small Business Liaison Officer and staff will independently verify the firm's VBE certification. Firms who enter into Contracts with the Aviation Authority should note that the Aviation Authority reserves the right to approve all substitutions of subcontractors before award and during Contract performance.

After the bids are opened and prior to an award of the Contract, the Aviation Authority may request, receive, and consider omitted and supplemental information from the bidders as to the Certification status of VBE firms, if applicable, and of any subcontractor, supplier or joint venture in order to determine VBE status.

Prior to the award of each non-federally funded Contract which is subject to the procedures set forth in this Program, the Aviation Authority's Small Business Liaison Officer will determine whether each firm claiming VBE status and submitting its bid, proposal, or quotation to the Aviation Authority is properly certified as a VBE.

COUNTING VBE PARTICIPATION

- A. In non-direct, non-federally funded construction, professional service, and Goods and Services bids/proposals which carry a VBE participation, all bidders/proposers including VBE bidders/proposers, shall meet the VBE participation through first tier participation unless otherwise stated in the bid/proposal documents. Participation can be achieved in the following manner: subcontracts, purchase orders for Goods, and joint ventures (see specific requirements below). The successful bidder/proposer will be credited with the dollar value of the actual work performed by the VBE.

If the VBE provides materials or supplies to the prime contractor in a construction Contract, the participation credited will be the dollar amount equal to 60% of the dollar value of the product unless the VBE is the manufacturer of the product supplied; in which case, bidders should receive credit for 100% of the dollar amount of the product supplied.

- B. If the VBE provides Goods, VBE participation shall be counted at 100% if the supplier is a manufacturer of the supplies or a dealer that owns, operates, or maintains a store, warehouse, or other establishment which may include distribution systems for bulk items, in which supplies, articles, or equipment of the general character described in the specifications required under Contract are bought, kept in stock and regularly sold or leased to the public in the usual course of business. If the prime contractor is a VBE, and the firm's primary core competencies are within the scope of the proposal/bid, VBE participation is not required.

For projects in which the Aviation Authority participates in the selection of subconsultants to the lead architectural and/or engineering services firm, the participation to be counted shall include participation at the first and second tier subconsultant levels.

- C. Additionally, in projects utilizing a Construction Manager at Risk method of delivery, the participation shall include participation at the first and second tier subcontract levels.
- D. On a case-by-case basis, the Chief Executive Officer may permit proposers to achieve Local Developing Business Program participation through VBE participation if the VBE proposed is domiciled in the Orlando SMSA.

VBE JOINT VENTURES

- A VBE subcontractor/subconsultant or provider of Goods may be a joint venture, however the following will apply: a VBE must own at least 51% of the joint venture and they must exercise Control and manage the operations of the business on a daily basis.
- The Small Business Liaison Officer or its designee will determine on a case by case basis if joint ventures will be allowed to bid/propose on VBE procurements. Such determination will be clearly stated in bid/proposal documents.

OTHER INITIATIVES FOR PROCUREMENT OF GOODS AND SERVICES

- Discretionary purchasing limits shall be increased to permit small purchases of Goods and Services in an amount up to a maximum of \$12,000 from VBE firms without requiring competitive bidding by the Purchasing Manager or his designee. The Purchasing Manager or designee shall have the authority to issue purchase orders to VBE firms through this non-competitive method when the dollar value of the purchase order does not exceed \$12,000 and a properly executed and authorized requisition is received. All such requisitions and purchase orders must be clearly marked as being non-competitive to facilitate audit and good record keeping practices.
- At the discretion of the Chief Executive Officer or his designee, direct Contracts may be utilized to increase VBE participation in the procurement of Goods and Services.

EFFECTIVE DATE

This Program shall become effective upon adoption by the Aviation Authority Board.

APPROVAL AND UPDATE HISTORY

LAST APPROVAL

Aviation Authority Board: December 20, 2017
Chief Executive Officer: November 10, 2014

SUPERSEDES

All Previous