

**CITY OF SAVANNAH  
SAVANNAH BUSINESS OPPORTUNITY (SBO) PROGRAM POLICY  
OCTOBER 2022**

**I. SBO IMPLEMENTATION OF THE POLICY**

The City Manager shall implement and administer the City’s SBO Policy through the City’s SBO Program.

**II. SBO POLICY STATEMENT**

The Mayor and Aldermen of the City of Savannah (hereinafter referred to as “the City”) shall provide equal business opportunities to all persons seeking to do business with the City. The goal of the Savannah Business Opportunity (hereinafter referred to as “SBO”) Policy is to increase the utilization of Local, Small, Minority, Women-Owned, and Disadvantaged Business Enterprises (hereinafter referred to as “LSBE”, “M/WBE” and “L/DBE”) in all areas of procurement of the City including small contract purchases, materials and equipment, and in professional services.

The SBO Program will be administered by the City Manager with the support of all other departments of the City that are engaged in the procurement of goods and services. Further, the provisions of the SBO Policy shall apply to all eligible contracts awarded by the City, subject to the requirements of controlling Federal and/or State law and except as specifically exempted herein.

**III. PURPOSES AND OBJECTIVES OF THE SBO PROGRAM**

The purposes of the City’s SBO Program are to:

1. Ensure that small City of Savannah-based (local) entities are provided sufficient opportunities to meaningfully participate in City of Savannah-funded contracts; and
2. Ensure that entities that meet the eligibility criteria stated herein are permitted to participate in programs established by this policy.
3. Administrative Procedures. Develop, through the City Manager or their designee, the provisions of this policy. However, to the extent that there is any conflict between this Policy and those procedures, the provisions of this policy shall control.
4. Advocate and promote access to contracting and procurement opportunities with the City.
5. Develop programs that will increase the participation of LSBE, M/WBE, and/or L/DBE businesses in city contracting and procurement activities in order to achieve equal opportunity;
6. Monitor and assess the utilization of LSBE, M/WBE, and/or L/DBE businesses in City contract and procurement activities;

7. Monitor and assess the compliance by contractors with the SBO Policy on City contracts;
8. Identify LSBE, M/WBE, and/or L/DBE businesses and promote their awareness of City contracting opportunities;
9. Develop and implement programs that provide assistance and training to less experienced small businesses, as well as established small businesses working to expand their company's capacity.
10. Recommend revisions to policies or procedures that are a barrier to equal opportunity for LSBE, M/WBE, and/or L/DBE firms in City contracting and procurement activities.

The objectives of the City's SBO Program are to:

1. Remove barriers to the participation of LSBE, M/WBE, and/or L/DBE firms in City contracts;
2. Assist the development of LSBE, M/WBE, and/or L/DBE firms and their capacities so that they can compete in the market successfully outside of the SBO program;
3. Increase the number of LSBE, M/WBE, and/or L/DBE firms and the volume of their business with the City.

#### IV. DEFINITIONS

**Affiliate** – Any business entity that is a parent or subsidiary of, or is related to, an entity certified or seeking certification with the following relationship to another business:

1. Directly or indirectly owns or holds with the power to vote, five percent (5%) or more of the outstanding voting securities of such other business.
2. Five percent (5%) or more of whose outstanding voting securities are directly or indirectly owned or held with power to vote by such other business; or
3. Directly or indirectly controlling, controlled by, or under common control by or with such other business entity. *For the purpose of this definition the term "control" means possessing the power to exercise influence over the management practices and/or policies of a business.*

**Bid** - A written quotation, proposal or offer by a bidder or contractor to perform or provide labor, materials, equipment, supplies or services to the City of Savannah for a price certain, submitted in response to competitive bidding solicitation issued by the City of Savannah.

**Bidder** – A business enterprise that submits a Bid as defined herein.

**Business Enterprise** – A legal entity existing for the purpose of engaging in business for profit, including but not limited to a corporation, partnership, individual, sole proprietorship, joint stock company, joint venture or any other private, legally recognized entity.

**Certification** – The process by which a minority, woman-owned, or disadvantaged owned firms verify their status to the City of Savannah in order to be considered a Local DBE or M/WBE firm. Certification is a requirement of all businesses that are designated as M/WBE or L/DBE with the City and is a prerequisite to participation in incentives of the SBO Program.

**City and City Limits** – The incorporated city limits of the City of Savannah, Georgia and its annexed boundaries, as the same may be amended from time to time.

**Savannah Business Opportunity Program** – All requirements of this Policy, as well as any administrative policies or procedures adopted pursuant to this Program.

**Local Disadvantaged Business Enterprise or LDBE** – A local entity certified as a DBE by any federal or state agency.

**Commercially Useful Function** - Real and actual service in the discharge of any contractual endeavor, including the execution of a distinct element of work by actually performing, managing and/or supervising the work, in accordance with normal business practices, when the firm receives due compensation for the work performed; a supplier is considered to have performed a commercially useful function when it is a manufacturer or a regular dealer.

**Compliance** – The condition or status of a prime contractor whose bid demonstrates that it complies with the SBO contract goals.

**Construction** – The process of building, altering, repairing, improving or demolishing any public structure or building, or other public improvements of any kind to any public real property. It does not include the routine operation, routine repair or routine maintenance of existing structures, buildings or real property.

**Continuous Operating Presence** – An entity with a current business tax certificate issued by the City of Savannah; with a physical address, located within the geographical limits of City of Savannah (not a P.O. Box); that has continuously maintained a local address for at least one (1) year prior to application for certification;

**Contract** – Any and all agreements, regardless of what they may be titled, for the procurement of supplies, services, or construction.

**Contract Compliance Officer-** The city official responsible for ensuring compliance with and adherence to SBO goals in a given contract.

**Contractor** – Any business enterprise that has entered into a contract with the City or agency thereof.

**EDD** – City of Savannah Economic Development Department

**EDD Program Coordinator** – The City official that is assigned the responsibility for developing, managing, implementing, and evaluating the SBO Program.

**Goal** – The percentage of DBE and LDBE participation on a given project. A cumulative annual goal is established for the total dollar value of all City of Savannah contracts.

**Good Faith Effort** – Efforts to achieve a L/DBE or LSBE goal or other requirement of this part which, by their scope, intensity, and appropriateness to the objective, can reasonably be expected to fulfill the program requirement.

**Joint Venture** – A cooperative agreement between two entities (businesses) for a specific purpose and scope of work. The agreement is short term in nature and is a tool to identify assets contributed to the JV and how proceeds will be allocated between the owner entities.

**Local** – A business that is located within the incorporated city-limits of the City of Savannah and, at the time of bid submission, has a current City of Savannah business tax certificate which authorizes the bidder or business to sell the particular item(s) offered in the bid or quotation.

**Local Small Business Enterprise** (hereinafter referred to as an “LSBE”) shall mean a business entity, registered with the City of Savannah as such under the requirement of this policy and is located within the City of Savannah and maintains a continuous operating presence as stated in this policy.

**LSBE Review Panel** – is a staff panel of City of Savannah employees who are decision makers comprised of the following individuals or their designees: EDD Director, SBO Manager, User Department Representative (usually the Project Manager), Purchasing Director and/or Purchasing Buyer. The purpose of this panel is to review projects on an “as needed” basis for the purpose of reviewing a specific project goal or goal strategy.

**Mayor and Aldermen of the City of Savannah** – The official name of the municipal corporation known informally as the City of Savannah or Savannah; as used herein the term “the City” shall have the same meaning.

**Minority or Woman-Owned Business Enterprise (M/WBE)** – is one that is at least fifty-one (51%) percent owned and controlled by one or more socially and economically disadvantaged individuals.

**Non-Compliance** – The status of a bid or bidder who fails to comply with the L/DBE contract goals upon submission of a bid or proposal.

**Non-Discrimination Statement** – The statement made by a bidder relating to its conduct prior to submission of a bid, as well as after the award of a contract, that the bidder agrees to:

1. Follow the policies of the City of Savannah relating to the participation of L/DBEs and/or M/WBE;
2. Undertake measures to ensure the maximum practicable participation by L/DBEs and/or M/WBE; and

3. Not engage in discriminatory conduct against L/DBEs and/or M/WBEs inconsistent with the policy.

**Non-Local** – Any business that does not meet the definition of “Local,” recited above.

**Non-Responsive Bidder** – A bidder who has submitted a bid which does not conform in all material respects to the requirements set forth in the invitation for bids.

**Offeror** – Any person, firm, corporation, or partnership that submits a bid or proposal to provide labor, goods or services to the City where funds are expended; the term includes bidder and proposer.

**Personal Net Worth** – The value of the assets of an individual after total liabilities (not including contingent liabilities) are deducted. For purposes of LSBE certification, an individual’s personal net worth shall not include either the individual’s ownership interest in any LSBE applying for certification or certified by the City of Savannah, or the individual’s equity in his or her primary place of residence.

**Prequalification** -- The process whereby potential bidders submit their qualifications to the City for evaluation to determine if they are capable of performing the work that is being solicited and therefore, eligible to bid on the project or submit a proposal. Prequalification is a prerequisite to submitting bids or proposals, but not a guarantee of being awarded a contract.

**Prime Contractor** – Entity awarded a City of Savannah contract.

**Procurement** – The process of buying, renting, leasing or otherwise obtaining or acquiring any real or personal property, supplies, materials, equipment or services.

**Professional Services** – Services which require licensure as a prerequisite to participation for a profit and which involve predominantly mental or intellectual labor and skills, including but not limited to, architects, engineers, surveyors, doctors, and accountants.

**Schedule of L/DBE Subcontractor Participation** – A formal bid document which expresses how a contractor will meet the L/DBE goals of a contract by listing the proposed L/DBE or M/WBE subcontractors and/or suppliers it will use on the City project on which it is bidding.

**Purchasing** – The buying, renting, leasing or otherwise obtaining or acquiring any real or personal property, supplies, materials, equipment or services.

**Purchasing Director** – The City Official appointed by the City Manager to be the head of and administer the City’s Purchasing Department.

**Qualifier** – An offeror who has submitted required documentation to become eligible to submit a bid on a specified project.

**Responsible Bidder or Offeror** – A bidder who has the capacity, in all respects, to fully perform the contract and all of its requirements and the demonstrated experience, reliability, facilities, equipment and credit to reasonably assure performance.

**Responsive Bidder** – An offeror that has submitted a bid which conforms in all material respects to the requirements set forth in the invitation for bids.

**Subcontract** – An agreement between the contractor (prime) and another business entity (subcontractor) for the performance of work that is part of the prime contractor’s contract with the City.

**Subcontractor/Supplier Opportunity** – An area of business or work necessary for the performance of a City contract in which there is one or more L/DBE or M/WBE subcontractor/sub consultant/supplier.

**User Department** – Client department for which the project is being undertaken.

**Verification** – The process by which businesses are determined to qualify as L/DBEs, M/WBEs and/or LSBEs by the City of Savannah. For the purposes of bidding on City of Savannah contracts, the bidder must verify the subcontractor’s claimed status as a L/DBE, M/WBE.

## V. IMPLEMENTATION OF THE SBO POLICY

The City Manager shall implement and administer the City's SBO Policy through the City's SBO Program. The City Manager may delegate authority to execute components of the SBO Program.

### 1. SBO ENHANCEMENT SERVICES

Under this SBO Policy, the City shall:

- a. Conduct vendor certification to verify that self-identified LSBEs or M/WBEs meet the definition of such enterprises as set forth in this policy. Documentation may be requested for certification. The SBO Office may accept certifications from other recognized government agencies or entities which conduct DBE or M/WBE certification and whose defining criteria satisfy the City's definition.
- b. Maintain a current directory of registered L/SBE firms as well as certified L/DBE and M/WBE firms and the commodities and/or services they offer. The SBO Office shall regularly update these directories on the City's website ([www.savannahga.gov](http://www.savannahga.gov)).
- c. Provide technical assistance to City departments relating to the implementation of the SBO Program.
- d. Provide technical assistance related to meeting the requirements of this policy to bidders and proposers on City contracts, including how to identify qualified LSBEs, L/DBE and M/WBE subcontractors, how to contact them and how to solicit subcontract bids from such firms.
- e. Provide and make available and/or disseminate information regarding contract and/or procurement opportunities with the City via flyer mailings, post cards, faxes and/or other methods, to contractors and subcontractors.
- f. Provide technical assistance to prospective and current contractors and bidders concerning steps necessary to bring them into compliance with SBO program requirements.
- g. Review and approve the City's invitations to bid, requests for proposals, specifications and plans, prior to formal advertising or solicitation, to ensure they comply with and promote the goals of the SBO Policy.
- h. Attend pre-bid/pre-proposal conferences to review with prospective bidders and proposers the SBO program generally, where applicable review project L/DBE Participation Goals, and to respond to questions and/or concerns.
- i. Review and evaluate bids as well as evaluate and score Request for Proposals prior to the award to verify LSBE status and/or L/DBE goal compliance.
- j. Certify all bids and contracts awarded by the City to meet all requirements of the SBO program policy.

- k. Identify and evaluate specific barriers that have limited LSBE, L/DBE or M/WBE participation in City procurement opportunities and develop possible solutions to eliminate or ameliorate the impact of these barriers on participation, e.g., worker's compensation, insurance and bonding requirements.
- l. Provide technical assistance concerning joint ventures and/or mentor-protégé partnerships between L/DBEs and non-L/DBEs or between two or more LSBE and L/DBEs.
- m. Collect and maintain accurate and up-to-date data and records demonstrating LSBE, L/DBE and/or M/WBE efforts and accomplishments under this policy, and generate reports, as needed or upon request, which document the same, the progress of this policy, and any suggestions to improve it.

## **2. CERTIFICATION AND REGISTRATION**

The City desires that local small businesses have an equal opportunity to participate in its procurement process and provide their goods and services to the City, including as subcontractors who do not themselves bid directly on City contracts. It is therefore necessary that the City have credible and reliable means of identifying "legitimate" L/DBE, M/WBE, and LSBE firms. To this end, the City will manage and maintain a formal certification process to substantiate the legitimacy of the firm's ownership and control as an M/WBE firm doing business in this market. The certification will be for a period of three years per application cycle with an opportunity to renew and remain certified. LSBE firms will be engaged in a registration process to identify local small businesses qualified to participate in the Savannah First Program.

### **Minority and Woman-Owned Business Enterprise Program (M/WBE)**

Eligibility standards, criteria, and the procedures for certification as an M/WBE by the City of Savannah will be set forth in a document titled Minority and Women-Owned Business Enterprise Certification Program Rules and Regulations. The guidelines will include the following:

- a. The SBO Program Coordinator shall determine whether an entity is eligible for M/WBE certification.
- b. L/DBE Eligibility Requirements. In determining whether an entity meets the requirements for L/DBE eligibility, the Program Coordinator shall accept DBE certification from federal or state affiliates certifying businesses as a Disadvantaged Business Enterprise. The Program Coordinator shall also verify with the Revenue Department the firm's location for "local" designation.

### **Local Small Business Enterprise Program (LSBE)**

Eligibility Standards. In determining whether an entity meets the requirements for LSBE eligibility, the Program Coordinator shall verify that it meets the following criteria:

- c. Prior SBE Certification: All businesses certified as a City of Savannah SBE prior to the enactment of this provision shall be certified as an LSBE until their current certification expires or a decertification event occurs. These firms are automatically registered as an LSBE.
- d. The business seeking to register as an LSBE firm shall have a continuous physical operating presence in the City of Savannah for no less than one year prior to the application, evidenced by a Savannah business tax certificate.
- e. Eligibility is subject to the following gross revenue thresholds: Professional Services, when combined with all affiliates, shall have less than five million dollars (\$5,000,000) in average annual gross revenue calculated over the previous three (3) calendar years. Firms in General Services shall, when combined with any and all affiliates, have less than three million dollars (\$3,000,000) in average annual gross revenue calculated over the previous three (3) calendar years. Firms in Construction Services shall, when combined with any and all affiliates, have less than thirty-five million dollars (\$35,000,000) in average annual gross revenue calculated over the previous three (3) calendar years. Firms in Materials and Supplies shall, when combined with any and all affiliates, have less than seven million dollars (\$7,000,000) in average annual gross revenue calculated over the previous three (3) calendar years.
- f. No person with a legal or beneficial ownership interest, direct or indirect, with the entity or any affiliate of the entity shall have a personal net worth exceeding one million three hundred and twenty thousand (\$1,320,000).
- g. Discriminatory Actions Forbidden. No person or entity shall be denied LSBE classification on the basis of race, color, sex, religion, national origin, disability, age, marital status, political affiliation, sexual orientation, pregnancy, or gender identity and expression.

### **Registration criteria as an L/SBE**

- h. An entity seeking designation as an LSBE shall submit an affidavit demonstrating that the entity meets the eligibility requirements as stated above.
- i. The entity must identify which goods or services it provides or sells in the ordinary course of its business to customers other than the City of Savannah. An entity will only be registered to provide goods or services to the City of Savannah that the entity also provides to other customers in the ordinary course of its business.
- j. Brokers are not eligible for registration as an LSBE.

### **3. LOCAL SAVANNAH BUSINESS ENTERPRISE (LSBE) DIRECTORY**

The City will maintain a directory identifying all firms registered as LSBEs. The directory shall list the firm's name, address, phone and fax numbers, email and/or website addresses, and the type of work the firm performs as an LSBE. The directory will be regularly updated. The directory will be made available at the City's EDD office, by calling the EDD office, and on the City of Savannah's website at [www.savannahga.gov](http://www.savannahga.gov).

### **4. L/DBE PARTICIPATION GOALS**

A cumulative goal for participation by L/DBEs will be established annually for all City of Savannah contracts above \$100,000, except those contracts that are subject to other participation goals (e.g., federal DBE program) and those contracts to which goals are not assigned (e.g., sole-source contracts or emergency purchases). This cumulative annual goal will be based on historic procurement data and availability of DBE firms within the community. For eligible contracts, no less than 10% of the annual goal shall require participation by certified minority, woman-owned, or disadvantaged businesses considered local as defined by the City's Purchasing Ordinance.

#### **Contract goals shall be established as follows:**

- a. Unless the Program Coordinator determines that no L/DBE goal should be set on a contract for the reasons set forth below, the Program Coordinator shall establish an L/DBE Participation Goal on each City of Savannah contract.
- b. A L/DBE Participation Goal is not required to be set for each contract, and goals set on any given contract may be higher or lower than the cumulative annual goal, depending on factors including whether the contract contains scopes of work suitable for performance by subcontractors; the capacity and availability of L/DBEs to perform the work required under the particular contract; and L/DBE participation on other City of Savannah contracts.
- c. An L/DBE Participation Goal may not be set when the Purchasing Director determines, pursuant to the City of Savannah's Procurement Code, that a City of Savannah solicitation will be for a sole source purchase.
- d. An L/DBE Participation Goal shall not be set on those contracts that are subject to other participation goals (e.g., federal DBE program).
- e. LDBE goals shall be set as a percentage of the total value of the contract, excluding the amount that the City of Savannah reimburses to a Prime Contractor pursuant to the contract.
- f. Documentation used or calculations performed to establish each contract goal, or the rationale for deciding not to establish a goal for a particular contract, shall be maintained in writing by the Program Coordinator.

- g. The City Manager may waive the application of any previously established L/DBE contract goal, or may modify any L/DBE contract goal, after issuance of a solicitation but before the time of bid submissions, whenever the City Manager determines that such waiver or modification would be in the best interest of the City of Savannah.

## **5. SAVANNAH FIRST**

When a bid or proposal does not receive L/DBE participation goals, staff should consider bidding or releasing requests for proposal as a Savannah First procurement event. Savannah First is a bidding or proposal classification for LSBE (local) registered firms only. The city will award to firms who are registered as LSBE businesses. (Criteria for LSBE registration is identified in Section 2B of this policy.)

Savannah First Request for Proposals: When Evaluating RFPs classified under Savannah First twenty (20) points may be awarded for LSBE (local) firms and ten (10) points may be awarded to firms located within the incorporated limits of Chatham County (denoted by a business tax certificate from a municipality or the county).

Savannah First may not apply to bidding opportunities or Requests for Proposals for large construction or grant funded projects.

## **6. SATISFACTION OF L/DBE PARTICIPATION GOALS; GOOD FAITH EFFORT**

The process by which the City determines whether an Offeror has met the City's L/DBE goal will be set forth in a document titled Savannah Business Opportunity Standards of Operation for City Project Management. The guidelines will include the following:

- a. A bid shall be considered non-responsive unless a bidder meets either the L/DBE goal established for the contract or demonstrates Good Faith Effort to meet the L/DBE goal.
- b. In order to meet the L/DBE Participation Goal of a solicitation, a bidder entity must submit the following information on the Form 01310 which includes:
  - i. The names and addresses of each L/DBE or M/WBE that will participate in the contract;
  - ii. A description of the work that each L/DBE or M/WBE will perform;
  - iii. The percentage of the contract value that each L/DBE or M/WBE will receive.
  - iv. Written documentation, in a form acceptable to EDD, of the bidder's commitment to use each L/DBE or M/WBE whose participation the bidder submits towards meeting the contract goal; and
  - v. Written confirmation, in a form acceptable to EDD, from each L/DBE and M/WBE that it will participate in the contract as indicated by the bidder.
- c. The bidder should submit the above information as follows:

- i. Under sealed bid procedures, the information should be provided with the sealed bid response; or
  - ii. Under requests for letters of interest or requests for proposals, the information should be provided with the initial letter of interest or proposal.
- d. If the information required by section (b) above is not provided in accordance with section (c) above, the information must be provided to the City of Savannah within three (3) business days after EDD notifies the bidder that it has not provided all the required information with its response. Failure to provide the City of Savannah with this information within such three (3) business days may be cause for the response to the solicitation to be deemed non-responsive.
- e. Determination of Good Faith Effort (GFE).
  - i. A bidder shall not be denied award of a contract due to failure to meet the assigned contract goal if the bidder timely (within the timeframes provided in paragraphs (c) and (d) above, as applicable) provides documentation demonstrating the bidder's good faith effort to meet the goal, as determined by the Program Coordinator. In making such determination, the Program Coordinator shall consider the quality, quantity, and extent of the various efforts that the bidder has made to meet the goal.
  - ii. The efforts that may be considered by the Program Coordinator include, but are not limited to:
    - 1. Soliciting through activities such as attendance at pre-bid meetings, advertising through social media, e-alerts, local newspapers, radio, and television, or written notices, the interest of certified M/WBE and L/DBEs that have the ability and capacity to perform the contract work. The bidder must solicit this interest in a timely manner to allow the L/DBEs to respond to the solicitation. The bidder must show documentation of appropriate steps to follow up initial solicitations of L/DBEs and M/WBEs.
    - 2. Identifying the portions of the contract that could reasonably be performed by a L/DBE or M/WBE in order to increase the likelihood that the L/DBE goals will be achieved. This may include, where appropriate and commercially practicable, separating contract work items into segments more appropriate for participation by L/DBEs and M/WBEs.
    - 3. Providing each interested L/DBE with adequate information about the plans, specifications, and requirements of the contract in a timely manner.
    - 4. Negotiating in good faith with each interested L/DBE or M/WBE. Evidence of such negotiation includes the names, addresses, and telephone numbers of L/DBEs or M/WBEs that were considered; a description of the information provided regarding the plans and specifications for the work selected for

subcontracting; and explaining why an agreement could not be reached with an interested L/DBE or M/WBE to perform the work. The fact that there may be some additional costs involved in subcontracting with L/DBEs is not in itself sufficient reason for a bidder's failure to meet the contract L/DBE goal, as long as such additional costs are reasonable, as determined by the Program Coordinator in his or her sole discretion.

- iii. In determining whether a bidder has made a good faith effort, the Program Coordinator may also consider the level of participation proposed by the bidder and the level of participation proposed by other bidders. The closer the bidder's proposed participation is to the goal or to the proposed participation by other bidders, the greater the indication of good faith by the bidder.

## **7. SBO POLICY COMPLIANCE AND GOAL ACHIEVEMENT**

The City of Savannah wants to do business with local small businesses who are registered to do business with the City as well as requires the general contracting community and other prime businesses that bid on and participate in City procurement to be diligent in pursuing the involvement of L/DBEs and M/WBEs as subcontractors, sub-consultants and sub-suppliers and to follow both the letter and spirit of this policy. The City has developed procedures that outline how bidders can comply with this policy and demonstrate measurable and documented efforts to involve and seek the participation of L/DBE and M/WBE businesses in the general community for the provision of services, materials and equipment. It is the responsibility of the bidder to comply with this policy.

- a. L/DBEs and M/WBEs may not participate in a City of Savannah contract unless they are certified, at the time of bid submission/opening, to perform the type of work required by the contract. However, if it becomes necessary to substitute an L/DBE or M/WBE in order to meet the contract's participation requirements, an L/DBE or M/WBE firm may be substituted, provided that such L/DBE or M/WBE firm is certified at the time of the substitution.
- b. Only the work actually performed by a L/DBE or M/WBE (whether as a prime contractor or subcontractor) shall be counted toward satisfaction of the applicable goal.
- c. Contractors that use L/DBEs and M/WBEs as subcontractors on a City of Savannah contract must pay those subcontractors directly for all goods or services provided by the subcontractor within fifteen (15) business days of receipt of payment from the City of Savannah.
- d. L/DBEs and M/WBEs may participate in a City of Savannah contract only if they are performing a commercially useful function in the contract and are not acting as a broker.
- e. The administrative procedures adopted pursuant to this policy shall include procedures by which EDD will monitor L/DBE and M/WBE participation on City of Savannah contracts for which L/DBE Participation Goals or reserves are set.

- f. Each contract setting a L/DBE Participation Goal shall provide that when a L/DBE or M/WBE subcontractor is terminated by a prime contractor for any reason, including for cause, the prime contractor shall, with notice to and the concurrence of the Program Coordinator, substitute another L/DBE or M/WBE in order to meet the level of L/DBE Participation provided in the prime contractor's contract with the City of Savannah. The contract shall also provide that such substitution shall not be required in the event the termination results from the City of Savannah changing the scope of work under the contract and there is no available L/DBE to perform the new scope of work.
- g. All entities that bid on or participate in City of Savannah contracts subject to this policy are responsible for meeting the requirements of this policy and the requirements of any administrative procedures adopted pursuant to this policy. If an entity fails to comply with these requirements, the City Manager may exercise any administrative remedies available under the City of Savannah's Procurement Code, administrative procedures adopted pursuant to this policy, or any other right or remedy provided in the contract or under applicable law, with all of such rights and remedies being cumulative.

## **VI. SBO MENTOR-PROTÉGÉ INITIATIVE**

- a. In an effort to develop local small business talent and provide technical, administrative, and other assistance as required for contracting with the city, all projects valued over five million dollars (\$5,000,000.00) are required to be performed by entities who have engaged in a mentor-protégé partnership.
- b. Prime contractors must agree to become mentors and take on an LSBE, LDBE or MWBE protégé in an effort to enhance the potential of future of these firms. These protégés will include all LSBE, LDBE or MWBE on the LSBE registered listing or certified L/DBE or M/WBE listing as maintained by the city.
- c. If participation in the mentor-protégé initiative is required to submit a bid or proposal, prime contractors must also comply with this policy.
- d. Qualifying projects shall be performed by both mentor and protégé through a subcontract between those parties.
- e. The protégé will perform an agreed-upon amount of the contract assuming full responsibility for and supervision of that portion of the work and should be given credit or acknowledgement as the prime contractor for that portion of the work in future solicitations.
- f. During the term of the contract the mentor and protégé business must collectively provide to the department, a quarterly summary of the skills provided to the protégé, which shall include:
  - i. The type of collaborations and training being provided to the protégé to assist in the growth and development of their business. The areas of assistance that are encouraged include but are not limited to, bonding and insurance support, management and scheduling support;

- ii. Names and titles of the individuals from the mentor who are responsible for working directly with the protégé in the areas identified above;
  - iii. Names and titles of the individuals from the protégé who are responsible for working directly with the mentor in the areas identified above;
  - iv. The amount of time, nature and extent of managerial, technical, financial and bonding assistance provided;
  - v. A summary and explanation of any projects bid on or undertaken by the mentor-protégé partnership in the private sector or for a governmental entity other than the city of Savannah; and
  - vi. Any additional or further information required by the Economic Development Director.
- g. Protégés agree not to subcontract any of their work to other contractors without the written approval of the Economic Development Director or their designee.

## VII. ADMINISTRATIVE REQUIREMENTS

- a. Required L/DBE Contract Language. Each City of Savannah contract that contains L/DBE requirements, and each subcontract a prime contractor executes with a L/DBE in connection with that City of Savannah contract, shall include the following assurance: ***“No party to this contract may discriminate on the basis of race, color, sex, religion, national origin, disability, age, marital status, political affiliation, sexual orientation, pregnancy, or gender identity and expression in the performance of this contract. The City of Savannah’s contractor shall comply with all applicable requirements of the Savannah Business Opportunity Program in the award and administration of this contract. Failure by the City of Savannah’s contractor to carry out any of these requirements shall constitute a material breach of contract, which shall permit the City of Savannah to terminate its contract with the City of Savannah’s contractor or to exercise any other remedy provided under the contract, under the City of Savannah Code of Ordinances or Administrative Code, or under applicable law, with all of such remedies being cumulative.”***
- b. The Program Coordinator shall maintain a directory listing all City of Savannah approved LSBEs, L/DBEs and M/WBEs. The listing shall include each entity’s address, phone number, and the type(s) of work the entity has been certified to perform as an LSBE, L/DBE or M/WBE on a City of Savannah contract. The directory shall be revised quarterly and shall be made available to contractors and the public upon request. Links to state and federal DBE directories shall be made available on the City’s website and upon request.
- c. Whenever adjustments to criteria for M/WBE or LSBE eligibility and adjustments to the cumulative annual L/DBE Participation Goal are proposed, they shall be promptly published by the Program Coordinator on the website of EDD.

## **VIII. DECERTIFICATION AND APPEALS**

- a. **Certification Review.** EDD may, at its sole discretion, conduct a certification review of any certified M/WBE or LSBE. Upon request from EDD, a certified entity shall promptly provide EDD with any documents or information related to the entity's eligibility certification, and shall, upon request from EDD, promptly provide EDD access to its premises. Failure to promptly provide documents, information, or access may result in the decertification of the entity as provided below.
- b. **Notice of Decertification.** If EDD determines that a certified entity no longer meets the M/WBE or SBE eligibility requirements of this policy, or has otherwise violated the provisions of this policy, EDD shall send the entity a notice of decertification and transmit a copy to the Director of Purchasing.
- c. **Reapplication.** An entity that is decertified pursuant to this section may not reapply for certification until one (1) year after its decertification.
- d. **Appeals.** An entity that wishes to appeal a decertification may do so in accordance with the administrative policies and procedures adopted pursuant to this policy.