Janice K. Brewer, Governor
John S. Halikowski, Director
Jennifer Toth, State Engineer
Robert Samour, Senior Deputy State Engineer, Operations
Dallas Hammit, Senior Deputy State Engineer, Development

INFORMATION BULLETIN NO. 14-03

DATE: October 1, 2013

TO: ADOT Project Managers
Resident Engineers
Consultant Engineering Firms

FROM: Engineering Consultants Section (ECS)

SUBJECT: **SMALL BUSINESS CONCERNS (SBCs)**

Pursuant to 49 CFR Part 26.39, the U. S. Department of Transportation (DOT) requires the Arizona Department of Transportation (ADOT) to include in ADOT's DBE Program an element to incorporate contracting requirements to facilitate participation by Small Business Concerns (**SBCs**) in contract procurements for prime Consultants and Subconsultants by taking all reasonable steps to eliminate obstacles to SBCs' participation.

Effective October 1, 2013, all ECS contract advertisements, for professional architectural and/or engineering (A/E) service solicitations (See Section 4.49 [Participation By Small Business Concerns] & SOQ Section III [Disadvantaged Business Enterprises Program]) have been updated to include the SBC requirement.

SBCs are for-profit businesses registered to do businesses in Arizona that meet the Small Business Administration (SBA) size standards for average annual revenue criteria for its primary North American Industry Classification System (**NAICS**) code.

While the SBC component of the DBE Program does not require utilization goals on projects, **ADOT strongly encourages prime Consultants to utilize small businesses** that are registered in Arizona Unified Transportation Registration and Certification Systems (AZ UTRACS) on their contracts, in addition to certified DBEs. Visit AZ UTRACS, SBC Registration tab at https://adot.dbesystem.com/FrontEnd/StartVendor.asp to search for certified DBEs and registered SBCs that can be utilized on the contract. See attachment for an additional component of the DBE & SBC Program.

If you have any questions regarding this bulletin, contact the ECS at (602) 712-7525.

Michael J. DenBleyker, P.E., LEED AP
Manager (Acting)
Engineering Consultants Section

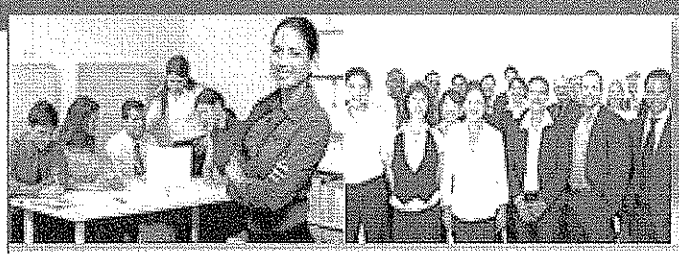
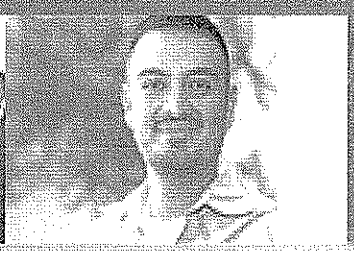
BENEFITS

- Centralized database of Small Businesses interested in working on transportation projects.
- Small businesses will become more visible to contractors, prime consultants, local agencies, and procurement officers with current and upcoming business opportunities.
- ADOT, City of Phoenix, City of Tucson and other local government contract advertisements and solicitations will include language that encourages utilization of Small Business Concerns.
- Small Businesses will be able to participate in DBE outreach, education, and networking events coordinated by ADOT.
- Certified DBEs will be able to expand their experience and capacity in areas outside their current certification which could lead to potential future certifications.
- Prime consultants and contractors will be able to more easily find local and small business vendors for their projects statewide.

Small Business Concerns(SBCs)
Component of the DBE Program

FEATURES

- Unified program with Cities of Phoenix & Tucson.
- Component of the Disadvantaged Business Enterprises Program (DBE) and not a separate stand-alone program.
- Aimed at helping to foster additional race-neutral DBE participation.
- Different from Phoenix and Tucson Small Business Enterprises Program (SBE).
- Will require simple registration rather than an elaborate certification process.
- Registration requirements include:
  - For–profit business registered to do business in Arizona
  - Independently owned and operated
  - Not dominant in its field on a national basis
  - Meets the Small Business Administration (SBA) size standard for annual income for its primary North American Industry Classification System (NAICS) code (http://www.census.gov/eos/www/naics/index.html)
- Certified DBEs are automatically registered SBCs.
- All SBCs throughout the State can register through the Arizona Unified Transportation Certification and Registration System (AZ UTRACS) , SBC Registration *tab* at https://adot.dbesystem.com/FrontEnd/StartVendor.asp

ADOT

Business Engagement and Compliance