



**pennsylvania**

DEPARTMENT OF ENVIRONMENTAL PROTECTION

Bureau of Clean Water

# **Grant/Loan Recipient DBE Solicitation Effort Help Guide**

The DBE solicitation process does not require you to hire a certain number of DBE firms and does not have goals. The purpose of the DBE solicitation requirement is to give DBE firms an opportunity to compete for work on the project.

**Included in these instructions are the steps to successfully perform your DBE solicitation for this project. Please read them carefully.**

**As a grant/loan recipient, you are responsible for soliciting DBE (includes both MBE and WBE) firms for any procurement you will need to complete your part of the project. This includes all construction, services, supplies and/or equipment.**

**DBE is a blanket term that covers both MBE and WBE firms.**

**For example, if your project consists of one general construction contract, you will need to solicit DBE prime contractors that handle that type of construction (DGS Keyword Search Reference on p. 7).**

**If your own workforces will be performing all of the work, but you will need to purchase supplies, then you will need to solicit DBE suppliers in the project area.**

**All DBE solicitation must be documented.**

## **Step 1: Advertise your Project**

The bid advertisement should be published at least 30 days prior to the bid opening date to allow sufficient time for potential contractors to submit bids. Grant/loan recipients should include the insert statement found below in bid specifications as well as make the Prime Contractor DBE Solicitation Effort Help Guide available to all potential contractors.

- Insert Statement:

### **Federally funded projects –**

*This project is being federally funded by EPA financial assistance dollars and therefore requires all contractors to demonstrate compliance with federal Executive Orders 11625, 12138, and 12432 and EPA Regulations at 40 CFR Part 33, through the detailed documentation of solicitation of Disadvantage Business Enterprises (DBEs). Contractors must demonstrate the Six Good Faith Efforts to identify and solicit DBE firms that are potential sources for any procurement action in the areas of project construction, equipment, services, and supplies by including state qualified small businesses, and minority and women owned business enterprises in the bidding process.*

## **Step 2: Determining your Procurement Needs**

### **What type of contracts did you advertise for?**

The ONLY website required to be used is the Pennsylvania Department of General Services (DGS) website. This site includes both MBE and WBE firms. Any other websites you use or any other DBE firms you solicit are in addition to this requirement and do not need to be included in your documentation.

Construction contracts – These types of contracts require you to solicit DBE firms to submit bids as potential prime contractors.

Equipment contracts – If you are purchasing equipment directly (rather than through a contractor), you are required to solicit DBE firms for the purchase of the equipment.

Services contracts – If you will be hiring a new engineer and/or entering into any type of service contract, you are required to solicit DBE firms for that service.

Supply contracts – If you will be purchasing supplies directly, you are required to solicit DBE firms for the purchase of the supplies.

### **Step 3: Department of General Services (DGS) website**

[\(https://www.dgs.internet.state.pa.us/SmallDiverseBusinessSearch/\)](https://www.dgs.internet.state.pa.us/SmallDiverseBusinessSearch/).

#### **How do you find DBE firms to solicit?**

The ONLY website required to be used is the DGS website. DGS maintains a database that lists DBE firms throughout the state. This site includes both MBE and WBE firms. Any other websites you use or any other DBE firms you solicit are in addition to this requirement and do not need to be included in your documentation.

#### **How do you use the Department of General Services website?**

Using your scope of work for each contract being bid, you will create a websearch for each contract. For example, if you have a general construction, an electrical, and a plumbing contract, you should have at least three websearches.

On p. 7 of this help guide, you will see a DGS Keyword Search Reference. If the description you are searching for is included in this list, you will use the code listed to search by.

If the description you are searching for is not included in this list, you will click on the “Code Look Up” button to locate a code to search by.

#### **How do you use the Code Lookup Button?**

- Go to <https://www.dgs.internet.state.pa.us/SmallDiverseBusinessSearch/>.
- Click on “Code Lookup Button”, which will bring you to the “Classification Code Criteria Selection” screen.
- Select the category (supplies=goods; subcontracts=service)
- Enter a description – do **not** be too specific.
- Click “Search” – do **not** click on “All Commodity Data to Excel” or “Search Results to Excel”
- “Classification Code Look Up Results” – Click on the most applicable Commodity Code. This will take you back to the screen you started on.

#### **What if no results are found?**

- Make sure that you are not being too specific in your description.
- Try using another description.
- If the results are none, print this page to show that there are no commodity codes on the DGS website to match your procurement.

### **Now that you have your commodity code(s) ...**

- Business Classification Code – You will either enter the code you found on p. 7 of this help guide or the code you selected using the “Code Lookup Button” will be automatically populated here.
- Do you want a listing of the companies who are assigned the sub-codes that fall under this specific category? This answer is defaulted to yes – do **not** change it.
- Vendor Name – Leave this blank.
- County – Leave this as ALL. It will take less of your time and paper to print a statewide search. Most searches do not take up more than one page.
- Small Diverse Business – Leave this as ALL.
- Items per page – It is recommended to leave this as 25. If you change it to a higher number, some of the information may be cut from the bottom of the page when printed or copied.
- Click “Search” – Do **not** click on “All Vendor Data to Excel” or “Search Results to Excel”.

### **No Vendor records were found for selection criteria!**

- If you see this message and have ensured that you did everything correctly, print this page and include it as part of your documentation. Unless there is another commodity code you can use to search with, you have not found any DBE firms for this item and do not have to solicit for it.

### **List of DBE firms ...**

- You’ve clicked “search” and now have a list of DBE firms. You will print this list using the print option in your Internet browser. The date of the search will automatically populate on your printout. This automatically populated date is required to prove it is a current, valid search. A websearch is considered current if it was printed within 90 days of the bid opening.
- Make sure to print ALL pages of your search. Most searches are only one page long, but if it is not, you will print all pages.

### **How many DBE firms do I have to solicit?**

- There is **not** a set number of DBE firms you have to solicit. You will include all *applicable* DBE firms in your solicitation.
- If the estimated cost of the contract will be less than \$750,000, your solicitation area consists of the project county and all of its surrounding counties.
- If the estimated cost of the contract will be more than \$750,000, or if the item or subcontract is considered specialized, your solicitation area consists of the entire state.

### **You should print a DGS websearch for each type of contract.**

## DGS Keyword Search Reference

We have listed below common DGS codes to help you in your use of the DGS website. Using these will give you a more accurate search of firms applicable to the project. If you have any questions regarding the suggested codes or need assistance with your searches, please do not hesitate to contact the Department at (717) 705-4090. It is important to develop accurate searches to help ensure a good faith effort.

### Common Search Terms used by Grant/Loan Recipients

*(County should be ALL and Small Diverse Business should be ALL for all searches)*

Legal Services:	94131603 (Legal Assistance Services)
Engineering Services:	81101500 (Civil Engineering)
Drinking Water/Sewer Prime Contractors:	83101500 (Water & Sewer Utilities) 72131700 (Infrastructure Construction)
Prime Contractors for Pipe Installation:	78102100 (Pipeline Services)
Electrical Prime Contractors:	72102200 (Electrical Services)
Plumbing Prime Contractors:	72102300 (Plumbing & Heating & Air Conditioning)

### Common Search Terms used by Prime Contractors for Supplies/Subcontracts

*(County should be ALL and MBE/WBE should be ALL for all searches)*

If searching for supplies:	If searching for subcontractors:	If searching for the following:
ready-mix concrete 30111505 (ready-mix concrete)	concrete 72101700 (concrete work) 73121805 (concrete or aggregates or stone products)	trucking 78101801 (local area trucking service) 78101802 (regional or national trucking services)
pipe 40142100 (pipe) 40142300 (pipe fittings)	pipe 78102100 (pipeline services)	video/photography 82131601 (Aerial photography services)
paint 31211500 (paints and primers)	paving 72131701 (highway or road paving or surfacing)	equipment rental 47101500 (water treatment & supply equipment)
stone 11111600 (stone)	excavation 71122307 (subsea dredging, trenching & excavation) 72103000 (site preparation)	surveying 81151604 (land surveying)
electrical supplies 25173900 (electrical components) 26121500 (electrical wire)	landscaping 72102902 (landscape services)	flagging 46161500 (traffic control)
landscaping supplies 30120000 (roads & landscape) 21100000 (agricultural & forestry & landscape)	boring 73181007 (boring services)	water meters 41112504 (water meters)
manholes 30121605 (manhole frames with covers)	electrical 72102200 (electrical services)	inspection 81141807 (plumbing or sewer inspection services)
pumps 40151500 (pumps)	plumbing/hvac 72102300 (plumbing & heating & air conditioning)	rain barrels 24112102 (barrels)

## **Step 4: Create your Solicitation Letter (sample on p. 9 of this help guide)**

### **How do I solicit the DBE firms found on the DGS website?**

IN A WAY THAT WILL PRODUCE A CONFIRMATION RECEIPT (by fax or email) – Telephone calls or in person contact are not considered part of a good faith effort. When using U.S. mail, certified mail receipts should be sent and kept.

Your solicitation letter should specifically describe the project; demonstrate a real desire for a positive response; and be sent in a timely manner to allow sufficient time (30 days) for contractors to develop bids.

### **Use your project description to create your solicitation letter.**

For example, if you have three different types of contracts, you will want to put the description of each in your letter. Be sure to include pertinent information such as the bid opening date and any pre-bid meeting dates and requirements. Please note that any changes in bid opening date, pre-bid meeting dates, or project descriptions will need to be communicated to the applicable DBE firms.

### **Do I need to personalize the letters/faxes/emails?**

**NO**, you do not need to personalize the letters. It will save you time and resources to follow the example on p. 9 of this help guide.

### **Documentation will be kept.**

If faxing, you should keep the fax transmittal logs. As long as you do not personalize the letters, a broadcast fax can be sent. If emailing, delivery receipts should be requested because read receipts will not always be sent back. If you are not sure what an email delivery receipt is, faxing is probably your best option. If your fax machine is not set up to generate a fax transmittal log, you should set it up to do so. If the fax number or email address does not work, you should call the DBE firm to obtain the correct fax number or email address to perform your solicitation. If sending certified mail, receipts should be kept.

### **Follow up solicitation.**

You should send a second solicitation letter to any DBE firm who does not respond to the initial solicitation. The follow up solicitation can use the original solicitation letter with “SECOND NOTICE” typed across the top. The documentation rules above apply to the follow up solicitation as well.

The follow up solicitation letter should be sent out approximately one week after the initial solicitation letter, but before the prebid meeting, if applicable.

Any correspondence received from DBE firms should be kept.

### **IMPORTANT**

The grant/loan recipient’s DBE solicitation effort **CANNOT** be fixed **AFTER** bid opening. Please contact the Department with any questions and/or concerns **PRIOR** to bid opening.

The Borough of XYZ

111 Main Street, Anytown, PA 11111  
(999) 999-9999  
FAX: (888) 888-8888

January 1, 20XX

DBE Prime Contractors

Reference: Contract 1: General Construction  
Contract 2: Electrical  
Contract 3: HVAC  
Contract 4: Plumbing  
The Borough of XYZ, Any County, PA  
Initial DBE Contact

To Whom It May Concern:

The Borough of XYZ is soliciting bids for the above referenced project. This project involves four prime contracts for the construction of (sanitary sewers and appurtenances, water mains, water tank, etc.).

This project is being funded or may be funded in part by a federal program. Solicitation of Disadvantaged Business Enterprise (DBE) firms is a requirement of this project. Accordingly, the Borough is soliciting bids for these contracts.

Enclosed please find a copy of the Advertisement of Bids for the above prime contracts. Our goal is to receive a positive response from your firm regarding any or all of these contracts. Please check the boxes below to indicate if your firm is interested in bidding on these contracts or not, and fax this page to our office at the above fax number.

DBE Firm Name \_\_\_\_\_

- We are interested in providing a bid for Contract \_\_\_\_\_. We will mail the check in the appropriate amount as payment for the plans and specifications, plus postage & handling.
- We are not interested in providing a bid for these contracts.

Plans and specifications are available for inspection at our office located at the above address. They are also available for inspection and purchase at \$\_\_\_\_\_ per set at the consulting engineer's office, ABE Engineering Corporation, 333 North Street, Penntown, PA 11113, (777) 777-7777.

Subcontractors on this project will be required to comply with all applicable regulations, including Presidential Executive Order Number 11246 regarding "Non-discrimination in Employment", and other applicable Federal regulations. These requirements are explained in the project specifications.

Bids for the project are due no later than February 1, 20XX, so your prompt attention is necessary. Please contact Harry Abraham of our staff with any questions regarding this project. Plans and specifications will be mailed to you upon receipt of your payment. If you are not interested, we ask that you still fax this letter back to us indicating so by checking the appropriate box. Thank you for your time.

Sincerely,

Xavier Y. Zimmerman  
President

Enclosure

## **Step 5: Prime Contractor Responsibilities and Bid Opening**

### **How do the potential prime contractors achieve DBE Compliance?**

The potential prime contractor is responsible for soliciting DBE firms for any items they will be procuring for the contract or project. See “Prime Contractor DBE Solicitation Help Guide” for their instructions.

### **Who is responsible for reviewing the potential prime contractors’ DBE solicitation documentation?**

The grant/loan recipient is responsible for reviewing the prime contractors’ DBE solicitation documentation and ensuring that it is in compliance.

See “Grant/Loan Recipient’s Review of the Prime Contractor’s DBE Solicitation Effort Help Guide” for instructions.

The prime contractor DBE documentation should be reviewed and found to be in compliance before you can submit your DBE Compliance package to the Department for review.

### **Do I request the potential prime contractors’ DBE documentation at the time of bid or after the low bidder(s) is determined?**

This decision is up to the grant/loan recipient. To save the amount of paper the potential prime contractor has to submit with their bid, it might be easier to request their documentation after you have determined the low bidder(s).

### **What happens after bid opening?**

The grant/loan recipient will review the identified low bidders’ DBE documentation (see the Prime Contractor DBE Solicitation Help Guide) and, if necessary, work with them to achieve compliance.

## **Step 6: Grant/Loan Recipient DBE Compliance Statement**

(3800-FM-BPNPSM0120). An electronic version can be found on our website ([www.dep.pa.gov](http://www.dep.pa.gov)) (Sample on p. 12 of this help guide.)

### **ALMOST DONE!**

Once Steps 1-5 have been completed and all of your documentation gathered, complete the Grant/Loan Recipient DBE Compliance Statement.

All of the applicable boxes will need to be checked off and signed by the authorized representative.

### **Who do I submit my DBE compliance package to?**

You will submit your DBE compliance package to the Department for review. See Step 7 of this Help Guide for a checklist of what should be submitted.

### **Who will review my DBE compliance package?**

The Department staff will review your DBE compliance package.

If they see any inconsistencies, they will either ask for an explanation or your project will be chosen for a full audit.

If your project is chosen for a full audit, you will need to submit all DBE documentation to the Department for review.

### **What is the difference between a compliance review and a full audit?**

#### **Compliance Review**

The information submitted to the Department for review is a snapshot of the documentation. As long as there are no inconsistencies in the DBE compliance package, the time frame for review is 10 business days.

#### **Full Audit**

You will submit all of the DBE documentation supporting the direct solicitation of DBE firms on behalf of the grant/loan recipient and the identified low bidder(s) of the contracts. As long as there are no inconsistencies in the package, the time frame for review is 30 business days.



**GRANT/LOAN RECIPIENT DISADVANTAGED BUSINESS ENTERPRISE (DBE)  
COMPLIANCE STATEMENT**

**GRANT/LOAN RECIPIENT NAME:** XYZ Borough

**GRANT/ME NUMBER:** 12345 **CONTRACT NUMBER:** 1

Project County Erie Contract Amt. \$1,000,000 Solicited:  Surrounding Counties

Statewide

Date of Advertisement 01/01/20XX Bid Opening Date 02/01/20XX Date Search Performed 01/01/20XX

Date of Initial Solicitation 01/01/20XX Date of Follow-up Solicitation 01/08/20XX Solicited by:  Email  Fax

**These items are being submitted with this compliance statement to PADEP.**

- Copies of advertisement and postings of solicitation for bids or proposal
- Copy of Grant/Loan Recipient's initial solicitation letter and follow-up solicitation letter
- Bid Tabulation for each prime contract
- Prime Contractor's DBE Compliance Statement – (original)
- Prime Contractor's contract procurement breakdown and copy of initial solicitation letter and follow-up solicitation letter
- Resolution of Authorized Representative

**These items are being retained by the Grant/Loan recipient.**

- Grant/Loan recipient has copies on file for review of all documentation that supports the direct search for and solicitation of potential participation of DBE firms in the competitive process. This includes the documentation related to web searches, contact correspondence, and contact logs.
- DBE solicitation documentation by Prime Contractor is on file for review. This includes the documentation related to web searches, contact correspondence, and contact logs.

As the authorized representative for the above named grant/loan recipient, I certify that the six good faith efforts have been performed in conformance with DBE regulations 40 CFR 33.301. All efforts made have been properly documented as outlined in the PADEP DBE Guidance Document. All documentation will be retained in accordance with applicable record retention requirements under the financial assistance agreement for the above named project. I understand such documentation is subject to an audit review by the US Environmental Protection Agency or the Pennsylvania Department of Environmental Protection, Division of Technical and Financial Assistance to further ensure compliance. By signing this statement the above named grant/loan recipient understands that the DBE regulations 40 CFR 33.105 include compliance and enforcement provisions to which the grant/loan recipient is subject. By signing this statement the above named grant/loan recipient understands that the DBE regulations 40 CFR 33.302 include additional contract administrative requirements that must be complied with.

The Prime Contractor's DBE solicitation effort has been reviewed and determined to be in compliance with the six good faith efforts as outlined in the PADEP DBE Guidance Document. Yes  No

Has the contract been awarded? Yes  No

If yes, it is understood that awarding any contracts prior to receiving a notice to proceed from DEP would be doing so at your own risk and project funds may not be eligible toward project costs.

\_\_\_\_\_  
Signature of Authorized Representative      Xavier Y. Zimmerman  
Printed Name of Authorized Representative      02/15/20XX  
Date

**MAIL TO:** Pennsylvania Department of Environmental Protection  
Bureau of Point and Non-Point Source Management  
Division of Technical and Financial Assistance  
P. O. Box 8774  
Harrisburg, PA 17105

## **Step 7: Checklist of what to Submit to the Department for Review**

Unless your project was chosen for a full audit, you should **ONLY** submit the following information for review:

- Grant/Loan Recipient DBE Compliance Statement** – One of these forms for each contract should be submitted with an original signature.
- Copy of Bid Advertisement** – A legible copy of the advertisement should be submitted. If you did not advertise, then this does not apply to you.
- Bid Tabulation for Each Prime Contract** – The engineer will certify the bid tab on either the first or last page.
- Copy of the Initial and Follow-Up Solicitation Letter for the Grant/Loan Recipient's DBE Solicitation Efforts** – Only one copy of each letter is necessary.
- Prime Contractors' DBE Compliance Statement** – Ensure that all of the fields are complete and submit with the original signature.
- Prime Contractors' Contract Procurement Breakdown** – Ensure that all items match the items listed on the Prime Contractor's solicitation letter.
- Copy of the Initial and Follow-Up Solicitation Letter for the Identified Low Bidders' DBE Solicitation Efforts** – Only one copy of each letter is necessary as long as the items on the letter match the items on the Prime Contractor's Contract Procurement Breakdown.
- Resolution of Authorized Representative** – This is necessary for all SAAP projects, but is not required for PENNVEST projects.