ORDINANCE NO. 020-121

AN ORDINANCE AUTHORIZING AN AMENDMENT TO THE SMALL BUSINESS ENTERPRISE (SBE) PROGRAM WITHIN THE AUTHORITY’S DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM

WHEREAS, The Chicago Transit Authority ("Authority"), as a recipient of federal funds, is required, pursuant to Presidential Executive Orders, the Surface Transportation Efficiency Act of 1991, and the Transportation Equity Act for the 21st Century and Title 49 of the United States Code, to adopt and administer a Disadvantaged Business Enterprise (DBE) Program; and

WHEREAS, The requirements for a DBE Program for federally-funded contracts are set forth in the DBE regulations (49 CFR Part 26) issued by the United States Department of Transportation ("USDOT"); and

WHEREAS, On March 6, 2000, pursuant to Ordinance No. 000-34, the Transit Board adopted a DBE Program for Authority contracts funded with federal funds; and

WHEREAS, Since the DBE Program was established, it has been amended multiple times including in March 2012, when it was amended to establish a Small Business Enterprise (SBE) Program that utilized the Small Business Administration’s size standards for small businesses pursuant to 13 C.F.R. Part 121, in which the Authority set aside certain contracts that fell within the maximum contract threshold of One Hundred Thousand Dollars ($100,000.00) for small businesses to bid on as prime contractors and required that prime contractors on certain larger construction contracts identify portions of the work to subcontract only to small businesses; and

WHEREAS, On July 15, 2013, the Transit Board authorized an amendment to the Authority’s SBE Program which increased the dollar amount of contracts under the program to a maximum of Three Million Dollars ($3,000,000.00), applied a personal net worth limitation of $1.32 million to participants in the Program, and amended the certifying agencies to include only the Authority, agencies that use the Authority’s standards, and the Illinois Unified Certification Program (“ILUCP”), thereby increasing the number of contracts that were eligible under the Program and making it more sustainable; and
WHEREAS, Staff proposes increasing the maximum contract threshold under the SBE Program to Five Million Dollars ($5,000,000.00) per contract for definite-quantity contracts and to Five Million Dollars ($5,000,000.00) per year for blanket contracts; now, therefore:

BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD OF THE CHICAGO TRANSIT AUTHORITY:

SECTION 1. The Chicago Transit Board hereby authorizes an amendment to the Authority’s Small Business Enterprise Program to increase the maximum contract threshold for small businesses to bid on as prime contractors from Three Million Dollars ($3,000,000.00) to Five Million Dollars ($5,000,000.00) per contract for definite-quantity contracts and to Five Million Dollars ($5,000,000.00) per year for blanket contracts.

SECTION 2. Subpart B, Section 26.39, Paragraph 8 of the Authority’s Disadvantaged Business Enterprise Program is amended to read as follows:

8. Two types of contracts may be included in the SBE Program: (1) Select blanket contracts with independent cost estimates (ICE) up to $5,000,000.00 per year and select definite-quantity contracts with ICEs up to $5,000,000.00 per contract will be identified to allow and encourage small businesses to bid as prime contractors. (2) Certain larger construction contracts will require that prime contractors identify portions of the work to subcontract to only small businesses.

SECTION 3. This ordinance shall be in full force and effect from and after its passage.

APPROVED: _______________     PASSED: _______________

Vice Chair       Assistant Secretary

December 16, 2020       December 16, 2020