Valley Water Ordinances No. 23-03 and No. 23-04 established a Small Business Enterprise (SBE) Outreach Program Policy for procuring construction and professional services contracts. The policy defines eligibility requirements for SBE and non-SBE bidders and proposers to receive an evaluation preference.

**SMALL BUSINESS ENTERPRISE**

A Small Business Enterprise is an entity certified by the California Department of General Services (DGS) as a Small Business, Micro-Business, or Small Business for the purpose of Public Works. Only DGS-certified entities will be considered for an evaluation preference.

**SBE BIDDERS AND PROPOSERS**

For construction contracts, an evaluation preference of 5% of the lowest initial bid total will be provided to SBE bidders when the lowest initial bid total is below $3M. A $150,000 evaluation preference will be provided to SBE bidders when the lowest initial bid total is above $3M. SBE proposers shall receive an evaluation preference of 5 percentage points for professional services contracts.

**NON-SBE BIDDER AND PROPOSERS**

Non-SBE bidders and proposers must subcontract at least 30% of their bid or proposal total to SBE subcontractors or demonstrate good faith efforts to be considered responsive. The evaluation preference will be based on SBE subcontractor participation levels.

**POST-AWARD REQUIREMENTS**

Valley Water will monitor SBE subcontractor and subconsultant payments. An SBE subcontractor and/or subconsultant cannot be substituted without Valley Water's approval. In addition, the SBE Outreach Program Policy requires that an SBE subcontractor or subconsultant can only be replaced with another SBE subcontractor or subconsultant.