

SHELTERED MARKET PROGRAM:

For projects that have been designated as Sheltered Market program. Only companies that meet the small business enterprise (SBE) criteria established by Broward County Ordinance 2004-07 will be able to participate. **Only vendors presently certified as an SBE, or those that obtain their certification prior to award, will be eligible for award of this contract. If not currently certified, a vendor recommended for award should obtain certification, not to exceed seven (7) business days from notification of award, from the Office of Economic and Small Business Development.**

In order to be considered a small business for the purposes of this project, the firm should be a certified Broward County Small Business Enterprise or must be certified before award and have an occupational license for at least one year prior to the bid or proposal opening and must have a physical address located within Broward County from where the SBE operates or performs business that is a substantial component of the goods or services being offered to Broward County. A post office box address shall not be used to establish a physical address. For professional consultants, annual gross sales averaged over the previous three-year period shall not exceed \$500,000; for firms in contractual services and commodities, annual gross sales averaged over the previous three-year period shall not exceed \$1,000,000; and for firms in construction, annual gross sales averaged over the previous three-year period shall not exceed \$3,000,000. This contract is categorized as commodity. Each business must be an independently owned and operated business which employs twenty-five or fewer permanent full-time employees. The business must serve a commercially useful function.

In order to provide commodities to Broward County under this solicitation, a firm must meet the standard of a regular dealer, provide a commercially useful function, and have a continuous operating presence in Broward County. Brokers, defined as consistent with industry practice for a particular contracting opportunity, are not considered to provide a commercially useful function, and will be rejected as not responsive. For purposes of this solicitation, the following terms and their definitions are applicable:

- a) A broker is a person or entity that fills orders by purchasing or receiving supplies from a third party supplier rather than out of its own existing inventory, and provides no commercially useful service other than acting as a conduit between his or her supplier and his or her customers.
- b) Commercially Useful Function - A business is considered to perform a commercially useful business function when it is responsible for execution of a distinct element of work of a contract and carries out its responsibilities under that contract by performing, managing and supervising the work performed. Businesses who merely act as a conduit do not perform a commercially useful business function and will not be eligible. In determining whether a business performs a commercially useful business function, consideration will include, but not be limited to: whether the business adds a value to the product or service provided; whether the business has a distributorship arrangement with the manufacturer of goods supplied; whether the business takes possession of the product or service provided; whether the business warrants the product or service provided; whether the business maintains sufficient storage space to keep the product in inventory; whether the business maintains sufficient inventory to meet the requirements of its contracts; and whether the business provides the product or service to the public or other business other than a governmental agency.
- c) Continuous Operating Presence - Continuous operating presence means a business entity with a current business tax receipt issued by Broward County, which has a physical business address located within the geographical limits of Broward County in an area zoned for the conduct of such business, and which has sufficient full-time employees in Broward County to perform all required work in connection with contracting opportunities covered by this contract. Firms may not use a County-owned site or County address alone to establish the required continuing operating presence in Broward County.
- d) Regular Dealer (Commodities) - In order for a firm to be designated a regular dealer to supply a given commodity, a firm must be an established, regular business that engages, as its principal business and under its own name, in the purchase and sale or lease of the products in question. In addition, a regular

dealer is a firm that owns, operates, or maintains a store, warehouse, or other establishment within Broward County in which the materials, supplies, articles or equipment of the general character described by the specifications and required under the contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business. One of the key considerations of being a regular, established dealer is the presence of an inventory of materials and/or supplies. Packaging, brokering, acting exclusively as a manufacturers' representative, or arranging or expediting transactions does not meet the definition of regular vendor. Exception: a firm may be a regular dealer in bulk items, such as petroleum products, steel, cement, gravel, stone or asphalt, without owning, operating or maintaining a place of business if the firm both owns and operates distribution equipment for the products and that distribution equipment is stored at a location within Broward County. Any supplementing of regular dealers' own distribution equipment shall be by a long-term lease agreement and not on an ad hoc or contract-by-contract basis.

All questions regarding the Sheltered Market program should be directed to Office of Economic and Small Business Development at (954) 357-6400. To certify with Broward County Office of Economic and Small Business Development, please go to the following internet link to fill out an online application: <https://bcegov3.broward.org/smallbusiness/applicationstart.aspx> or use the preprinted forms (Attachment "C").