

Working w/ Contractors on Government Projects

PRESENTED BY: JEFF ANDERSON

Why Government Contracts?

Federal, state and local governments use set-asides to promote equity and economic diversity in contracting.

■ Key Benefits

- Reduced competition: Contracts reserved exclusively for certified firms increase win rates for eligible companies like TGB/SDVOSB electrical subcontractors.
- Business development: Provides stable revenue, mentoring, and growth paths for small firms to build capacity.
- Contractor incentives: Primes add certified subs to meet goals and gain bidding edges.

Minnesota Targeted Group Business (TGB) Veteran Owned (VO) Program

- Eligibility Requirements
 - 51%+ ownership by woman, racial minority, veteran or person with substantial physical disability
 - Day-to-day + long-term operational control by qualifying owner (ownership alone insufficient)
- Reciprocity Benefits
 - Certification → eligible for:
 - MnDOT state-funded programs
 - Metropolitan Agencies (Hennepin County, Metro Transit, etc.)
- Key Benefits
 - Up to 12% bid preference on state sales/construction projects
 - Subcontracting goals for prime contractors (construction/consulting services)

CERT Program (Central Certification Program)

- Purpose
 - Helps small, local, historically disadvantaged businesses work with local governments
- Coverage Area
 - Minneapolis
 - Saint Paul
 - Hennepin County
 - Ramsey County
- Benefits
 - CERT Directory Listing: Visible to government procurement officers
 - Helps buyers find small, women-owned, minority-owned businesses

Teaming Agreements and Joint Ventures

(Helps firms collaborate on government contracts)

- Legal Structure
 - Teaming: No new entity (prime-sub relationship)
 - JV: Creates separate entity (LLC/partnership) sharing profits/risks
- Timing
 - Teaming: Pre-bid only → converts to subcontract
 - JV: Ongoing through contract performance
- Liability
 - Teaming: Prime solely liable to government
 - JV: All partners jointly liable
- Management
 - Teaming: Prime controls; sub negotiates workshare
 - JV: Shared control among partners
- SBA Rules
 - Teaming: Simpler affiliation avoidance
 - JV: Strict rules (rotating managing partner required)

Driving Sales – State of MN Contractors

Contractors providing electrical work on state contracts:

- Bloomington Electric
- Miller Electrical
- Huntington
- Premier
- SP Electric
- Witzel
- Design Electric
- Genes Electric
- Huntington
- North Country
- Service Electric
- Cossette Electric

Awards and Certifications

ATEK Distribution in Minneapolis named SBA's Minnesota Veteran-Owned Small Business of the Year 2025

Certifications

- Small Business Administration (SBA): Veteran Small Business Certification Program (VetCert)
- State of Minnesota Targeted Group Business(TGB); (Department of Administration, Office of Equity in Procurement): Minnesota Small Business Procurement Program, Service-Disabled Veteran Owned Business
- National Veteran Business Development Council (NVBDC): Service-Disabled Veteran Owned Business (SDVOB)
- National Veteran-Owned Business Association (NaVOBA): Service-Disabled Veteran's Business Enterprise (SDVBE)
- Disability:IN: Disability-Owned Business Enterprise™ (DOBE)
- Central Certification (CERT) Program: Small Business Enterprise (SBE)

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