



















**Example (7)**

#1	Bidder A	\$100,000
#2	Bidder B - (with Small Business Preference and 2% DVBE participation) Less the preference (5% or 50,000 max) Less the incentive (2% of \$100,000)	\$106,000 5,000 <u>- 2,000</u>
	<i>Adjusted bid for comparison</i>	<i>\$99,000</i>
#3	Bidder C - (with Small Business Preference and 3% DVBE participation) Less the preference (5% or 50,000 max) Less the incentive (3% of \$100,000)	\$107,000 5,000 <u>- 3,000</u>
	<i>Adjusted bid for comparison</i>	<i>\$99,000</i>

Applying the Small Business Preference alone, neither Bidder B nor Bidder C would be able to take the Low Bid position. Adding in the DVBE Incentive, the adjusted bid price of Bidder B and Bidder C are equal at \$99,000. Based on the award criterion, the bid would be given to the Small Business with the highest percentage of DVBE participation. The award will be made to Bidder C for \$107,000. Bidder C displaces the low bidder with a 3% incentive and Small Business preference.

**Example (8)**

#1	Bidder A	\$125,000,000
#2	Bidder B - (with 5% DVBE participation) Less the incentive (5% of \$125,000,000 or a \$500,000 max)	\$136,000,000 <u>- \$500,000</u>
	<i>Adjusted bid for comparison</i>	<i>\$135,500,000</i>

When applying the DVBE Incentive to Bidder B's bid, the maximum dollar value allowable would be \$500,000. The adjusted bid price of Bidder B is not less than Bidder A. Award would be made to Bidder A for a \$125,000,000 contract.