



WASHINGTON SUBURBAN SANITARY COMMISSION

COMMISSION SUMMARY

AGENDA CATEGORY: Office of Supplier Diversity & Inclusion (OSDI)

ITEM NUMBER:

DATE: Wednesday, September 18, 2019

SUBJECT	Briefing: FY 2019 OSDI Programs Performance Report (formerly "Legislative Report") and Small Local Business Enterprise Guidelines
SUMMARY	<p>In accordance with the Maryland Annotated Code, Public Utilities Article, §20-207 which states: By October 31st of each year the Commission shall issue a report to the Montgomery County and Prince George's County Senate and House Delegations to the Maryland General Assembly concerning:</p> <ul style="list-style-type: none"> (1) the implementation and administration of the minority business enterprise programs under this subtitle for the fiscal year ending on the preceding June 30; and (2) appropriate recommendations concerning the programs. <p>In accordance with the Maryland Annotated Code, Public Utilities Article, §20-304 which states: The Commission shall review the eligibility criteria and administrative procedures of the program each year to assess their effectiveness in furthering the purposes of the program. (§20-301 defines program as a local small business enterprise program)</p>
SPECIAL COMMENTS	<p>Attached for your review and use are the following:</p> <ul style="list-style-type: none"> ▪ Presentation -- FY 2019 OSDI Programs Performance Report ▪ FY 2019 OSDI Programs Performance Report ▪ Small Local Business Enterprise ("SLBE") Guidelines
CONTRACT NO./ REFERENCE NO.	N/A
COSTS	N/A
AMENDMENT/ CHANGE ORDER NO. AMOUNT	N/A
MBE PARTICIPATION	N/A
PRIOR STAFF/ COMMITTEE REVIEW	<p>Carla A. Reid, General Manager/CEO <i>CR</i></p> <p>Joseph F. Beach, Deputy General Manager of Administration <i>JFB</i></p> <p>Courtney Edmonds, OSDI Director <i>CE</i></p>
PRIOR STAFF/ COMMITTEE APPROVALS	
RECOMMENDATION TO COMMISSION	Information Only/Endorsement
COMMISSION ACTION	Information Only

Office of Supplier Diversity & Inclusion

FY 2019 Programs Performance Report

Commission Meeting
September 18, 2019

Strategic Priorities

- ▶ Spend Customer Dollars Wisely
- ▶ Enhance Customer Experience

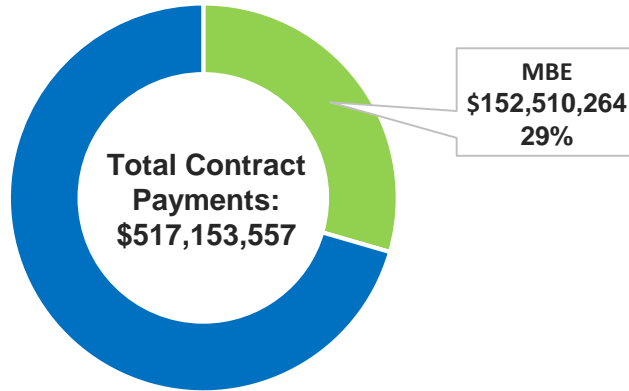
MBE Payments

FY 2019

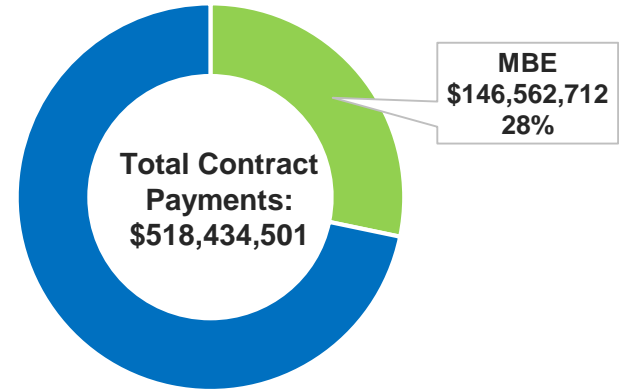
Minority Business Enterprise (MBE) Program Total Contract Payments

In FY 2019, WSSC Water's contract payments to *MBE firms totaled **\$152M (29%)**, compared to **\$146M (28%)** in FY 2018.

FY 2019 MBE Total Contract Payments



FY 2018 MBE Total Contract Payments



*Women Business Enterprise (WBE) payments are included in the MBE payments

MBE Payments

FY 2019

MBE Program Total Contract Payments by Contracting Area

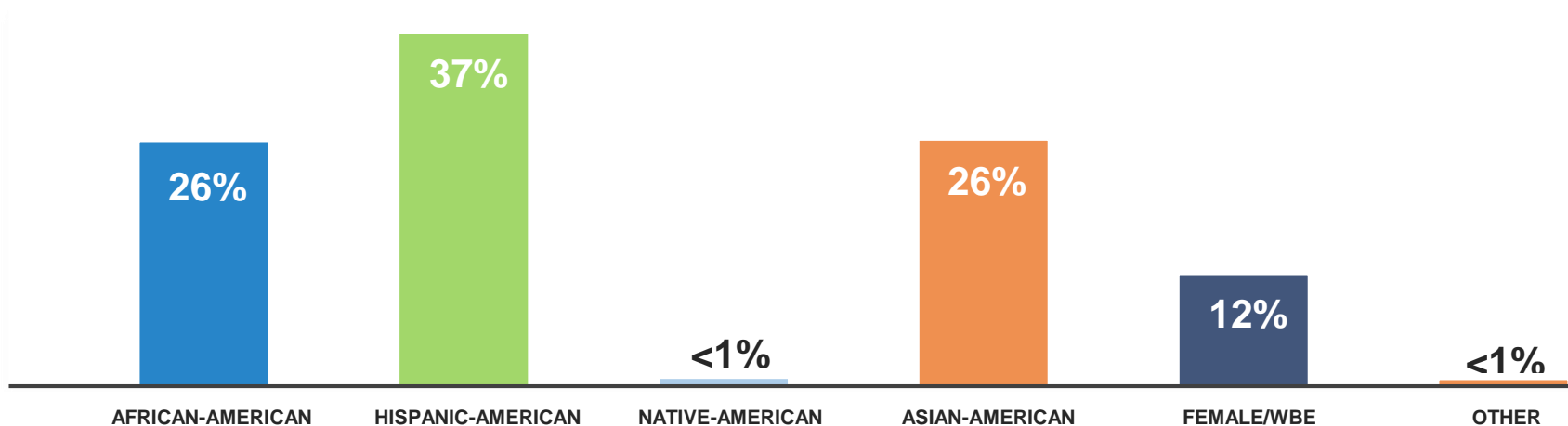
WSSC Water's MBE contract payments totaled **\$152M**, with **\$65M** in the Construction contracting area.

Contracting Area	MBE Payments	MBE Percent	Aspirational Goals	Majority Payments	Total Contract Payments
A/E Services	\$14,478,521	35%	24%	\$26,426,592	\$40,905,113
Construction Services	\$65,194,623	27%	13%	\$174,017,470	\$239,212,093
Goods & Services	\$53,979,201	33%	33%	\$109,024,173	\$163,003,374
Professional Services	\$18,857,919	25%	23%	\$55,175,058	\$74,032,977
Total for all Contract Areas	\$152,510,264	29%		\$364,643,293	\$517,153,557

FY 2019

MBE Program Total Contract Payments by Classification

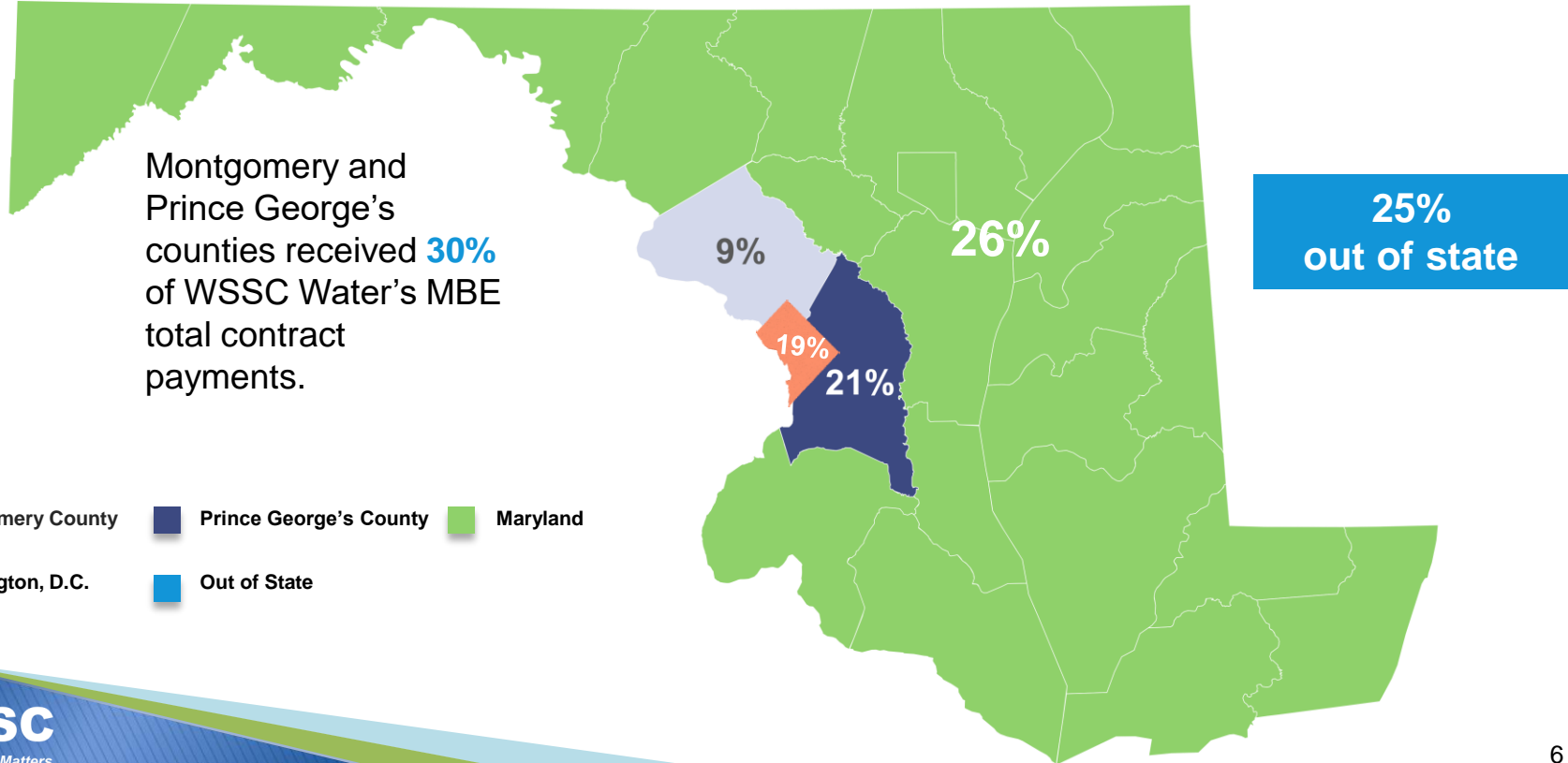
Hispanic-American firms received the largest share of MBE contract payments at **37%**. Asian-American firms received **26%** in payments, followed by African-American firms with **25%** of the MBE contract payments.



MBE Payments

FY 2019

MBE Program Total Contract Payments by Location



MBE Payments

MBE Program Total Contract Payments FY 2015 – FY 2019

Over the past five years, WSSC Water has paid **26%** of all contract payments to MBE firms.

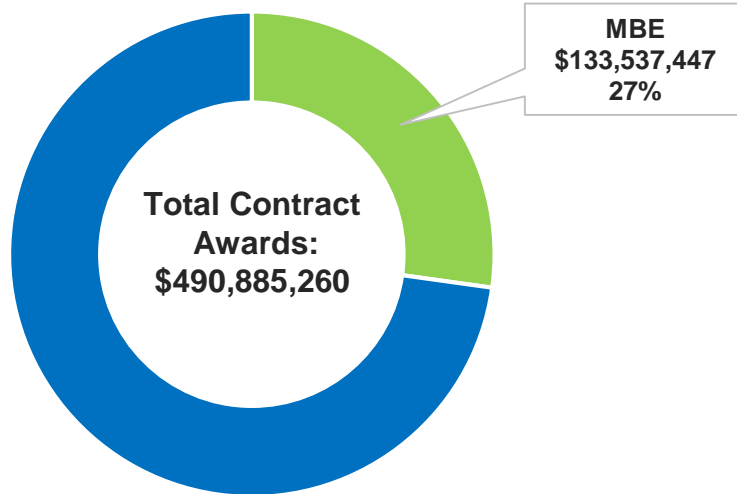
Fiscal Year	MBE Payments	MBE Percent	Majority Payments	Total Contract Payments
2015	\$134,409,006	25%	\$408,331,009	\$542,740,015
2016	\$114,832,166	20%	\$472,666,623	\$587,498,789
2017	\$156,900,804	27%	\$431,874,399	\$588,775,203
2018	\$146,562,712	28%	\$371,871,789	\$518,434,501
2019	\$152,510,264	29%	\$364,643,293	\$517,153,557
Total	\$705,214,952	26%	\$2,049,387,113	\$2,754,602,066

FY 2019

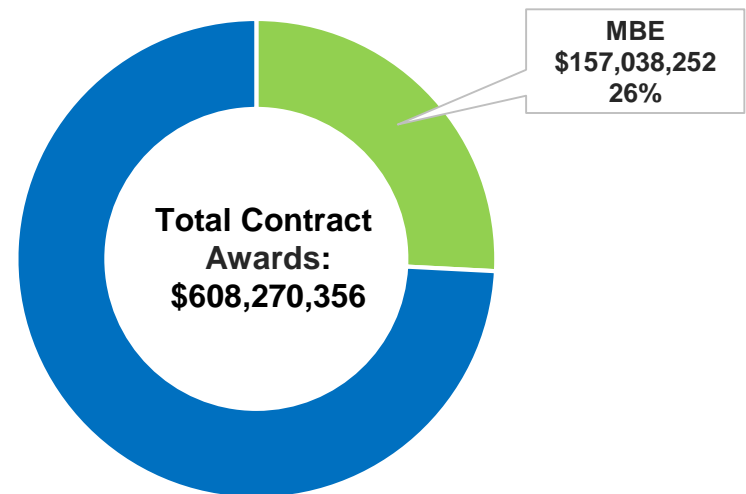
MBE Program Total Contract Awards

In FY 2019, WSSC Water awarded **\$133M (27%)** in contracts to *MBE firms, compared to **\$157M (26%)** in FY 2018.

FY 2019 MBE Total Contract Awards



FY 2018 MBE Total Contract Awards



*Women Business Enterprise (WBE) awards are included in the MBE awards

MBE Awards

FY 2019

MBE Program Total Contract Awards by Contracting Area

WSSC Water awarded **\$133M** in total contracts to MBE firms, with **\$60M** in Construction Services awards.

Contracting Area	MBE Awards	MBE Percent	Aspirational Goals	Majority Awards	Total Contract Awards
A/E Services	\$8,281,100	20%	24%	\$32,934,267	\$41,215,367
Construction Services	\$60,504,430	26%	13%	\$176,472,245	\$236,976,675
Goods & Services	\$42,209,179	26%	33%	\$123,080,140	\$165,289,319
Professional Services	\$22,542,738	48%	23%	\$24,861,161	\$47,403,899
Total for all Contract Areas	\$133,537,447	27%		\$357,347,813	\$490,885,260

MBE Awards

FY 2019

MBE Program Prime and Subcontractor Contract Awards

Of the **\$133M** in MBE contract awards, WSSC Water awarded **\$79M (59%)** in contracts to **Prime** MBEs and **\$54M (41%)** to MBE **Subcontractors**.

Contracting Area	Prime Percent of MBE Awards	MBE Prime Awards	MBE Sub Awards	Total MBE Contract Awards
A/E Services	0%	\$0	\$8,281,100	\$8,281,100
Construction Services	29%	\$17,577,004	\$42,927,426	\$60,504,430
Goods & Services	96%	\$40,384,348	\$1,824,831	\$42,209,179
Professional Services	94%	\$21,181,558	\$1,361,180	\$22,542,738
Total for all Contract Areas		\$79,142,910	\$54,394,537	\$133,537,447

MBE Awards

MBE Program Total Contract Awards FY 2015 – FY 2019

Over the past five years, WSSC Water has awarded an average of **29%** of all contracts to MBE firms.

Fiscal Year	MBE Awards	MBE Percent	Majority Awards	Total Contract Awards
2015	\$187,869,377	28%	\$486,419,520	\$674,288,897
2016	\$150,968,610	27%	\$414,737,966	\$565,706,576
2017	\$236,136,069	37%	\$406,535,728	\$642,671,797
2018	\$157,038,252	26%	\$451,232,104	\$608,270,356
2019	\$133,537,447	27%	\$357,347,813	\$490,885,260
Total	\$865,549,755	29%	\$2,116,273,131	\$2,981,822,886

FY 2019

Small Local Business Enterprise (SLBE) Program Total Contract Payments by Contracting Area

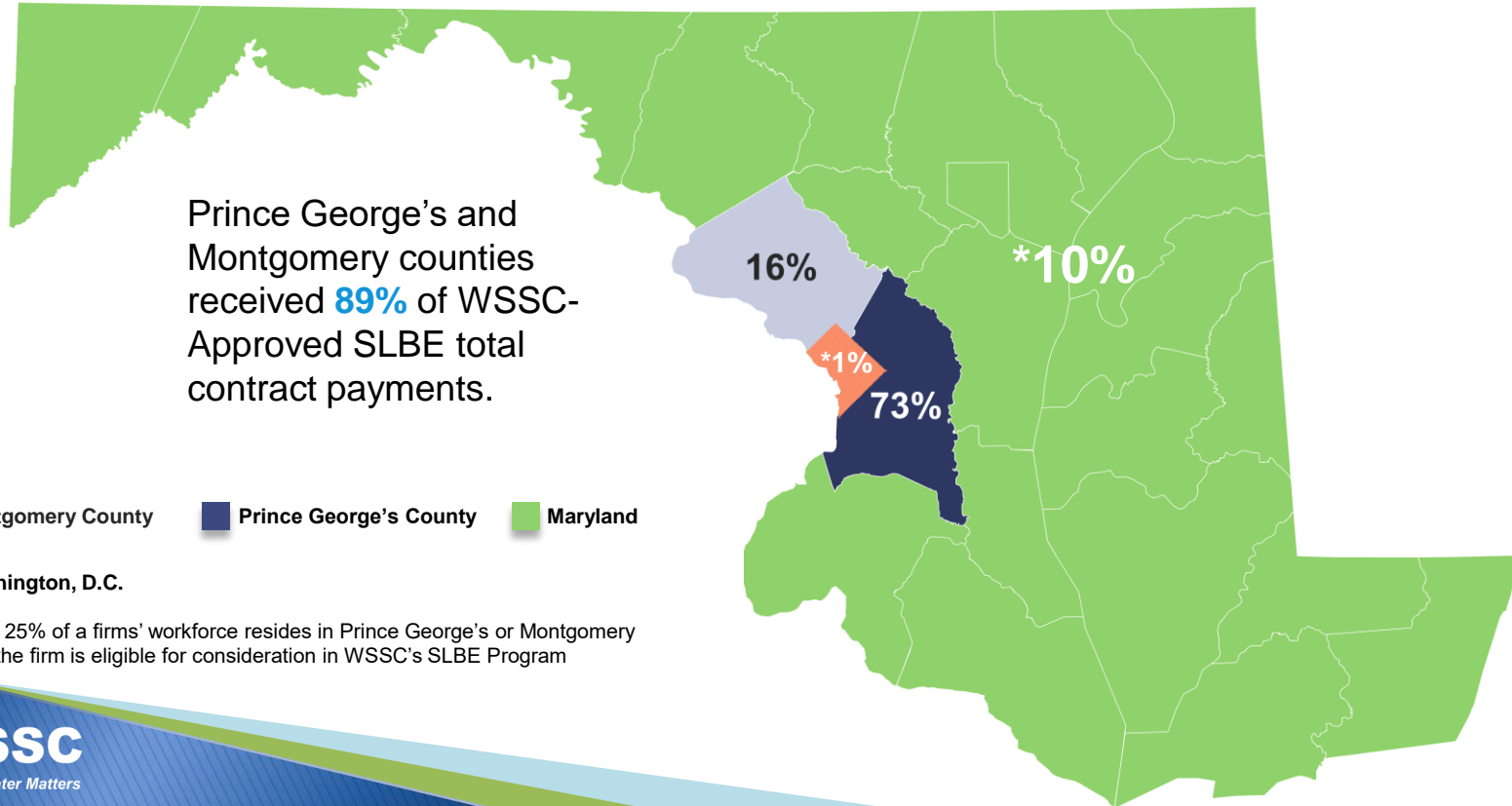
WSSC Water spent **\$34M** with WSSC-Approved SLBE firms, with **\$20M** in the Construction Services contract area.

Contracting Area	SLBE Contract Payments
A/E Services	\$355,846
Construction Services	\$20,128,130
Goods & Services	\$13,188,958
Professional Services	\$690,114
Total for all Contract Areas	\$34,363,048

SLBE Payments

FY 2019

SLBE Program Total Contract Payments by Location



*If at least 25% of a firms' workforce resides in Prince George's or Montgomery counties, the firm is eligible for consideration in WSSC's SLBE Program

FY 2019

SLBE Program Total Contract Awards by Contracting Area

WSSC Water awarded **\$29M** in total contracts to WSSC-Approved SLBE firms, with **\$23M** in the Construction Services contracting area.

Contracting Area	SLBE Prime Awards	SLBE Sub Awards	Total SLBE Contract Awards
A/E Services	\$0	\$3,010,000	\$3,010,000
Construction Services	\$4,499,000	\$18,805,324	\$23,304,324
Goods & Services	\$1,130,211	\$1,235,940	\$2,366,151
Professional Services	\$479,055	\$790,945	\$1,270,000
Total for all Contract Areas	\$6,108,266	\$23,842,209	\$29,950,475

Supplier Diversity Fiscal Year 2020

- ▶ Increased Compliance Efforts
- ▶ Technical Assistance Program (TAP In) Business Development Series
- ▶ FY 2020 Disparity Study



Questions?

Office of Supplier Diversity & Inclusion

Programs Performance Report



DRAFT

FISCAL YEAR 2019

July 1, 2018 – June 30, 2019



FISCAL YEAR 2019 OFFICE OF SUPPLIER DIVERSITY & INCLUSION PROGRAMS PERFORMANCE REPORT



July 1, 2018 – June 30, 2019

The Commissioners respectfully submit this report in accordance with §20-207 of the Public Utilities Article, Annotated Code of Maryland, which states:

By October 31st of each year, the Commission shall issue a report to the Montgomery County and Prince George's County Senate and House Delegations to the Maryland General Assembly concerning:

- the implementation and administration of the Minority Business Enterprise programs under this subtitle for the fiscal year ending on the preceding June 30th; and
- appropriate recommendations concerning the programs

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Message from WSSC Water's General Manager and CEO Carla A. Reid

WSSC Water is an innovative and mission-driven organization, focused 24/7/365 on delivering the essential: safe and reliable water to our 1.8 million customers in Prince George's and Montgomery counties. Our passion and dedication to safety is why I can proudly say that WSSC Water has never had a single drinking water quality violation in our 101 years of service to our customers.



And for the men and women of WSSC Water, it's all about improving service to our customers. This year, those improvements included implementing a modern and simplified rate structure that changed the way we charge for water and sewer. Additionally, we introduced a redesigned bill that is easier to read and enhanced our customer affordability program to help more customers.

As always, we are vigilant stewards of the public's money – saving tens of millions through strategic sourcing efforts, innovative solutions to improve operations, reduced overtime expenditures and other financially responsible measures. We also invest in innovative technology and approaches that streamline our efforts and result in cost savings to our customers.

We take great pride in delivering safe, seamless and satisfying water services to our customers in a financially responsible manner. But we cannot do it alone. We need help from a diverse network of private-sector partners. That's why we encourage small, local, minority and women business owners to "tap in" to all that WSSC Water has to offer! We look for highly-skilled, diverse suppliers whose fresh perspectives and innovation can help us solve complex challenges.

WSSC Water's Office of Supplier Diversity & Inclusion has received local and national attention for its successes in expanding opportunities to a growing number of diverse businesses in our community. The proof of the Office of Supplier Diversity & Inclusion's success lies in this Fiscal Year (FY) 2019 Programs Performance Report.

Some highlights in FY 2019 included:

- Spending more than \$152 million with Minority Business Enterprise (MBE) firms;
- Awarding more than \$133 million to MBE firms;
- Spending more than \$34 million with Small Local Business Enterprise (SLBE) firms; and
- Awarding more than \$29 million to SLBE firms.

While I'm ecstatic about the economic impact we had on our diverse business community last year, I'm even more excited about our future! Over the next six years (FY 2021 – FY 2027), we plan to invest \$3.7 billion in projects designed to enhance operations and customer service by replacing aging infrastructure. This investment will create and sustain thousands of local jobs and generate a significant economic impact for our local area.

Thank you for your ongoing support as we proudly embark on our second century of service delivering the one essential we cannot live without – safe, clean water.

Carla A. Reid

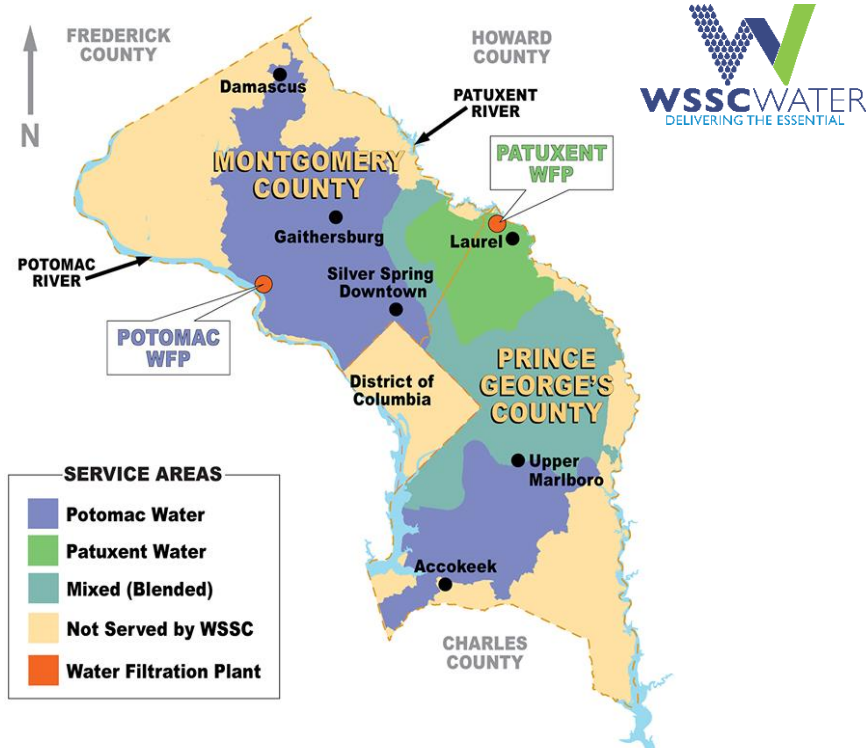
A handwritten signature in black ink, appearing to read 'Carla A. Reid'. The signature is stylized and cursive.

General Manager/CEO

About WSSC Water

WSSC Water provides life-sustaining water and resource recovery services that are critical to public health. Our work makes it possible for individuals, families, and businesses to enjoy quality of life. For more than 100 years, 24 hours a day, seven days a week, we have served our neighbors in Prince George's and Montgomery counties. We balance the needs of the present, protect the environment for future generations and ensure access to life's essential -- clean water.

Where Does My Water Come From?



WSSC Water is one of the largest and most advanced water and wastewater utilities in the United States, serving an area of some 1,000 square miles and nearly 1.8 million residents. WSSC Water operates three reservoirs, two water filtration plants, and six water resource recovery facilities. We maintain more than 5,700 miles of water main lines, more than 5,500 miles of sewer main lines, and perform 500,000 laboratory tests annually to ensure water safety and quality.

Our mission is to provide safe, reliable water and, return clean water to our environment, all in an ethical, sustainable and financially responsible manner.

WSSC Water understands that our success protects the health and well-being of communities, children, families, animals and the environment. Since our establishment in May 1918, WSSC Water has never had a water quality violation.

Supplier Diversity & Innovation at WSSC Water

WSSC Water is responsible for the procurement of services and commodities that are categorized in the contract areas of: Architecture and Engineering (A/E), Construction, Goods and Services, and Professional Services. WSSC Water engages our diverse supplier community through its MBE and SLBE Programs to purchase the services necessary to support the vision, mission, and values of WSSC Water.

In Fiscal Year 2019, WSSC Water broke ground on our largest and most technically advanced project in our 101-year history, the Piscataway Bioenergy Project. In addition to a highly innovative wastewater treatment process, this project includes a progressive design-build approach for engaging our diverse business community. The early engagement of diverse firms for the Design and Early Work Packages serves as a precursor to the unprecedented levels of participation we anticipate during the construction phase of this project. Estimated at a contract value of \$250 million, this project will have a significant economic impact throughout the region and generate hundreds of local jobs.

About WSSC Water (cont.)

Office of Supplier Diversity & Inclusion

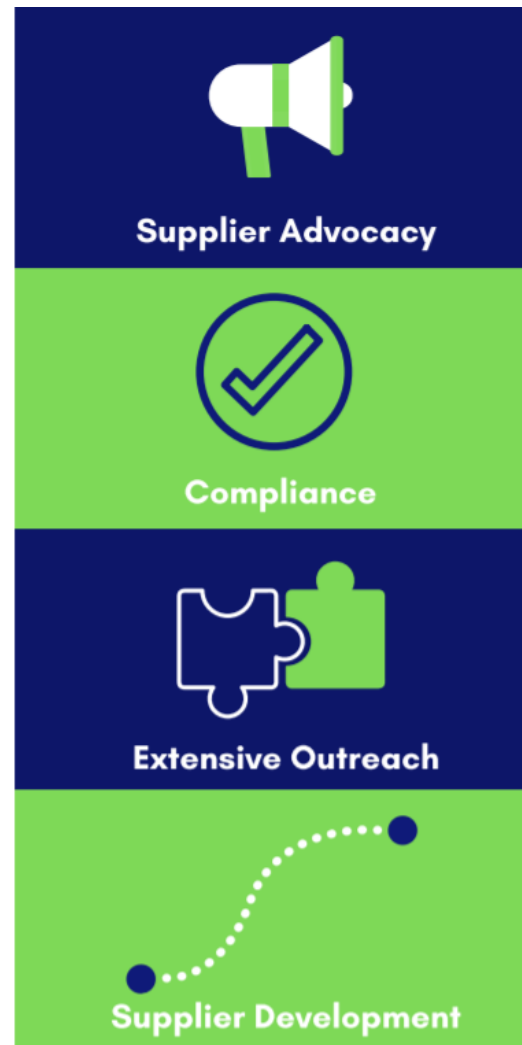
The Office of Supplier Diversity & Inclusion is committed to transforming and infusing innovation into WSSC Water's Supplier Diversity Program. Since 1978, the office has administered the Commission's MBE Program with the addition of the SLBE Program in 2001. Both programs continue to ensure that WSSC Water has a vendor base reflective of the community we serve. WSSC Water encourages strategic partnerships positioned to bring and sustain value-added goods and services.

WSSC Water has demonstrated a strong commitment to the economic development and advancement of diverse businesses by focusing on our four key areas – Supplier Advocacy, Compliance, Extensive Outreach and Supplier Development. The MBE and SLBE Programs are a reflection of our Commissioners, General Manager and Senior Leadership Team's commitment to the highest standards of diversity and inclusion in our procurement practices.



OFFICE OF SUPPLIER DIVERSITY & INCLUSION

The Office is strategically focused on advocating for diverse, small and local businesses; expanding access to contracting opportunities; developing a sustainable supply base and monitoring compliance and performance on Commission contracts.



Fiscal Year 2019 Performance Results: MBE Program

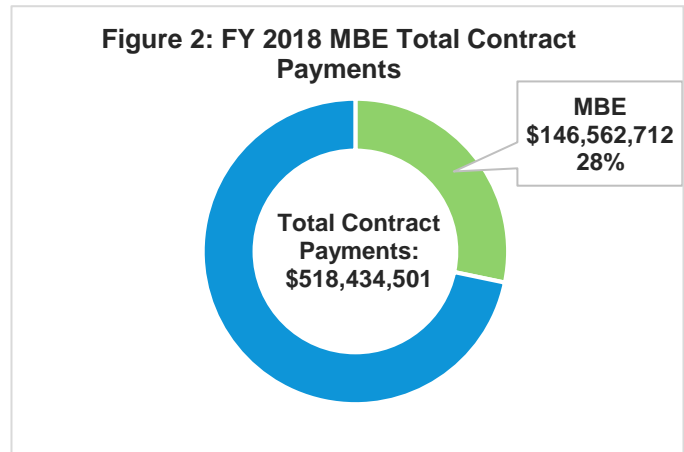
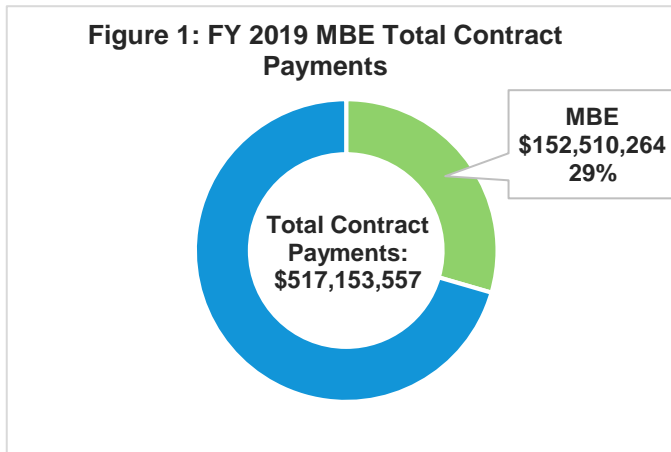
Minority Business Enterprise (MBE) Program

The MBE Program was established to mitigate barriers to contracting opportunities for MBE primes and subcontractors. The MBE Program is designed to promote greater availability, contract participation, and capacity development by MBE firms and Women Business Enterprise (WBE) firms in WSSC Water's contracts. WBE firms are included in the MBE figures throughout this report.

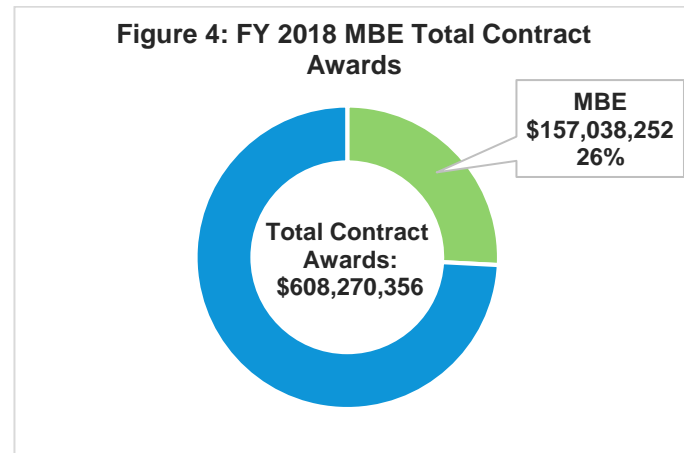
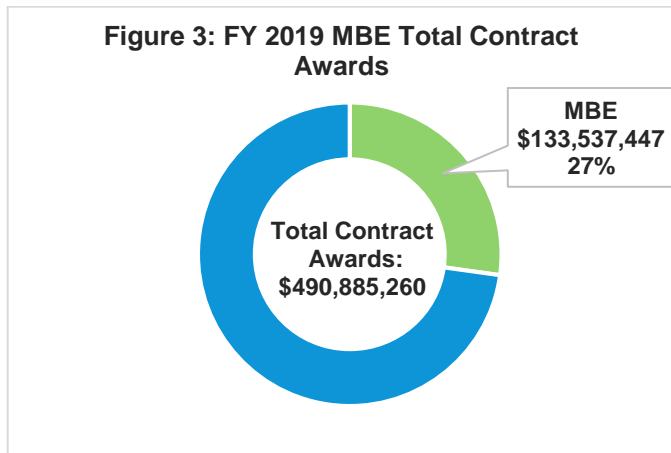
Key Findings:

- Total contract payments to MBE firms increased compared to FY 2018
- WSSC Water met or exceeded Aspirational Goals by Contracting Area for MBE Payments
- More than half of all MBE and Majority contract payments went to firms located in Maryland
- Total contract payments to MBE firms have increased steadily over the past three years
- Total contract awards to MBE firms increased compared to FY 2018
- Nearly 60% of all MBE contract awards were at the Prime level, as opposed to Subcontractor level
- SLBE firms received \$20 million of the \$34 million in contract payments from the Construction Services area

In FY 2019, WSSC Water paid more than \$152 million (29%) in total contract dollars to MBE firms (see Figure 1) as compared to \$146 million (28%) in FY 2018 (see Figure 2).



In FY 2019, WSSC Water awarded \$133 million (27%) in total contracts to MBE firms (see Figure 3) as compared to \$157 million (26%) in FY 2018 (see Figure 4).



Fiscal Year 2019 Performance Results: MBE Program (cont.)

Total MBE Contract Payments and Total MBE Contract Awards

For the purpose of the FY 2019 Office of Supplier Diversity & Inclusion Programs Performance Report, WSSC Water's total contract payments and total contract awards are based on the service areas of Prince George's and Montgomery counties, other surrounding communities/counties in Maryland, Washington D.C. and some out-of-state cities. The following pages provide data on the total contract payments and total contract awards for FY 2019.

Total Contract Payments

The cornerstone of the MBE Program and a key performance measure is the dollar value of total contract payments made to MBE firms. Actual contract payments to MBE firms measure the meaningful success of the MBE Program. The charts and graphs in the figures below provide a breakdown of MBE total contract payments. All MBE payments reported for Fiscal Year 2019 have been validated by MBE firms.

In FY 2019, WSSC Water's contract payments totaled \$517 million, while the MBE contract payments totaled more than \$152 million (29%), shown in Figure 5. WSSC Water's total contract payments are delineated by four (4) broad contracting areas: Architecture and Engineering; Construction; Goods and Services; and Professional Services. WSSC Water established MBE Aspirational Goals as a result of our 2015 Disparity Study for the four (4) broad contracting areas.

In FY 2019, WSSC Water met or exceeded the Aspirational Goals for each contracting area. Throughout the lifecycle of a contract, several variables will influence the utilization of contractors, including change orders, contract scope changes, and the availability of the proposed project team.

Figure 5: Summary of Total Contract Payments by Contracting Area

Contracting Area	Combined MBE & WBE Payments	MBE Percent	Aspirational Goals	MBE Prime Payments	WBE Prime Payments	MBE Sub Payments*	Majority Payments	Total Contract Payments
A/E Services	\$14,478,521	35%	24%	\$3,747,017	\$0	\$10,731,504	\$26,426,592	\$40,905,113
Construction Services	\$65,194,623	27%	13%	\$44,335,854	\$408,249	\$20,450,520	\$174,017,470	\$239,212,093
Goods & Services	\$53,979,201	33%	33%	\$35,944,484	\$10,857,598	\$7,177,119	\$109,024,173	\$163,003,374
Professional Services	\$18,857,919	25%	23%	\$11,259,713	\$4,188,794	\$3,409,412	\$55,175,058	\$74,032,977
Total for all Contract Areas	\$152,510,264	29%		\$95,287,068	\$15,454,641	\$41,768,555	\$364,643,293	\$517,153,557

*Subcontractor Payments are included in the MBE Payments

Fiscal Year 2019 Performance Results: MBE Program (cont.)

Figure 6 shows MBE contract payments by classification. Hispanic-American firms received the largest share of MBE contract payments — 37%. Asian-American firms received 26% in payments and African-American firms received 25% of the MBE contract payments.

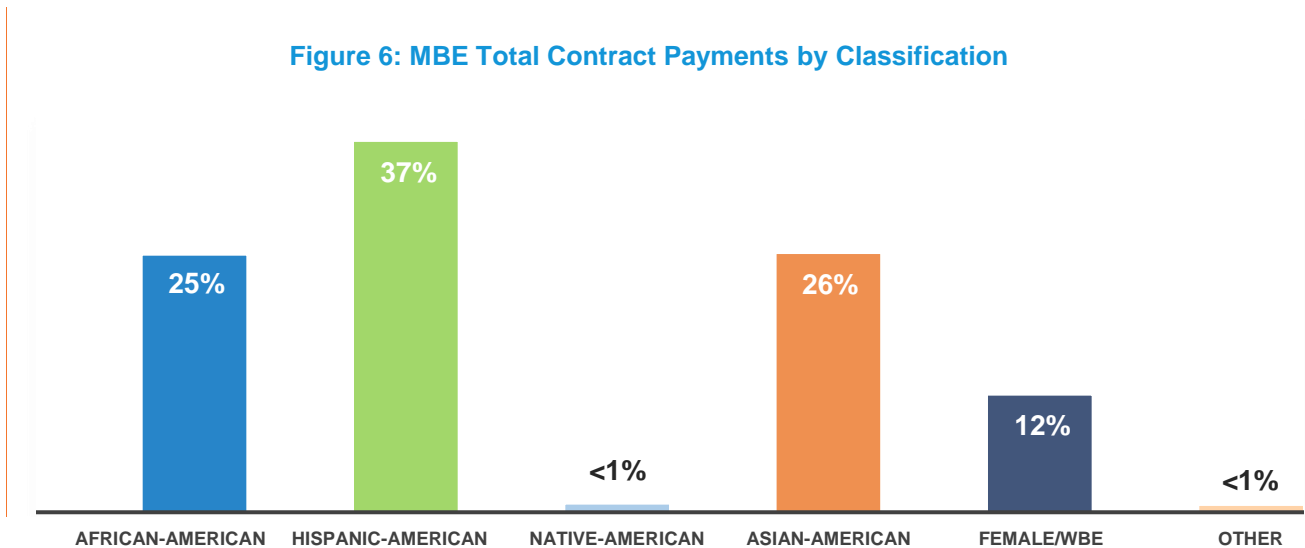
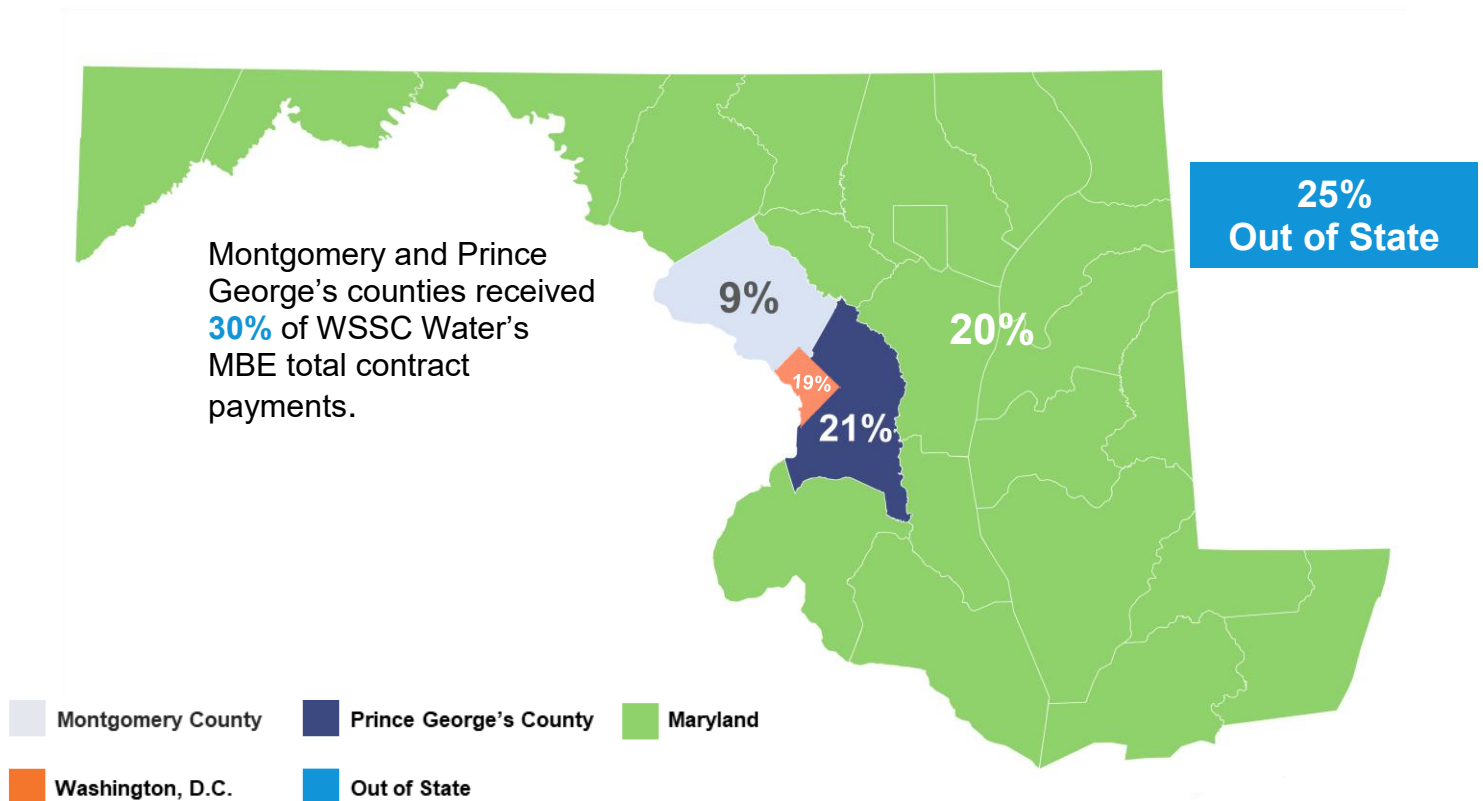


Figure 7 shows that Maryland firms received more than half of WSSC Water’s MBE contract payments in FY 2019. Of that amount, WSSC Water spent 21% with firms in Prince George’s County and 9% with firms in Montgomery County.

Figure 7: MBE Total Contract Payments by Location



Fiscal Year 2019 Performance Results: MBE Program (cont.)

Contract payments to MBE firms have seen a steady increase over the past three years, as depicted in Figure 8 below. Over the past five years, on average 26% of WSSC Water's total contract payments went to MBE firms. In FY 2019, 29% of WSSC's total contract payments went to MBE firms.

Figure 8: MBE Total Contract Payments, FY 2015 – FY 2019

Fiscal Year	MBE Payments	MBE Percent	Majority Payments	Total Contract Payments
2015	\$134,409,006	25%	\$408,331,009	\$542,740,015
2016	\$114,832,166	20%	\$472,666,623	\$587,498,789
2017	\$156,900,804	27%	\$431,874,399	\$588,775,203
2018	\$146,562,712	28%	\$371,871,789	\$518,434,501
2019	\$152,510,264	29%	\$364,643,293	\$517,153,557
Total	\$705,214,952	26%	\$2,049,387,113	\$2,754,602,066

Total Contract Awards

Contract awards serve as a leading indicator of future contract payments. Since contracts may have multi-year terms, the impact of contract award dollars on contract expenditures may extend beyond a single fiscal year. Figure 9 summarizes total contract awards in FY 2019. Total contract awards to MBE firms totaled \$133 million, or 27% of total contract awards.

Figure 9: MBE Total Contract Awards by Contracting Area

Contracting Area	Combined MBE & WBE Awards	MBE Percent	Aspirational Goals	MBE Awards	WBE Awards	Majority Awards	Total Contract Awards
A/E Services	\$8,281,100	20%	24%	\$8,281,100	\$0	\$32,934,267	\$41,215,367
Construction Services	\$60,504,430	26%	13%	\$60,504,430	\$0	\$176,472,245	\$236,976,675
Goods & Services	\$42,209,179	26%	33%	\$23,584,327	\$18,624,852	\$123,080,140	\$165,289,319
Professional Services	\$22,542,738	48%	23%	\$20,910,628	\$1,632,110	\$24,861,161	\$47,403,899
Total for all Contract Areas	\$133,537,447	27%		\$113,280,485	\$20,256,962	\$357,347,813	\$490,885,260

Fiscal Year 2019 Performance Results: MBE Program (cont.)

Of the \$133 million in MBE total contract awards, \$79 million (59%) were made to prime MBE firms and \$54 million (41%) were made to MBE subcontractors (see Figure 10).

Figure 10: MBE Prime and Subcontractor Total Contract Awards

Contracting Area	Prime Percent of MBE Awards	MBE Prime Awards	MBE Sub Awards	Total MBE Contract Awards
A/E Services	0%	\$0	\$8,281,100	\$8,281,100
Construction Services	29%	\$17,577,004	\$42,927,426	\$60,504,430
Goods & Services	96%	\$40,384,348	\$1,824,831	\$42,209,179
Professional Services	94%	\$21,181,558	\$1,361,180	\$22,542,738
Total for all Contract Areas		\$79,142,910	\$54,394,537	\$133,537,447

Over the past five years, on average WSSC Water awarded 29% of its total contract awards to MBE firms. In FY 2019, WSSC Water awarded 27% of its total contracts to MBE firms (see Figure 11).

Figure 11: MBE Total Contract Awards, FY 2015 – FY 2019

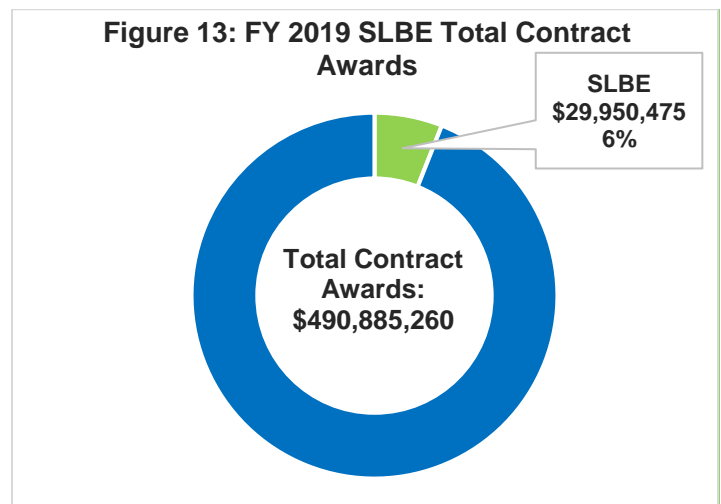
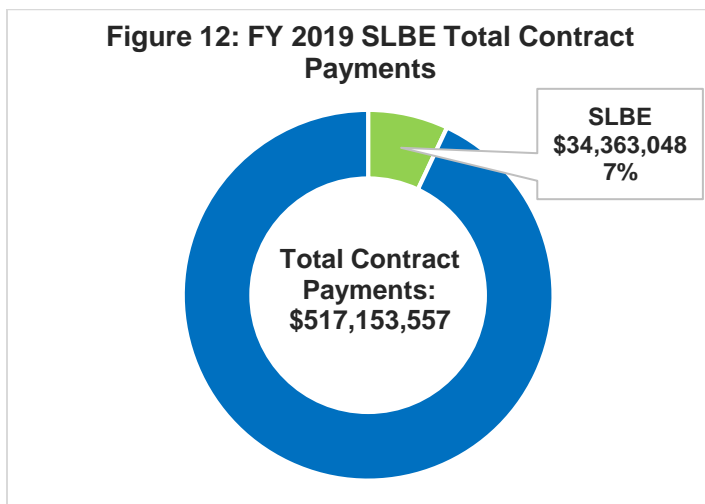
Fiscal Year	MBE Awards	MBE Percent	Majority Awards	Total Contract Awards
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2018	\$157,038,252	26%	\$451,232,104	\$608,270,356
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Total	\$865,549,755	29%	\$2,116,273,131	\$2,981,822,886

Fiscal Year 2019 Performance Results: SLBE Program

Small Local Business Enterprise (SLBE) Program

WSSC Water's SLBE Program is intended to provide additional race- and gender-neutral contracting tools. The SLBE Program is used to ensure that all segments of WSSC Water's local business community have reasonable and significant contracting and participation opportunities. The SLBE Program furthers WSSC Water's objective of fostering broad-based competition within the vendor community. The Program also encourages economic growth by offering benefits, particularly to those small firms headquartered in Prince George's and Montgomery counties. These benefits include contract-specific subcontracting goals, bid price preferences, evaluation point preferences, and the Optimization of Diverse Business Development Program (formerly Sheltered Market).

Total contract payments made to WSSC-Approved SLBE firms in FY 2019, equaled \$34 million. In FY 2019, WSSC Water awarded more than \$29 million in total contracts to WSSC-Approved SLBE firms.



SLBE Total Contract Payments

Payments to WSSC-Approved SLBE firms totaled \$34 million as depicted in Figure 14, with more than \$20 million in contract payments in the Construction Services contracting area.

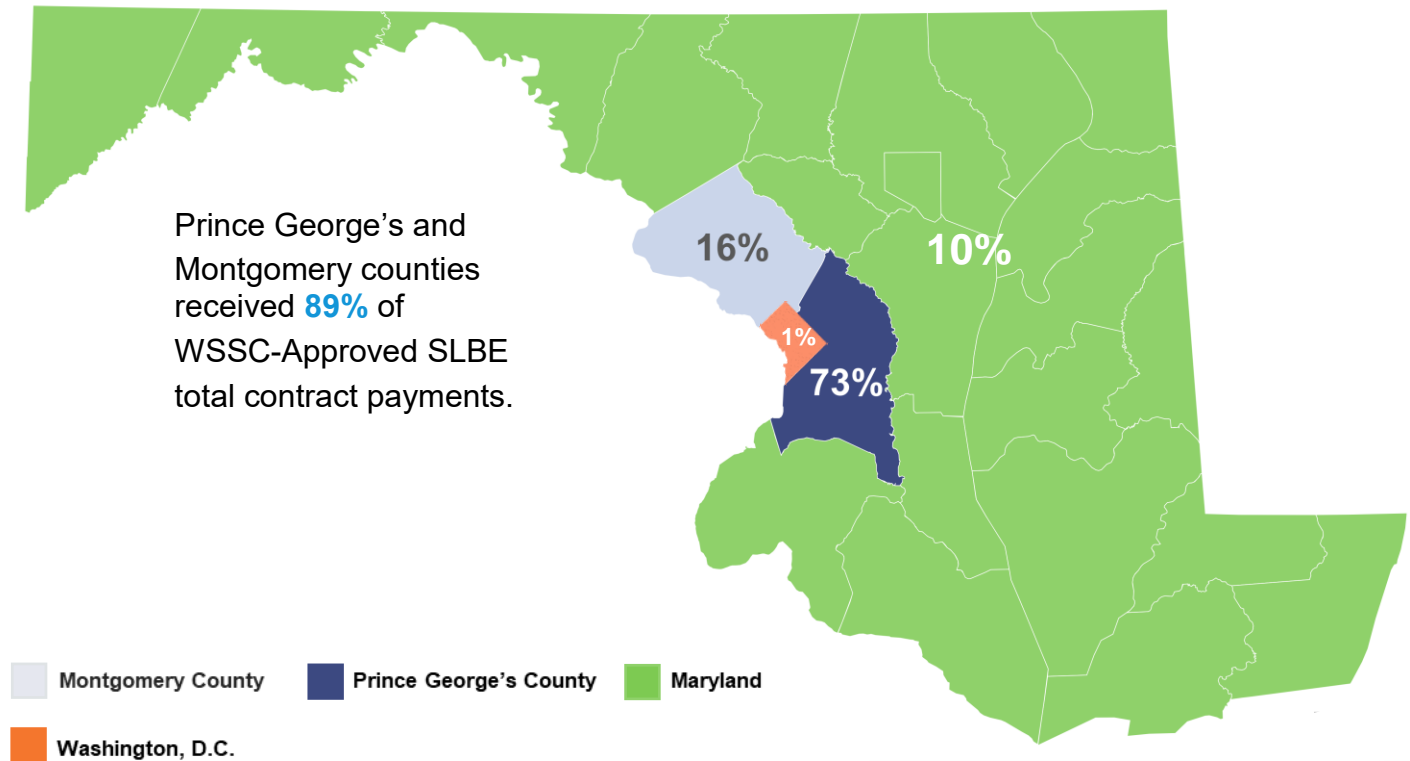
Figure 14: Total Contract Payments to SLBE Firms by Contracting Area

Contracting Area	SLBE Contract Payments
A/E Services	\$355,846
Construction Services	\$20,128,130
Goods & Services	\$13,188,958
Professional Services	\$690,114
Total for all Contract Areas	\$34,363,048

Fiscal Year 2019 Performance Results: SLBE Program (cont.)

Figure 15 shows that 73% of SLBE payments went to firms located in Prince George's County and another 16% to firms located in Montgomery County. An additional 11% was spent with SLBE firms located in other parts of Maryland and Washington, D.C. Firms are eligible for consideration in WSSC Water's SLBE Program if at least 25% of their workforce resides in Prince George's or Montgomery counties.

Figure 15: Total Contract Payments to SLBE Firms by Location



Fiscal Year 2019 Performance Results: SLBE Program (cont.)

SLBE Total Contract Awards

WSSC Water awarded more than \$29 million to WSSC-Approved SLBE firms in FY 2019, as depicted in Figure 16.

Figure 16: Total Contract Awards to SLBE Firms by Contracting Area

Contracting Area	SLBE Prime Awards	SLBE Sub Awards	Total SLBE Contract Awards
A/E Services	\$0	\$3,010,000	\$3,010,000
Construction Services	\$4,499,000	\$18,805,324	\$23,304,324
Goods & Services	\$1,130,211	\$1,235,940	\$2,366,151
Professional Services	\$479,055	\$790,945	\$1,270,000
Total Contract Awards	\$6,108,266	\$23,842,209	\$29,950,475

Fiscal Year 2020: Supplier Diversity

WSSC Water is committed to finding innovative ways to expand contracting opportunities, develop a sustainable diverse supply chain, and contribute to the economic growth of businesses owned by people of color, women and small and local firms. While we appreciate the growth that we've seen in our MBE and SLBE Programs over the years, we're eager to begin our 2020 Disparity Study to examine additional opportunities to eliminate barriers for diverse businesses in our contracting process.

Our journey to become world-class would be a futile exercise without a strong network of diverse suppliers to take us there. With your continued support, WSSC Water will become THE world-class water utility and set a standard for diversity and inclusion that has a lasting impact on the success and wealth attainment of our diverse business community.

For more information about WSSC Water's Office of Supplier Diversity & Inclusion and our MBE and SLBE Programs, visit www.wsscwater.com/SupplierDiversity.

WASHINGTON SUBURBAN SANITARY COMMISSION (“WSSC”) SMALL LOCAL BUSINESS ENTERPRISE (“SLBE”) GUIDELINES AND INSTRUCTIONS FOR COMPLETING REGISTRATION APPLICATION FORM (R) AND REGISTRATION AFFIDAVIT FORM (R-A)

You may find these guidelines helpful when completing the SLBE Application (forms R and R(a)) for the Washington Suburban Sanitary Commission’s (“WSSC”) Small Local Business Enterprise (“SLBE”). WSSC recognizes the importance of the financial sustainability of the communities that it serves. To demonstrate WSSC’s commitment to local small businesses, the SLBE Program was established in 2001. The SLBE Program is administered by WSSC’s Office of Supplier Diversity & Inclusion (“OSDI”). This race-and-gender neutral program supports WSSC with fostering effective, broad-based competition from all segments of the local business community; develop SLBEs into viable Prime Contractors which will provide new sources of competition for WSSC’s Contracts; and promote growth of the vendor/supplier pool of small and locally-based businesses.

NEW Applicants

- ✓ All firms must register in our WSSC Supplier Portal System prior to submitting an application. To access the WSSC’s Supplier Portal System you may log onto the following web link:
<https://www.wsscwater.com/supplier>.
- ✓ The application process time may take up to **ninety (90) business days**.
- ✓ Complete and submit the **SLBE Application (Form - R)**.
- ✓ **The Registration Affidavit (Form R-A) must be notarized and signed.** Please submit this form along with the necessary documents. The affidavit must verify that the firm meets all of the eligibility criteria established by Maryland Law along with those stipulated by the WSSC.
- ✓ Firms must complete and provide all necessary documentation in support of the SLBE Application **within thirty (30) business days from notice of receipt of the Application** from the Office of Supplier Diversity & Inclusion (OSDI). Applicants will be automatically **WITHDRAWN** from the application process when thirty **(30) business days have expired** to provide the necessary documentation. A withdrawal letter will be issued.
- ✓ A certified accounting firm contracted by WSSC will provide an independent review of the SLBE application in accordance with the guidelines of the SLBE Program.
- ✓ The required documentation for review include and not limited to the following:
 - Signed tax returns (personal and corporate)
 - 4506 Form (download from IRS.gov)
 - Resumes of each principal
 - Business License (if applicable)
 - Documents supporting legal structure i.e. certificate of incorporation, articles of incorporation, articles of organization, partnership agreements
- ✓ Applicants can voluntarily **withdraw** their SLBE Application in writing.

**WASHINGTON SUBURBAN SANITARY COMMISSION (“WSSC”)
SMALL LOCAL BUSINESS ENTERPRISE (“SLBE”) GUIDELINES AND INSTRUCTIONS FOR COMPLETING
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- ✓ Applicants that **withdraw** may submit a new application along with the supporting documentation.
- ✓ Firms that are **denied approval** may resubmit a new application **one (1) year** from the denial date.
- ✓ Firms must be **APPROVED** in the SLBE Program at the time of bid for WSSC-funded solicitations that contain SLBE preferences or SLBE subcontracting requirements.
- ✓ Firms who are certified as United States’ Service Disabled Veteran (SDV) must submit proof of certification along with the SLBE Application (Form – R).

A firm must meet the eligibility criteria set forth below to receive an Approved-SLBE designation(s).

- 1)** A firm must have its **principal place of business** or a Significant Employment Presence in Montgomery County or Prince George’s County. A firm is considered to have a significant employment presence when at least **twenty-five percent (25%)** of the firm’s total number of employees are domiciled in either Prince George’s or Montgomery Counties.
- 2)** Is an independently-owned and operated for-profit business concern that is not a subsidiary of another business; is not dominant in its field of operation; is performing a commercially useful function; and is not a broker as defined in COMAR 21.01.02.01 B (13-1).
- 3)** Meets size standard eligibility requirements for Small Business Enterprises as defined under the State of Maryland regulations adopted by the Department of General Services pursuant to State Finance & Procurement Article § 14-203 and as coded in the Commission’s Standard Procedure (SP) SLBE 2017-005 including:

With respect to its employees, either:

(i) The wholesale operations of the Business did not employ more than 50 persons in its most recently completed 3 fiscal years;

(ii) The retail operations of the Business did not employ more than 25 persons in its most recently completed 3 fiscal years;

(iii) The manufacturing operations of the Business did not employ more than 100 persons in its most recently completed 3 fiscal years;

(iv) The service operations of the Business did not employ more than 100 persons in its most recently completed 3 fiscal years;

(v) The construction operations of the Business did not employ more than 50 persons in its most recently completed 3 fiscal years; or

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(vi) The architect and engineering services of the Business did not employ more than 100 persons in its most recently completed 3 fiscal years;

and

With respect to its gross sales:

(i) The gross sales of its wholesale operations did not exceed an average of \$4,000,000 in its most recently completed 3 fiscal years;

(ii) The gross sales of its retail operations did not exceed an average of \$3,000,000 in its most recently completed 3 fiscal years;

(iii) The gross sales of its manufacturing operations did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;

(iv) The gross sales of its service operations did not exceed an average of \$10,000,000 in its most recently completed 3 fiscal years;

(v) The gross sales of its construction operations did not exceed an average of \$7,000,000 in its most recently completed 3 fiscal years; and

(vi) The gross sales of its architectural and engineering operations did not exceed an average of \$4,500,000 in its most recently completed 3 fiscal years.

Note: If a business has not existed for 3 years, the employment and gross sales shall be the average(s) for each year or part of year during which the business has been in existence.

- 4)** The business has been **established for at least one (1) year** or the principals of the business must have at least **three (3) years of relevant experience** prior to forming or joining the business.

Upon receipt of SLBE Program application, the Office of Supplier Diversity & Inclusion shall review all enclosed application affidavits and documentation to make a determination as to whether the applicant successfully satisfies the SLBE eligibility requirements as set forth in the SLBE Program Standard Procedure, SP SLBE 2017-005. Applicants determined ineligible to participate as a SLBE shall receive a letter from the Office of Supplier Diversity & Inclusion stating the basis for the denial of eligibility. Applicants determined ineligible shall not be eligible to submit a new application for **one (1) year** after the date of the notice of denial of eligibility.

Applicants determined eligible to participate in the SLBE program **shall submit a completed application every two (2) years** to the Office of Supplier Diversity & Inclusion for review and continued approval status.

Re-Approval Applicants

The criteria are the same as a new applicant and submission of all documents are required with the exception of a resume.

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Additional SLBE Program Information

- ✓ The WSSC, in conjunction with the appropriate Contract Manager/Administrative Contract Manager/ Contracting Officer Representative, and the Office of Supplier Diversity & Inclusion (OSDI) may utilize the following methods in assisting in the award of WSSC contracts to SLBEs:
 - The OSDI, in conjunction with the appropriate WSSC Contract Manager/ Administrative Contract Manager/ Contracting Officer Representative, may at their discretion require that a predetermined percentage of a contract (**not to exceed 40%**) be subcontracted to eligible SLBE or certified-MWBE firm(s).

A SLBE prime contractor **may not subcontract more than 49%** of the contract value to a non-SLBE or non-MWBE firm (s).

For more information about the SLBE Program, preferences and subcontracting requirements, please refer to SLBE Program standard procedure SP SLBE 2017-005 which is located on WSSC’s website (www.wsscwater.com).

If you require additional assistance, please contact the Office of Supplier Diversity & Inclusion via telephone at 301-206-8800 or via email at SupplierDiversity@wsscwater.com.