



FREQUENTLY ASKED QUESTIONS

Q. What prompted the Washington Suburban Sanitary Commission (Commission) to conduct a Disparity Study?

A. On November 30, 2009, the Commission voted to extend the current Interim Minority Business Enterprise (MBE) Program until April 30, 2011. The current Interim MBE Program was in effect from June 1, 1996 up to and including July 1, 2006, and has been in effect since July 1, 2007. While this Interim MBE Program is in effect, the Commission has undertaken a Study to establish its factual basis for a long-term MBE Program. The action taken by the Commission demonstrates its commitment to providing business opportunities for small and minority businesses. It is considered a common “best practice” to undertake such a Disparity Study approximately every five years to re-establish the need for such a program.

Q. What is the purpose of the Study?

A. The purpose of the Study is to determine if a statistically significant disparity exists between the Commission’s utilization of minority and woman-owned business enterprises in terms of the prime contract and subcontract payments received by these firms, on the one hand, and the availability of these firms in the Commission’s geographic market area, on the other. The disparity analysis results establish a factual basis for a long-term MBE Program.

Q. Did the Study find evidence of disparity between utilization and availability of minority and women owned enterprises (MBEs) in WSSC contracting?

A. Yes, the Study revealed disparities. Please visit www.wsscwater.com for the detailed disparity findings.

Q. How is “disparity” defined?

A. Disparity is generally defined as the mathematical difference between MBE availability in WSSC’s geographic market and MBE utilization by WSSC. Availability is determined by the number of MBE firms in the market that are ready, willing and able to provide goods and services to WSSC as a percentage of all such firms (MBE and non-MBE) in the market. Utilization is defined as payments made to M/WBE firms as a percentage of all WSSC contract payments. Notably, the disparity analysis is performed for each of WSSC’s four main contracting areas. In each contracting area, disparity is analyzed for four racial-ethnic groups and for businesses owned by Caucasian females. Separate disparity analyses were conducted for WSSC prime contracts and the subcontracts awarded by WSSC prime contractors.

Q. One chapter of the Disparity Study is entitled “Recommendations.” What is WSSC’s intention regarding these recommendations.

A. The Commission staff is drafting a long-term MBE Program to replace the Interim MBE Program. The staff will give serious consideration to each recommendation in the Study and assess its suitability for inclusion in the long-term MBE Program. When completed, the draft MBE Program will be presented to the Commission for consideration and eventual authorization. The Commission plans to solicit public input on the Program.

Q. Why was the disparity analysis for WSSC formal prime contracts limited to contracts valued at less than \$500,000?

A. The \$500,000 threshold was used to ensure that within the pool of willing MBEs there was documented capacity to perform the contracts analyzed. At the \$500,000 level, there was demonstrated capacity within the pool of willing MBEs to perform WSSC’s contracting. A disparity analysis for WSSC’s small prime contracts \$25,000 and under was also performed.

Q. Who are the companies and individuals who were interviewed for the “anecdotal evidence”?

A. WSSC encouraged participation in the interview process but all those interviewed dealt directly with MTA. The comments are part of the Study and in order to encourage frank and honest responses, we promised confidentiality. MTA has the names and they are kept confidential to protect the identities of those interviewed.

Q. Did the selected businesses for the anecdotal chapter represent all contracting areas?

A. Yes, the businesses represented the four industries being studied: Construction, Architecture and Engineering, Professional Services, and Goods and Services.

Q. Did the selected businesses for the anecdotal chapter represent all ethnic groups?

A. Yes, the businesses represented the four racial-ethnic groups and for businesses owned by Caucasian females.

Q. Will the public have an opportunity to comment on the Disparity Study?

A. WSSC is now taking written comments about the Study. Comments via email can be sent to wsscstudy@wsscwater.com. Written comments can also be sent to; WSSC SLMBE Office, Attention: Disparity Study Public Comments; 14501 Sweitzer Lane, Laurel, MD 20707. A community meeting to discuss the Study will be held at 7 p.m. Wednesday February 16 at WSSC headquarters, 14501 Sweitzer Lane, Laurel, MD 20707.

Q. What are the next steps with the MBE Program?

A. WSSC staff is drafting a proposed long-term MBE Program for presentation to the full Commission at their monthly meeting in February. Subject to Commission consideration and deliberation, the proposed long-term MBE Program may be released for public comment and input at that time.

Q. Will the community have an opportunity to comment on the proposed long-term MBE Program?

A. Yes, two public hearings will be conducted in February as follows:

Wednesday, February 23, 2011 – 7 p.m. to 9 p.m. in Prince George’s County, County Administration Building, 14741 Governor Oden Bowie Drive Upper Marlboro, MD 20772-3050

Thursday, February 24, 2011 – 7 p.m. to 9 p.m. in Montgomery County, Council Office Building, 100 Maryland Avenue, Rockville, MD 20850

Q. What did the Disparity Study conclude regarding WSSC’s local market area?

A. Based on contracts issued during the six-year period covered by the Disparity Study, most Commission contracts and contract payments were issued and paid to firms located in Maryland, Virginia and the District of Columbia. Contract payments during the study period were made to firms in nine jurisdictions common to all four classes of WSSC contracting, namely: Anne Arundel, Baltimore, Howard, Montgomery, Prince George’s, Prince William and Fairfax Counties, Baltimore City and the District of Columbia. These findings delineate the local geographic market area where WSSC may consider evidence of discrimination for purposes of developing its MBE Program.

Q. What is the difference between race- and gender-neutral and race and gender-conscious measures?

A. Race-neutral measures are activities or programs undertaken by the Commission in which participation is not limited according to the race, ethnicity or gender of a firm’s owners. Race conscious measures, such as the use of establishing an individual contract goal, expressly incorporate such limitations.

Q. Were contracts prior to the Study period included in the Study?

A. The Study analyzed only contract activity within the Study period of FY2004 to FY2009, which included activity for **contracts** originally awarded prior to the Study period. Similarly, if a project started during the Study period and concluded after that time, only data within the study period was included.

Q. What is the purpose of the WSSC 2010 Disparity Study Oversight Committee?

A. The Disparity Study Oversight Committee provides internal senior management transparency, cooperation and accountability for enterprise-wide efforts and leadership management of the project.

Q. Who is on the Oversight Committee?

A. WSSC senior managers from the contract areas served on the Oversight Committee.