

**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**



**Business Development Plan
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DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY BUSINESS DEVELOPMENT PLAN

The District of Columbia Water and Sewer Authority (DC Water) is committed to promoting economic and business development in the District of Columbia and the region it services. DC Water provides water and wastewater treatment services to one of the most diverse cities and regions in the country. In carrying out its mission, DC Water will seek to reflect this diversity in meeting its business needs. As such, DC Water will actively encourage and support the participation of certified local business enterprises (LBEs), local small business enterprises (LSBEs), minority business enterprises (MBEs) and women-owned business enterprises (WBEs) in its contracting and procurement activities.

The General Manager or his/her designee is responsible for implementing and administering programs, procedures and processes, consistent with this plan, Authority policies and applicable regulations and laws, that will enhance participation, growth and development of LBEs, LSBEs, MBEs and WBEs.

To this end, DC Water will employ every reasonable effort to ensure that LBEs and LSBEs are afforded full and equitable opportunities to participate as vendors, prime contractors, subcontractors and joint ventures for goods and services including construction and architectural and engineering (A/E) contracts funded by the District of Columbia and the user jurisdictions.

Pursuant to requirements established as a condition for receipt of federal grants and federal financial assistance, DC Water will also implement a program to encourage and facilitate participation by Minority Business Enterprises and Women-owned Business Enterprises (MBE/WBE) in accordance with the Federal Fair Share Objective. This program will apply to DC Water's capital A/E and construction projects, where appropriate.

The Business Development Plan (BDP) provides the framework for the design and implementation of programs and activities that will promote and enhance participation by LBEs, LSBEs, MBEs and WBEs.

I. CERTIFIED LOCAL AND LOCAL SMALL BUSINESS ENTERPRISE (LBE/LSBE) PROGRAM

A. Overall Local and Small Participation Goals

The DC Water Board of Directors (the Board) may establish overall goals for participation by LBEs and LSBEs in DC Water's non-federally assisted procurement program. These goals will be reviewed every two (2) years to determine whether, based on performance, the Board's objectives are being achieved. The DC Water LBE/LSBE program is race and gender neutral.

The overall goals will apply to non-federally assisted funds designated for competitively solicited contracts. These goals do not apply to procurement actions identified as exceptions in the DC Water Procurement Regulations. The Board will establish goals for the following categories:

1. Goods and Services
2. Construction and A/E

The goals will be expressed as a percentage of the total dollar volume of all non-federally assisted contracts and purchase orders awarded for each goal category and may be achieved by LBE/LSBE participation as a vendor, prime contractor, subcontractor or joint venture provided there is sufficient competition for various types of procurements.

C. LBE/LSBE Utilization

1. Large Purchases LBE/LSBE Utilization

Preference Program

To facilitate and encourage the participation and utilization of LBE/LSBE in the procurement process for large purchases, a preference will apply to competitive solicitations for goods and services and construction and A/E. The preference will be used in the evaluation of bids and proposals.

The preference provides for the utilization of additional points in the evaluation of proposals and the utilization of a preference percentage reduction in price for bids. The preferences are as follows.

a. Preference Points for Proposals:

- (1) Local=5 points
- (2) Small=5 points

The maximum number of eligible preference points for a proposal is ten (10) points.

b. Preference Price Reduction for Bids:

- (1) Local=5%
- (2) Small=5%

The maximum eligible preference price reduction for a single bid is a total of ten percent (10%) or \$100,000, whichever is less.

Prime contractors may subcontract or joint venture with LBE/LSBE. Preference consideration will be given for LBE/LSBE participation proportionate to the percentage of the LBE/LSBE's proposed participation on the contract. For example, if a prime contractor subcontracts to a certified local business (which is eligible for a 5.0% preference price reduction) for 25% of the work, the prime contractor would be eligible for 1.25% reduction in the bid price.

2. **Small Purchases LBE/LSBE Utilization**

For small purchases, under \$100,000, requests for quotes may be limited to LBEs/LSBEs when there are at least two such businesses capable of providing the good, service or construction and can satisfy all applicable DC Water requirements and conditions.

3. **Waivers**

The General Manager shall have the authority to determine when it is in the best interest of DC Water to waive bonding and other requirements for solicitations estimated not to exceed \$250,000 if the General Manager determines:

- a. A waiver will assist LBEs/LSBEs by removing requirements that may inhibit LBE/LSBE participation in DC Water contracting and procurement activities; and
- b. The interests of DC Water are not adversely affected.

4. **Outreach Efforts**

In order to (1) encourage competition for all potential vendors and contractors, (2) transfer information that local and small businesses may require to compete for DC Water contracts vendors, and (3) ensure that all potential vendors and contractors have equal opportunity to compete for a participate in DC Water's contracting and procurement activities, measures will include, but not limited to:

- a. **Advertisement.** In addition to the placement of advertisements as may be currently required by the Procurement Manual, the Department of Procurement Services, as appropriate, may advertise or announce solicitations in other media targeted towards the vendor and contracting community, including those focused on local and small businesses.
- b. **Procurement Fair.** DC Water will sponsor at least one procurement fair each year, at which:

- (1) Procurement staff and end-user representatives will be available to potential vendors and contractors to discuss contracting and purchasing opportunities.
- (2) Selected goods and services capable of being furnished by small businesses will be identified.
- (3) The DC Water procurement process will be explained.
- (4) Potential vendors and contractors may market their goods and services to DC Water, its prime contractors and vendors and other co-sponsor, if any.

Fairs and workshops may be held by DC Water or in conjunction with a co-sponsor.

Attend Procurement Conferences or other related conferences to describe DC Water's Capital Improvement Program and our outstanding history of LBEs, LSBEs, MBEs & WBEs participation.

- c. **Project-specific Workshops.** For large and specialized projects, workshops will be held with potential prime contractors and vendors and local and small businesses to provide information and identify subcontracting and supplier opportunities. In addition, local and small businesses may market their services to potential prime contractors and vendors.
- d. **Prime Contractor Outreach.** DC Water may require that similar outreach programs be implemented by prime contractors and vendors.

5. **Capacity Building Activities**

In an effort to expand the pool of qualified LSBEs, MBEs and WBEs, DC Water will work with business and economic development agencies and organizations; and the prime contractor community to implement strategies for building the capacity of small businesses seeking to expand their performance on DC Water contracts and/or compete for and execute contracts as prime contractors with DC Water. Such efforts will include, but not limited to:

- a. Collaborating, coordinating and cooperating with other entities to leverage resources, share best practices and maximize the use of existing resources to assist small businesses working on DC Water contracts.

- b. Facilitating better working relationships between large prime contractors and small businesses by creating networking forums and opportunities for knowledge transfer and skill development.
- c. Conducting workshops and trainings on how to do business with DC Water to encourage small firms to bid and propose on DC Water opportunities.
- d. Dividing or reducing the size or scope of solicitations, when economically feasible, to afford LSBEs, MBEs and WBEs greater opportunities to compete as prime contractors and vendors and subcontractors.

C. Eligible Program Participants

To achieve the goals established by the Board, DC Water encourages the participation of local and small businesses whose primary business operations is located in the District of Columbia or one of the DC Water user jurisdictions, which include Fairfax County, Virginia; Loudoun County, Virginia; Montgomery County, Maryland; and Prince George’s County, Maryland. As such, eligible participants in the DC Water Business Development Plan must have current certification as a local or local small business enterprise by one of the following jurisdictions’ business development preference programs:

- 1. District of Columbia’s “CBE Certification Program” as local or local and small.
- 2. Montgomery County’s “Minority, Female and Disabled Business Enterprise” Certification Program as local or local and small.
- 3. Prince George’s County’s Registered “Local, Minority Business Enterprises” Program as local and local and small.
- 4. Virginia Department of Transportation’s “Small, Women and Minority Owned Business” Program as accepted by Fairfax County for certification as local or local and small.
- 5. Other certification programs recognized by the District of Columbia or a DC Water user jurisdiction and meet the District of Columbia’s or user jurisdiction’s criteria for local and local and small business enterprise.

Businesses desiring to take advantage of the preferences for local and small businesses for a specific solicitation must have verifiable documentation of current certification as a local or local and small business enterprise from a certifying agency listed above *prior to or on the bid opening or proposal due date*.

D. Monitoring and Reporting

DC Water will implement procedures for monitoring LBE and LSBE participation as prime contractors and subcontractors in DC Water’s

contracting and purchasing program. The General Manager will submit an annual report on actual results to the Board of Directors.

II. FEDERALLY FUNDED PROJECTS

DC Water will implement an outreach, education and fair share objective program designed to encourage participation by MBEs and WBEs in procurements with federal financial assistance, pursuant to United States Environmental Protection Agency (EPA) regulations found at 40 CFR Section 31.36(e).

A. MBE/WBE Program Design

In accordance with EPA requirements, DC Water's Fair Share Program will include the following features:

1. Fair Share Objectives, which are MBE/WBE participation goals based on an availability analysis performed by DC Water and approved by EPA. These goals may be achieved by MBE/WBE firms participating as a vendor, prime contractor, subcontractor or joint venture for a federally assisted project.

Separate MBE and WBE objectives will be established for architectural and engineering services and for construction. In calculating the dollar value of the objective, the capital project dollar value will be the amount actually committed or "booked". DC Water will track actual spending over the life of the project.

2. Six (6) Affirmative Steps (or Six (6) Positive Steps), which are steps that must be undertaken by DC Water and contractors to inform MBEs/WBEs and encourage their participation. These steps include the following:
 - a. Placing qualified MBEs and WBEs on the solicitation lists.
 - b. Assuring that MBEs and WBEs are solicited whenever they are a potential source.
 - c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by MBEs and WBEs.
 - d. Establishing delivery schedules, where the requirement permits, which encourage participation by minority and women-owned business enterprises.

- e. Using the services and assistance of the Small Business Administration (SBA) and the Minority Business Development Agency (MBDA) or the Department of Commerce.
 - f. Requiring prime contractors, when subcontracts are being let, to undertake affirmative steps 1 through 5 listed above.
- 3. Periodic reports to EPA on MBE/WBE participation results.
 - 4. MBE/WBE certification of eligible program participants.

B. MBE/WBE Certification

Businesses participating in this program must have current certification as an MBE or WBE, as defined by EPA, by the Small Business Administration, another federal agency, a State or State agency or local jurisdictions.

C. Reporting

DC Water will implement a procedure for monitoring contractor compliance with MBE/WBE requirements and will submit quarterly MBE/WBE utilization reports to the EPA. The General Manager will submit an annual report on results to the Board of Directors.

III. COMPLIANCE REQUIREMENTS

- A. DC Water will encourage and monitor contractor compliance with federal standards, affirmative action and equal opportunity programs including but not limited to those administered by the U.S Department of Labor, Office of Contract Compliance.
- B. DC Water will ensure that contractors fully comply with all elements of the LBEs LSBEs, MBEs and WBEs participation plans offered by such contractors in response to DC Water solicitations. Contracting officers shall accomplish this requirement by enforcing contract language requiring periodic contractor performance reporting.

IV. GLOSSARY

- A. **Certifying Agency** - for purpose of the DC Water LBE/LSBE Program, the District of Columbia Department of Small and Local Business Development or its successor or any User Jurisdiction's certifying agency.

DC Water recognizes the following certifying agencies as user jurisdiction authorities:

- The Fairfax County Economic Development Agency;
- Loudoun County (Virginia Department of Transportation);
- The Montgomery County Economic Development Agency (Local Small Business Reserve Program);
- The Prince George's County Minority Business Development Department; and
- Other certification agencies and programs recognized by the District of Columbia or a DC Water user jurisdictions and meet the District of Columbia's or user jurisdiction's criteria for local and local and small business enterprises.

For purpose of the federally mandated MBE and WBE Program, EPA accepts certifications from:

- U.S. Environment Protection Agency (EPA);
- Small Business Administration (SBA) and U.S. Department of Transportation (DOT) with U.S. citizenship);
- Tribal, state and local governments, provided their standards for certification meet or exceed EPA requirement; and
- Independent private organization certification provided their standards for certification meet or exceed EPA requirements.

- B. **Fair Share Objective** – a fair share objective is an amount of funds reasonably commensurate with the total project funding and the availability of qualified MBEs and WBEs taking into account experience on EPA-funded projects and other comparable projects in the area. This objective is based on an availability analysis conducted by DC Water and approved by EPA. A fair share objective does not constitute an absolute requirement, but a commitment on the part of the recipient or prime contractor to make good faith efforts to use MBEs and WBEs to achieve the fair share objective.
- C. **Local Business Enterprise** – a business enterprise as defined by the District of Columbia or a user jurisdiction.
- D. **Minority Business Enterprise (MBE)** – for the purpose of the federal mandated program and fair share objectives, at least one of the following:

1. A business which is certified as socially and economically disadvantaged by the Small Business Administration; or
 2. A business which is certified as a minority business enterprise by a state or federal agency; or
 3. An independent business concern which is at least 51% owned and controlled by minority group member(s).
- E. **Small Business Enterprise for the purpose of the federal mandated program and fair share objectives** – a business entity, including its affiliates, that is independently owned and operated, not dominant in the field of operations in which it is bidding on government contracts, and qualified as a small business under the criteria and size standard set forth at 13 CFR Part 121.
- F. **Small Business Enterprise for the purpose of the DC Water LBE and LSBE Program** – a business enterprise as defined by the District of Columbia or user jurisdiction.
- G. **User Jurisdictions** – consist of the following:
- District of Columbia
 - Fairfax County, Virginia
 - Loudoun County, Virginia
 - Montgomery County, Maryland
 - Prince George’s County, Maryland
- H. **Woman-owned Business Enterprise (WBE)** – For the purpose of federal mandated program and fair share objectives, a business which is certified as such by a state, federal agency, or a business which is at least 51% owned by a woman or women, who also controls and operates it.