

## SUPPLIER DIVERSITY PROGRAM

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### **PURPOSE:**

The Pittsburgh Water and Sewer Authority (PWSA) has established a Supplier Diversity Program (SDP) to ensure non-discriminatory practices and a more inclusive use of Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Disadvantaged Business Enterprise (DBE), Small Business Enterprise (SBE), Veteran Business Enterprise (VBE), Service-Disabled Veteran Business Enterprise (SDVBE), Disability-Owned Business Enterprise (DOBE), and LGBT- Owned Business Enterprise (LGBTBE) to increase accessibility of contracting opportunities.

### **BACKGROUND:**

The PWSA is committed to ensuring that qualified MBE, WBE, DBE, SBE, VBE, SDVBE, DOBE, and LGBTBE firms have the opportunity to receive and participate in the PWSA contracts. The PWSA would like to identify and attract capable firms that can effectively provide quality services and facilitate the development of local disadvantaged firms.

### **POLICY:**

It is the goal of the PWSA to award contracts to disadvantaged businesses and to provide guidance on how to conduct business with the PWSA. The PWSA encourages every contractual firm to meet or exceed participation levels of ten percent (10%) to twenty-five percent (25%) of all contracts, regardless of the dollar value. Services may include professional services, purchased supplies and materials, hired labor, equipment, and or general management services. The goals may be adjusted from year to year and shall be communicated to all contractors through bid documents and pre-solicitation meetings. The disadvantaged business participation levels are goals and not a quota. The Supplier Diversity Program is consistent with federal and state statutory and regulatory provisions, the Mayor of Pittsburgh's Executive Order of November 30, 1990, and other contractual requirements relating to equal opportunity with supplier diversity. The PWSA does not discriminate against anyone based on race, color, religion, ancestry, national origin, place of birth, sex, sexual orientation, family status, age, or non-disqualifying disability, or on any other basis protected by federal, state or local law.

### **QUALIFICATIONS:**

Disadvantaged businesses will be defined as the MBE, WBE, DBE, SBE, VBE, SDVBE, DOBE, and LGBTBE firms that are certified by an appropriate certification agency such as the Pennsylvania Unified Certification Program, Allegheny County, Port Authority of Allegheny County, Pennsylvania Department of Transportation, National LGBT Chamber of Commerce, U.S. Department of Veteran Affairs, and/or the National Minority Supplier Diversity Council. The PWSA is not a certification agency; however, the PWSA accepts all governing agencies' certification, including out-of-state certifications. The certification must be current at the time the bid or proposal is submitted to the PWSA and shall remain in good standing through the contract period. All contractual parties must submit their bid with appropriate certification on the SDP Commitment Form designated by the Authority. Companies that submit bids without the appropriate certification shall be notified of the deficiency and given a reasonable opportunity to provide the evidence of the certification. If the company is unable to do so, the bid shall be considered on its own merit. Third-party resources and certification counseling services shall be

provided to firms that are unable to meet certification requirements and shall be further defined on our website.

**PROCESS:**

All bids and proposals submitted to the PWSA must include the SDP Commitment Form which shall be attached to the bid and proposal demonstrating commitment to hire disadvantaged businesses as direct subcontractors consistent with the PWSA expectations. Bids may be disqualified at the discretion of the PWSA for failure to submit the appropriate form, failure to express a commitment to hire disadvantaged businesses or past failure to satisfy its expressed commitment to hire disadvantaged businesses. A representative from the PWSA shall review such documentation or validity and make a recommendation to the Executive Director for awards.

If a firm cannot meet the ten percent (10%) minimum supplier diversity goals, then a Good Faith Effort Waiver Request Form must be completed and attached to the bid and/or proposal. A representative from the PWSA shall investigate whether the firm made a good faith effort by reviewing their written documentation and determining if the bid/proposal is valid or non-responsive. If a bid/proposal is determined to be non-responsive or incomplete, the firm shall be given a final opportunity to submit the required relevant information. The PWSA will make the final determination whether a bid is responsive.

In the evaluation process of any bid/proposal, the PWSA shall take into consideration the effort made by firms to achieve the goals of the Supplier Diversity Program. For Request for Proposals (RFP), a portion of the overall evaluation score will be based on the firm's plan to employ MBE, WBE, DBE, SBE, VBE, SDVBE, DOBE, and LGBTBE firms in the proposed contract with the PWSA.

**GOOD FAITH EFFORT WAIVER REQUEST:**

A firm bidding on or responding to a PWSA solicitation that is unable to meet the minimum Supplier Diversity Program goals must demonstrate to the PWSA that it has made a good faith effort to solicit MBE, WBE, DBE, SBE, VBE, SDVBE, DOBE, and LGBTBE firms where applicable. A good faith effort shall include one or more of the following:

1. Documentation that effectively demonstrates outreach to MBE, WBE, DBE, SBE, VBE, SDVBE, DOBE, and LGBTBE firms
2. Advertisements to disadvantaged firms through focused media
3. Solicitations of community organizations that provide assistance to disadvantaged businesses
4. Written feedback to any firm that was solicited but whose bid was rejected
5. Provide assistance to MBE, WBE, DBE, SBE, VBE, SDVBE, DOBE, LGBTBE firms to obtain any items necessary to satisfactorily complete the contract such as insurance, bonds, materials, equipment or other project-related components
6. A narrative explanation as to why the contract does not have subcontracting opportunities

**MONITORING PERFORMANCE:**

During any contract, the firm shall submit to the PWSA their commitment to the PWSA's goals as part of their regular invoice process. Every invoice must document which portion of that invoice was allotted to the disadvantaged businesses. The contractor must report the dollar amount and percentages of the total contract paid to the disadvantaged businesses and be able to provide evidence that said payments were made.

A representative from the PWSA may contact the disadvantaged business to determine their satisfaction with the payments for work performed or goods provided. The PWSA may inquire for any suggestions or improvements regarding the Authority's contracting procedures or policy. After final payment, a representative of the PWSA shall determine whether a good faith effort was made to utilize disadvantaged businesses. If the representative determines that a firm has failed to make a good faith effort, the PWSA shall retain such documentation for consideration of a firm's status for future awards.

In extreme cases, where a firm has demonstrated an unwillingness to honor commitments of a PWSA contract, the firm may be excluded from bidding/proposing on future projects for no less than one year. A representative of the PWSA will keep records of all Authority contracts with respect to disadvantaged business participation, the dollar amount and percentages of each contract, and any complaints received against specific firms with respect to disadvantaged business participation.

**PUBLIC OUTREACH:**

In order to enhance disadvantaged business participation in contracts, the PWSA shall engage in outreach efforts through new and established channels of MBE, WBE, DBE, SBE, VBE, SDVBE, DOBE, and LGBTBE communications. The PWSA shall maintain a presence at industry events, forums, employment fairs, workforce development programs, governmental committees, and other opportunities that provide resources for information sharing. The PWSA shall use these networks to ensure all firms have the opportunity to participate in contracts.

As a supplement to the overall Supplier Diversity Program, the PWSA shall build a database of MBE, WBE, DBE, SBE, VBE, SDVBE, DOBE, and LGBTBE businesses based on relevance, industry, and other criteria and send periodic emails to those businesses regarding contracting opportunities. The PWSA will also host at least one educational event per calendar year designed to educate disadvantaged businesses regarding contracting opportunities.

**BOARD REPORTS:**

A representative of the PWSA shall be responsible for monitoring participation, good faith effort waiver requests, and outreach efforts. A monthly report will be provided to the Board of Directors for review and comment. This report shall include, but not be limited to the following information:

1. Identification of MBE, WBE, DBE, SBE, VBE, SDVBE, DOBE, and LGBTBE businesses included in the contracts that were sent out for bid during the prior period
2. The reason those MBE, WBE, DBE, SBE, VBE, SDVBE, DOBE, and LGBTBE businesses were rejected, if applicable
3. Status of reported MBE, WBE, DBE, SBE, VBE, SDVBE, DOBE, and LGBTBE goals from contracted firms

**POLICY DOCUMENTS:**

SDP Commitment Form

Good Faith Effort Waiver Request Form

SDP Commitment Invoice Form

|            | <b>Editor:</b>                | <b>Location of change(s), what was changed, and why:</b>   |
|------------|-------------------------------|--|
| 12/15/2017 |                               | Original   |
| 09/27/2019 | Alex Sculli/<br>Nicole Dickun | <ol style="list-style-type: none"><li>1. The updated policy will encompass all contracts and will not be restricted to contracts over \$250,000.</li><li>2. Disadvantaged and Small Business Enterprises are added as eligible categories.</li><li>3. Percentages have been changed from 18% (M), 7% (W), 5% (V/SD), to a range of 10-25% of any of the eligible categories.</li><li>4. Clarification of out-of-state certification eligibility</li><li>5. Suppliers and brokers will be credited on a 1:1 ratio instead of the previous 60% and 10%, respectively.</li><li>6. Addition of Good Faith Effort Waiver Request and Standards.</li><li>7. Enhanced monitoring of contracts.</li><li>8. Strengthen commitment to outreach efforts.</li><li>9. Strengthen commitment to providing Board reports.</li></ol> |
| 02/15/2021 | Emily Pontarelli              | <ol style="list-style-type: none"><li>1. Added Disability-Owned Business Enterprise (DOBE), and LGBT-Owned Business Enterprise (LGBTBE) to eligible business types.</li><li>2. Updated PWSA Policy to match existing language in Equal Opportunity Employment policy</li><li>3. Added additional certifying agencies (National LGBT Chamber of Commerce, U.S. Department of Veteran Affairs)</li></ol>   |

## SDP COMMITMENT FORM

|                                       |  |                          |  |
|---------------------------------------|--|--------------------------|--|
| <b>PWSA Project Name:</b>             |  | <b>Name of Bidder:</b>   |  |
| <b>PWSA Project Number:</b>           |  | <b>Contact Name:</b>     |  |
| <b>Total Bid Amount:</b>              |  | <b>Telephone Number:</b> |  |
| <b>Total Overall Commitment (%):</b>  |  | <b>Email Address:</b>    |  |
| <b>Total Overall Commitment (\$):</b> |  |                          |  |

| Disadvantaged Business Firm Name | Certification Number | Material/Service Provided | % MBE | % WBE | % DBE | % SBE | % SD/VBE | % DOBE | % LGBTBE | Total Commitment Price |
|----------------------------------|----------------------|---------------------------|-------|-------|-------|-------|----------|--------|----------|------------------------|
|                                  |                      |                           |       |       |       |       |          |        |          |                        |
|                                  |                      |                           |       |       |       |       |          |        |          |                        |
|                                  |                      |                           |       |       |       |       |          |        |          |                        |
|                                  |                      |                           |       |       |       |       |          |        |          |                        |
|                                  |                      |                           |       |       |       |       |          |        |          |                        |
|                                  |                      |                           |       |       |       |       |          |        |          |                        |
|                                  |                      |                           |       |       |       |       |          |        |          |                        |
|                                  |                      |                           |       |       |       |       |          |        |          |                        |

- The firm is committing to the following diverse supplier participation on this bid/proposal.
- Complete the table indicating the suppliers that will be utilized as direct subcontractors/subconsultants to meet the participation levels indicated in the Supplier Diversity Program.
- If your company will not have a disadvantaged business participation, please indicate that as zero participation on the SDP Commitment Form and also complete the Good Faith Waiver Request Form.
- For subcontractors/subconsultant that are not selected, indicate in the Good Faith Waiver Effort Waiver Request Form.
- All bids/proposals must be accompanied with the completed SDP Form and supporting documentation that includes email correspondence, bids/proposals received, and a copy of the certification certificate and/or letter from certifying agency.
- Percentages are calculated by dividing total commitment price by total bid amount.

## GOOD FAITH EFFORT WAIVER REQUEST FORM

|                             |  |                          |  |
|-----------------------------|--|--------------------------|--|
| <b>PWSA Project Name:</b>   |  | <b>Name of Bidder:</b>   |  |
| <b>PWSA Project Number:</b> |  | <b>Contact Name:</b>     |  |
| <b>Total Bid Amount:</b>    |  | <b>Telephone Number:</b> |  |
|                             |  | <b>Email Address:</b>    |  |

| Disadvantaged Business Firm Name Contacted   | Contact Name | Contact Telephone Number | Contact Email Address | Reason for Rejection |
|--|--------------|--------------------------|-----------------------|----------------------|
|  |              |                          |                       |                      |
|  |              |                          |                       |                      |
|  |              |                          |                       |                      |
| <b>Narrative explanation as to why the contract does not have subcontracting opportunities</b> |              |                          |                       |                      |
|  |              |                          |                       |                      |

- A firm bidding on or responding to a PWSA solicitation that is unable to meet the 10% minimum Supplier Diversity Program goals must demonstrate to the PWSA that it has made a good faith effort to solicit MBE, WBE, DBE, SBE, VBE, SDVBE, DOBE, and LGBTBE firms where applicable.
- For bid/proposals of disadvantaged businesses that are not selected, indicate the reason for rejection.
- If your company will not have a disadvantaged business participation, please indicate that as zero participation on the SDP Commitment Form and also complete the Good Faith Waiver Request Form.
- Include a description of any barriers or impediments encountered or reasoning for not meeting the minimum diversity participation goals in the narrative explanation section. All bids/proposals must be accompanied with the completed SDP Commitment Form and supporting documentation that includes email correspondence and bid/proposals received

