MAYOR AND CITY COUNCIL OF BALTIMORE CITY BALTIMORE CITY CODE, ARTICLE 5, SUBTITLE 28 MINORITY AND WOMEN'S BUSINESS PROGRAM

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PART A	: INSTRUCTIONS

The requirements of Article 5, Subtitle 28 of the Baltimore City Code – Minority and Women's Business Program are a part of this contract and are incorporated by reference. The failure of any bidder, contractor or subcontractor to comply with Article 5, Subtitle 28 is subject to any or all of the following penalties: (1) suspension of contract; (2) withholding of funds; (3) rescission of contract based on material breach; (4) refusal to accept a bid; (5) disqualification of a bidder, contractor, or other business from eligibility for providing goods or services to the City for a period not to exceed 2 years; and (6) payment of liquidated damages. Art. 5, §28-122.

All bidders are advised to read all instructions and forms carefully. Please follow the instructions for each section of the forms. Failure to respond or properly execute the forms can result in disqualification and possible rejection of your bid.

A complete copy of Article 5, Subtitle 28 of the Baltimore City Code is available online at: https://legislativereference.baltimorecity.gov/city-codes

1. BID REQUIREMENTS

Bids must include a commitment to utilize MBEs and WBEs at a percentage that equals or exceeds the contract goals indicated in the contract specifications. **Bidder must submit the following completed documents WITH THE BID:**

	Part B:	Statement of Intent Form(s) – to be signed by Bidder and MBE and/or WBE
	Part D:	MBE/WBE Participation Affidavit – to be completed and signed by Bidder
Any b	oid that do	oes not include a signed Statement of Intent Form(s) and the MBE/WBE
Partio	cipation A	ffidavit is non-responsive and will be rejected. MBE/WBE MUST be
certif	ied with t	he City of Baltimore.

ONLY SUBMIT IF APPLICABLE:

- Part C: Statement of Self-Performance to be signed by Bidder who is certified by the City as MBE and/or WBE. This is only filled out if the prime plans to self-perform to fulfill the MBE/WBE goals.
- Part E: MBE/WBE Participation Waiver Request − to be completed and submitted by Bidder if unable to meet the participation goals. (Please note: Substantial documentation must be provided to justify reasons for not being able to meet goals) Specifically, on Part E numbers one, two, and three must be addressed in detail.

2. VERIFYING CERTIFICATION

• Bidder is responsible for verifying that each MBE and WBE to be used on a contract is certified with Baltimore City by the Minority and Women's Business Opportunity

- Office (SMBA&D) at bid opening for the work and/or services to be performed on the contract. Art. 5, §28-48(d).
- The MBEs and WBEs named must be certified for the services they are listed to perform, and the services must be required as part of the Detailed Specifications of the contract.
- A directory of certified MBEs and WBEs is available online at https://baltimorecity.diversitycompliance.com/
- County, State, or Federal certification is not acceptable, the MBE and WBE <u>must</u> be certified with the City of Baltimore.

3. COUNTING MBE AND WBE PARTICIPATION

a) Participation of M/WBE's

A business enterprise that is certified as both an MBE and WBE (M/WBE) may not be counted toward both the MBE and WBE goals for the same project. The bidder must select the goal to which the business enterprise is to be counted. Art. 5, §28-31(b) and §28-35.

b) <u>Credit for Self-Performance</u>

A bidder that is an MBE or WBE may count up to 50% of the dollar value of the work it intends to perform with its own forces toward the applicable MBE or WBE goal. The amount of credit may not exceed the MBE's or WBE's available work capacity as calculated with the Contractor Prequalification rules. Intentions to count self-performance toward the MBE or WBE goal must be indicated on Part C: Statement of Intent to Self-Perform. Art. 5, §28-31(d).

c) Commercially Useful Function

The bidder may count toward the contract goals only expenditures to MBEs and WBEs that perform a commercially useful function in the execution of the contract. Commercially useful function means the performance of real and distinct work for which the business enterprise has the skill, expertise, and actual responsibility to perform, manage and supervise. Art. 5, §28-32.

d) Joint Ventures

A bidder may count toward the contract goal the portion of its expenditure to a joint venture that is equal to the percentage of the MBE or WBE participation in the joint venture. The MBE or WBE member of the joint venture must have an interest in the control, management, risks and operation of the joint venture commensurate with the member's percentage of ownership. The MBE or WBE member of the joint venture must be responsible for a clearly defined portion of the work to be performed, equal to its share in the ownership, control and management of the joint venture. Art. 5, §28-33.

e) Subcontracting by MBE or WBE

A bidder may not count toward its contract goal any agreement with a certified MBE or WBE subcontractor who intends to subcontract more than 10% of the dollar amount of the services to be performed under its agreement with the bidder. This restriction does not apply to an MBE's

or WBE's contracts for the purchase of materials, equipment or supplies that are incidental to the performance of services under its agreement with the bidder. Art. 5, §28-34.

f) Manufacturers and Suppliers

Manufacturers – A bidder may count toward the contract goal its entire expenditure to a certified MBE or WBE that manufactures the goods supplied. Art. 5, §28-36.

Non-Manufacturers – Only 25% of each contract goal may be attained by expenditures to MBEs and WBEs that are non-manufacturing suppliers. Art. 5, §28-37. *Example:* If the bid amount is \$100,000 and the MBE or WBE goal is 15% or \$15,000; then the limit for the MBE or WBE suppliers that are non-manufacturers is \$3,750 or 25% of the 15% goal.

g) Insurance Companies and Travel Agents

A bidder may count toward the contract goals only the fees or commissions charged by an MBE or WBE insurance company or travel agent. Art. 5, §28-38.

h) Financial Institutions

A bidder may count toward the contract goals only the fees charged and earned by an MBE or WBE financial institution. Art. 5, §28-39.

i) Non-Affiliation

A bidder may not use an MBE or WBE to meet a contract goal if the bidder has a financial interest in, has an interest in the ownership or control of, or is significantly involved in the operation of the MBE or WBE. Art. 5, §28-41.

4. WAIVER REQUESTS

If a bidder is unable to comply with a contract goal, the bidder may submit a waiver request with the bid. The waiver request must be made on the MBE/WBE Participation Waiver Request Form. A waiver will not be granted unless the waiver request includes documentation that demonstrates good faith efforts to meet the goals. Art. 5, §28-62.

5. SUBSTITUTION OF MBE OR WBE

The Minority and Women's Business Opportunity Office must approve the substitution, after award of a contract, of any MBE or WBE that is included on a bidder's Statement of Intent at the time of bid opening. Any unjustified failure to comply with this requirement after award of a contract is a material breach of contract. Art. 5, §28-63(a).

6. **CONTRACT REQUIREMENTS**

During the term of the contract, any unjustified failure to comply with the levels of MBE and WBE participation identified in the bid is a material breach of contract. Art. 5, §28-48 (e).

MBE and WBE participation is monitored using the Diversity Management System. You must log in and enter the needed information for each contract. https://baltimorecity.diversitycompliance.com/

THIS PACKAGE OF MBE AND WBE PARTICIPATION COMMITMENT FORMS, AS DETAILED IN INSTRUCTION 1. BID REQUIREMENTS, ARE DUE WITH THE BID.

MBE AND WBE BID PARTICIPATION COMMITMENT FORMS

Name of Bidder (Proposer):
Address:
Contracting Agency:
Contract (Project) Title:
Contract Number:
Cotal Value of Bid: \$
Bid Due Date:

PART B:

MBE/WBE AND PRIME CONTRACTOR'S STATEMENT OF INTENT

COMPLETE A SEPARATE FORM FOR EACH MBE and WBE NAMED IN THIS BID. (You are permitted to make additional copies of this form as needed). PART A: INSTRUCTIONS MUST BE REVIEWED BEFORE COMPLETING THIS FORM, WITH PARTICULAR ATTENTION PAID TO SECTIONS 2, 3A and 3F.

Contract Number:		
Name of Prime Contractor:		
Name of Baltimore City Certified Subcontractor:		
City Certification Number:	MBE	WBE
List the City certified Work and/or Service to be perfo (The selected MBE and/or WBE above must be City ce Please list each NAICS Code for services to be provide	ertified for the work/servi	
Materials/Supplies to be furnished by MBE or WBE:		
Percentage of work to be performed by MBE or W MUST BE A WHOLE NUMBER, NO DECIMAL PL		%
The undersigned Prime Contractor and Subcontractor indicated above for the percentage and correspond participation goals. This form is subject to the Prime C Baltimore. The Subcontractor is currently certified as a and Women's Business Opportunity Office to perform	ing dollar amount listed Contractor's execution of an MBE or WBE with the	d to meet the MBE/WBF f a contract with the City o City of Baltimore Minority
Signature of Prime Contractor (REQUIRED)	Date	
Email Address	Phone	
Signature of MBE or WBE (REQUIRED)	Date	
Email Address PLEASE NOTE: CHANGES TO INFORMATION CONTRACTOR'S STATEMENT OF INTENT TH		

BETWEEN THE PRIME CONTRACTOR AND MBE OR WBE MUST BE INITIALED BY

BOTH PARTI

PART C:

STATEMENT OF INTENT TO SELF-PERFORM

PART A: INSTRUCTIONS MUST BE REVIEWED BEFORE COMPLETING THIS FORM, WITH PARTICULAR ATTENTION PAID TO SECTION 2, 3a, 3b and 3f.

City Certification Number:	MBE	WBE
List the City certified Work and/or Service to be self- (The Prime Contractor MBE or WBE above must be Contractor MBE or Services to be provided by Please list each NAICS Code for services to be provided by the contract of	City certified for the work/	
Materials/Supplies to be furnished: Percentage of Self-Performed Work toward the M MUST BE A WHOLE NUMBER, NO DECIMAL PI		%
The undersigned Prime Contractor agrees to Self-Perf Dollar Amount and/or Percentage indicated to meet the Prime Contractor's execution of a contract with the C certified as an MBE or WBE with the City of Baltimo Office to perform the work described above	ne MBE/WBE participation ity of Baltimore. The Prince	n goals, subject to the ne Contractor is currently
Signature of Prime Contractor (REQUIRED)	Date	
Email:	Phone:	

PART D: MBE/WBE BID PARTICIPATION AFFIDAVIT

Contractor has read the Bidder Information Contractor acknowledges the MBE goal of	and Instructions regarding the MBE/WBE Program. ———————————————————————————————————
MBE%	
WBE%	
THE ABOVE MUST BE A WHOL	LE NUMBER
contract. I understand that, if awarded the Business Opportunity Office (SMBA&D) c firms being utilized to achieve the participat	schieve the MBE and WBE participation goals for this contract, my firm must submit to the Minority and Women's opies of all executed agreements with the MBE and WBE tion goals and other requirements of Article 5, Subtitle 28 of these documents must be submitted prior to the issuance of a
	t, my firm must log all MBE and WBE participation ystem- https://baltimorecity.diversitycompliance.com/ .
identified in my Statements of Intent, I must	et and I find that I am unable to utilize the MBEs or WBEs t substitute other certified MBE and WBE firms to meet the not make a substitution until I have obtained the written
examine, from time to time, the books, reco	et, authorized representatives of the City of Baltimore may rds and files of my firm to the extent that such material is firm is complying with the MBE and WBE participation
I do solemnly declare and affirm under the Affidavit are true and correct to the best of t	he penalty of perjury that the contents of the foregoing my knowledge, information, and belief.
Contractor Company Name	Signature
Email Address and Phone	Print Name and Title

PART E: MBE/WBE BID PARTICIPATION WAIVER REQUEST FORM

Name of Bi	dder			
Address _				
Contracting	Agency:			
Contract (Pr	roject) Number and Title:			
Bid Due Da	te:	· · · · · · · · · · · · · · · · · · ·		
I have achi I am reque	nis contractevedsting a waiver ofA WHOLE NUMBER, NO DECI	MBE:	% and WBE:%	
I have conta	acted SMBA&D for assistance: _	Yes	No (Check One)	
Number of l	MBE firms contacted:	(Attach a list of r	names.)	
Number of	WBE firms contacted:	(Attach a list of t	names.)	
WBEs, incl			-	
	le reasons your company is unable ted goals	e to secure sufficien	t MBE/WBE participation to mee	et the
(2) Th	e efforts made by your company t d WBEs	to select portions of	the contract to be performed by	MBEs
` '	r each MBE or WBE that placed a plains the basis for that conclusion		der to be unacceptable, a statement	nt that
` /	ease consult the Bidder Informa idance.	tion Guide & SMI	BA&D FAQ for additional waiv	er
Signature of	f Authorized Company Representa	ative	Date	

BIDDER SUBMISSION CHECKLIST

	You have reviewed the Bidder Information Guide following this checklist You have viewed the Diversity Management System website-
	https://baltimorecity.diversitycompliance.com/
— Part B:	Statement of Intent Form(s)
	Name of Bidder and Name of MBE or WBE included at the top of the form
	Form is signed by both Bidder and MBE or WBE
	Form indicates whether the subcontractor is a MBE or WBE
	Checked SMBA&D database to verify MBE and WBE certification
	Listed the MBE or WBE subcontractor's City certification number
	Checked SDAT database to verify good standing of MBE and WBE
	Detailed Brief description of work to be provided Detailed Materials/supplies to be provided (if applicable)
	Stated Percentage of Work to be performed
	The percentages being performed by the MBE and WBE meet the goals set on the
_	bid solicitation
— Part D: 1	MBE/WBE Participation Affidavit
	The applicable MBE/WBE goal was entered in the first paragraph (this goal
П	should match the goal stated in the bid solicitation) Stated MBE or WBE percentage (%) of work to be performed (this percentage
_	should match the goals set on the bid solicitation)
	Completed Company name and address
	Signed your name
	Printed name and title of the person who signed the form
<u>OPTIONAL</u>	FORMS, these should only be submitted if applicable
— Part C: S	Statement of Self-Performance
	Voy and contified MDE/WDE by Deltinson City SMD A &D
	You are certified MBE/WBE by Baltimore City SMBA&D Included the percentage of work to be applied to the applicable MBE or WBE
_	participation goal
	Self-performing percentage is not over 50% of value of work to be performed by
	ur forces
•	Detailed Brief description of work to be provided
	Detailed Materials/supplies to be provided (if applicable)
	Stated Percentage of Work to be self-performed
	P
	Form is signed by the Bidder

Part E: MBE/WBE Participation Waiver Request You submitted an additional document addressing questions one, two and three on Part E. You exercised good faith efforts to achieve the applicable contract participation goals You reviewed the Bidder Information Guide for guidance regarding waivers and good faith efforts You detailed all efforts that were undertaken to secure MBE and/or WBE participation on this contract in the Waiver Request Form and submitted additional documentation of these efforts. You have double-checked that all bid forms that will be submitted are complete, contain the required information, and are signed and dated.

Bidder Information Guide

What are some common mistakes or omissions that I should try to avoid and things to keep in mind?

- Any bid that does not include a signed Statement of Intent Form(s) and the MBE/WBE Participation Affidavit is non-responsive and will be rejected.
- Any Statement of Intent Form(s) and/or MBE/WBE Participation Affidavit that are not properly executed or do not contain all required information will result in a finding of non-compliance and will be rejected.
- Utilizing a business that is not certified with the City of Baltimore or that has an expired certification, without an extension due to a pending application for renewal, will not count towards meeting a MBE/WBE participation goal. City Code Article 5, §28-41(d) states that each bidder is responsible for verifying that all MBEs and WBEs to be used have been certified by the Office before bid opening.
- The failure to exercise good faith efforts when requesting a waiver and not meeting the applicable MBE/WBE goals for the contract will result in a finding of non-compliance
- A business enterprise that is Baltimore City certified as both an MBE and WBE (M/WBE) may not be counted toward both the MBE and WBE goals for the same project. The bidder must select the goal to which the business enterprise is to be counted. Art. 5, §28-31(b) and §28-35.
- A bidder that is a City certified MBE/WBE may only count up to 50% of the dollar value of the work it intends to perform with its own forces toward the applicable MBE or WBE goal. The amount of credit may not exceed the MBE/WBE's available work capacity as calculated with the Contractor Prequalification rules. Intentions to count self-performance toward the MBE or WBE goal must be indicated on Part C: Statement of Intent to Self-Perform. A bidder's statement that they will self-perform, but the business is not City certified as a MBE/WBE, may result in the bid being found non-compliant.
- A bidder may count toward the contract goal the portion of its expenditure to a joint venture that is equal to the percentage of the MBE or WBE participation in the joint venture. The MBE or WBE member of the joint venture must have an interest in the control, management, risks and operation of the joint venture commensurate with the member's percentage of ownership. The MBE or WBE member of the joint venture must be responsible for a clearly defined portion of the work to be performed, equal to its share in the ownership, control and management of the joint venture. Art. 5, §28-33.

- A bidder may not count toward its contract goal any agreement with a certified MBE or WBE subcontractor who intends to subcontract more than 10% of the dollar amount of the services to be performed under its agreement with the bidder. This restriction does not apply to an MBE/WBE that contracts for the purchase of materials, equipment or supplies that are incidental to the performance of services under its agreement with the bidder. Art. 5, §28-34.
- A bidder may count toward the contract goal its entire expenditure to a certified MBE or WBE that manufactures the goods supplied. Art. 5, §28-36.
- Only 25% of each contract goal may be attained by expenditures to MBEs and WBEs that are non-manufacturing suppliers. Art. 5, §28-37.
- A bidder may count toward the contract goals only the fees or commissions charged by an MBE or WBE insurance company or travel agent. Art. 5, §28-38.
- A bidder may count toward the contract goals only the fees charged and earned by an MBE or WBE financial institution. Art. 5, §28-39.
- A bidder may not use an MBE or WBE to meet a contract goal if the bidder has a financial interest in, has an interest in the ownership or control of, or is significantly involved in the operation of the MBE or WBE. Art. 5§28-41.

Is there any limitation of what services an MBE/WBE can perform that count towards the contract participation goals?

MBE/WBEs subcontractors must perform a commercially useful function. Commercially useful function is defined in the City Code as the performance of real and distinct work for which the business enterprise has the skill, expertise, and actual responsibility to perform, manage and supervise. Art. 5, §28-32. As a result, the bidder should think broadly and consider all functions and services necessary to fully perform the contract.

Can I get a waiver of the contract participation goals?

If a bidder is unable to comply with a contract goal, the bidder may submit a waiver request with the bid. The waiver request must be made on the MBE/WBE Participation Waiver Request Form. A waiver will not be granted unless the waiver request includes documentation that demonstrates good faith efforts to meet the goals. Art. 5, §28-62. The bidder should have previously consulted the SMBA&D certification directory, https://baltimorecity.diversitycompliance.com/, and made attempts to secure MBE/WBE

https://baltimorecity.diversitycompliance.com/, and made attempts to secure MBE/WBE subcontractor participation.

Each waiver request **must include documentation** of your good faith efforts to secure, contact and negotiate with MBEs and WBEs, including:

- (1) The reasons your company is unable to secure sufficient MBE/WBE participation to meet the stated goals;
- (2) The efforts made by your company to select portions of the contract to be performed by MBEs and WBEs; &
- (3) For each MBE or WBE that placed a bid that you consider to be unacceptable, a statement that explains the basis for that conclusion.

Each waiver is reviewed individually, highly scrutinized, and will not be granted if the bidder's submission does not evidence that they undertook several steps to secure participation in good faith.

What are "good faith efforts"?

SMBA&D uses the term good faith efforts in several contexts including bid participation forms, waivers, and in evaluating efforts to meet contract participation goals by bidders. <u>All efforts</u> must begin with an evaluation of the availability of certified MBE/WBEs to perform the contract services by consulting the SMBA&D certification directory:

https://baltimorecity.diversitycompliance.com/

If there are certified MBE/WBEs that can provide the goods or services under the contract the contractor/vendor must undertake efforts to contact those businesses, secure price quotes, and exercise diligence in determining if they have the capabilities and expertise to perform. The availability of MBE/WBEs strongly undercuts any request for participation goals to be waived.

The following are additional examples of actions that can show that efforts were undertaken in good faith to meet the applicable contract goals, <u>including but not limited to</u>:

- The bidder should solicit interest as early in the acquisition process as practicable to allow the MBE/WBEs to respond to the solicitation and submit a timely offer for the subcontract. The bidder should determine with certainty if the MBE/WBEs are interested by taking appropriate steps to follow-up on initial solicitations.
- The bidder should identify portions of the work to be performed by MBE/WBEs in order to increase the likelihood that the MBE/WBE goals will be achieved. This includes, where appropriate, breaking out contract work items into economically feasible units (for example, smaller tasks or quantities) to facilitate MBE/WBE participation, even when the prime contractor might otherwise prefer to perform these work items with its own forces. This may include, where possible, establishing flexible timeframes for performance and delivery schedules in a manner that encourages and facilitates MBE/WBE participation.
- The bidder should provide interested MBE/WBEs with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding to a solicitation with their offer for the subcontract.
- A bidder using good business judgment would consider a number of factors in negotiating with subcontractors, including MBE/WBEs subcontractors, and would take a

firm's price and capabilities as well as contract goals into consideration. However, the fact that there may be some additional costs involved in finding and using MBE/WBEs is not sufficient reason for a bidder's failure to meet the contract MBE/WBEs goal, as long as such costs are reasonable and not excessive.

- The bidder should engage in negotiations in good faith with interested MBE/WBEs. It is the bidder's responsibility to make a portion of the work available to MBE/WBEs subcontractors and suppliers and to select those portions of the work or material needed that is consistent with the available MBE/WBEs subcontractors and suppliers, so as to facilitate MBE/WBEs participation.
- Evidence of such negotiation includes: the names, addresses, and telephone numbers of MBE/WBEs that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting; and evidence as to why additional agreements could not be reached for MBE/WBEs to perform the work.
- Bidders should include detailed information regarding their attempts to secure
 participation. SMBA&D cannot accept unsupported statements about efforts to secure
 MBE/WBE participation. All waivers must include documentation of those efforts.
 For example: you should include email correspondence with subcontractors to show their
 response or lack of response.
- It is insufficient to simply state that you contacted a business and provide their directory entry or contact information. It is insufficient to make arguments why you believe the goals should be waived and you should be permitted to perform the entire contract with no participation goals. It is insufficient to detail that the contract was previously granted a waiver or that you were previously awarded this contract. A promise to use MBE/WBEs after contract award is not considered to be responsive to the contract solicitation or to constitute good faith efforts. Also, the ability or desire of a prime contractor to perform the work of a contract with its own organization does not relieve the bidder of the responsibility to make good faith efforts or to meet the contract MBE/WBE participation goals.
- It is the bidder's responsibility to establish and document the efforts that were undertaken to secure MBE/WBE participation. Waivers are judged solely based upon the information provided and detailed to SMBA&D in the bid submission.
- There are numerous ways to identify subcontractors to participate on the contract such as: the SMBA&D certification directory, https://baltimorecity.diversitycompliance.com/, attending pre-bid information sessions, business matchmaking meetings and events, advertising and/or written notices, posting of Notices of Sources Sought and/or Requests for Proposals, and/or written notices or emails to all MBE/WBEs listed in SMBA&D's directory that specialize in the services or goods required to perform the contract.

- MBE/WBEs should not be rejected as unqualified without sound reasons based on a
 thorough investigation of their capabilities. Factors such as the contractor's standing
 within their industry, membership in specific groups, organizations, or associations and
 political or social affiliations (for example union vs. non-union status) are not legitimate
 causes for the rejection or non-solicitation of bids in the contractor's efforts to meet the
 project goal.
- Bidders should make <u>reasonable efforts</u>, if needed, to assist interested MBE/WBEs in obtaining bonding, lines of credit, insurance, or related assistance or services as required by the subcontractor.
- Contacting and utilizing the services of available minority/women community
 organizations; minority/women contractors' groups; local, State, and Federal
 minority/women business assistance offices (including SMBA&D); and other
 organizations as allowed on a case-by-case basis to assist in the recruitment and
 placement of MBE/WBEs. When considering a waiver, you should contact SMBA&D if
 you feel as though you have exhausted the ability to identify additional MBE/WBEs who
 could perform on the contract.

SMBA&D will evaluate <u>all of the detailed efforts</u> in determining if the bidder has exercised good faith efforts.