

BALTIMORE COUNTY 2017 OPEN FOR BUSINESS INITIATIVE

Baltimore County recognizes the important contributions made by Minority Business Enterprises (MBE) and Women's Business Enterprises (WBE) to the overall economic health of the region. The County's MBE/WBE program is established by executive order to provide maximum opportunities for minority- and women-owned businesses to participate in all phases of procurement in the county. Baltimore County's MBE/WBE Program has been successful in encouraging MBE/WBE participation with the County by hosting and co-hosting annual procurement outreach events such as:

- Meet the Buyers or "How to do Business with Baltimore County"
- Meet the Primes networking opportunities for prime contractors and potential subcontractors
- An Affordable Housing Developer's Meet and Greet and
- A Smart Business Training Event which was a one-stop workshop highlighting federal, state and local government requirements and assistance.

In addition, we were successful in increasing compliance with MBE/WBE goals by:

- Implementing in-house Agency MBE/WBE training.
- Adding 2 additional staff positions including a Minority & Small Business Marketing Manager, and
- Utilizing a Web-based compliance notification and reporting system, PRISM.
 - For the fiscal year ending June 30, 2017, the County awarded in excess of \$123million in discretionary spending. Of the contracts let, the average of assigned participation goals was 17%. Preliminary numbers indicate we are on target to meet that average.

However, there has been informal feedback that some members of the MBE/WBE community still have a perception that opportunities for participation in Baltimore County Procurement are limited for new and small MBE/WBE companies. Therefore, the Baltimore County Government will take immediate steps to implement new race and gender neutral processes that will open opportunities for all small business to grow into prime contractors for the County:

- Incorporate language in solicitations that informs small businesses of the Maryland Small Business Financing Authority (MSBDF) for Surety Bonds
- Incorporate language in solicitations that inform businesses of the service offered by the Baltimore County Economic and Workforce Development to fulfill hiring needs.
- Streamline the Prequalification Process
 - Project Lists Forms (includes contact person for reference check) will be submitted by the applicant in lieu of the Reference Inquiry Form that was previously mailed in by other jurisdictions, thus reducing the prequalification processing time from 90 days to 30 days.
 - Consideration for private work experience may be given in some cases.
- Create a Small Business Purchasing Program
 - Establish a Tier 1 solicitation level that will provide special opportunities for start-up companies or small firms that are just entering the government contracting process
 - Focused on, but not limited to, professional services and the construction trades (such as electrical, plumbing, carpentry, masonry, painting, HVAC and roofing).
- Permit MBE/WBE self-performance in meeting 50% of subcontracting goals

Most of these actions are race and gender neutral and yet should provide sustainable growth for minority and women-owned companies who are willing and able to do business with Baltimore County.

Small Business Purchasing Program (SBPP)

According to the 2017 Small Business Profiles for the States and Territories, Maryland, there are 579,173 small businesses in Maryland. Of total number of Maryland small businesses, 203,326 are minority-owned. Maryland small business employed 1.1 million people, or 50.3% of the private workforce in 2014. Baltimore County small businesses account for 52% to 57% of employment.

Baltimore County's Small Business Purchasing Program is a race and gender neutral program designed to provide prime contracting opportunities to small businesses. Through SBPP the County has established a tiered contracting process in an effort to increase **prime** contracting opportunities at various contract levels for, **but not limited to**, professional services and the construction trades (such as electrical, plumbing, carpentry, masonry, painting, HVAC and roofing).

Construction Trades Tiered contracting

- ****NEW** Tier 1 – Award on-call contracts valued up to \$24,999.99 per project or a 5-year term contract with a value not to exceed \$500,000 over the contract life**
 - No bonding requirement
 - No MBE/WBE subcontracting goals.
- Tier 2 – Award on-call trades contracts valued at \$25,000 to \$250,000 per project
- Tier 3 – Design Build valued at up to \$5 Million per project
- Tier 4 - Design Bid Build contracts value exceeding \$5 million per project
- Tier 5 – Department of Public Works construction projects must complete the DPW Prequalification Process
- The Prequalification Process does NOT apply to Tier 1 through Tier 4 opportunities solicited through Purchasing Division.

Professional Services (Architect/Engineering) Tiered contracting

- Establishing a Tier 1- Small Business for Professional Services contracts will be determined by the Procurement Review Group and the Using Agency prior to project advertisement.
- Tier 1 – Small Business contracts may be awarded up to \$500,000.
- In solicitations providing both a Tier 1 and Tier 2 (in excess of \$500,000), a firm must self-select in which Tier it will compete.

Benefits to Small Business

- Affords all small businesses the ability to work directly for and be paid directly by the County. Results in a “30 Days Prompt Payment” from approval of invoice.
- Possibility to increase prime contracting opportunities for Minority-owned and Women-owned small businesses.