

APPENDIX V

VETERAN-OWNED BUSINESS ENTERPRISE CONTRACTING POLICY REQUIREMENTS

Section 1. Purpose

The purpose of the Veteran-Owned Business Enterprise Contracting Policy (“Policy”) is to increase contracting opportunities with the Metropolitan Water Reclamation District of Greater Chicago (“District”) for veteran-owned and operated small business enterprises.

Section 2. Definitions

- (a) “Contract Goals” means the numerical percentage goals for MBE, WBE, and VBE participation to be applied to an eligible District contract subject to Affirmative Action Ordinance Revised Appendix D of the Metropolitan Water Reclamation District of Greater Chicago and this Appendix V for the participation of MBEs, WBEs, and VBEs based upon the scope of work of the contract and the availability of MBEs, WBEs, and VBEs to meet the goal, and the District’s progress towards meeting its annual MBE and WBE goals.
- (b) “Eligible Veteran” means an individual who has been a member of the armed forces of the United States and served for a total of at least six (6) months, or for the duration of hostilities regardless of the length of engagement, and
 - (i) was discharged on the basis of hardship; or
 - (ii) was released from active duty because of a service-connected disability; or
 - (iii) was discharged under honorable conditions.

Former members of the military with the following type of discharges are excluded from the Policy:

- (i) dishonorably discharge; or
 - (ii) bad conduct discharge; or
 - (iii) general discharge under other-than-honorable conditions.
- (c) “Good Faith Efforts” means honest, fair, and commercially reasonable actions undertaken by a prime contractor or consultant to meet the VBE Contract Goal, which by their scope, intensity, and appropriateness to the objective, can reasonably be expected to fulfill the Contract Goals.
 - (d) “Local Business” means a business located within the District’s geographic market area as established by the 2021 Disparity Study, namely the counties of Cook , DuPage, Kane, Lake, McHenry, or Will, in the State of Illinois.
 - (e) “Minority-owned Business Enterprise” or “MBE” means a local small business entity, including a sole proprietorship, partnership, corporation, limited liability company, joint venture, or any other business or professional entity, which is at least fifty-one (51) percent owned by one or more socially and economically disadvantaged individuals who are members of one or more minority groups, or, in the case of a publicly held corporation, at least fifty-one (51) percent of the stock of which is owned by one or more members of one or more minority groups, and whose management, policies, major decisions, and daily business operations are controlled by one or more minority individuals.

- (f) “Small Business Enterprise” or “SBE” means a small business as defined by the United States Small Business Administration (SBA), pursuant to the business size standard found in 13 CFR Part 121, that is relevant to the scope of work the business seeks to perform on District contracts. A business is not an eligible SBE in any calendar fiscal year in which its gross receipts, averaged over the business’ previous five (5) fiscal years, exceed the size standards of 13 CFR Part 121.
- (g) “Veteran-owned Business Enterprise” or “VBE” means a local small business entity, including a sole proprietorship, partnership, corporation, limited liability company, joint venture or any other business or professional entity, which is at least fifty-one (51) percent owned by one or more eligible veterans, or in the case of a publicly held corporation, at least fifty-one (51) percent of the stock which is owned by one or more eligible veterans, and whose control and management of the business including long-term goals for the company as well as day-to-day operations are controlled by one or more eligible veterans.
- (h) “Women-owned Business Enterprise” or “WBE” means a local small business entity which is at least fifty-one (51) percent owned by one or more socially and economically disadvantaged individuals who are women, or in the case of a publicly held corporation, fifty-one (51) percent of the stock of which is owned by one or more women, and whose management and daily business operations are controlled by one or more women. Determination of whether a business is at least fifty-one (51) percent owned by a woman or women will be made without regard to community property laws.

Section 3. Certification Eligibility

- (a) Only a business owned, managed, and controlled by an Eligible Veteran may be certified as a VBE.
 - (i) Ownership by one or more Eligible Veterans must be direct and unconditional; and
 - (ii) Subsidiaries owned or controlled by one or more Eligible Veterans is not acceptable.
- (b) For the purposes of this policy, there is no distinction between service-disabled and non-service disabled veteran-owned businesses.

Section 4. Contract Goals

- (a) The standard Contract Goal for VBEs is three (3) percent, unless otherwise specified in the language of the contract, specifically the Invitation to Bid. This goal is applicable to contracts awarded by the District where the total approved expenditure is in excess of one hundred thousand dollars (\$100,000.00).
- (b) VBE Contract Goals are separate and distinct from the MBE and WBE Contract Goals. An Eligible Veteran who is also a MBE or WBE may be utilized to fulfill the MBE, WBE, and VBE Contract Goals, as applicable. However, the three (3) percent VBE Contract Goal must be fulfilled in addition to the MBE and WBE Contract Goals set forth.
- (c) If a MBE or WBE is utilized to accomplish the VBE Contract Goal, the VBE commitment amount must be entered as a separate dollar amount on all contract documents.

- (d) VBE Contract Goals will only be applied to a contract when there are at least two (2) qualified VBE contractors or professional services consultants registered on the District's vendor list that are capable of performing the anticipated subcontracting functions of the contract.

Section 5. Good Faith Efforts

A prime contractor must undertake Good Faith Efforts to ensure that qualified VBE businesses are utilized in the performance of the contract and provide maximum opportunities for VBE participation, notwithstanding the fact that the contractor may have the capability to complete the contract without the use of subcontractors.

Section 6. VBE Commitment Form Submission

When completing a Utilization Plan for a contract bid document, a prime contractor must complete the VBE Commitment Form by doing the following:

- (a) Provide the name, contact information, and qualifications for prospective VBE businesses. Delineate the various anticipated categories and disciplines of services to be provided by VBE businesses and provide the dollar amount to be allocated to each business; and
- (b) Summarize commitment to comply with the VBE Contract Goal for the project. Compliance documents must be submitted as detailed in the bid solicitation. The Administrator will review compliance documents for each bid submission to determine whether it meets the requirements herein; and
- (c) Where a prime contractor or consultant is a business owned and controlled by a VBE or where the prime contractor or consultant utilizes a VBE in a joint venture or as a subcontractor, a prime contractor or consultant may count toward the achievement of its VBE Contract Goals the utilization of any VBE that also satisfies the definition of a SBE.

Section 7. Effective Date

This Policy is effective as of December 31, 2022 and applies only to qualifying contracts advertised after the effective date.

Adopted pursuant to an Order of the Board dated November 15, 2018

Revised May 1, 2023

VBE COMMITMENT FORM

1. Name of VBE: _____
Identify MBE, WBE Status: _____ Address: _____
City, State, Zip Code: _____
Contact Person: _____ Telephone Number: _____
eMail Address: _____
*Dollar Amount of Participation: \$ _____ Percent of Participation: _____ %
Scope of Work: _____

2. Name of VBE: _____
Identify MBE, WBE Status: _____ Address: _____
City, State Zip Code: _____
Contact Person: _____ Telephone Number: _____
eMail Address: _____
*Dollar Amount of Participation: \$ _____ Percent of Participation: _____ %
Scope of Work: _____

3. Name of VBE: _____
Identify MBE, WBE Status: _____ Address: _____
City, State Zip Code: _____
Contact Person: _____ Telephone Number: _____
eMail Address: _____
*Dollar Amount of Participation: \$ _____ Percent of Participation: _____ %
Scope of Work: _____

4. Name of VBE: _____
Identify MBE, WBE Status: _____ Address: _____
City, State, Zip Code: _____
Contact Person: _____ Telephone Number: _____
eMail Address: _____
*Dollar Amount of Participation: \$ _____ Percent of Participation: _____ %
Scope of Work: _____

* If a MBE or WBE will be utilized to accomplish the VBE Contract Goal, then the VBE commitment amount must be entered as a separate dollar amount. VBE Contract Goals are separate and distinct from the MBE and WBE Contract Goals.

Attach a copy of qualifications for each VBE business.