



POLICY TITLE	NUMBER	EFFECTIVE
Washington EDGE	TBD	TBD

APPLIES TO	The Department of Enterprise Services and public works contracting community.
CONTACT	Kimberly Marshall , Deputy Assistant Director, Facility Professional Services
GOVERNANCE	<p>Below are some, but not all governing requirements. Laws and rules may change over time and such changes may take precedence.</p> <ul style="list-style-type: none"> • RCW 39.04: Public Works • RCW 39.10: Alternative Public Works • Executive Order 22-01 Equity in Public Contracting

FIRST ADOPTED	N/A	LAST UPDATE	N/A	REVIEW DATE	N/A
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ADOPTED BY	Tara Smith, Director
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Reason for policy

This policy establishes and sets requirements for the Encouraging Diversity, Growth, and Equity (EDGE) program.

The intent of the EDGE program is to remove barriers for small and diverse businesses in Washington state public works contracting. The program gives eligible businesses access to special training, technical help, and opportunities to bid on EDGE reserved contracts.

State law allows skipping competitive contracting in some circumstances

RCW 39.04.280(1)(b) allows skipping competitive bidding for public works when there are special market conditions.

Study finds certain businesses underrepresented in state contracts

According to the [2019 State of Washington Disparity Study](#) small, minority, women, and veteran-owned business were significantly underrepresented in state contracts. The study found that discrimination in

Washington’s construction sector creates barriers to for minority- and women-owned businesses to access public works contracts. The study found significant racial disparities in start-up businesses in the state’s construction industry, as well as differences in wages, income, and business earnings. The study also found evidence of ongoing discrimination against White women and minorities.

The study concluded that minorities and White women do not have equal access to contracting opportunities in Washington state. Most minority- and women-owned businesses face challenges due to discrimination, leading to fewer opportunities, lower earnings, and difficulties in starting new businesses.

To address these issues, the study recommended several actions to ensure fair access to state contracts, including creating a pilot program focused on race- and gender-neutral small businesses.

Definitions

Washington EDGE (EDGE) means the small business program authorized and governed by this policy.

EDGE business means a business that has been accepted to participate in EDGE.

EDGE bidder means an EDGE business that has completed the requirements detailed in this policy to qualify for bidding on EDGE contracts.

Client agency means a state agency receiving public works project management services from the Facility Professional Services division of DES.

EDGE contract means contract awarded through EDGE.

Complete application means an application a firm submits that fulfills all steps in the application process.

Fiscal year means the Washington State financial year - the 12 month period between July 1st of one year and June 30th of the following year.

Revised Code of Washington (RCW) means the set of laws that govern Washington State.

Authorized representative of the business means a person who has permission to apply to the EDGE program for the business.

Policy statement

The Department of Enterprise Services recognizes there are barriers that might keep small and diverse businesses from participating in public works contracting in Washington state. Through Washington EDGE, DES intends to reduce or remove those barriers to improve access for small and diverse businesses seeking to participate in public works contracting in Washington state.

Policy

EDGE business eligibility criteria

To qualify for EDGE, businesses must:

- Meet the definition of “Microbusiness” or “Minibusiness” in state law ([RCW 39.26.010](#)).
- Have no debarments or suspensions with the Department of Labor & Industries (L&I), Department of Revenue (Revenue), and Employee Security Department (ESD) within the last two years.

- Have all necessary licenses, registrations, and permits required by law to take part in public works contracting under state law (RCW 39.04 and 39.10).
- Submit a complete application signed by the principal business owner or authorized representative of the business.

Also, for at least three years from the application date, businesses must:

- Have an active Washington State business license under state law (RCW 19.02).
- Be registered as a general or specialty contractor in the L&I database.
- Be actively performing construction work.

Applying for the EDGE program

- DES will accept applications year-round and review them at least twice a year.
- EDGE applicants must include a signed and notarized statement confirming that the information they provided in the application is correct.

EDGE acceptance requirements

A business will officially become part of EDGE once they:

- Meet all eligibility criteria described in this policy.
- Keep microbusiness or minibusiness status through the application process.
- Maintain no debarments or suspensions with L&I, Revenue, and ESD through the application process.
- Receive an acceptance letter from DES.

EDGE bidder status

A EDGE business can begin bidding on EDGE contracts once they have received:

- Complete the EDGE training program.
- Keep microbusiness or minibusiness status.
- Stay in "good standing" with L&I, Revenue, and ESD.

EDGE space limitation

The assistant director of Facility Professional Services may decide to limit the number of businesses that can join the EDGE program at any time if there are not enough resources for DES to manage the program effectively.

If limits are set:

- Spots in the program will be granted on a first-come, first-served basis for completed applications.
- If DES receives any applications beyond the EDGE space limit, DES will keep those applications and process them first during the next application window.

EDGE reserved contract selection

Contracts selected by review committee for EDGE bidding must meet the following criteria:

- Total contract value estimated under \$1 million.
- Client agency, if applicable, agrees to use the EDGE program for this project.

EDGE reserved contract bidding

DES will use the competitive bid process for EDGE reserved contracts (RCW 39.04 and 39.10), limiting eligibility to EDGE firms. The bidding process will include:

- Additional bidder criteria that says the bidder is an approved participant in the EDGE program and meets the requirements of the Department of Enterprise Services Policy No. [Insert this policy #].
- A requirement that the prime contractor must do 60% of the work on the contract.
- Confirmation that the business qualifies as a minibusiness or microbusiness under state law. (RCW 39.26).
- Experience requirements necessary to ensure the contractor's ability to successfully complete the contracted work.

DES will cancel an EDGE contract and rebid the project outside the EDGE program if:

- DES receives only one or no responsible bids.
- The assistant director of Facility Professional Services confirms that the bids are either too high or too low for the work.

EDGE training program

All applicants are required to complete the EDGE Training Program upon acceptance into the program. Completion of this training is mandatory to be eligible to bid on EDGE contracts.

The EDGE Training Program will:

- Require no more than 20 hours of training time.
- Include a required in-person program orientation.
- Be mostly, if not entirely, in-person. DES reserves the right to shift parts of the training to in-person, hybrid, or virtual as needed.
- Be designed and updated by DES. DES will use participant feedback to improve the program over time.
- Be held, at minimum, once a year.

Limitations for EDGE bidders

These limits only apply to EDGE contracts. Contracts awarded to firms through other processes do not count toward these limits.

EDGE bidders have the following yearly restrictions:

POLICY OPTION 1 FOR THIS SECTION (one of the two options will be adopted):

- A bidder cannot receive more than \$1.9 million in EDGE contracts as a prime contractor per fiscal year.

- If a change order is requested to finish a project, it may be approved, even if it puts the business over the \$1.9 million limit.
- The limit for the number of contracts a business can receive per fiscal year depends on the number of available EDGE bidders and the estimated number of available EDGE contracts. The table below shows the annual limit allowed for contract awards.

Maximum number of contracts that DES can award to one EDGE business per fiscal year				
Total EDGE bidders in program	Estimated number of EDGE reserved contract awards available that year			
	1-6 contracts	7-9 contracts	10-12 contracts	13+ contracts
Less than six bidders	2	Not applicable	Not applicable	Not applicable
6-10 bidders	2	3	Not applicable	Not applicable
11-15 bidders	2	3	3	3
16-20 bidders	2	2	3	3
More than 20 bidders	2	2	2	3

POLICY OPTION 2 FOR THIS SECTION (one of the two options will be adopted):

- An EDGE bidder cannot receive more than \$1.9 million in EDGE contracts as a prime contractor per fiscal year.
- If a change order is needed to finish a project, DES can approve it even if it puts the business over the \$1.9 million limit.
- An EDGE business cannot win more than two EDGE contract awards per fiscal year.

EDGE bidders are subject to the following lifetime limitations:

- An EDGE business cannot receive more than \$3.9 million in EDGE contracts during its lifetime.
- If a change order is needed to finish the project, DES can approve it even if it exceeds the \$3.9 million limit.
- DES cannot award an EDGE business more than eight EDGE contracts during its lifetime.
- Sub-contracting on another firm’s EDGE contract will not count against the lifetime limit.

Duration of EDGE Membership:

- EDGE memberships end when an EDGE business no longer meets the criteria for program eligibility described in this policy.

- EDGE memberships last no more than four years, starting on the date DES accepts the business into the EDGE program.
- An EDGE business can request, in writing, to end their participation in the EDGE program.

Business removal from EDGE program

- DES may remove businesses from the EDGE program at any time if:
 - The business provided false information in its EDGE application or bid documents.
 - The business is suspended by L&I, Revenue, or ESD.

Appealing EDGE decisions

- A business may appeal an EDGE program decision if they:
 - Believe their application for the EDGE program was wrongly denied.
 - Believe they were wrongly removed from the EDGE program.
- Appeals must be made within 30 days of the business being notified of the decision.
- DES will confirm receipt of your appeal within five business days.
- Decisions on appeals will be made by the Assistant Director of DES's Facility Professional Services division.

EDGE program pilot review period

DES will continue to review the EDGE program for improvements, and will update this policy no later than two and a half years after its adoption date.

EDGE Program Application Form (Placeholder)

Procedures

EDGE Program Application Review Process (Placeholder)

Frequently asked questions

EDGE Program FAQ (Placeholder)

Related Information

[2019 Disparity Study](#)

History

N/A



Need a copy of a prior version of this policy? Email jack.zeigler@des.wa.gov