

POLICY FAQ

Washington EDGE

FAQ TITLE	NUMBER	EFFECTIVE
Washington EDGE Program Frequently Asked Questions	FPS.01.01.FAQ1	1/10/2025

RELATED POLICY

FPS.01.01 Washington EDGE Pilot Program Policy

1. What is the Washington EDGE Program?

The Washington EDGE (Encouraging Diversity, Growth, and Equity) program is designed to provide an "edge" to small and diverse businesses to enhance and increase their participation and competitiveness in Washington state's public works contracting. The program will provide eligible businesses specialized training, technical assistance, and networking opportunities. Businesses accepted into the program will compete only with each other for selected construction contracts with a value up to \$1 million.

2. Who is eligible to apply for the EDGE program?

To qualify for the EDGE program, a business must:

- Have average annual gross receipts of less than \$5 million over the last 3 years.
- Have no debarments suspensions, or revocations from the Department of Labor & Industries (LNI), Department of Revenue (DOR), Employee Security Department (ESD), or any federal or local agencies within the last two years.
- Hold all necessary licenses, registrations, and permits required by law for public works contracting.
- Be registered as a general or specialty contractor with the Department of Labor and Industries (LNI).
- Have a principal business owner with at least three years of experience in the construction industry.
- Principal business owner(s) do not own multiple businesses that, combined, have gross revenue higher than \$5 million, on average, over the last three years.

3. How can my business apply to the EDGE program?

Applications for the EDGE program can be submitted year-round. The application and application instructions are available on the <u>DES website</u>. Businesses must complete an application form and provide an unsworn declaration or notarized affidavit attesting to the accuracy of the information provided in the application. We will review applications at least twice a year.

Commented [KD1]: Suggested revision on this: - No debarments or suspensions from the Washington Department of Labor & Industries as well as federal and local jurisdictions [or entities] within the last two years

 Be in good standing with Department of Labor & Industries (LNI), Department of Revenue (DOR), and Employee Security Department (ESD).

Commented [KD2]: adding this new eligibility requirement. I believe we are still discussing this.

Commented [MK3R2]: See my email from 5:18 last night. Unless anyone has spoken with Bill and shared perspective that shifted Bill's mind, this will remain a part of the policy.

4. What happens after my business applies?

Within five business days after we receive your application, we will provide you with a confirmation of receipt.

We will then review your application to make sure your business meets all eligibility criteria. If approved, your business will receive an acceptance letter, which will include details and information about the next steps such as program orientation and training requirements.

If your application is incomplete due to missing documents or details, the application is put on hold. While on hold, we will follow-up with you requesting the missing documents and/or information be provided.

If your application is rejected, your business will receive a denial letter, which will include the reason for denial.

5. Once I have received confirmation that my application was received, how long will it take to be notified of a decision?

At a minimum, there are two application review periods a year. The first review period will occur approximately two months after we start taking applications. The amount of time it takes to review applications will depend on the volume of applications we receive. Applications and timeframes will be available on the EDGE website.

6. What if my business has multiple owners, some of whom own other businesses that gross over \$5 million annually?

If over 49% of the business ownership holds other business interests that, together, exceed \$5 million annually, the business is not eligible for the EDGE program.

7. What is involved in the EDGE Training Program?

Upon acceptance into the program, a business must complete the EDGE Training Program to be eligible to bid on EDGE contracts. Training includes up to 20 hours of training, covering various topics essential for successfully bidding, managing, and performing on public works contracts.

8. How are contracts selected for EDGE bidding?

Contracts reserved for EDGE bidding are selected using the following criteria:

- Total contract value must be estimated to be under \$1 million, and
- The agency funding the project agrees to use Washington EDGE for its project.

A selection committee will identify and evaluate contracts that meet these criteria and are a good fit for the program.

9. Can my business bid and perform for non-EDGE contracts?

Yes. Participation in the EDGE Program does not limit your ability to bid on any work outside of the EDGE program.

10. Is there a limit to the number of EDGE Program contracts and/or total contract value an EDGE business can receive?

Commented [KD4]: Suggested verbiage: (i) Once an application is received, DES will provide [confirmation] to the business receipt of application within five business days.

(ii) Once an application is received, DES will provide acknowledgment [of receipt of application] to the business within five business days.

(iii) Once an application is received, DES will provide receipt of application to the business within five business days.

Commented [MK5R4]: Switched to your first option.

Commented [KD6]: suggested revision: "..., how long will it take to be notified of a decision?"

Commented [KD7]: I modified the layout and revised the verbiage

Yes. EDGE businesses are subject to both annual and lifetime limitations on the number and value of contracts they can receive through the EDGE program.

Annual Limits: As a prime contractor, an EDGE bidder is limited to:

- Two EDGE contract awards per fiscal year
- \$1.9 million in EDGE contracts per fiscal year
- Lifetime Limits: An EDGE bidder cannot be awarded:
 - More than eight EDGE contracts during its lifetime.
 - More than \$3.9 million in EDGE contracts during its lifetime.

11. What happens if my business no longer meets EDGE program criteria?

If we believe your business no longer meets the requirements to participate in the program, we may remove your business from the program. Before we take any action, we will notify you that your business is at risk for removal from the program. You have 20 days to respond before we take any final action.

12. Will the EDGE program be reviewed or updated?

Yes. We will continuously review the EDGE program to identify areas for improvement. A formal review to assess the program's effectiveness and make necessary updates to the policy will occur no later than two and a half years after the initial implementation.

13. How can I get more information about the EDGE program?

For more information, you can visit the <u>Department of Enterprise Services EDGE website</u>. You can also email <u>WAEDGE@des.wa.gov</u> if you cannot find the answer to your inquiry.

14. If I am accepted into the EDGE program and complete the training, am I guaranteed work?

No. Acceptance into the program and completing the training only makes you eligible to bid on EDGE contracts. It does not guarantee that you will receive a contract. EDGE contracts are competitively bid in compliance with RCW 39.04.

15. If I am awarded an EDGE contract, will I have to submit an inclusion plan or meet apprenticeship goals?

No. Both inclusion plans and apprenticeship goals are only required for projects estimated over \$1 million. EDGE projects are under \$1 million estimated cost, and therefore do not require inclusion plans and apprenticeship goals.

16. How will DES evaluate the success of the EDGE program pilot?

In the short term, we will look at the following as success factors:

- Volume of businesses applying to be in the EDGE program.
- Volume of projects being bid through the EDGE program.
- EDGE participant feedback on the value they receive from the EDGE training.

- Volume of businesses completing the EDGE training, gaining EDGE bidder status.
- Volume of contracts awarded to an EDGE business.
- Successful completion of projects contracted to EDGE businesses.

In the long term, we will look at the following success factors:

- A businesses' ability to compete more effectively on non-EDGE contracts after they have maxed out their lifetime EDGE program benefits.
- Greater diversity of businesses serving as prime contractors on state contracts.

17. Are architecture and engineering (A&E) businesses eligible to participate in the EDGE program?

Not right now. Initially, only construction businesses are allowed to participate in the EDGE program. A&E businesses are part of a future intended phase of the EDGE program.

18. Is the EDGE program subverting competitive bidding rules?

No. Contracts awarded through the EDGE program are competitively bid in compliance with <u>state</u> <u>law</u> governing public works contracting.

19. Is the EDGE program compliant with I-200?

Yes. <u>Initiative 200 (I-200)</u> became <u>state law</u> in 1998 and prohibits only situations in which state government uses race or gender to select a less qualified contractor over a more qualified contractor. Washington EDGE is a race and gender-neutral program. Program eligibility is based on factors unrelated to race or gender such as the size of the business or years of experience.

20. How is this program different from a small works roster?

In its most basic form, a <u>small works roster</u> is a pre-established list of responsible contractors interested in competing for small public works projects and is used for projects under \$350,000. Bidding process can either be competitive or direct contracting. The small works roster is also open to all responsible contractors regardless of their annual revenue.

For the EDGE Program, businesses participating in the program must have and maintain an average annual gross receipts of less than \$5 million over the last 3 years. Program participants will receive training, technical assistance, networking opportunities, and learn about how to become prime contractors on state public works construction and improvement projects. They will competitively bid between themselves on selected public works contracts under \$1 million.



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

Commented [MK(8]: Need to answer