Louisville MSD Sets Path to Expand Contract Opportunities for Minority- and Women-Owned Businesses

Utility Releases Results of 2018 Disparity Study

LOUISVILLE, KY — Today Louisville MSD’s Board reaffirmed their commitment to ensuring minority- and woman-owned businesses have equity in the award of MSD contracts. The Board accepted the findings of a Disparity Study that was completed this month by Mason Tillman Associates, Ltd.

MSD has a proud tradition of connecting minority- and woman-owned businesses with opportunities that help grow their companies while at the same time developing an exceptional supply base that benefits our customers and communities where we live and work. MSD commissioned the Disparity Study to evaluate its current supplier diversity and develop recommendations.

“We believe our efforts will create not only economic inclusion but an economic boom for area businesses,” states MSD Executive Tony Parrott. “As a large organization, it is our responsibility to assume leadership to increase supplier diversity with our procurement that will reflect the community in which we live and work. Our capital program will sustain thousands of jobs annually and offer the opportunity for more local businesses to perform work for MSD.”

The Disparity Study, completed in July 2018, analyzed MSD contracting over a five-year period to determine whether a statistically significant disparity existed in MSD awarded contracts to ready, willing and able minority- and woman-owned business enterprises. The Study included an evaluation of MSD procurement policies and contract data, as well as, interviews with vendors to ensure a comprehensive assessment of the utility’s procurement practices. Industries included in the study were construction, construction-related services, engineering and professional services — including architecture and engineering; materials; and, commodities and services.

The study found statistically significant evidence of disparity in the award of MSD prime- and sub-contracts to these groups, in particular African American and non-minority female vendors. MSD’s Board accepted these findings as well as a plan to increase these group’s participation in the utility’s spending.

“I commend the MSD Board and staff for taking a leadership role to improve equity in the water utility sector, particularly in the areas of economic inclusion, workforce development and job creation. I look forward to reviewing the study and pursuing efforts to build a more equitable system,” said Mayor Greg Fischer.
MSD staff will now look to revise its procurement policies and provide the Board with recommendations by January 2019. As an organization with a 2018-2019 capital budget of $202 million, MSD recognizes the significance of its work to not only improve public health, but also create jobs and economic growth.

“I would like to commend MSD for leading the efforts for economic inclusion of all sectors of the community, said Kentucky Senator Gerald Neal. “They are setting the standard for all public/private institutions to follow in the state and region.”

Louisville’s branch of the NAACP confirmed its commitment to MSD’s efforts with this statement: The Louisville Branch NAACP applauds MSD for conducting the disparity study. Equal opportunity programs such as this disparity study are a tool that gives qualified individuals and companies equal access to contribute; access they might not otherwise have. The NAACP looks forward to receiving the study and working with MSD to ensure equal opportunity for all.

MSD will present the findings of this study at a public meeting on July 24, at 5:30 PM. The public is welcome to attend. View a copy of the Disparity Study at LouisvilleMSD.org/Doing-Business-U

Mason Tillman Associates, Ltd, is an Oakland, California based minority woman-owned public policy consulting firm. The firm has conducted 141 disparity studies nationwide since 1990.

**MSD Public Presentation on Disparity Study:**
Tuesday, July 24, 2018
5:30 to 7:30 PM
St. Stephen Church Family Life Center
1508 W Kentucky Street, Louisville KY, 40210

About MSD
The Louisville/Jefferson County Metropolitan Sewer District (MSD) works to achieve and maintain clean, environmentally safe waterways for a healthy and vibrant community. The organization’s more than 630 employees provide wastewater management, drainage and flood protection services across the 376 square miles of Louisville Metro. In addition to operating and maintaining Louisville Metro’s sewer system, floodwall system, water quality treatment centers and flood pumping stations, MSD invests in hundreds of infrastructure improvement projects each year, plants more than 1,000 trees and other vegetation annually to enhance water filtration and reduce runoff, and provides numerous outreach programs to inform and educate the community about protecting our waterways.