2015 SEATTLE DEPARTMENT OF TRANSPORTATION

WMBE OUTREACH PLAN

Department Representative for 2015:
Edson Ives Zavala

2015 Voluntary Target for Seattle Department of Transportation:
For 2015, Seattle Department of Transportation (SDOT) has established a voluntary Woman and/or Minority Business Enterprises (WMBE) utilization goal of twelve percent (12%) for Consulting and ten percent (10%) for Purchasing.

SDOT's Large Projects – previously referred to as Major Projects - will now be tracked for WMBE subcontractor participation as part of the department’s overall compliance process. These projects feature their own WMBE inclusion goals, but were previously tracked separately for a shared sixteen percent (16%) WMBE goal since no formal subcontractor utilization monitoring was in place for SDOT to monitor WMBE subcontractor utilization on all projects.

Since Quarter 4 2014, SDOT implemented an internal system to capture, track and monitor subcontractor inclusion commitments as denoted in Inclusion Plans. First Hill Streetcar, Seawall, Waterfront, and the Mercer West projects are now regularly tracked per their pertinent WMBE subcontracting goal as part of the department-wide SDOT Compliance Report.

<table>
<thead>
<tr>
<th>Voluntary 2015 WMBE Targets</th>
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</thead>
<tbody>
<tr>
<td>Consulting</td>
</tr>
<tr>
<td>Purchasing</td>
</tr>
</tbody>
</table>
Introduction:
Policy Statement
In accordance with Ordinance 119603, Executive Order 2010-05: Outreach to Women and Minority Businesses, “Equality in Contracting” Ordinance 121717 codified under Seattle Municipal Code Chapter 20.42, and Executive Order 2014-03: Equity in City Contracting, the City of Seattle encourages all of its departments to be inclusive of underrepresented business communities, and strives to use all legal means to see that minority-owned and women-owned businesses do not face unfair barriers in their competition for city contracts and in their successful performance of those contracts.

Any voluntary utilization targets established in a Department Outreach Plan shall be reasonably achievable, however, no utilization requirements shall be a condition of contracting, except as may be allowed under RCW 49.60.400.

Ordinance 119603 requires each city department to develop an annual outreach plan to provide opportunities for minority-owned and women-owned businesses to gain City contracts and purchasing opportunities. The 2015 Outreach Plan summarizes the past performance and new strategies that will guide the Seattle Department of Transportation (SDOT) in its inclusion efforts for the year.

Edson I. Zavala was appointed as the WMBE-HUB Program Strategic Advisor for Seattle Department of Transportation (SDOT) in September 2014 and will serve as the department’s representative for the City’s WMBE Initiative.

SDOT’s 2014 WMBE Utilization Performance
SDOT’S WMBE efforts focus on leveraging the City’s purchasing power to include and build the capacity of Woman and Minority-owned businesses.

The following is a summary of WMBE participation for FY2014. FY 2014 marked an increase in consultant and purchasing dollars and WMBE utilization.
## 2014 Performance Summary

<table>
<thead>
<tr>
<th>Procurement Type</th>
<th>Total</th>
<th>WMBE</th>
<th>% WMBE</th>
<th>Total</th>
<th>WMBE</th>
<th>% WMBE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultant Contract</td>
<td>$48,139,446.66</td>
<td>$2,582,042.56</td>
<td>5.14%</td>
<td>$50,025,689.28</td>
<td>$3,836,357.24</td>
<td>7.14%</td>
</tr>
<tr>
<td>Consultant Roster</td>
<td>$2,080,815.28</td>
<td>$482,430.89</td>
<td>0.96%</td>
<td>$3,690,059.07</td>
<td>$1,744,642.70</td>
<td>3.25%</td>
</tr>
<tr>
<td>Consultant Total</td>
<td>$50,220,261.94</td>
<td>$3,064,473.45</td>
<td>6.10%</td>
<td>$53,715,748.35</td>
<td>$5,580,999.94</td>
<td>10.39%</td>
</tr>
<tr>
<td>Blanket Contract</td>
<td>$21,798,086.98</td>
<td>$1,663,935.41</td>
<td>6.43%</td>
<td>$25,906,305.04</td>
<td>$2,122,726.63</td>
<td>6.95%</td>
</tr>
<tr>
<td>Purchase Contract</td>
<td>$2,875,878.81</td>
<td>$59,971.56</td>
<td>0.23%</td>
<td>$3,213,785.00</td>
<td>$245,525.73</td>
<td>0.80%</td>
</tr>
<tr>
<td>Direct Voucher</td>
<td>$1,221,474.15</td>
<td>$184,747.21</td>
<td>0.71%</td>
<td>$1,403,795.46</td>
<td>$110,869.90</td>
<td>0.36%</td>
</tr>
<tr>
<td>Purchasing Total</td>
<td>$25,895,439.94</td>
<td>$1,908,654.18</td>
<td>7.37%</td>
<td>$30,523,885.50</td>
<td>$2,479,122.26</td>
<td>8.12%</td>
</tr>
<tr>
<td>Non-Compliant Total</td>
<td>$145,932.12</td>
<td>$35,296.93</td>
<td></td>
<td>$139,086.76</td>
<td>$30,706.54</td>
<td></td>
</tr>
<tr>
<td>Purchasing Total</td>
<td>$25,895,439.94</td>
<td>$1,908,654.18</td>
<td>7.37%</td>
<td>$30,523,885.50</td>
<td>$2,479,122.26</td>
<td>8.12%</td>
</tr>
<tr>
<td>Grand Total</td>
<td>$76,261,634.00</td>
<td>$5,008,424.56</td>
<td>6.57%</td>
<td>$84,378,720.61</td>
<td>$8,090,828.74</td>
<td>9.59%</td>
</tr>
</tbody>
</table>

Figures two (2) and three (3) below illustrate SDOT’s consultant and purchasing expenditures over the past ten (10) years.

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**Figure 2**

<table>
<thead>
<tr>
<th>Year</th>
<th>Consultant Total</th>
<th>Consultant WMBE</th>
<th>Purchasing Total</th>
<th>Purchasing WMBE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>% WMBE</td>
<td>Total</td>
<td>% WMBE</td>
</tr>
<tr>
<td>2005</td>
<td>$9,849,361</td>
<td>8%</td>
<td>$13,321,858</td>
<td>9%</td>
</tr>
<tr>
<td>2006</td>
<td>$10,843,842</td>
<td>12%</td>
<td>$19,499,184</td>
<td>8%</td>
</tr>
<tr>
<td>2007</td>
<td>$20,804,704</td>
<td>13%</td>
<td>$18,738,520</td>
<td>9%</td>
</tr>
<tr>
<td>2008</td>
<td>$33,640,734</td>
<td>17%</td>
<td>$20,241,795</td>
<td>14%</td>
</tr>
<tr>
<td>2009</td>
<td>$31,218,589</td>
<td>23%</td>
<td>$20,333,302</td>
<td>16%</td>
</tr>
<tr>
<td>2010</td>
<td>$31,398,103</td>
<td>18%</td>
<td>$16,846,679</td>
<td>19%</td>
</tr>
<tr>
<td>2011</td>
<td>$41,452,620</td>
<td>7%</td>
<td>$12,298,217</td>
<td>11%</td>
</tr>
<tr>
<td>2012</td>
<td>$46,066,231</td>
<td>3%</td>
<td>$14,319,076</td>
<td>10%</td>
</tr>
<tr>
<td>2013</td>
<td>$50,220,261</td>
<td>6%</td>
<td>$22,976,013</td>
<td>8%</td>
</tr>
<tr>
<td>14-Q1</td>
<td>$7,480,996</td>
<td>12%</td>
<td>$9,390,944</td>
<td>8%</td>
</tr>
<tr>
<td>14-Q2</td>
<td>$21,153,410</td>
<td>11%</td>
<td>$19,595,295</td>
<td>7%</td>
</tr>
<tr>
<td>14-Q3</td>
<td>$35,897,974</td>
<td>11%</td>
<td>$26,710,418</td>
<td>7%</td>
</tr>
<tr>
<td>14-Q4</td>
<td>$53,715,748</td>
<td>10%</td>
<td>$30,523,866</td>
<td>8%</td>
</tr>
</tbody>
</table>
Performance Considerations:
The City’s influence over spend categories varies per federal, state and municipal code. To date, metrics of departmental WMBE performance are limited to prime level participation as denoted in SUMMIT – the City’s financial system of record. **Below are a few considerations that influence the observed WMBE participation levels.**

**Subcontractor Spend – Inclusion Plan Performance**
Per municipal code 20.42 and Executive Order 2014-03: Equity in City Contracting, the City has the ability to employ affirmative efforts to ensure WMBEs are afforded fair and equitable opportunity to compete for city contracts. One such affirmative effort is the incorporation of an Inclusion Plan on eligible consultant and purchasing contracts.

The Inclusion Plan enables the City to promote Good Faith Efforts toward WMBE participation on the subcontractor level on projects. It is important to note that WMBE subcontractor dollar participation is tracked and monitored but is not presently reflected or denoted toward the Consultant WMBE inclusion goal.

This lack of credit for subcontractor spends is attributed to the fact that the official performance measures are sourced from the SUMMIT financial system and thus only reflect Prime contractor performance.

Beginning in quarter 4 2014, SDOT implemented an internal system to manually capture, track and monitor subcontractor commitments as denoted in Inclusion Plans. Moving into 2015, SDOT will continue to explore reporting mechanisms to capture and convey this information.
### Results for 2014 in Sub-Consultant Utilization

<table>
<thead>
<tr>
<th>Total Dollars Paid on Monitored Contracts</th>
<th>Total Dollars to WMBE Sub-Consultants on Monitored Contracts</th>
<th>% WMBE</th>
</tr>
</thead>
<tbody>
<tr>
<td>$27,419,421</td>
<td>$6,548,278*</td>
<td>24%</td>
</tr>
</tbody>
</table>

*The Seattle Department of Transportation monitored the Women- and Minority- Owned Business sub-consultant utilization on 15 consultant contracts with Inclusion Plans in 2014. Data on sub-consultant utilization was obtained from invoices from Prime consultants and pertain to payment received in 2014. Three contracts were held by WMBE primes. Additionally, SDOT monitored 2 contracts without Inclusion Plans and with high sub-consultant utilization: Mercer West and the Central Waterfront Project. Note, subcontractor spend is presently not readily available to incorporate into the departmental performance tracking due to lack of tools to accurately reflect prime and subcontractor certified participation.

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**Disadvantaged Business Enterprise (DBE) Dollars**

Per Seattle Municipal Code 20.42.50, in the event of a conflict between the provisions of Chapter 20.42, or the rules implementing Chapter 20.42, and the requirements of 49 CFR Part 23, Subpart D, or any other superseding applicable federal statute or regulation, the provisions of the federal statute or regulation shall control. As such, the tools available for promoting WMBE participation on locally funded procurements are not directly available to be used for federally funded projects subject to the DBE program per 49 CFR Part 23, Subpart D.

To date, these funds have formed part of the assessed dollar pool set to determine WMBE inclusion success. Therefore, SDOT continues to explore methods to assess and isolate the funds associated with federally funded projects in order to set the adequate parameters to gauge the effectiveness and efficiency of local WMBE inclusion efforts versus the results yielded from the federal DBE program.

**Sole Source Procurements**

Per municipal Code 20.42.40 Subpart C, the Director may waive affirmative efforts on procurements when the Director determines that an emergency exists, such requirements would have a significant adverse effect on the City’s interests, or there is only one contractor that can satisfy the requirements of the Contract, lease agreement or service agreement.

To date, there is no methodology to isolate and separate these procurements from the funds that are viable for WMBE inclusion through the tools made available in SMC 20.42 and the Mayor’s existing executive orders.

**Large Projects/Purchases**

SDOT explores unbundling strategies to allow WMBE opportunity on large projects and purchases. However, performance for WMBE utilization percentage is significantly impacted when SDOT experiences a rise in large procurements as these expenditures oftentimes exhibit limited WMBE opportunities.
Change Management
SDOT continues to pursue existing directives on WMBE and social equity contracting. The following are recent endeavors to create a stronger emphasis on WMBE inclusion.

Inclusion Plan Monitoring
FY 2014 marked the implementation of revisions for the City’s Inclusion Plan utilized in Public Works, Consulting, and Purchasing contracts. Since Quarter 4 of FY 2014, SDOT has been using new tracking mechanisms to monitor and measure performance on consultant Inclusion Plan contracts.

Notably, the WMBE Advisor instated a monthly “Compliance Report” summarizing the status of all active consulting contracts with an Inclusion Plan goal for distribution to department leadership. This endeavor also entailed development and implementation of standardized processes to prompt prime contractors, project managers, and the WMBE advisor to align contract performance with predetermined WMBE Inclusion parameters.

Standardization of Procedures & Practices
SDOT has taken an active role in standardizing and formalizing information concerning opportunities, internal and external training, and procurement procedures as they pertain to WMBE inclusion and monitoring.

Information & Transparency
A common challenge in the engagement of WMBEs has been the availability of information. Specifically, community firms often cite lack of information on upcoming work opportunities, goals, and tools available for inclusion in procurements. Aside from an increased presence in vendor/community events, SDOT has implemented the following measures to help close the gap on information availability.

SDOT WMBE Website
The SDOT WMBE website was launched in July of 2014 and continues to build with upcoming project information, program goals and updates.
http://www.seattle.gov/transportation/wmbe.htm

WMBE Stakeholder Group
The WMBE Stakeholder Group was formed in the Fall of 2014. SDOT works closely with the group for feedback, insight, and opportunities for the development of a strong and useful WMBE Program.

Training
SDOT has committed to improve and expand technical assistance, business development, training, and mentoring programs for WMBE firms by greater coordination with organizations, businesses,
individuals, and public agencies as well as other City departments and offices. Moreover, SDOT has increased focus on practices and processes to change the culture of the department and equip staff with the tools and training necessary to pursue and foster WMBE inclusion.

**External Training/ Information Sessions**
Aside from participation in community events, SDOT has launched the **Working With SDOT 101** training series to help WMBE firms connect with department staff, learn about procurement methods and the products and services the department purchases.

**Internal SDOT Staff Training**
SDOT has established and launched the **WMBE Advocate Program** curriculum to train staff on WMBE inclusion. Specifically, staff is informed of program vision and available tools.

**Procurement Procedures**
As denoted in Executive order 2014-03: Equity in City Contracting, SDOT was tasked to develop and implement policies, practices, and processes that can change the culture of City contracting and provide a more responsive environment for WMBE firms, businesses, and contractors of all tiers working on City Contracts. The new SDOT WMBE Advisor implemented the following initiatives in Quarter 4 of FY 2014:

**Revision of Consultant Contract Request Form**
A significant challenge identified in promoting WMBE Inclusion within consultant contracting is the limited potential for impact on procurement vehicles aside from formally solicited consultant contracts that enable the incorporation of an Inclusion Plan.

With the collaboration of the SDOT Consultant Contract Unit, the WMBE Advisor prompted the revision of the Consultant Contract Request Form to capture WMBE due-diligence for Direct Select and Informal Solicitations. Given that the pivotal point in influencing Direct Select and Informal Solicitation expenditures is restricted to the initiation of the process, questions were embedded into the request process to require assessment of WMBE availability and identification of potential restrictive specifications and/or barriers.

**Inclusion Plan Scoring**
For eligible consultant contracts, the Inclusion Plan can encompass 10 points out of the 100 total available evaluation points. In the absence of a WMBE Advisor, the scoring of the Inclusion Plan was taking place as a general part of the solicitation. In reviewing best practices and consulting with the City Attorney’s Office, the WMBE Advisor shifted to an active role in scoring the Inclusion Plans in order to promote standardization and stability for the process.
Pre-submittal Standardization

With the introduction of the revised Inclusion Plan, the WMBE Advisor shifted into an active role in disseminating WMBE Inclusion information and expectations to prospective respondents at pre-submittals.

Strategies and Outreach Efforts to Achieve Goals

Consulting

SDOT solicits consultants to assist in various projects and programs. Consultant services are procured through Roster Solicitations (Informal Solicitations) and Consultant Contracts (Full Solicitations). For FY 2014, Consultant Roster dollars accounted for approximately four percent (4%) of monitored payments, while Consultant Contracts accounted for approximately fifty-nine percent (59%) of all monitored payments. The department will work toward the twelve percent (12%) aspirational goal through the following measures:

Consultant Procurement Inclusion Strategies

• WMBE Availability Assessment at Procurement Request

SDOT will modify policy and practice to require WMBE availability assessment at the beginning of a purchase request. For 2015, the Consultant Contract Request form has been updated to require evaluation of WMBE availability in the request for formal, informal, and sole source procurement creations or amendments. Aside from providing an opportunity at the most influential point in procurements, this will enable the department to identify service areas that lack WMBE representation thereby providing direction and focus for engagement.

• Continued Emphasis on WMBE Subcontractor Goal Monitoring

SDOT will strengthen WMBE goal tracking and monitoring. Presently, primes are required to complete and submit subcontractor utilization on projects with WMBE subcontracting goals. This information is used to compile the WMBE Utilization Compliance Report that is presently reviewed by the executive team.

• Notification of Upcoming Opportunities

SDOT will promote collaboration and coordination between divisions to produce anticipated work opportunity information and disseminate it through the SDOT WMBE website and community organizations.

• Focused Networking – Matchmaking Events

SDOT will coordinate matchmaking events between community WMBE firms and SDOT Project Managers and staff to facilitate connections between department needs and
firms that can potentially fill those needs. This will be incorporated into the Working with SDOT 101 quarterly events.

Purchasing

SDOT purchases a variety of goods and services through the following methods: Blanket Contracts, Purchasing Contracts and Purchasing Direct Vouchers. For FY 2014, Blanket Contract dollars accounted for approximately thirty-one percent (31%) of monitored payments while Purchasing Contracts and Direct Vouchers accounted for approximately four percent (4%) and two percent (2%) respectively.

Purchasing Procurement Inclusion Strategies

• WMBE Availability Assessment at Procurement Solicitation – Purchasing WMBE Participation Opportunity Review Form
  SDOT is looking at ways to capture a WMBE Availability assessment at the beginning of a purchase request. SDOT will pilot the use of a Purchasing WMBE Participation Opportunity Review Form with divisions in Quarter 1 of 2015. Aside from providing an opportunity for impact at the most influential point in procurements, this will enable the department to identify purchasing areas that lack WMBE representation thereby providing direction and focus for engagement.

• Upcoming Opportunities Notifications
  Given that the Blanket Contract is the primary tool for purchasing and the most significant in dollar usage among most divisions, SDOT will coordinate with Finance and Administration Services (FAS) to ensure WMBE firms are alerted to opportunities to engage in Blanket Contracts. This coordination will focus on providing information regarding what Blanket Contracts SDOT uses the most, and connecting the WMBE community with how to establish and/or become engaged in a Blanket Contract when they become eligible to renew.

• Focused Networking – Matchmaking Events
  As with Consulting, SDOT will coordinate matchmaking events between community WMBE firms and SDOT staff to facilitate connections between department purchasing needs and firms that can potentially fill those needs. This will be incorporated into the Working with SDOT 101 quarterly events.

Public Works (Construction)

Per Seattle Municipal Code, FAS oversees the evaluation, award, management, administration, WMBE utilization, and enforcement for SDOT’s public works projects. Moving forward in 2015, SDOT will
continue to engage with FAS in inclusion efforts for SDOT projects which will include an active role in Disadvantaged Business Enterprise (DBE) and related inclusion processes.

**Public Works Strategies and Efforts in Outreach**

- **Scoping of Projects**
  SDOT WMBE advisor will be engaged in the scoping of projects to explore approaches which will make such work more accessible to the WMBE contracting community.

- **Outreach for Upcoming Opportunities**
  As with Consulting, SDOT will coordinate matchmaking events between community WMBE firms and SDOT staff to provide advanced notification of upcoming Public Works projects in order to promote and encourage WMBE inclusive teaming. Such outreach efforts will commence prior to project release and will be incorporated into the *Working with SDOT 101* quarterly events.

- **Continued Emphasis on WMBE Subcontractor Goal Monitoring**
  SDOT will support FAS in the tracking and monitoring of Public Works WMBE Goals and subcontractor commitments.

**Additional Strategies and Focus Areas for SDOT:**

- **Accountability systems for progress in WMBE/HUB business utilization**
  Explore options to make attainment of WMBE Goals part of performance evaluation, and development of statistics to be utilized as metrics for evaluation of division/department success.

- **Systems to track and analyze WMBE/HUB information**
  Develop tools to capture location component of firms engaged in procurements with SDOT, to include headquarter and significant business presence parameters. Leverage created information to have inclusion data complement other processes.

- **Information Availability**
  Expand external and external information repositories for WMBE documents, updates and tools. Presentations to stakeholders and other City audiences on program activities and outcomes

- **Improved Collaboration for WMBE/HUB utilization goals.**
  Participate in aligned WMBE processes to include becoming engaged in processes, procedures and outreach pertaining to Public Works & Federally Funded (DBE) SDOT
procurements. (In coordination with Finance Administrative Services (FAS) and SDOT’s Consultant Contracts Unit CCU)

**Community Outreach Efforts**

In 2015, SDOT will continue to have a presence in community organizations such as TABOR 100, NAMC, and CCCJ. Moreover, SDOT will continue support and participation in vendor outreach events and trade shows.

Scheduled participation in community outreach includes, but is not limited to:

**Working with SDOT 101 (Sponsored by SDOT Once a Quarter)**
Women- and Minority-owned businesses new to Seattle Department of Transportation (SDOT) will learn more about working with SDOT. Department staff will explain the types of services and goods SDOT procures, along with resources and tools for WMBE firms.

**A/E Consulting Show Feb. 25, 2015**
All capital departments introduce major upcoming projects that are likely to have large engineering design consultant solicitations during the coming year.

**Alliance Northwest Vendor Trade Show March 5, 2015**
Alliance Northwest is a business-to-government conference that features keynote speakers, workshops and matchmaking sessions with government agencies and primes.

**Regional Contracting Forum March 10, 2015**
The annual contracting forum with City of Seattle, King County, Washington State Department of Transportation, Port of Seattle, Washington State Office of Minority and Women’s Business Enterprises, Washington State Department of Enterprise Services, Sound Transit and others. Attendees will meet government contracting representatives and network with contractors, consultants and suppliers.

**Reverse Trade Show (July 2015)**
City will participate in event to connect with firms for construction, consulting and purchasing needs.

**Construction Management Meet & Greet (Quarter 2–3)**
City discusses upcoming needs in areas including but not limited to: Construction Management and Inspection Services, Constructability Re-view, Cost Estimating, Contract Documentation, Material Testing & Conformance, and Claims Resolution.

**IT Meet and Greet (Quarter 2–3)**
WMBE technology experts and software providers will meet with City decision-makers. An area
of specific emphasis will be Project Quality Assurance Oversight of large, complex City IT projects.

2015 Capital Improvements Project Expo – Construction Preview (Quarter 4)
City departments provide draft scope summaries for projects anticipated scheduled for the following year.

Looking Forward...
SDOT will advance the City’s mission to promote race and gender equity in contracting by creating a proactive yet responsive environment for inclusion of women and minority owned businesses. This will be achieved through a continued emphasis on eliminating barriers for participation. This mission will be strengthened through outreach, community engagement, internal process review, collaboration, and training.

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<tr>
<th>DEPARTMENT OUTREACH STAFF:</th>
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<tbody>
<tr>
<td>Edson Ives Zavala –DBE/WMBE Advisor</td>
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<tr>
<th>DEPARTMENT DIRECTOR:</th>
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<tr>
<td>Scott Kubly- Director-SDOT</td>
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