



# Attachment A

**Date:** March 8, 2021

**To:** Casey Sixkiller, Deputy Mayor  
Calvin W. Goings, Director, Finance and Administrative Services

**From:** Sam Zimbabwe, Director

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**Subject:** 2020 WMBE Reporting and 2021 WMBE Goals and Strategic Outreach Plan

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## 1. Office/Department WMBE Representative

The Seattle Department of Transportation (SDOT) is responsible for complying with the City’s Municipal Code and Executive Orders regarding equity in contracting and recognizes that increasing opportunities for Women and Minority Owned Businesses (WMBE) helps implement our commitment to building a more equitable city. To support this work, SDOT has a WMBE Advisor, Viviana Garza, who is part of our Office of Equity and Economic Inclusion. The SDOT WMBE Advisor’s responsibilities include:

- Developing policy regarding inclusion plan expectations and tracking performance in partnership with Finance and Administrative Services – Contracts and Procurement (FAS-PC)
- Tracking compliance and subconsultant data in B2Gnow
- Providing expertise and developing training in WMBE strategies for SDOT staff
- Ensuring effective outreach to provide support to external stakeholders
- Increasing information transparency and availability
- Strengthening and maintaining relationships with other City departments, partner agencies, and community partners
- Serving as the department’s representative to the City’s WMBE Initiative

## 2. WBME Goals: 2020 Results and 2021 Plan

In 2020, we **exceeded our goal for spending on WMBE consultants**, and we were slightly under our purchasing goal:

2020 SDOT WMBE Use Goals and Actuals				
	Purchasing Goals	Purchasing Actuals	Consulting Goal	Consulting Actuals
Percentage	19%	17.3%	34%	38.4%
WMBE spend	\$6,080,000	\$4,993,018	\$15,300,000	\$18,156,066
Total spend	\$32,000,000	\$28,932,533	\$45,000,000	\$47,801,906

For 2021, we have increased our consulting goal to 38%, and kept our purchasing goal at 19%:

2021 SDOT WMBE Use Goals		
	Purchasing Goal	Consulting Goal
Percentage	19%	38%
WMBE spend (planned)	\$5,510,000	\$17,860,000
Total spend (planned)	\$29,000,000	\$47,000,000

### 3. 2021 Outreach Plan

#### Tactics

##### Information Availability and Transparency

- **Notification of Upcoming Opportunities: Anticipated Projects Sheets** – we will continue to promote collaboration and coordination between divisions to produce anticipated work opportunity information and disseminate it through the SDOT WMBE website and community organizations. SDOT will also coordinate with FAS-PC 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. SDOT will also continue to provide advance notification of upcoming Public Works projects by distributing long-term project forecasts, and will continue to promote and encourage WMBE-inclusive teaming.
- **Focused Networking: Informational Events and Technical Assistance** – the SDOT WMBE Advisor will continue to coordinate informational 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. For 2021, SDOT plans to hold *Working with SDOT* events which share information with WMBE firms about SDOT’s expectations and about preparing for upcoming contract opportunities. The events also offer opportunities to network with prime contractors, SDOT leadership and project managers. In addition to this series, we hope to reengage in community workshops (pending health safety requirements due to the COVID-19 pandemic) focused on engaging with immigrant, emerging, WMBE, and micro businesses. SDOT also plans to continue engagement with the new City Technical Assistance Services Consultant to assist firms with more technical questions either in a firm’s business development or in responding to City RFP/RFQs.

##### Eliminating Internal Barriers through Policy and Process Improvements

- **Inclusion Plan Monitoring and Consultant Contract Inclusion Plan Scoring** – we will continue supporting and enforcing the utilization of the Inclusion Plan to encourage prime consultants, project managers, and the WMBE Program staff to align contract performance with predetermined WMBE inclusion parameters. The SDOT WMBE Advisor will also continue to provide oversight and guidance for standardization and consistency in scoring the Inclusion Plan.

- **Consultant Contract Pre-Submittal Standardization** – we will continue playing an active role in disseminating WMBE Inclusion information and expectations to prospective respondents at pre-submittals.
- **Continued Attention to SDOT Divisional Work Planning** – we will continue to work with SDOT Division Directors to determine the procurement needs and challenges for each division to determine where there may be more opportunities for WMBE inclusion.
- **Proactive Availability Review** – we will embed questions into the request process of the Consultant Contract Request Form, the Internal Request Form, the Amendment Request Form, and Work Authorization Request Form to require assessment of WMBE availability and identification of potentially restrictive specifications and/or barriers.
- **WMBE Availability Assessment at Procurement Request** – we will continue requiring WMBE availability assessment at the beginning of all procurement requests to identify service areas that lack WMBE representation and provide direction and focus for engagement. The Consultant Contract Request Form has been updated to require evaluation of WMBE availability at the time of request, and to include listing potential parameters that may inhibit WMBE participation. In 2021, additional changes will be made on Work Authorization and Amendment request forms.
- **Scoping of Projects: Contract Unbundling and Sizing** – we will continue to engage in the scoping of projects to explore approaches in making work more accessible to the WMBE contracting community. A key practice for this initiative is the SDOT WMBE Advisor’s role in recurring Steering Committee meetings where project scopes are discussed, and at procurement kick off meetings.
- **Accessible Procurement Method: Roster Procurements** – the Consultant Roster is an important tool for WMBE inclusion given the simplified and expedited nature of the procurement process and reduced documentation it requires from respondents. SDOT will continue to maximize the use of this contracting tool and look for ways to facilitate the contracting process.
- **Continued Emphasis on WMBE Subcontractor Goal Monitoring** – SDOT will strengthen WMBE goal tracking and monitoring using the B2GNow diversity compliance system. This information is compiled into the WMBE Utilization Compliance Report that is reviewed by the SDOT executive team.

### External Engagement

- **SDOT-Hosted Events** – SDOT plans to host one or two *Working with SDOT* events (these will be virtual due to COVID-19 pandemic restrictions).
- **Engagement with Community Organizations** – we will continue engagement with community organizations such as Tabor 100, National Association of Minority Contractors Washington Chapter, Northwest Mountain Minority Development Council, and the Conference of Minority Transportation Officials Washington Chapter as staff time permits. SDOT plans to

also participate in vendor outreach events and trade shows as staff time and current COVID and pandemic restrictions allow.

### **Internal Engagement**

- **WMBE Advocate Program** – we will continue implementing the WMBE Advocate Program to promote contracting inclusion and make SDOT staff aware of available tools to integrate into their daily work.
- **Public Works Inclusion Plan Monitoring** – we will strengthen collaboration with FAS-PC to bolster monitoring and performance expectations for SDOT Public Works contracts through recurring check-ins with FAS-PC and SDOT contract management staff to coordinate action on commitments.

### **Challenges**

One of SDOT's biggest challenges in meeting WMBE goals is **blanket contracts**. Per City policy, a Department must use a blanket contract for the requested good/service if one is available. If there are no WMBE firms on these blanket contracts, that significantly impacts SDOT's WMBE utilization. SDOT plans on increasing our collaboration with FAS-PC and our own Contracts & Procurement team to improve communication regarding upcoming expiring contracts and look for opportunities to increase WMBE participation in those contracts.

Another challenge is a rise in large and sole source procurements which often limit WMBE opportunities. SDOT seeks to lessen that impact through WMBE Availability reviews and unbundling strategies to provide some WMBE opportunity on these large projects and purchases.

Minority owned business (MBE) utilization as primes in City contracts is an area that SDOT and the City have been struggling to improve. In 2020, MBE utilization in SDOT's total consulting dollars was 11.2% and in SDOT's total purchasing dollars was 9.5%. The percentages show that there is an opportunity for improvement in increasing MBE utilization in both consulting and purchasing dollars. While we believe these tactics will support increasing MBE utilization, executive and management team involvement in advocating for these efforts must be present to ensure their success.

The next step is for the department to focus on engagement of MBEs in SDOT contracts to diversify the business fields that SDOT uses most such as engineering and project management. Utilizing feedback and after-action reports from previous piloted programs, implementing concerted planning efforts, unbundling large projects, and focusing on mentorship within large, unbundled projects can improve the number of MBE firms who are competitive for SDOT projects. By following these strategies and leading with racial equity, SDOT can use its procurement power to improve equity.

### **Successes**

#### WMBE Spend Successes

- Since 2012, **SDOT has increased its WMBE consultant utilization from 3% to 38%**
- In the unprecedented year of 2020, **SDOT spent \$18.2 million to WMBE prime consultants and \$5 million to WMBE primes in purchasing**

- Since 2012, SDOT increased its purchasing spend to WMBE primes by over \$3.8 million
- SDOT increased spend to WMBE purchasing primes by \$540,000 since 2018
- In 2020, SDOT **exceeded its consulting goal by achieving 38.4%**, compared to the goal of 34%

While the Department did not achieve its 2020 purchasing goal, SDOT did increase its total purchasing spend to WMBE primes. We have made great strides in consulting and purchasing and are excited to continue challenging ourselves to greater results.

#### Outreach and Training Successes

In 2020, SDOT held two WMBE Advocate sessions (3 courses/session), and recognized 26 new WMBE Advocates and 12 WMBE Advocate renewals. At present, there are 127 WMBE Advocates in SDOT.

The WMBE Pathfinder award encourages increased engagement among SDOT project managers, staff, and directors. In 2020, we honored Maura Donoghue, Finance & Administration Division Contracts & Procurement Manager, and Jesse Lopez, Capital Projects Division Office Engineering Manager at SDOT's 2020 Virtual Harvest Party for employees. This year will be the third year for this award program.

In 2020, SDOT held two *Working with SDOT* events virtually via WebEx in response to the COVID-19 pandemic. After these events, attendees provided feedback, which included:

- Transparency – the community was supportive about the transparency in expectations and upcoming work
- Networking and Community Connection – the community was impressed and grateful for the opportunity to network with SDOT project managers and decisionmakers, primes, and other WMBE firms
- 97% of attendees found the Move Seattle event helpful in learning about upcoming opportunities and 95% said they would attend another event like this in the future
- 95% of attendees found the Ready to Prime event set clear expectations and 93% said they would attend another event like this in the future

We are encouraged by the positive community feedback to these virtual events, and hope to increase our impact in 2021. For more information about SDOT's outreach and engagement efforts, see *Addendum to Attachment A*.

#### ***Levy to Move Seattle WMBE Performance***

The Levy to Move Seattle features a 23% WMBE goal for all purchasing, prime consultant and Public Works contract dollars associated with the levy over its 9-year life. In 2020, \$34.2 million of the Levy to Move Seattle contract dollars went to women and minority owned firms, for a WMBE utilization rate of 25%. Life to date, the Levy to Move Seattle has a 30.3% WMBE utilization rate, which is a total of just over \$109 million to women and minority owned businesses.

While we are currently exceeding our Levy to Move Seattle WMBE goal, SDOT plans to have more coordinated planning for WMBE utilization going into 2021 to ensure we meet our goal over the life of the Levy. SDOT has worked hard to meet the 23% goal and increased planning and coordination within the Department and with FAS-PC will ensure we do not dilute the performance we have achieved so far.

For additional information regarding the Levy to Move Seattle, see *Addendum to Attachment A*.

### **Prompt Pay**

SDOT is committed to creating a responsive environment for firms engaging in City work, and fully supports the Mayor's Prompt Pay Initiative. Pursuant to this initiative, SDOT strives to pay all consultant invoices within 30 days. This is the standard set forth in the City's code and our contract language. The City has set a performance standard for payment of an accepted and properly prepared invoice for all departments to pursue: a 95% compliance rate on prompt pay for consultant contracts. In 2020, SDOT achieved an 88% prompt payment rate, due primarily to staffing issues. These staffing issues have been addressed and SDOT is committed to compliance in 2021 and beyond.

### **4. 2021 B2GNow**

SDOT will continue to strengthen WMBE goal tracking and monitoring through utilization of the City's B2GNow diversity compliance system. Presently, primes are required to complete and submit subcontractor utilization on projects with WMBE subcontracting goals. This information is used to compile the Monthly WMBE Utilization Compliance Report that is reviewed by the SDOT Director and executive team. From our diligent compliance efforts, SDOT can see our inclusion impact on a subconsultant level.

Since 2016, our Department has been an early adopter of B2GNow as a pilot and we are excited to see the value of the program as it expands to all Departments. We are happy to see \$1.5 million dollars were paid to WMBE subconsultants in 2020 which we were able to identify by using this system. We were also able to glean even further that \$1.2 million was attributed to Minority Owned Business Enterprises (MBE) and the remaining \$0.3 million was attributed to Women Business Enterprises (WBE). In 2020, SDOT began tracking open Federal Transit Administration (FTA) funded contracts in the B2GNow system to aid in tracking and compliance with federally funded contracts. We intend to continue collaborating with FAS-PC by strengthening policy and procedures as the City continues its focus on data and tracking in 2021.