



Seattle
Finance &
Administrative Services

2019 Women- and Minority-Owned Business Annual Report

DEPARTMENT OF FINANCE AND ADMINISTRATIVE SERVICES
PURCHASING AND CONTRACTING

August 2020

Cover: WMBE community advocates and City department heads witness Mayor Jenny A. Durkan sign EO 2019-06, the Executive Order on Contracting Equity and Economic Inclusion.

2019 WMBE Annual Report

Dear Mayor Durkan,

The City of Seattle spends over \$700 million each year on goods and services, consulting services and public works projects. Each dollar is an opportunity and a responsibility to support businesses that have not historically had equitable access to government work. Now more than ever, the importance of City work to advance race and social justice is clear.

The City of Seattle's Women and Minority-Owned Business (WMBE) Program, started more than 40 years ago and led by Finance and Administrative Services (FAS), works to support City departments with WMBE use and ensure WMBEs have equitable opportunities to pursue City contracts. This 2019 WMBE Annual Report, the first ever for the City, details these efforts.

Executive Order (EO) 2019-06 directed FAS to work in coordination with other City offices and departments to "produce a citywide annual report by the end of the second quarter that will illustrate the prior year's progress and performance on contracting equity and economic inclusion initiatives."

The 2019 WMBE Annual Report includes:

- An overview of the City of Seattle WMBE program led by FAS;
- 2019 overall accomplishments;
- 2019 accomplishments by contracting type (construction, purchasing, consulting); and
- 2019 outreach efforts.

The report also looks ahead, detailing:

- 2020 outreach and engagement efforts; and
- 2020 WMBE aspirational utilization goals.

Toplines for 2019:

- In 2019, over \$136 million of the City's spend was with WMBE firms, totalling 20% of the overall spend across purchasing, consultant contracting and public works.
- Of overall 2019 City spending, 9.3% went to white women-owned businesses, and 10.5% went to businesses owned by people of color.
- The City performed above 2019 aspirational goals. The 2019 purchasing goal was 17% and the actual was 18%. The 2019 consulting goal was 24% and the actual was 28%.

This WMBE use was made possible through City partnership with WMBE community leaders, firms and organizations as well as City department-led outreach and engagement efforts.

In 2020, the City has set WMBE aspirational goals higher than 2019: 27% for consulting and 19% for purchasing. The City also plans to launch a disparity study, a large-scale effort to gather data on equity in City contracting.

There is still much work ahead to ensure that WMBEs have equitable access to City business. As we work as a City to dismantle ways of doing business that have systemically excluded Black communities, it is crucial to examine opportunities for Black-owned businesses to work with the City. On page 19 of the report, FAS outlines efforts the City is taking to support Black-owned businesses working with the City.

FAS is honored to lead work to align City spending with City values of race and social justice.

Thank you for your continued commitment to and leadership on this important issue.

Calvin W. Goings
Department Director, Finance and Administrative Services

Definitions

B2Gnow

Online third-party software used to report and monitor payments to prime and sub-contractors and report on WMBE and DBE utilization.

Disadvantaged Business Enterprise (DBE)

Businesses certified as Disadvantaged Business Enterprise by OMWBE have primary owners that fit OMBWE's definition of socially or economically disadvantaged.

Finance and Administrative Services (FAS)

The City of Seattle's Department of Finance and Administrative Services.

Contracting equity

Equitable access, opportunities and utilization of WMBE firms in purchasing, consulting and construction contracts.

Community Workforce Agreement (CWA)

Labor agreement signed by the City and construction unions which requires all contractors to abide by union labor requirements for the duration of the project. This requirement applies to projects expected to cost \$5 million or more.

Job Order Contract (JOC)

Construction procurement method approved by state law where a prime contractor is selected based on qualifications for a master contract. The contract is for a two-year duration with one-year possible extension. The prime contractor must subcontract 90% of the work. Individual work orders are issued with a maximum cost of \$500,000 each and an annual maximum cap of \$6 million.

Office of Minority and Women's Business Enterprises (OMWBE)

Washington State Office of Minority and Women's Business Enterprises.

Online Business Directory (OBD)

The City's "yellow book" of businesses. Businesses must register with the OBD to do business with the City and can use the OBD to self-identify as a WMBE.

PeopleSoft 9.2

Financial management system used to report payments made to prime contract holders.

Purchasing and Contracting (PC)

The division in the City of Seattle's Department of Finance and Administrative Services that oversees and implements the Citywide WMBE Program. The use of "we" throughout the report refers to PC.

Racial Equity Toolkit (RET)

A process that assists City departments with analyzing the racial impacts of policies, programs, initiatives and budget issues.

Women or Minority-owned Business Enterprise (WMBE)

The City of Seattle definition of Women or Minority-owned Business Enterprise is a firm that is at least 51% owned by women and/or minorities (including, but not limited to African Americans, Native Americans, Asians and Hispanics).

WMBE inclusion plan

A document that bidders/proposers must submit to evidence of "good faith efforts" if required for the contract. Most construction contracts expected to cost \$300,000 or more, consultant contracts of more than \$322,000 and selected purchasing contracts require the submittal of an inclusion plan.

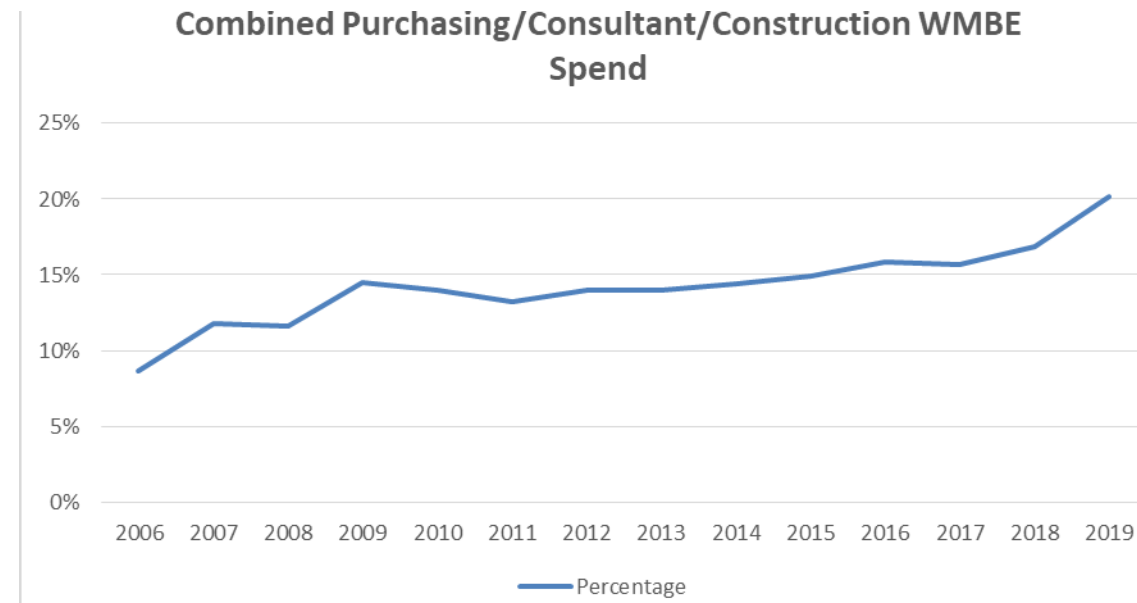
Note: Payment data is reported by calendar year. Source data for payments to prime contract holders is People Soft 9.2. Source data to subcontractors on construction contracts comes from B2Gnow. Payments to lower tier businesses on consultant and purchasing contracts are not reported.

Introduction

The City of Seattle is one of the region’s largest buyers, spending an average of \$724 million every year. This buying power carries a responsibility to ensure underrepresented and underutilized firms can work on City contracts.

The purpose of the City’s WMBE program is to support equity in contracting. In 2005, the City made a commitment (SMC 20.42) to support WMBEs through outreach, engagement and making aspirational WMBE use goals.

Mayor Durkan affirmed the City’s commitment through Executive Order (EO) 2019-06 on Contracting Equity and Economic Inclusion. In the order, the Mayor directed FAS to produce the WMBE Annual Report, which looks at the City’s work to support WMBEs.



Looking Back

The City’s use of WMBE shows a steady increase over the last 14 years, illustrated above.

In 2019, 20% of dollars the City spent went to WMBEs: 9.3% to white women-owned businesses and 10.5% to firms owned by people of color. This adds up to over \$136 million. 18% of purchasing spend, 28% of consulting spend and 16% of construction spend went to WMBEs.

	20 cents of each dollar the City spent went to WMBE firms.	34 WMBEs worked on JOC contracts.
66% of construction contracts completed required a WMBE inclusion plan (not including JOC).	155 WMBEs worked on construction contracts and 55% are owned by people of color.	17 events attended by City staff.

In 2019, the City performed above 2019 aspirational goals. The 2019 purchasing goal was 17% and the actual was 18%. The 2019 consulting goal was 24% and the actual was 28%.

Looking Ahead

There is more work to do to boost WMBE use. For 2020, the City raised aspirational goals for purchasing from 17% to 18%, and for consultant contracts from 24% to 27%.

Key 2020 work includes:

WMBE Advisory Committee will be launched to provide community guidance.

Disparity Study to help the WMBE program gather data on equity in contracting.

Technical Assistance Contract with Northwest Mountain Minority Supplier Development Council to support firms that want to do business with the City, focusing on WMBE firms.

Language Access Plan to support contracting equity for immigrant and refugee communities.

Credit Card payments are a proposed business process enhancement that would allow the City to “count” credit card payments to WMBEs.

About the WMBE Program



FAS staffer Steven Larson shares information at the 2019 Reverse Vendor Trade Show.

The City of Seattle WMBE Program promotes equity in contracting for historically underutilized businesses.

It is the City’s goal to create a welcome, inclusive and responsive environment for WMBEs. The City’s WMBE Program, managed by FAS, supports WMBEs through outreach, engagement and making aspirational WMBE use goals. The WMBE program has been shaped over the years through City laws, policy and practice and Mayoral Executive Orders.

The City’s WMBE Program focuses on firms that are at least 51% owned by women and/or people of color. To be recognized as a WMBE by the City, firms may either be certified by OMWBE as woman- and/or minority-owned or self-identify as WMBEs by registering with the City’s Online Business Directory (OBD).

Efforts for WMBE inclusion vary depending on procurement type and methodology. City ordinance establishes three procurement types, each with customized rules and procurement methods: public works (construction), purchasing (goods, equipment and routine services) and consultants who

include architects, engineers and other experts and professionals.

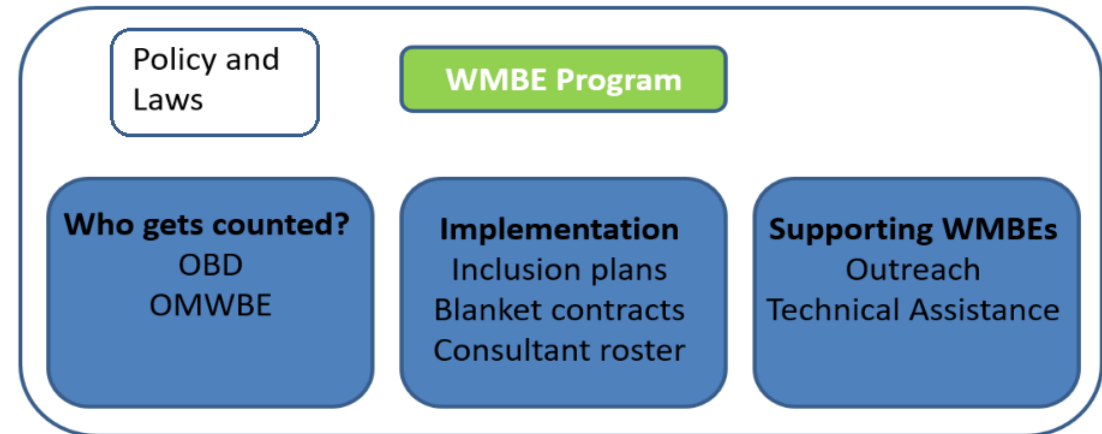
For purchasing and consultant contracts, departments and offices expected to spend at least \$50,000 per year must develop yearly WMBE aspirational goals. These plans roll up to inform the Citywide WMBE goal.

Citywide Coordination

The FAS Purchasing and Contracting (PC) division manages the Citywide WMBE Program. This role includes coordinating Citywide outreach events, managing the program to build and track Citywide WMBE goals and providing support to WMBE firms in resolving disputes and gaining access to City business opportunities.

Ongoing Citywide coordination is accomplished through the City’s WMBE Interdepartmental Team (IDT), comprised of representatives from 33 City departments and offices. The IDT meets bi-monthly to tackle challenges and build on successes.

The chart below illustrates how the WMBE Program works. Policy and laws set up the program. WMBEs register through OMWBE or the OBD. The next sections of the report discuss the other boxes: how the City implements and supports WMBEs.



2019 Support Strategies and Accomplishments

In 2019, the City used these strategies to support WMBEs:

Partnering with Community Organizations

The City teamed with community organizations that support WMBEs, including Tabor 100, the Northwest Mountain Minority Supplier Development Council, National Association of Minority Contractors and others. Work included:

Outreach: PC provided monthly newsletters for Tabor 100. City staff attended community meetings and events.

City of Seattle Office Space in Tabor 100: The City of Seattle partnered with Tabor 100 to open City of Seattle office space in the Tabor Economic Development Hub.

Regional Contracting Forum (RCF): City of Seattle partnered with Puget Sound’s largest government entities to bring contractors together to promote WMBE growth.

City of Seattle Annual Events

Reverse Vendor Trade Show: WMBEs attended this event to meet staff from many City of Seattle departments and other public agencies. In 2019, more than 700 guests attended, representing nearly 500 companies. Of the 692 firms that registered, 215 were WMBEs.

Seattle Public Utilities (SPU) Consultant Business Opportunities Forum: This event provided information about opportunities to work with the City of Seattle. In 2019, almost 200 people attended. 49% were women and 54% represented WMBE firms.

Working with Seattle Department of Transportation (SDOT): SDOT hosted two events to help WMBE firms connect with the department staff, learn about their work and learn strategies for success on how to work as a prime contractor with SDOT. In total 180 people attended this event.

Information Technology Vendor Forum: Seattle Information Technology and King County Information Technology held a free vendor forum to talk about doing business with the two agencies. Around 250 people attended.

Month	Event
January	<ul style="list-style-type: none"> MLK Day Job fair
February	<ul style="list-style-type: none"> City of Seattle Consultant Forum
March	<ul style="list-style-type: none"> Alliance Northwest Government Contracting
April	<ul style="list-style-type: none"> GSBA LGBTQ Business Matchmaker UW Foster School of Business Panel Regional Contracting Forum
May	<ul style="list-style-type: none"> City of Seattle / King County Joint Information Technology Vendor Forum
June	<ul style="list-style-type: none"> Reverse-Vendor Trade Show
September	<ul style="list-style-type: none"> Construction CIP Expo Working with SDOT
November	<ul style="list-style-type: none"> North Puget Sound Small Business Summit

Workshops and Training for WMBEs

How to do Business with the City: FAS hosted monthly meetings on conducting business with the City. Between five and 15 businesses attended each meeting.

Contract Compliance Tools Trainings: The City of Seattle trained contractors and consultants, especially WMBE firms, on how to use B2Gnow and LCPtracker for subcontracting payment reporting, prompt pay reporting and certified payrolls reporting. Around 40 people attended these trainings.

Alternative-language WMBE Firm Outreach

Spanish-language Workshops: FAS held five workshops conducted in Spanish on how to do business with the City of Seattle. FAS, SDOT, SPU and SDOT presented a series of Spanish-language training for twenty businesses at the Seattle Public Library. Over 55 people attended these workshops.

Ethiopian and East African Community Workshops: FAS worked with Office of Economic Development (OED) to present a workshop to over 70 members of the Ethiopian Community in Seattle group at the South Park Information Center.

2019 Success Stories

Department of Education and Early Learning (DEEL) encouraged 14 Child Care Assistance Program (CCAP) providers to join the Online Business Directory (OBD). Joining OBD positively contributed to DEEL's WMBE purchasing growth as the program has continued to grow in scope and budget.

Finance and Administrative Services (FAS) finalized a fuel supply contract with Christensen West, a Native American-owned firm. Now, virtually all fuels (unleaded, biodiesel and renewable diesel) can be purchased through this MBE vendor. In 2019, Christensen West was paid close to \$4.2 million.

Office of Housing (OH)'s outreach efforts provide opportunities to connect with WMBE firms related to housing development, home repair and weatherization. OH's Asset Management unit inspection process made WMBE resources available to housing owners and property management.

Office of Sustainability and the Environment (OSE) spent funds with people of color-led community organizations who are not registered as WMBE firms. The total amount of this spending in 2019 was more than \$1 million, and included Fresh Bucks providers, Seattle Public Schools for the healthy snack program, local organizations doing in-neighborhood outreach and a Green Career Pathways contract with Rainier Valley Corps.

Seattle City Light (SCL) sponsored Advanced Government Services (AGS), a traffic control and road safety women-owned firm, in attending the University of Washington Minority Business Executive Program and the Ascend-Seattle technical assistance and business development four-month program. SCL also sponsored CETS, a Black-owned firm in attending Ascend-Seattle. CETS succeeded in securing a blanket contract with the City.

Seattle Fire Department (SFD) worked with new WMBE vendors using the City's consultant roster. SFD also had ongoing successes in keeping EMS suppliers WMBE along with janitorial contracts using blanket contracts.

Seattle Department of Transportation (SDOT) spent \$26.5 million of the Levy to Move Seattle contract dollars with WMBEs. The WMBE utilization was 21% of the 2019 Levy to Move Seattle contract dollars. To date through 2019, the Levy to Move Seattle has a 22.5% WMBE utilization, which is a total of \$75,118,534 to WMBEs.



Presenters speak at the Working with SDOT event, attended by 180 vendors.

Seattle Police Department (SPD) sponsored an internal departmental seminar in December 2019 to educate staff who make purchasing decisions on WMBE utilization and the City's OBD. Nearly 35 staff attended the training.

Seattle Public Utilities (SPU) hosted networking events for major projects months in advance of the pre-solicitation process to increase opportunities for WMBE firms to partner on proposals with other firms before the pre-submittal meeting where the Request for Proposal/Qualifications (RFP/Q) is presented to the consultant community.

Seattle Office of Civil Rights (SOCR) used WMBE vendors for annual events such as Human Rights Day and the Race and Social Justice Initiative Summit, including four WMBE firms as well as other community organizations.

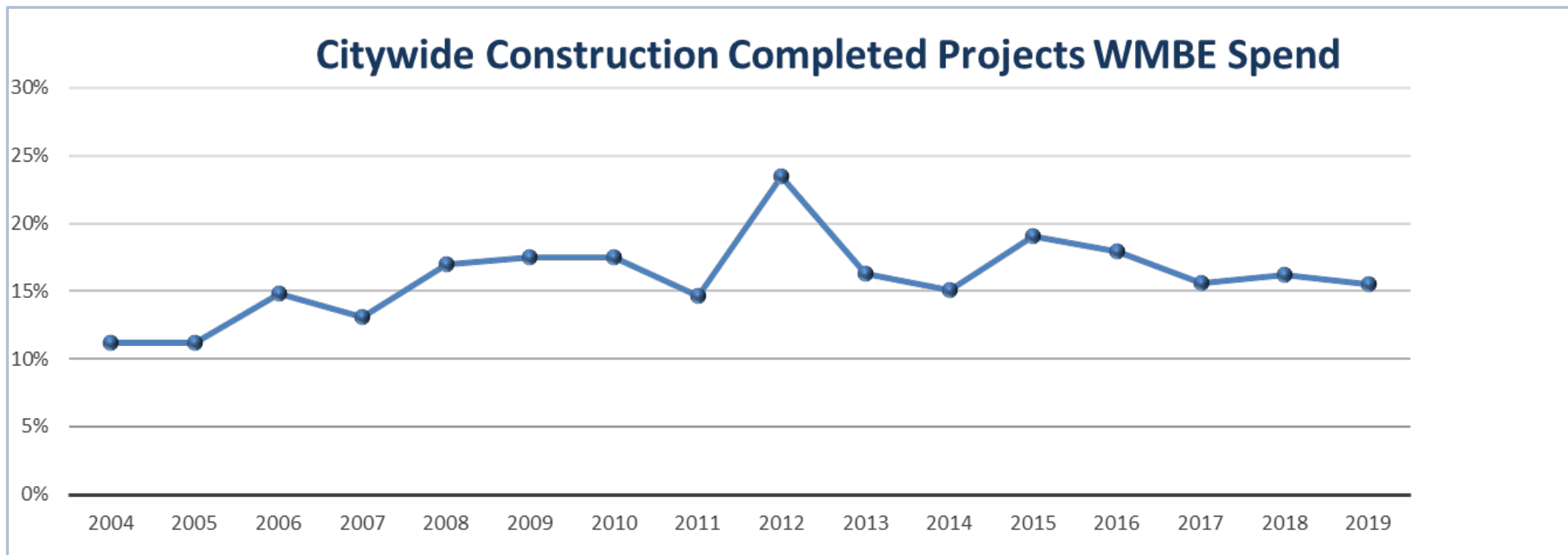
Public Works Contracting

Ranging from protected bike lanes to massive electrical substations, public works construction projects are managed by City capital departments. The Purchasing and Contracting division of FAS functions as an administrative hub for managing the bid process and monitoring contractor compliance with WMBE and other social equity policies.

Public Works Inclusion Plan

PC encourages prime contractors to carve out discrete scopes of work (electrical, plumbing, concrete, etc.) for WMBE sub-contractors. PC introduced the Inclusion Plan in 2011 for most City-funded construction projects with an estimated cost at least \$300,000. Although the specific components of the Inclusion Plan have evolved over the years, the underlying premise remains intact: bidders receive points for outlining the good faith efforts they will make to include WMBE firms on the project. If a bidder fails to meet the minimum threshold, then the bid is rejected. In 2017, FAS amended the City's construction contracts to require the lowest bidder to submit a detailed supplement to the Inclusion Plan called the Social Equity Plan before contract execution. This document fleshes out the contractor's strategy to achieve its WMBE goals and satisfy the apprentice utilization and workforce diversity requirements that may apply to the project.

Using an online platform called B2Gnow, PC can capture payments to subcontractors at all tiers and track the dollar amount retained by WMBEs on each project. Since the advent of the Inclusion Plan, the annual WMBE spend rate for completed City construction projects has not dipped below 15%—up from a nadir of 11% in 2004 and 2005. In 2019, WMBE utilization by ethnicity was 1.8% Black, 1.8 % Asian, 1.9% Hispanic, 3.3% Native American and 6.7 % white female.



Job Order Contracting

In addition to the traditional design-bid-build procurement method, the City engages in job order contracting (JOC). JOC allows the City to award up to \$6 million annually in small (less than \$500,000) work orders directly to a pre-selected prime contractor. Unlike design-bid-build, JOC requires the prime contractor to subcontract 90% of each work order. The result is a host of opportunities for small and medium specialty firms to access public works projects.

In 2019, the two general JOC prime contractors were: Centennial Contractors Enterprise, Inc. and Forma Construction Company and both committed to 60% WMBE utilization for each contract. In total, 34 WMBE firms worked on JOC contracts, with 21 (or 62%) owned by people of color.

Acceptable Work Sites

In 2017, PC implemented stringent standards for acceptable behavior on City construction work sites that prohibit bullying, hazing and related behaviors—particularly those based upon race, immigrant status, religious affiliation, gender identity or sexual orientation. Contractors of each tier must ensure an appropriate, productive and safe environment for all workers. This policy also protects WMBE sub-contractors.

Racial Equity Toolkit

In 2019, PC continued working on a Racial Equity Toolkit to identify barriers that prevent companies owned by people of color from participating on Priority Hire projects. The process included data collection from businesses owned by people of color, community organizations and prime contractors. A final report will be issued in 2020.

Beyond Public Works

The City also supports WMBE participation on construction projects that are not owned or funded by the City. Two prime examples include the redevelopment of the Seattle arena and project under the Office of Housing multifamily lending program.

- *Seattle Arena*: A development agreement with Oak View Group (OVG) includes a 15% WMBE aspirational goal. City staff supports OVG's outreach efforts and monitors progress. OVG is on track to meeting this goal. Current projects show \$100 million dollars will go to WMBE firms.
- *Office of Housing*: Affordable housing projects that receive OH loan funding explicitly require lenders to set a WMBE utilization goal and describe their plan to meet that goal, including advertising and outreach plans. Once construction begins, borrowers are required to report regularly on progress toward meeting WMBE goals.



Cedar Falls Education Center

Mack and Sons Concrete, a woman-owned firm, was recruited by Forma Construction to work on a unique JOC work order up at the Cedar Falls Education Center Walkway Replacement to build a new concrete walkway. The site had restricted access, restricted work hours due to pre-scheduled events, a phased approach, and mother nature to deal with. Mack and Sons was able to complete their contract successfully which had a value of \$68,898. Forma continues using Mack and Sons Concrete on other City contracts.

Consultant Contracting

City consultant contracting is decentralized, with each City department securing and managing its own consultant contracts, however, there are general Citywide standard procedures issued by PC. Each process presents an opportunity for WMBE firms. These opportunities have led to great engagement between the City and WMBE firms.

If a contract is under \$54,000, the City may select a contractor directly. This means there is maximum flexibility for the City to choose a WMBE firm.

If a contract is up to \$322,000, the City may choose from the Consultant Roster, which is a City-maintained list available for vendors under a certain size of business to join.

For contracts above \$322,000, the City must do a full solicitation. This means a consultant WMBE Inclusion Plan is required – prime consultants must issue a plan to subcontract to WMBE consultants. The score is part of the evaluation and departments may discuss the Inclusion Plan in the Interview.

Please note that direct selection of architects and engineers is prohibited per RCW 39.80. All architecture and engineer services must undergo a competitive selection process and select based on qualifications. Price may not be a consideration.

Citywide consultant 2019 WMBE goals

In 2019, WMBE consultant firms received 28% of all City dollars spent on prime consultant services. The WMBE by ethnicity was 1.2% Black, 7% Asian, 0.6% Hispanic, 0.8% Native American, 18.3% white female and 0.2% other minority.



In 2019, approximately \$50 million went to WMBE primes, with even more going to WMBE subcontractors.

WMBE Subconsultant Payment Tracking - B2Gnow

B2Gnow is an online third-party software used to report and monitor payments to prime and sub-contractors and report on WMBE and DBE utilization.

In 2019, the Mayor's Office made the use of B2Gnow a key priority, requiring 100% adoption of B2Gnow for sub-consultant tracking for all City departments with consultant contracts that require a WMBE inclusion plan.

The Mayor's Office directed FAS to conduct an audit on the Citywide adoption of B2Gnow. The result of the audit was satisfactory on the use of B2Gnow among City departments. However, FAS identified opportunities for departments to improve their practices and ensure compliance.

FAS will establish a mid-year check in and a follow-up audit at the end of 2020 to create a more comprehensive evaluation of timing of data entry, City staff support, reporting and enforcement associated with the use of B2Gnow.

FAS will also convene a B2Gnow user group to develop best practices to share with all departments and will continue to provide B2Gnow training for consultant contracts to all departments through 2020.



Vendors talk at the Working with SDOT event in City Hall.

City of Seattle Consultant Subcommittees

ACEC/COS Professionals Business Liaison Committee

American Council for Engineering Companies (ACEC) and the City of Seattle meet regularly to discuss City collaboration with engineering and architectural professionals.

Consultant Contracting Advisory Group (CCAG)

CCAG is an internal City group that discusses best practices in consultant contracting.

WMBE Consultants Prompt Payment 2019 Metrics

The City of Seattle recognizes the importance of paying firms on time to ensure smaller or newer firms with less capital can complete for city contracts.

For contracts executed since 2016, the City requires prompt payment: prime contractors must pay sub-tier firms within 30 days of a proper invoice, regardless of owner payment to the prime to support the sub-tier's cash flow.

City departments are also under the same obligation to pay primes within 30 days of a properly completed, undisputed invoice, with FAS oversight per the Mayor's 2015 Executive Order.

The City's goal is to achieve 100% of our invoices paid promptly. City departments now average 17 days to process payments on consulting contracts as compared to 22 days in 2018. In 2019, 89% of invoices were paid on time compared to 86% in 2018.

Purchasing

Every year, the City purchases thousands of goods, services and equipment, from office supplies to IT systems to janitorial services to fire trucks and electric generators for substations. All large purchases and long-term competitively bid contracts (blanket contracts) are procured and monitored as a centralized function under PC. Most purchasing transactions are made through almost 1000 blanket contracts (21% held by WMBEs, and 18% of that 21% held by Black-owned businesses) that are available to all City departments. We also conduct about 600 one-time formal bids each year.

There are different procurement rules for each of three procurement types (direct voucher, purchase contracts, blanket contracts) depending on the amount of each contract. The City may choose a vendor directly for purchases under \$8,000. For purchase between \$8,000 and \$54,000, the City must request three quotes. For purchases above \$54,000, the City must conduct a formal bid process. In all cases, if a blanket contract for the purchase exists, the blanket must be the first choice and used if available and appropriate.

Purchasing and Contracting encourages buyers across the City to first search the OBD for a blanket contract for the good or services they are looking for. Buyers are also encouraged to use WMBE firms, if available, under the blanket contract.

Under direct voucher, buyers from each department are encouraged to use the OBD to find WMBE vendors and make direct purchases.

Citywide Purchasing 2019 WMBE Goals

In 2019, WMBE businesses received 18 percent of all City purchasing dollars spent on prime vendors.

Payments to lower tier vendors on purchasing contracts are not currently captured or reported. There is limited opportunity for WMBE utilization on most purchasing contracts. In 2019, WMBE utilization by ethnicity was 2.0% Black, 7.4% Asian, 1.8% Hispanic, 6.1% white female and 0.2% other minority.

In 2019, approximately **\$67 million** went to WMBE vendors, with even more going to WMBE firms at sub-tier levels.



2020 Planning

Every year, all City departments and offices that expect to spend \$50,000 or more must prepare internal aspirational WMBE goals and develop WMBE strategies to meet them. These strategies come in a combination of events, communication and outreach to the WMBE community, staff training and participation in community events.

Mid-way through 2020, it is clear that the COVID-19 pandemic will have a negative effect on outreach and community events. Physical distancing guidelines are requiring departments to cancel or restructure outreach events that have been successful in the past such as the Reverse Vendor Trade Show and Public Works Showcase.

Even with these challenges, the City is committed to working with WMBEs in the community. The City is employing different strategies to continue engaging effectively with WMBE vendors, consultants and contractors. Some of these strategies include:

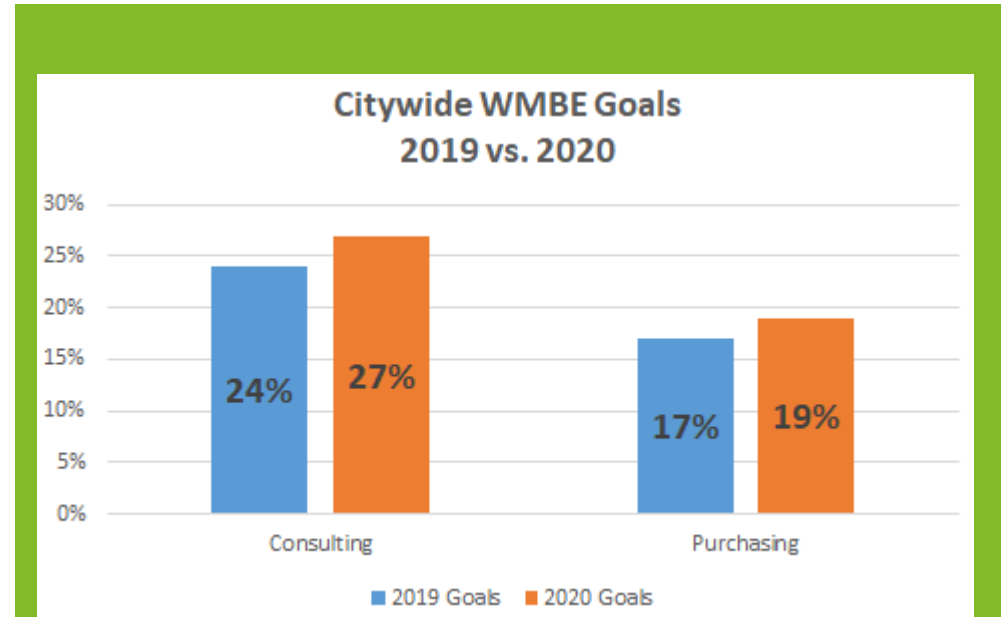
Doing Business with the City: PC holds monthly events online, creating a space for WMBEs and other businesses to meet with City construction, purchasing and consulting staff and ask questions. Some of these workshops are in Spanish.

SDOT – Move Seattle: SDOT has moved online. SDOT’s WMBE advisor will present an update on the Move Seattle levy program and upcoming opportunities for consultants and contractors and include sessions to meet project managers from SDOT divisions to learn more about the types of products and services they procure.

Language Access Plan: In coordination with Department of Neighborhoods, Seattle Parks and Recreation, Office of Arts and Culture, Office of Economic Development, and Office of Immigrant and Refugee Affairs, FAS will develop a Language Access Plan to improve utilization of community liaisons, interpreters and translators in contracting equity efforts.

Tabor 100 HUB: In 2020, FAS partnered with Tabor 100 to open City of Seattle office space in the Tabor Economic Development Hub located in Tukwila. This will increase engagement with WMBE firms and individuals in the south end of the region. Before COVID-19, City staff held regular hours at the Economic Development Center. While social distancing remains in effect, City staff provides virtual meetings by appointment.

Credit Card Payments to WMBE: The City’s financial system currently counts payments made using City credit cards as paid to the credit card company and not the vendor who provided the good or service. FAS in collaboration with Seattle IT is developing a proposal to allow crediting these payments and WMBE status of the corresponding business.



The Ethiopian Community in Seattle hosts the City of Seattle to talk about doing business with the City.



Carmen Kucinski (far right), WMBE and Contract Compliance Associate Manager for FAS, and Katia Garcia, WMBE Advisor for SPU, speak to a reporter on Univision.

Technical Assistance Services: In late 2019, the Northwest Mountain Minority Supplier Diversity Council (NWMMSDC) of Washington was selected via competitive process to provide technical assistance services to businesses, with a focus on WMBE, seeking to contract with the City. During this one year contract, NWMMSDC will provide technical assistance in the form of consultation, outreach, group sessions, one-on-one sessions, phone inquiries and a tailored curriculum component based the company's needs.

WMBE Advisory Committee: Executive Order 2019-06 directs the creation of a WMBE Advisory Committee to provide guidance and feedback on the City of Seattle contracting equity initiatives. The WMBE Advisory Committee will be composed of local women- and

minority-owned businesses and other underutilized firms, including but not limited to, LGBTQ+, immigrant, refugee, emerging, small and disadvantaged businesses.

Disparity Study: Advertised in 2020, this consultant contract seeks proposals from qualified firms to conduct a fourth generation disparity analysis of the City's contractual awards for goods, services and public works construction within the City's relevant marketplace. The disparity study will help the WMBE program in targeting participation of underrepresented minority- and women-owned and controlled businesses. This procurement requires submittal of a consultant inclusion plan.

Other department specific strategies include:

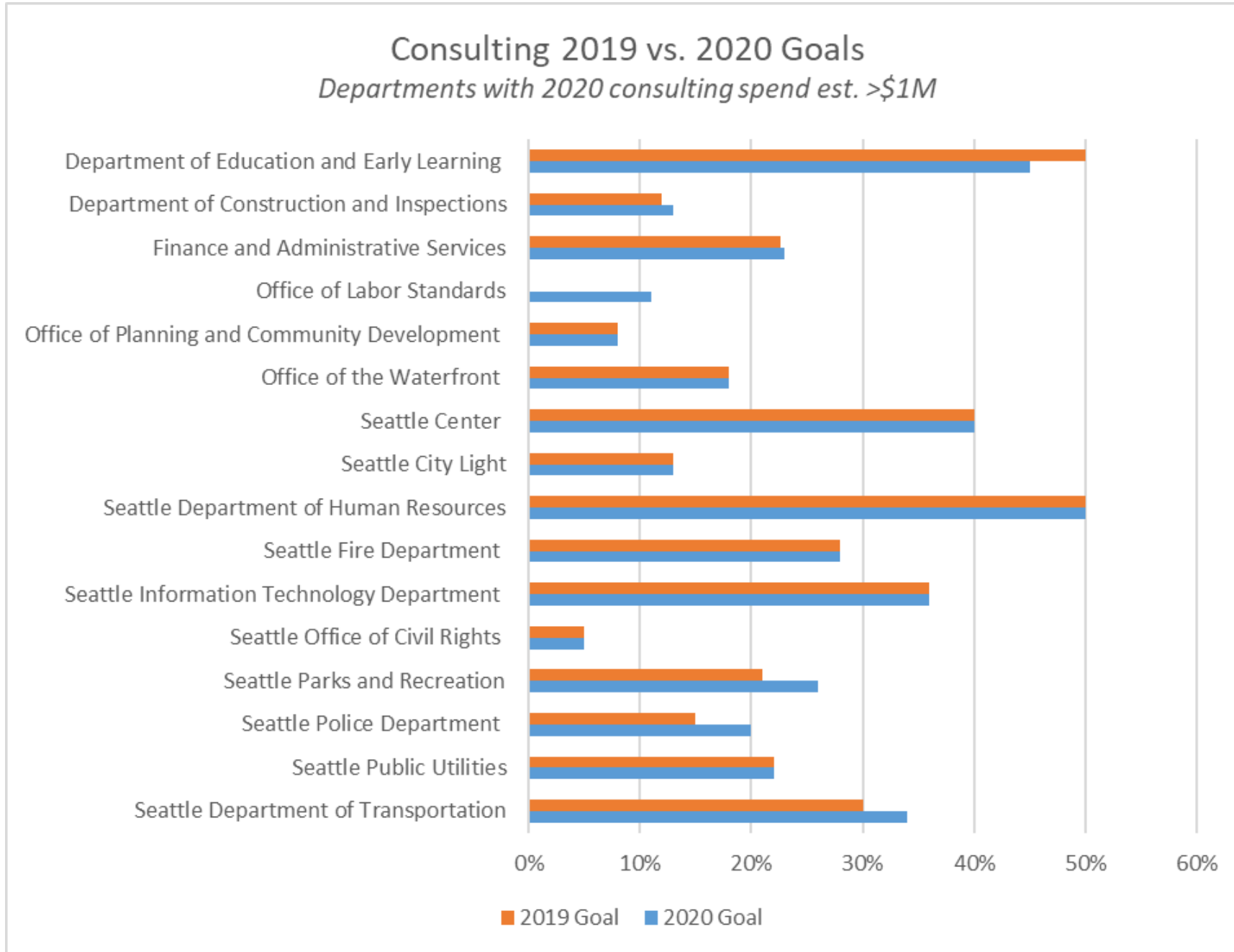
Finance and Administrative Services (FAS) will continue providing training to City departments on different WMBE tools and resources available by type of procurement such as in Job Order Contracting, inclusion plans, consultant, blanket contracts, Online Business Directory, and B2Gnow training. The increased awareness of the WMBE resources to the City staff is expected to also increase WMBEs participation across City contracting.

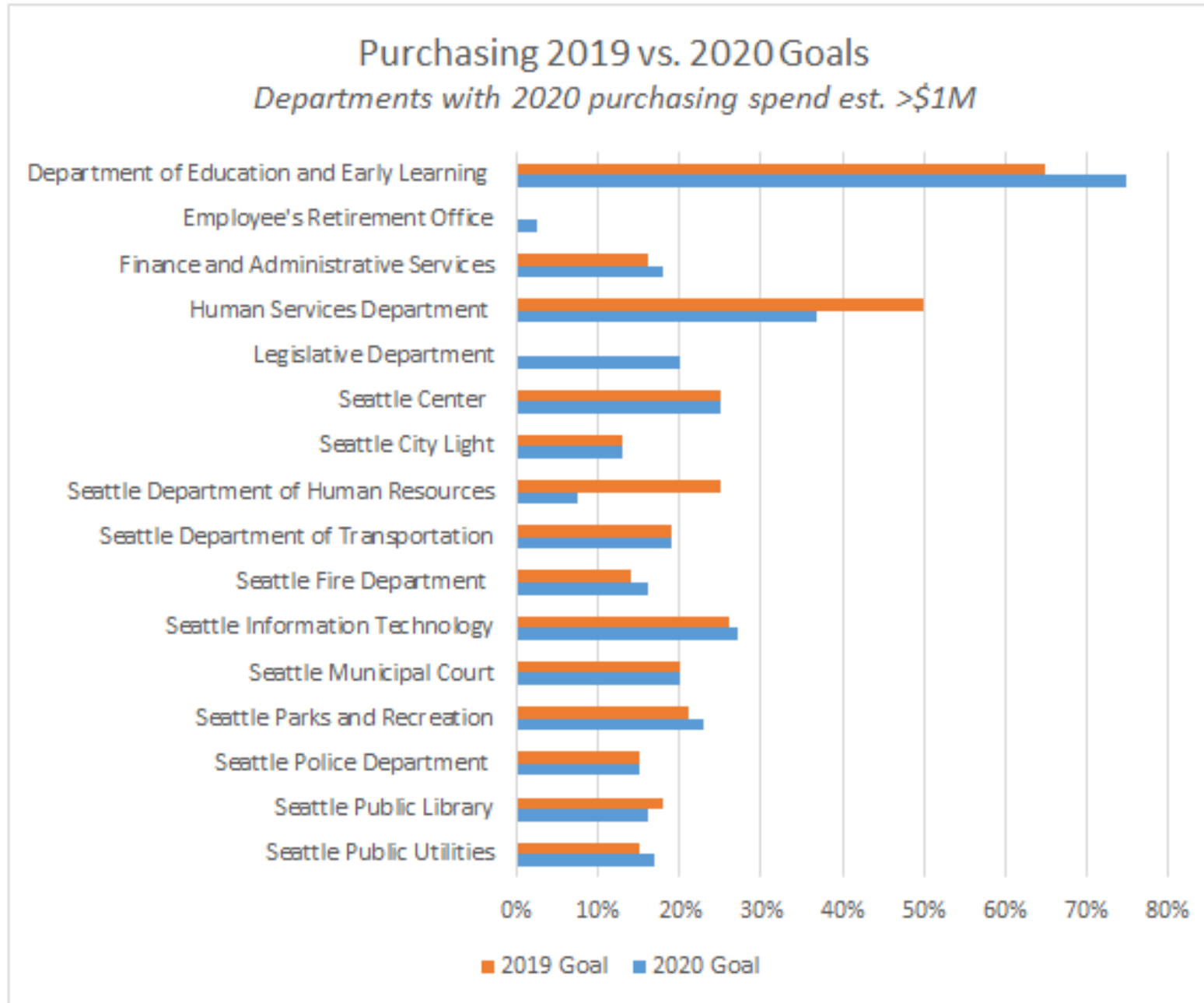
Office of the Waterfront (OW) will continue to make the WMBE contracting community aware of upcoming public works contracts that will be advertised to implement the Waterfront program.

Seattle City Light (SCL) will focus on WMBE inclusion on mega-projects. Mega-projects impacting purchasing goals will be the pole replacement project, electrification of transportation, the commodities required to ensure mega-project success, and the upgrading of the overall infrastructure of SCL's major operations facilities.

Seattle Department of Transportation (SDOT) will continue to implement its strategies of external engagement with the community through outreach events as well as internal engagement and policy and process improvements inclusive of SDOT's WMBE Advocate internal training series, WMBE availability assessment at procurement request, unbundling, focusing on roster procurements, emphasizing B2GNow subcontractor goal monitoring, and notifying firms of upcoming opportunities through anticipated project sheets.

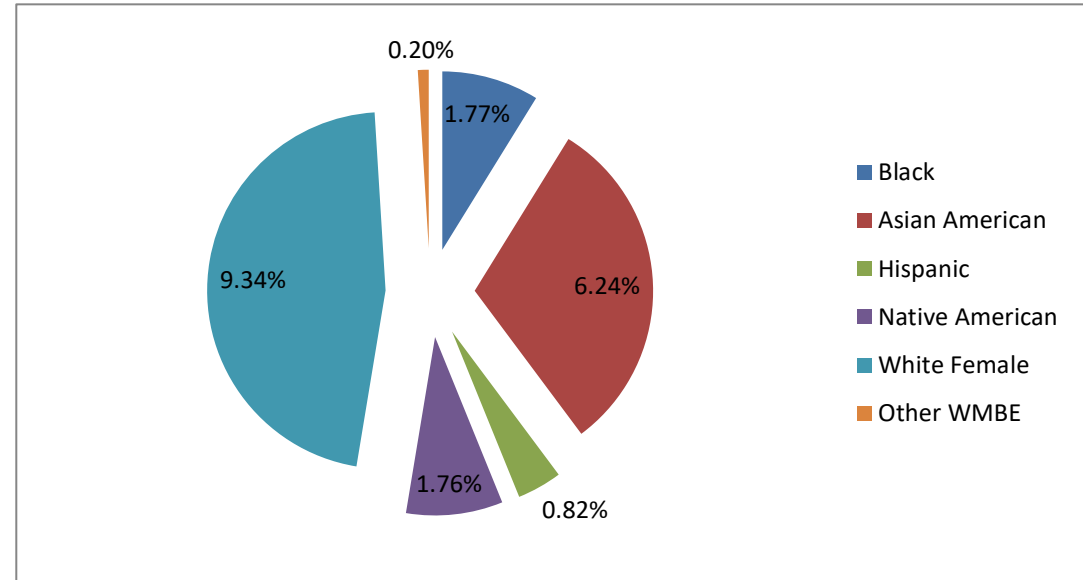
Seattle Parks and Recreation (SPR) will continue to prioritize outreach to underserved communities and WMBE businesses when we are soliciting concessionaires and recreational service providers.





2019 City Spending by Ethnicity

Payment by Ethnicity (Construction + Purchasing + Consultant)					
Ethnicity	Construction	Purchasing	Consultant	Total Contractor Payment	% of City Contract Payment
Black	\$2,360,194	\$7,651,161	\$2,001,120	\$12,012,475	1.77%
Asian American	\$2,344,729	\$27,758,705	\$12,139,552	\$42,242,986	6.24%
Hispanic	\$2,492,749	\$1,657,738	\$1,374,631	\$5,525,119	0.82%
Native American	\$4,262,983	\$6,714,138	\$961,720	\$11,938,841	1.76%
White Female	\$8,686,885	\$22,897,031	\$31,674,242	\$63,258,159	9.34%
Other WMBE	N/A	\$931,267	\$407,037	\$1,338,304	0.20%
Non-Minority	\$109,689,887	\$307,100,639	\$124,091,560	\$540,882,086	79.87%
Grand Total	\$129,837,428	\$374,710,680	\$172,649,862	\$677,197,970	100%



Construction Payment by Ethnicity			Consultant Payment by Ethnicity			Purchasing Payment by Ethnicity		
Ethnicity	Total Contractor Payment (provided by Prime)	% of City Contract Payment (w/o tax)	Ethnicity	Total Contractor Payment	% of City Contract Payment	Ethnicity	Total Contractor Payment	% of City Contract Payment
Black	\$2,360,194.15	1.82%	Black	\$2,001,119.68	1.16%	Black	\$ 7,651,161.44	2.04%
Asian American	\$2,344,729.27	1.81%	Asian American	\$12,139,552.25	7.03%	Asian American	\$ 27,758,704.55	7.41%
Hispanic	\$2,492,749.48	1.92%	Hispanic	\$1,374,631.02	0.80%	Hispanic	\$1,657,738.16	0.44%
Native American	\$4,262,982.60	3.28%	Native American	\$961,720.37	0.56%	Native American	\$6,714,138.39	1.79%
White Female	\$8,686,885.47	6.69%	White Female	\$31,674,241.76	18.35%	White Female	\$22,897,031.49	6.11%
Other WMBE	N/A	0.00%	Other WMBE	\$407,037.34	0.24%	Other WMBE	\$ 931,266.84	0.25%
Non-Minority	\$109,689,886.89	84.48%	Non-Minority	\$124,091,559.71	71.87%	Non-Minority	\$307,100,639.45	81.96%
Grand Total	\$129,837,427.86	100.00%	Grand Total	\$172,649,862.13	100%	Grand Total	\$374,710,680.32	100%

Supporting Black-Owned Businesses

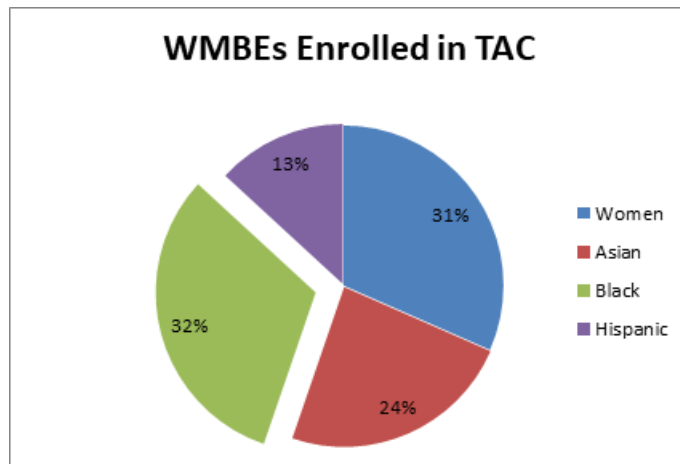
The City’s Race and Social Justice Initiative works to eliminate racial disparities and achieve racial equality in Seattle. Key to this work is examining which firms get the City’s business and which firms do not.

A look at City spending by ethnicity shows a low proportion of spending with Black-owned businesses across all types of contracts. In 2019, Black-owned businesses utilization was 1.82% in construction, 1.16% in consulting and 2.04% in purchasing.

The City must work to increase contracting equity for Black-owned businesses. The City is implementing strategies to increase participation of Black-owned businesses in City contracts through:

Technical Support

- The City contracts with Northwest Mountain Minority Supplier Development Council to manage the City’s Technical Assistance Contract (TAC), which started in late 2019. The TAC has a goal of providing a tailored technical curriculum based on specific business needs to 52 businesses. As of May of 2020, 38 businesses have been enrolled in this program and 31.5% are Black-owned businesses.



Outreach

- In 2019, the City continued looking for alternatives to reach out to businesses who have not worked on City contracts, including the trainings and workshops noted in this report. The City has included Black-owned businesses in workshop and training outreach. 2020 outreach has been impacted by COVID-19, however the City has conducted physically distanced outreach and engagement.

- A significant amount of City purchases are made via blanket contract. FAS actively encourages City staff to first look for availability of Black-owned contractors. In 2020, the percent of blanket contracts held by Black-owned businesses is 3.8%. As the City solicits new blanket contracts, the City will increase outreach efforts with the goal of increasing participation of Black-owned businesses.

Partnership

- In 2019, FAS supported the launch of the Tabor Economic Development Hub located in Tukwila through a sponsorship that includes Hub office space. Tabor is a nonprofit “association of entrepreneurs and business advocates who are committed to economic power, educational excellence and social equity for African Americans and the community at large.” The City held office hours in the Hub before COVID-19, and is exploring ways to continue office hours through the pandemic.

- The City is a long-time member of multiple organizations that focus on serving communities of color and the Black community, including National Association of Minority Contractors (NAMC) and Tabor 100. In 2019 and 2020, City of Seattle staff regularly attended and presented at meetings of these key community partners.

Self-examination

- For the past 18 months FAS has been engaged in an intensive review of race and social justice issues around WMBE work with large public works projects with Community Workforce Agreements. The review, called a Racial Equity Toolkit, has involved focus groups, research and analysis and outreach. The review will end with key recommendations to specifically support minority-owned businesses, including Black-owned businesses, in CWA work. FAS projects these recommendations can also apply to WMBE inclusion in general.

WMBE Opportunities, Tools and Resources

Consultant Contract Search

Search for contracts similar to the services you provide. View Scope of Work and payment details. Having this information can help consultants be competitive when proposing services to the City. Visit: <https://sefp92cs.hosted.cherryroad.com/psp/sefp92cs/SUPPLIER/ERP/h/?tab=SEACS>

Daily Journal of Commerce (DJC)

The City officially advertises all major projects here. The DJC ads provide project information and an official project website, such as ProcureWare or the City's Consultant Connection, where consultants can download original documents. Visit: <http://www.djc.com/>

The Consultant Connection

Projects advertised in the Daily Journal of Commerce will often have project documents uploaded on this page, including ones that have been posted on ProcureWare. Visit: <http://consultants.seattle.gov/category/bids-proposals/>

Upcoming Contracts / Network Opportunities

All construction contracts and large consultant contracts are advertised on Procureware. Companies interested in bidding or partnering can download project manuals and see who else is obtaining documents. This provides an opportunity for WMBE firms to reach out to primes submitting bids/proposals. Registration is free. Pre-bid and pre-submittal meetings are also posted here. Visit: <https://seattle.procureware.com/home>

City Departments (Master List)

Visit all of the home pages for City departments. Visit: <http://www.seattle.gov/city-departments-and-agencies>



Ollie Garrett (left), President of Tabor and Viviana Garza (right), SDOT WMBE Advisor at the 2019 Reverse Vendor Trade Show.