



2021 EQUITY IN CONTRACTING ANNUAL REPORT

PREPARED BY

CITY OF TACOMA

COMMUNITY & ECONOMIC DEVELOPMENT
DEPARTMENT



EXECUTIVE SUMMARY

As part of the City of Tacoma's ongoing work to advance broader strategic goals relating to equity and accessibility, as well as economic growth, it has expanded its efforts to achieve equity in contracting and support of minority and women-owned businesses.

The Equity in Contracting Program offers access to contracting and procurement opportunities, as well as guidance and technical assistance, to historically-underutilized businesses interested in providing supplies, services and public works support to the City of Tacoma.

MISSION

To create and sustain a competitive and fair business environment for contracting, procurement and consulting opportunities that include small businesses owned by minority, women, and socially and economically disadvantaged people.

REQUIREMENTS

Beginning in March 2020, the City of Tacoma's Equity in Contracting (EIC) program placed Minority Business Enterprise (MBE), Women Business Enterprise (WBE) and Small Business Enterprise (SBE)* requirements on City of Tacoma Public Works construction projects.

*Disadvantaged Business Enterprise (DBE) firms may also fulfill SBE requirements.

2021 EIC UTILIZATION RATES

Below are the MBE, WBE, and SBE/DBE utilization rates for 2021. We've also included utilization rates from our previous contracts in 2012 – 2016 and the estimated availability of firms who are ready, willing, and able to perform work on a given contract based on North American Industry Classification System (NAICS) codes in the scope of work to be performed as indicated in our Disparity Study.

EIC Certification	2021 Utilization	2020 Utilization	2012-2016 Utilization Rates	Estimated Availability of Contractors as Indicated in Disparity Study
MBE	10%	4%	5%	13%
WBE	5%	7%	2%	3%
SBE/DBE	18%	23%	N/A	N/A

WAIVERS

Over the course of the year, we saw 15 projects with no EIC requirements due to lack of available firms in specific NAICS codes. Two projects were granted waivers, and 13 were granted exceptions.

\$24.3M \$ associated with projects with no EIC requirements

\$40K Unwarranted economic burden on the City

\$140K Logging Road Transportation

\$1.26M Specialized work related to Sewage Treatment Facilities

\$2.5M Railing

\$6.36M Road Transportation

\$6.53M Specialized work related to landscaping

\$7.5M Specialized work related to Other Heavy and Civil Engineering Construction

BY THE NUMBERS

TOTAL AWARDS TO CERTIFIED FIRMS

MBE

\$1.37 million

59%

2021 INCREASE IN AWARDS TO
CERTIFIED FIRMS

WBE

\$1.62 million

SBE/DBE

\$6.45 million

69%

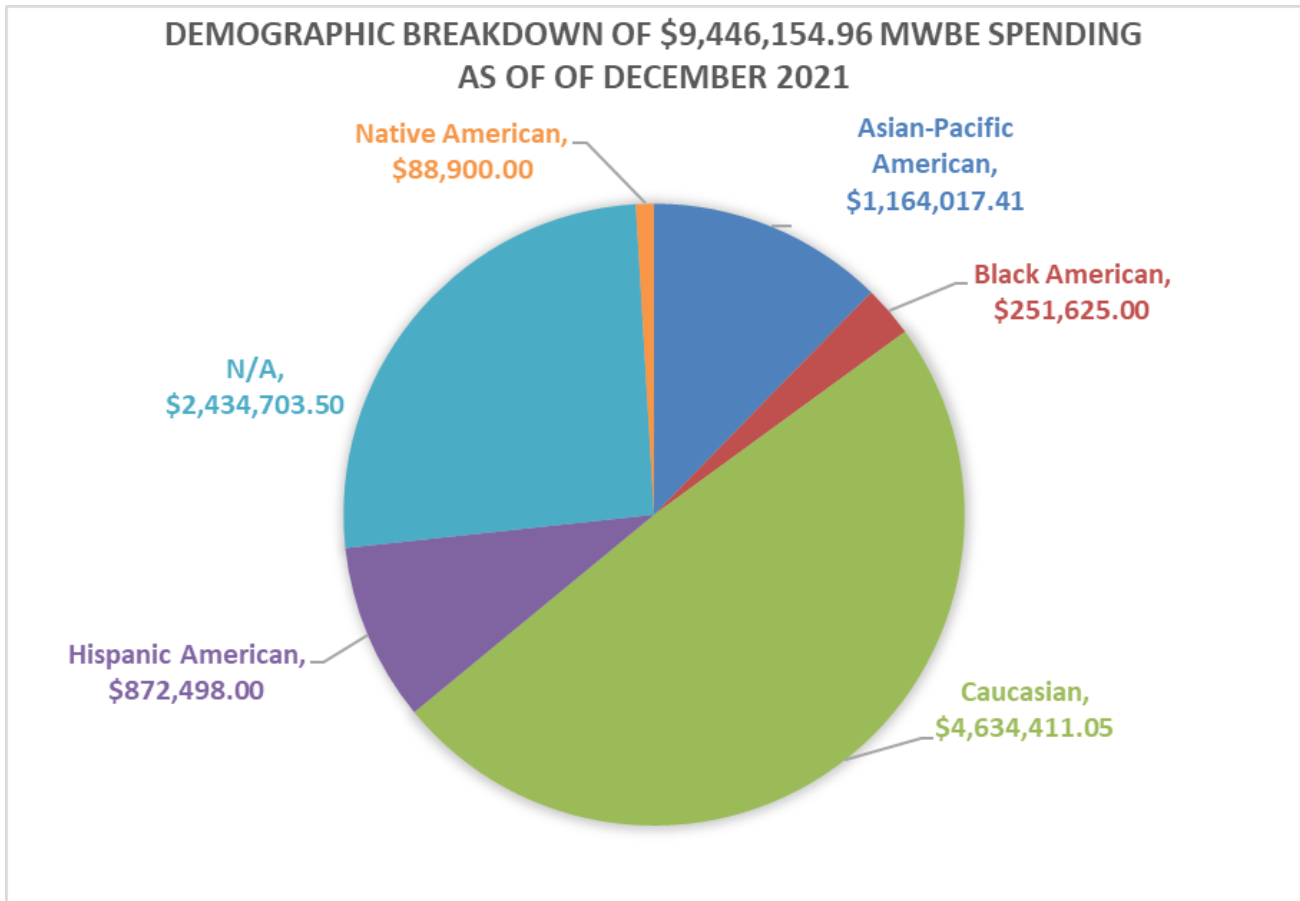
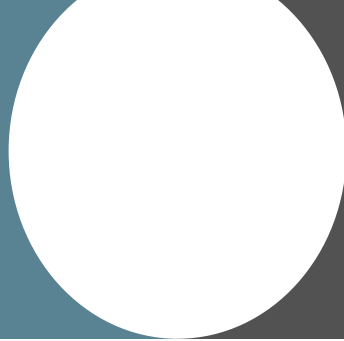
2021 INCREASE IN CONTRACT \$
AWARDED TO CERTIFIED FIRMS

\$3,864,927.17 increase over one year

TOTAL

\$9.44 million

DEMOGRAPHICS



Ethnicity/Business Name	2021 Count of Awards	Sum of Original Subcontract Value
Asian-Pacific American	6	\$ 1,164,017.41
Black American	5	\$ 251,625.00
Caucasian	13	\$ 4,634,411.05
Hispanic American	8	\$ 872,498.00
N/A	1	\$ 2,434,703.50
Native American	2	\$ 88,900.00
Grand Total	35	\$ 9,446,154.96

Please note: This only applies to public works contracting

NEXT STEPS

Where do we go from here?

The focus of the Equity in Contracting Program in 2022 will be the following:

01

EIC ADVISORY COMMITTEE

Program recommendation of 15 members

- 7 for Contractor Positions by type
- 5 for Council Districts (1 for each Council District)
- 3 recommended by Utility Board from TPU Service Area

02

EIC COMPLIANCE

Actions City of Tacoma will take to monitor compliance:

Active Post Award project monitoring system including:

- Data analysis and reporting to EIC Advisory Committee
- Onsite reviews
- Investigations of complaints, and substitution/termination of certified firms

03

A&E and GOODS & SERVICES

In 2022, the City of Tacoma aims to have equity in contracting processes in place for Architecture & Engineering, as well as Goods and Services contracts.

04

COLLABORATION WITH MBDA

Leverage relationship with Minority Business Development Authority (MBDA) to further support businesses in the local community

FIVE YEAR GOALS

EQUITY IN CONTRACTING

1. Double the number of certified firms that contract with the City of Tacoma from 27 to 54.
2. Increase to 40% the percentage of total dollars spent on certified firm contracts from 33% by 2024.
3. Improve inclusion and outreach to sustain and improve certified firm participation and to reduce disparity in City of Tacoma contracting.
4. Make affirmative efforts to assure equality of contracting opportunities through the development and application of Inclusion Plans, or other tools, as necessary.

**We looked at surrounding jurisdictions to help inform our five year goals and targets for impactful change.*

EQUITY IN CONTRACTING TEAM

Kacee Woods, Equity in Contracting & Workforce Programs Manager

Malika Godo, Contract & Program Auditor (Compliance)

Gary Lizama, Contract & Program Auditor (Business Services)

Deborah Trevorrow, Contract & Program Auditor (Workforce) & LEAP
Local Employment & Apprenticeship Training Program

COVID IMPACTS

As we shifted our focus in the short term to support the City of Tacoma's emergency response to the current public health and economic crisis, we were not able to implement administration of requirements for Architecture & Engineering, Services, and Goods contracts.

Additionally, since 2020 was the baseline year for the EIC program, we are still in the process of evaluating broader impact of the pandemic on utilization of EIC-eligible firms.