

Minutes

City of Tacoma Equity in Contracting Advisory Committee

Date: Wednesday, February 21, 2024

Time: 7:30am – 9:30am

Location: Tacoma Municipal Building, Room 243, 747 Market Street, Tacoma Washington 98402

Zoom Information

Dial: 253-215-8782

Meeting Link: <https://zoom.us/j/93921755135?pwd=UHB1Ym00dGJWZmtLeUE3cHBNWDFKdz09>

Webinar ID: 939 2175 5135

Passcode: 959442

CALL TO ORDER

Kacee Woods, Equity in Contracting (EIC) & Workforce Programs Manager called the meeting to order at 7:35AM

STATEMENT OF PURPOSE

Kacee Woods stated the City of Tacoma's mission with the purpose of this meeting

LAND ACKNOWLEDGEMENT

Malika Godo stated the Land acknowledgement

ROLL CALL – EIC Advisory Committee

Present: Michael Jordan, Clint Myers, Scott Lundt, Paul Franetovich, Rahsaan Freeman, Larry Hutchinson

Absent: Timothy "Tim" Pinckney (unexcused), Jai Briar (unexcused), Trena Payton (excused), Angela Michaelis (excused)

Consent Agenda & Minutes

Approval of November 15, 2023 Meeting Minutes

- Motion to approve made by Michael Jordan, seconded by Clint Myers
- No added comments or discussion
- Motion passes and minutes of the November 15, 2023 meeting are approved

Approval of Meeting Agenda

- Motion to approve the February 21, 2024 Meeting Agenda made by Michael Jordan, seconded by Clint Myers
- No added comments or discussion
- Motion passes and agenda for the February 21, 2024 meeting are approved

City Staff Updates – Kacee Woods

- Welcome new Advisory Committee Members:
 - Larry Hutchinson: worked as a General Contractor for the past 25 years, and has worked with the City of Tacoma as a contractor. Has been interested in helping smaller contractors get contracts.
 - Paul Franetovich: My background is mostly in corporate America. My wife and I more recently own businesses in Tacoma. My interest is partially from the difficulty we've had navigating the grant system. I thought this would be an opportunity for me to help small, minority & women owned businesses make it easier for them.

- Scott Lundt: I own a couple of companies; minority owned in the finance and manufacturing industry. The reason I joined this committee is because we want to help smaller business with access. It's something that's near and dear to me to be able to serve this area where I grew up in.
- Rahsaan Freeman: I'm very motivated to help women, small and minority businesses as it is difficult to navigate the system. We want to help with visibility and accountability.
- Clint Myers: The reason I got involved in the EIC Committee is because it's a fundamental part of our company. In my 20 years, I've seen a lot of changes, we've been a mentor to small contractors. We want to harbor and mentor those companies that are looking for an opportunity to better themselves and better their company. We want to help regardless of the requirements, it's been something that we're passionate about.
- Michael Jordan: I joined to help further equity in contracting. I own 3 businesses and I work as a business navigator for the Tacoma-Pierce County Black Collective, working with 7 other organizations to help bridge pathways and decrease barriers that are inequitable and give access to people to market. Reviewing policies that impact some groups or makes things accessible is very important to me, so I appreciate the opportunity to be here.

Kacee asked for the members to send a headshot and a short Bio to update our website.

- **2023 Disparity Study Updates**

- At this time Keen Independent Research - the City of Tacoma Disparity Study Consultant – started in October 2023 and anticipates having the study done in late Summer 2024. Once Equity in Contracting Program staff members have reviewed the results and presented those results along with their recommendations on implementation to the City Manager and City Council, that information will be made available on the City website, as well as the City's social media channels, and other official platforms.
- Additionally, the consultant selected for the study will conduct public outreach meetings in the Tacoma Public Utility Service Area to share study findings.
- They're currently analyzing five years of contracting data (from January 1, 2017, to December 31, 2022) from Construction, Architecture and Engineering, Goods (Supplies) and Services contract categories. Because the EIC Program started in 2020 and the SBE Program was prior to that, we have provided data on both programs.
- Within March and April 2024, we will have internal and external stakeholder group meetings to review some of the preliminary information that Keen has developed.
- We will provide updates to various external stakeholder groups including the EIC Advisory Committee.
- We will then have public meetings for the public over zoom to provide access to everybody in the community.
- The subconsultants will be conducting interviews.
- We will use qualitative and quantitative data to review as part of the study.
- If there are any major updates, City staff will make sure to provide an update via email to EIC Advisory Committee members, and can follow with an update in a meeting format to give committee members an opportunity to ask questions and have some discussion if needed.

Study website is located at this address: [Disparity Study - City of Tacoma](#), additional updates will be provided here as well.

The study is specific to Tacoma, but the study will in part include the Metropolitan Statistical Area (MSA).

747 Market Street, Tacoma, WA 98402 Room 900

253-591-5075

[Equity in Contracting Advisory Committee - City of Tacoma](#)

- **Overview of EIC Regulations, Code Revisions, and Advisory Member Feedback**

The current EIC Program applies to Public Work and Improvement projects.

EIC Requirements Methodology

- **EIC Requirements Option 1:** EIC Staff applies three (3) separate requirements (MBE, WBE, SBE) in accordance with the EIC Requirement Setting Methodology.
- **EIC Requirements Option 2:** If after setting the EIC Requirements, reviewing the OMWBE directory and discussing with the Project Delivery Team, it is determined that fulfilling each requirement separately might present a challenge for contractors, EIC staff will apply an overall EIC Requirement. The overall EIC Requirement is the sum of the three (3) requirements initially established as a result of using the EIC Requirement Setting Methodology.

Waiving EIC Requirements for projects with a Value of \$150,000 or less

EIC Requirements will not be set on public work and improvement projects with an engineer's estimate value of \$150,000 or less.

Self-performing certified bidders

Bidders who are themselves Certified Businesses can meet the EIC requirements by self-performance. When a Certified Business is the prime bidder, an adjustment may be made to the EIC Requirements. In such cases the self-performing Certified Business can be found to be a responsible bidder even if the bid did not satisfy all three stated EIC Requirements (SBE, MBE and WBE).

More stringent Substitution Request Process to hold primes accountable.

Change orders affecting certified subcontractors will come through the EIC Office for review.

Application of EIC Non-Compliance Remedies and thorough monitoring process

- Publish notice of the contractor's noncompliance
- Cancel, terminate, or suspend the contractor's contract, or portion thereof
- Withhold funds due contractor until compliance is achieved; and/or
- Disqualification of eligibility for future contract awards by the City (debarment) per Section 1.06.279 TMC

- **Code Revisions**

Updates to the Tacoma Municipal Code (TMC) Chapter 1.07 (Equity in Contracting)

- Removed outdated language in the code relating to the SBE program
- Updated definitions to better align with the EIC Program
- Updated language around review of the program

City staff will continue to review code and programmatic items to challenge the current systems, work with our internal partners and listen to our external partners as well as the EIC Advisory Committee to understand whether the things we are changing are having the effects intended.

Larry Hutchinson & Scott Lundt: We should have more meetings or subcommittees to enable us to dive into some of the issues.

Kacee Woods: I will provide an outline of the annual workplan shortly and we can discuss this further

We will be adding a special meeting to establish subcommittees and have actionable items to report

Action Items:

- Adding more meetings to the schedule
- Understanding what sub-committees we currently have in the By-Laws and discuss if they need to be changed
- Have a calendar of meeting dates so we can have some actionable items to report

- **EIC Training + Workshop Topics**

We want to offer trainings that have value so we'd like to ask the EIC Committee if there are any training that would be of value to the businesses we serve

Standard workshop:

- How to work with the City of Tacoma (pertains to Construction Contracts)
- Partner with OMWBE to show them how to get certified
- Technical assistance resources (Partner with Dierdre Patterson, Business Financing Program Manager, WA APEX Accelerator, and other agencies)

A lot of businesses are over trained and under resourced so we would like to provide more to them

Feedback:

- Michael Jordan: Having more of the OMWBE Sessions will be helpful (recommended 3 or 4 a year)
 - Opportunities with Impact WA supporting manufacturers to give expertise and share support to BIPOC businesses and give them ideas to access different markets.
 - Have a session for BIPOC businesses to engage with the City and learn about financial assets available to businesses
- Paul Franetovich: Echo Michael's comments. The more programming the better. Some mentorship programs from employees at the city, or business owners like us to help BIPOC businesses.
 - Having programming is great but what does the city do to let people know about these programs?

We have used community partners, community navigators, social media, call/emails. When we're out in the community, we try to share as well (Library, Hilltop Action Coalition, newspapers, etc.)

On the February 26, 2024 we will be hiring another staff member and their focus will be on outreach.

Michael: Share information on Access to Capital

- **EIC Capacity Building**

We have funds set aside to utilize and would like to use them wisely. Requested feedback from EIC Advisory Committee on ideas to support BIPOC businesses in Capacity Building.

- Larry Hutchinson: Think of reaching outside of the City limits to ensure everyone is aware of what is happening at the City
- Scott Lundt: Access to Capital, understanding how it works and managing cashflow
- Michael Jordan: PCBA (Pierce County Business Accelerator) was drawing a lot of folks because they had different grant opportunities. The education needs to be there. Help lowering costs of certain services to help them improve cash flow. Giving access to capital easier.
- Paul Franetovich: Sharing about funding sources because cash is very difficult to access
- Larry Hutchinson & Clint Myers: Sometimes there can be a better payment system for public works contracts. Sometimes it takes too long for contractors to get paid, which is a financial hardship when you're a smaller company (getting paid faster for contractors).

Kacee Woods will keep this (prompt payment) as a standing item so we can continue the conversation

- **Committee Member Required Training** <https://www.atg.wa.gov/open-government-training>

If you have completed the training, please let us know. You will not have to take it for another 4 years.

Good of the Order

Michael Jordan:

- Check out the Economic ecosystem mapping event at the Tacoma Armory
- Michael Jordan created a form to better support small businesses. It's for organizations to fill out and inform businesses on what requirements they have (required documentation, etc.) to assist small businesses.

Kacee Woods:

- Update to a purchasing policy: [City of Tacoma Purchasing Policy](#)

5.3.2 Equity in Contracting

When carried out in accordance with requirements in this Policy and in Procedures, City staff may, without competitive solicitation or waiver make purchases of supplies or services from and enter into contracts with, firms certified and listed on the state [Washington State Office of Minority and Women's Business Enterprises](#) (OMWBE) Directory of Certified Firms for a total anticipated spend of less than or equal to \$200,000. Public works and architectural and engineering services are excluded.

- We're currently updating our Project Forecasting List. Once we have a draft we will share it with you.
- Representative Derek Kilmer is having a listening session with Black Businesses on Friday at the Urban League from 10:30AM to 12:00PM.
- We're working with our IT Department to create a dashboard which will show Equity in Contracting performance among City departments. We're in the ideation phase and right now we are understanding what can be public information or not.
- A couple of things we are working on with the purchasing department are related to the purchasing policy and some internal processes. We're looking to update our Request for Proposal (RFP) template. Currently, if you are a certified firm with OMWBE you receive points. However, it excludes non-profits, as non-profits cannot be certified. We want to update this process so for profit and non-profits have different opportunities to earn points for equity in contracting.

Rahsaan Freeman: Is there a plan to incorporate the National Minority Supplier Development Council Certification?

Kacee Woods: We're looking into considering other certification programs. To do this, we plan to create a matrix of the different certification types to better understand background. We can present our findings to the Equity in Contracting Advisory Committee for additional feedback.

Scott Lundt: I just have a comment, when designing an RFP, consider the total amount of point vs the points awarded for Equity in Contracting.

Future Meetings

- Voting on the Chair/Vice Chair, Voting on the Bylaws and Subcommittees
- Annual Work Plan
- EIC Program Outreach Plan
- Tacoma Anchor Network Information
- Business Financing
- Data & Performance specific to compliance

Kacee Woods will schedule a special meeting in March or April at 7:30AM to vote on the chair/Vice chair, Bylaws and Subcommittees and reviewing the annual work plan.

The chair responsibilities are:

- Meet with staff liaison to discuss upcoming meetings.

- Lead/Chair the EIC Advisory Committee Meetings. The Vice chair will be supporting the chair.
- If we have any meetings with the Economic Development Committee (EDC), the Chair may be invited to present if needed
- In October, the Chair will provide a presentation to EDC to inform them of the activities of the EIC Advisory Committee.
- Everyone on the EIC Committee can volunteer to be a chair. It's up to the group to vote.

Action items:

- Update, post and send the revised version of the meeting February 21, 2024 Agenda (the original one had an incorrect date)
- Send follow up email to ask for bio and headshot
- Share the Disparity Study website with the group in a follow up email
- Add Capacity Building information provided today to the work plan.
- Let City staff know if you have completed the required Open Public Meetings Act (OPMA) and Public Records Act (PRA) training. If you have not completed training, please do so as soon as possible.
- Add links that were shared during the February 21, 2024 meeting
- Add EIC Regulations and EIC Code to the EIC Advisory Committee Page
- Add data to the topics for future meeting so we can have a follow up to the dashboard.
- Send the City of Tacoma Purchasing Policy

Adjournment at 9:21 AM

Minutes taken by City of Tacoma