



**COMMISSION
AGENDA MEMORANDUM**

Item No. 6c

ACTION ITEM

Date of Meeting December 5, 2017

DATE: November 29, 2017

TO: Dave Soike, Interim Executive Director

FROM: Aaron Pritchard, Commission Policy Manager
Teresa Delicino, Director, Small Business Development
Nora Huey, Director, Central Procurement Office

SUBJECT: Port of Seattle Diversity in Contracting Policy Directive First Reading

ACTION REQUESTED

First Reading of Resolution No. 3737, a Resolution of the Port of Seattle Commission to establish a Diversity in Contracting Policy Directive to increase women and minority business opportunities and to repeal Resolutions No. 3506 and No. 3618. .

EXECUTIVE SUMMARY

The Port of Seattle Commission is currently reviewing a proposed Women and Minority Business Enterprise (WMBE) policy to increase women and minority business opportunities. The policy is designed to increase both the percent of contracting dollars paid to WMBE firms as well as the number of WMBE firms under contract. The Commission is currently scheduled for first reading on the proposed policy on December 5, 2017.

POLICY SUMMARY

- Establishes Executive level accountability that drives performance across the Port.
- Requires Divisions/Departments to establish goals and performance targets (# firms and % of spend). Goal setting to align with budgetary processes 2018, to inform Annual WMBE Plan early 2019.
- Enhances contractor compliance.
- Includes WMBE inclusion plans in contracting. Identify covered contracts to pilot 2018, full implementation 2019.
- Supports prompt pay.
- Creates governance and organizational structures that unify and guide Port implementation efforts to include clear lines of responsibility and accountability for implementation of the WMBE Program and WMBE liaisons.

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- Proposes review to expand opportunities beyond Port contracting to include other Port enterprise opportunities.

BACKGROUND

The Port of Seattle 2012 disparity study showed a disparity in Port utilization of minority contractors in airport construction and construction related projects. While the Port has made efforts since 2003 to increase WMBE utilization, we have been unable to meet our goals for contracting with WMBE Port-wide. Our 2016 performance of 5.3% WMBE utilization falls behind other public sector entities that are achieving 12-16%. The Port of Seattle Commission held three community outreach meetings in 2017 to solicit input on how to improve small business contracting and to increase WMBE utilization.

The Executive Leadership Team has heard directly from the City of Seattle on its successful program and the Economic Development Division and procurement department have done significant work to prepare to implement this policy and increase WMBE utilization. The attached policy reflects the input from stakeholders, port-wide efforts to better understand implementation and Commissioner input to ensure greater accountability and specific outcomes.

Two full time staff positions have been added to support this new policy and program. Additional staffing resources may be needed in mid-2018. The need and approval for these positions will be made by the Executive Director.

ATTACHMENTS TO THIS BRIEFING

- (1) Draft Resolution Attached
- (2) Presentation slide

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

- November 28, 2017 –Women and Minority Business Enterprise Policy Review
- October 24, 2017 - Women and Minority Business Enterprise Policy Review
- July 12, 2017 – Commission Budget Priorities, Building Economic Opportunity in Underserved Communities
- March 28, 2017 – Small Business Development Update
- March 22, 2016 – Small Business Utilization briefing
- December 14, 2014 – Disparity Study briefing
- August 19, 2014 – Small Business Utilization briefing
- January 26, 2010 – Adoption of Resolution No. 3618 concerning small business utilization