



ELT Briefing

Diversity in Contracting

2020 Utilization/2021 Goals



- 2020 Diversity in Contracting WMBE Results
- What's in the Numbers
- 2021 Goals
- Moving Forward

The purpose of the 2018 Policy Directive that established the Diversity in Contracting Department was to advance equity and address WMBE contracting disparities.

Goals - 5-year Benchmarks:

- Triple the number of WMBE firms doing business with the Port (118 to 354)
- Increase to 15% the amount of spend on WMBE contracts within five years
- Annually - All Port Divisions set individual WMBE goals

Portwide WMBE Utilization (Last 5 Years)

WMBE Utilization	2016	2017	2018	2019*	2020
Percent Utilization	5.30%	8.80%	8.90%	10.0%	10.90%
Number of Firms	118	200	258	296	325

* 1st year full implementation

2020 Portwide WMBE Utilization

Category	Total Port Spend	Total WMBE Spend	WMBE Utilization
Public Works (Construction)	\$495,708,130	\$42,540,667	8.6%
Non-Construction	\$199,865,542	\$33,241,321	16.6%
Total	\$695,573,672	\$75,781,987	10.9%

Please Note: Utilization Percentage May Change

2020 WMBE Division Utilization (Non-Construction)

Division	2020 Goal	2020 Actual
Aviation (AV)	15%	17.1%
Economic Dev. (EDD)	13%	15.6%
Maritime (MD)	15%	16.0%
*Corporate	13%	14.5%
Total	14.4%	16.6%

2020 WMBE Division Utilization (Non-Construction) - *Corporate

ELT Member	2020 Goal	2020 WMBE Attainment	2021 WMBE Program Spend	2021 Total Qualified Outside Services Spend	2021 WMBE Goal % of Total Spend
Villa (Police)	12%	3.7%	\$50,141	501,419	10%
Gerard (HR)	15%	10.9%	\$145,433	908,960	16%
Edwards (External Affairs)	12%	20.6%	\$425,736	3,274,898	13%
Ehl (OSI)	45%	34.3%	\$14,750	29,500	50%
Fernandes (Internal Audit)	5%	11.2%	\$-	\$1,588	0%
Freiboth (Labor Relations)	12%	59.8%	\$240	\$2,000	12%
Gheisar (Equity OEDI)	11%	2.4%	\$395,368	\$1,976,844	20%
Leavitt/Soike (Capital Development)	5%	12.2%	2,842,227	\$11,368,910	16%
Leavitt (Environmental)	5%	8.8%	\$70,167	\$305,171	2%
Soike (CPO)	--	6%	\$102,003	\$1,020,032	0%
Ramels (Legal)	5%	0.1%	\$40,508	\$810,161	5%
Thomas (Finance/ICT)	15%	23%	\$2,334,360	\$9,390,335	24%
Merritt/Pritchard (Commission)	7%	7.5%	\$800.00	\$10,000	8%

2020 WMBE Update – Ethnicity Breakout

Ethnicity	# of Companies	WMBE Spend	Utilization%
Asian	49	\$15,050,363	2.2%
Hispanic	30	\$8,587,156	1.2%
Black or African American	23	\$9,632,909	1.4%
Native American	16	\$15,822,618	2.3%
Prefer Not to Answer	9	\$2,127,221	0.3%
Other	1	\$3,000	0.0%
Caucasian Woman	124	\$22,772,864	3.3%
*Not Declared	73	\$1,785,856	0.3%
Total	325	\$75,781,987	10.90%

COVID-19 informational meetings with small businesses (CARES Act)

- 11 webinars with more than 150+ participants

Increased Promotion of VendorConnect database

- 690 new registrations – 23% are WMBE

PortGen attendance has increased due to virtual platforms

- 450+ participants in 2020 compared to around 400 in 2019

Partnership with USDOT to offer an Advanced PortGen (six-week workshop series)

- 96 businesses participated in this Construction and Architecture & Engineering trainings

2021 WMBE Division Utilization Goals (Non-Construction)

Division	2020 Goal	2020 Actual	2021 Goal
Aviation (AV)	15%	17.1%	16%
Economic Dev. (EDD)	13%	15.6%	13%
Maritime (MD)	15%	16%	15%
Corporate	13%	14.5%	18%
Total	14.4%	16.6%	16%

2021 marks beginning of year three of the program

Doing Well

- Non-Construction WMBE participation continues to grow due to Division's efforts (Thank You, Commission, Executive Leadership Team, and Port staff)
- Number of utilized WMBE firms in 2020 – 325 (5 year - Goal 354)

Challenges

- Program is not on path to achieve Portwide 5-year WMBE utilization goal of 15% in the two+ years remaining.
- Portwide WMBE Utilization would need to grow approximately 12% year-over-year for each of the remaining years to 2023.

Construction Spend has decreased since 2018

WMBE Pre-Bid Analysis: Average WMBE Construction Goals - **8% - 9% - Majority of projects Design, Bid, Build**

- **Availability** of firms **based upon Work Breakdown Structure**
- Nuance – **Unknown how the Prime will Buy Out the project to attain set WMBE goal**
- (2020) Only 2 Affirmative Efforts reviews were conducted for not meeting Aspirational goals

Year	Port Spend	%Growth	\$ WMBE Spend	%Growth	%Utilization
2017	\$230,424,913	-	\$19,065,459	-	8.27%
2018	\$516,504,619	124.20%	\$45,287,278	137.5%	8.77%
2019	\$493,247,548	(4.50%)	\$44,969,418	(0.70%)	9.12%
2020	\$495,708,130	0.50%	\$42,540,667	(5.40%)	8.60%

- WMBE utilization have increased despite Portwide Spend fluctuation
- Due to Port’s DC efforts
 - Port has almost doubled WMBE utilization from 2017 (90% Growth)

Year	Port Spend	%Growth	WMBE Spend	%Growth	%Utilization
2017	\$185,473,454		\$16,052,757		8.66%
2018	\$180,188,026	(2.8%)	\$16,479,395	2.7%	9.15%
2019	\$208,650,356	15.8%	\$25,258,177	53.3%	12.11%
2020	\$199,865,542	(4.2%)	\$33,241,321	31.6%	16.60%

Areas for Potential Improvement

1. Identify more WMBE opportunities on Design, Bid, Build construction projects (ex. break down projects)
2. Lean into stretch goals for Alternative Public Works procurements. After the project analysis determines a goal use the evaluation process to encourage exceptional performance.
3. Evaluate chances for unbundling projects
4. Increase number of WMBE business utilized (almost there!)
5. Provide incentives/motivation to retain Portgen training participants on consulting / A&E contracts



The Northwest Mountain Minority Supplier Development Council recently named the Port of Seattle as its Public Agency of the Year for our Diversity in Contracting program.

The Council's mission is to drive economic value by equalizing opportunities.

Questions?