

Diversity in Contracting 2021 Annual Report



Dave McFadden, Managing Director, Economic Development
Mian Rice, Director, Diversity in Contracting
Lawrence Coleman, WMBE Manager, Diversity in Contracting

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- Policy Directive
- 2021 Diversity in Contracting (DC) WMBE Results
- What's in the Numbers
- DC Program Activities
- 2022 Goals
- Moving Forward

Advance equity and address contracting disparities by increasing the utilization of Women Minority Business Enterprises and other disadvantaged firms

Five-year Policy Benchmarks:

- Increase to 15% the amount of spend on WMBE contracts within 5 years
(Baseline: **5.3%**)
- Triple the number of WMBE firms doing business with the Port (Baseline: **118**)
(Goal is **354**)

2021 Port-wide WMBE Utilization

Category	Total Port Spend	Total WMBE Spend	WMBE Utilization
Public Works (Construction)	325,178,389	37,322,803	11.5%
Non-Construction	205,560,136	26,746,215	13.0%
Total	64,069,018	466,669,509	12.1%

WMBE Utilization improved from 10.9% to 12.1% in 2021

Port-wide WMBE Utilization (Last 6 Years)

WMBE Utilization	2016	2017	2018 (Program Start)	2019	2020	2021
Percent Utilization	5.30%	8.80%	8.90%	10.0%	10.90%	12.1%
Number of Firms	118	200	258	296	318	344

2021 WMBE Utilization– WMBE Breakout

WMBE Type	WMBE Spend	Percent of Port Spend	Companies
Minority Men	\$39,220,338	7.4%	139
Minority Women	\$3,447,152	0.6%	47
Minority Men & Women	\$42,667,490	8.0%	186
Caucasian Women	\$21,401,528	4.0%	158
WMBE	\$64,069,018	12.0%	344

2021 WMBE Utilization– Ethnicity Breakout

Ethnicity	Ethnicity Spend	Ethnicity Percent	Ethnic Companies
Asian	\$10,683,311	2.0%	53
Black or African American	\$10,020,271	1.9%	30
Latinx	\$11,451,900	2.2%	29
Multi-Racial	\$3,986,285	0.8%	3
Native American	\$7,852,250	1.5%	14
Other Minority **	\$188,693	0.0%	3
Minority Ethnicity Total*	\$44,182,710	8.3%	132
Caucasian Women	\$21,401,528	4.0%	158

*Includes P-Card purchases which are not broken down by ethnicity.

**Respondents stated they are a minority but did not specify ethnicity. Ethnicity data for WMBE firms only.

2021 WMBE Division Utilization (Non-Construction)

Division	2021 Goal	2021 Actual
Aviation (AV)	16%	12.3%
Economic Dev. (EDD)	13%	15.8%
Maritime (MD)	15%	13.8%
*Corporate	18%	15.3%
Total	16%	13.0%

2021 WMBE Division Utilization (Non-Construction) - *Corporate

Department	2021 Goal	2021 WMBE Attainment (Percentage)
Police	10%	2.3%
Human Resources	16%	22%
External Affairs	13%	19.9%
Office of Strategic Initiatives	50%	83.7%
Internal Audit	0%	7.7%
Labor Relations	12%	40.9%
Diversity, Equity & Inclusion	20%	7.9%
Engineering/Port Construction Services	10%	11.5%
Environmental	2%	0.1%
Central Procurement Office	5%	5.1%
Legal	5%	0.1%
Finance/ICT/BI	19%	24.6%
Commission	8%	10.9%

***Corporate**

Goal: 18%

Attainment: 15.3%

Non-Construction

- 2021 WMBE Spend decreased 3% from previous year
 - Possible pause or delay of some contracts from late 2020 to 2021
 - Late Reporting of Payments made to WMBEs
 - What were the major drivers of spend?
- Still progress from 2019 utilization – pre-Covid

Year	Port Spend	WMBE Spend	% Utilization
2017	\$185,473,454	\$16,052,757	8.66%
2018	\$180,188,026	\$16,479,395	9.15%
2019	\$208,650,356	\$25,258,177	12.11%
2020	\$199,865,542	\$32,974,802	16.50%
2021	\$205,561,136	\$26,746,215	13%

Construction

Construction WMBE Spend has increased since 2017

- WMBE Pre-Bid Analysis: Average WMBE Construction Goals - **10% - 12% (Majority of projects Low-Bid)**
- Availability of firms based upon Work Breakdown Structure
- (2021) Only 2 Affirmative Efforts reviews were conducted for not meeting Aspirational goals

Year	Port Spend	% Change	WMBE Spend	% Utilization
2017	\$230,424,913	--	\$19,065,459	8.27%
2018	\$516,504,619	124.20%	\$45,287,278	8.77%
2019	\$493,247,548	(4.50%)	\$44,969,418	9.12%
2020	\$495,708,130	0.50%	\$42,530,283	8.58%
2021	\$325,178,389	(34.4%)	\$37,322,803	11.5%

Training

- 101 Level: 2021 PortGen Class attendance has increased due to virtual platforms— **722 businesses attended seminars we sponsored**
- 201 Level: Advanced PortGen training series in partnership with USDOT
- 301 Level: **First WMBE/SBE Business Accelerator Program**

Engagement

- WMBE partner orgs (Highline SBDC, Tabor 100, NMAC, Ethic Chambers) to support Covid-19 relief
- Participation in Association of General Contractors (AGC) Diversity Sub-Committee

Capacity Building

- Federal **Disadvantage Business Enterprise (DBE) Trainings** (Internal & External)
- **Internal WMBE Utilization** Department/Divisions Trainings
- Pushing Construction goals and efforts



Diversity in Contracting 2022 Goals



2022 WMBE Division Utilization Goals (Non-Construction)

Division	2022 Goal	2021 Actual	2021 Goal
Aviation (AV)	15%	12.3%	15%
Economic Dev. (EDD)	14%	15.6%	14%
Maritime (MD)	16%	16%	16%
Corporate	14%	14.5%	18%
Port Wide	15%	13%	16%

- 2022 is the first year Port will have annual construction goals by division
- Goal Setting Support for Divisions
 - Forecast Future Spending
 - Analyze historical WMBE utilization
 - Calculate
 - Adjust

Challenges

Forecasting, accurate and consistent process

Solution

Diversity in Contracting is establishing an initial Port-wide goal for construction

Construction Utilization	2021 Actual	2022 Goal
Total	11.5%	12.5%

2021 was third year of the DC program

Pro

- We continue to see an overall increase in WMBE Utilization
- Number of utilized WMBE firms in 2021 – **344** (5 year - Goal 354)

Con

- Program is not on target to achieve Port-wide 5-year WMBE utilization goal of 15%.
- Port will not achieve 15% without increasing construction WMBE utilization

- 1. Encouraging more Alternative Delivery Methodologies (Best Value) vs Low –Bid projects**
 - Increasing Diversity in Contracting evaluation points within RFP sections
 - Evaluate Diversity in Contracting efforts or better tie in within the Project Approach sections that are in RFP's
- 2. Push harder on low-bid WMBE Aspirational Goals (May increase Affirmative Efforts reviews)**
 - Be OK to move to next bidder with the possibility of higher bid price
- 3. Increased compliance of established and accepted WMBE goal on projects**
 - Stronger enforcement tools
 - Posting of WMBE Results of Primes

- Complete WMBE Analysis Study
- Continue to focus on WMBE businesses utilized
- Provide ongoing training to WMBE/DBE businesses
 - PortGen (101)
 - Advanced PortGen (201)
 - WMBE/SBE Business Accelerator (301)
- Pushing Federal DBE Certification on upcoming federally assisted projects
- Maximize WMBE goals on future alternative contracting methodology contracts (GC/CM, D/B, JOC)
- Capacity building: support WMBE businesses pursuing small works and JOC projects
- Explore development of an Architectural & Engineering program for small business, Veteran, WMBE businesses

Thank You