



Equity in contracting dashboard

2019

Equity in contracting matters

Metro works to prepare the 1.5 million people in the greater Portland region for the future by addressing transportation, development and environmental protection issues that cross local boundaries. The region’s current and future diversity will help develop and maintain sustainable economic growth if we proactively address the issue of equity.

Diversity in contracting plays a critical role in the success of Metro’s mission to plan for the region’s future and ensure that it remains a great place to live. Each year, Metro spends millions of dollars on contracts with businesses that support efforts to provide public services for the residents of Clackamas, Multnomah and Washington counties. By actively involving minority-owned business enterprises, woman-owned business enterprises, service disabled veteran-owned businesses and emerging small businesses (collectively referred to as COBID-certified firms) in the pool for business opportunities, Metro helps expand economic opportunities in the region.

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Program highlights

Equity in contracting program

Metro’s equity in contracting program aims to empower the historically marginalized business community to engage in Metro contracting opportunities for social and economic improvement. Metro provides active engagement and support services that build meaningful relationships, develop capacity and result in Metro’s spending reflecting the diversity of the community we serve. The multi-faceted approach to ensuring that COBID-certified firms are successful includes:

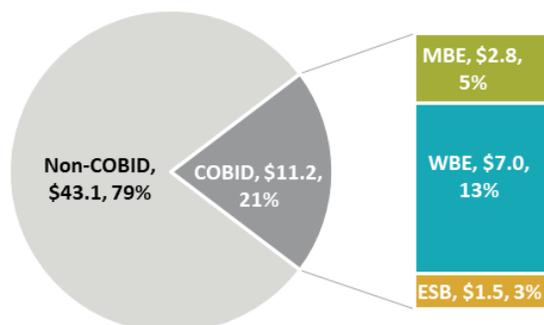
- regular **relationship building** through outreach and networking
- providing **business training and workshops** with topics including: how to do business with Metro, preparing bids and proposals, one-on-one proposal clinic, partnering for business success, marketing, business financing, and more
- **staff training** to address unconscious bias in selection processes
- supporting **business support organizations and chambers** focused on historically under-served populations through sponsorships, volunteering and hosting meetings
- hosting an annual **small business open house** where business owners can meet project managers from departments across Metro

These efforts for equity in contracting are part of an agency-wide approach to diversity, equity and inclusion.

Successes

Overall, Metro continues to build on the successes of the past years. The largest success this year was the substantial completion of the \$32 million Oregon Convention Center remodel, performed by Colas Construction, certified MBE. *(See back page for more information.)* And based upon the success over the past years’, with acknowledgment of need for even more, Metro committed more resources to growing the equity in contracting program even further.

Contract dollars awarded in CY 19
(in millions of dollars)



Program Growth

Metro Council made a firm commitment to enhancing the Equity in Contracting Program by committing additional resources to the equity in contracting program. This means more staff time to continue and expand upon efforts such as those highlighted here, and increased funding to provide small business support and training.

Strategic planning

In 2019 the equity in contracting program team developed a strategic plan to solidify the direction of the program and sharpen focus for Metro's efforts. This plan envisions a path toward empowering the historically marginalized business community for greater engagement with Metro opportunities through a set of prioritized actions.

*Program objective:
Increase participation of COBID firms in Metro contracting by proactively engaging, building relationships, breaking down barriers, and providing support through innovative approaches*

Workshops and training program

Continue to build on small business development workshops and trainings with topics including how to prepare a bid/proposal, finance, marketing, job estimating, proposal clinic, Clean Air Construction Standard, Construction Careers Pathways, post workshop one-on-one assistance, and more.

Support departments: projects, equity strategy and relationship building

Develop and implement equity lens to use for equity strategy meetings.

Train contract owners on process and work with departments toward effective and impactful equity strategies that become part of the procurement culture at Metro.

Targeted and in-depth support on key procurements. Provide support and project presence on department-specific or agency-wide initiatives when equity in contracting is involved.

Relationship building and maintenance

Maintain a consistent, personable and accessible presence in the business community to establish trust and share information about Metro's contracting opportunities. Maintain existing relationships with business owners, networking organizations and community partners. Build new relationships with strategic community organizations and new, COBID-eligible firms.

Reporting and tracking

Improve and expand on current reporting and tracking processes. Provide regular reporting.

Address institutional barriers to equity in contracting

Identify and address issues that make contracting with Metro difficult and uninclusive. Engage stakeholders in the process of identifying barriers and developing solutions.

Inter-agency collaboration

Work with other local governments to improve equity in contracting, to provide consistent messaging and leverage the work in other organizations.

Metrics for success

- Communities of color know about, access and are awarded contracts at Metro, and contracted funds get spent.
- Communities of color are awarded increasingly high dollar value contracts.
- People of color are included in the workforce of Metro projects.
- Businesses rooted in communities of color have greater capacity to access Metro's contracts.
- Communities of color are aware of Metro resource opportunities and know how to apply.
- People of color feel prepared for the process to access Metro's resource opportunities.
- People of color feel comfortable (less anxiety/fear) in applying for Metro resource opportunities.
- Businesses rooted in communities of color trust Metro to allocate resources in a way that enhances racial equity.
- People of color become major contributing partners to Metro's success in contracting.
- Communities of color see Metro as a source of opportunity for their communities.
- People of color believe they are well-positioned to win Metro's resource opportunities.
- People of color in the region believe that they have opportunities to advance economically.

Project spotlight: Natural areas habitat restoration

Metro's parks and nature department maintains a series of on-call contracts to provide habitat restoration services to protect water quality and fish and wildlife habitat, enhance trails and wildlife corridors and provide greater connections to nature in neighborhoods throughout greater Portland. This series of contracts served as an example for equity in contracting when they were last procured in 2014. Five years later, they piloted new, even more innovative procurement approaches meant to simplify the process for qualified firms with historic disadvantages. Equity approaches used for these contracts include using a two-step request for proposals and interviews as proposal.

Request for proposals (RFP)

In many cases, these labor-heavy services would be procured through low bid. Metro used the RFP process to include other evaluation factors, such as sustainable business practices and diversity in employment in the selection method. This provides more opportunity for firms who provide competitive rates to access contracts, even if they are not the lowest cost provider.

Two-step method

The two-step RFP process involves qualifying firms in a first step, then seeking full proposals from qualified firms only in a second step. This process started with a critical review of typical required qualifications and elimination of unnecessary requirements to reduce barriers. Then, by seeking qualifications first Metro ensured that only those firms with the necessary skills and experience would be dedicating the time and resources to completing a full proposal.

Interviews as proposal

It is commonly recognized that completing bids and proposals is one of the greatest barriers for historically disadvantaged firms. Firms can be very skilled at their line of business, and not very skilled at preparing a proposal for public contracts. In this second step, Metro piloted proposals that were partially written, and partially verbal interviews. Firms were given the interview questions in advance and was able to prepare a response in advance. Metro also provided free interview preparation support from consultants. Overall, the interview process took less time for businesses and alleviated the burden of writing a full proposal.

Results

This process took more time for Metro staff than standard procurement methods. But the investment of Metro time in the interview process resulted in significant opportunity for COBID-certified firms.

- 14 out of 32 proposers were COBID-certified
- 10 out of 22 contract awards (or 45%) were to COBID firms
- \$4.5 million of the \$7 million awarded, or 64%, were to COBID firms
- Contracts are cooperative-ready and can be used by other agencies, amplifying their impact

Workshops and training

The natural areas habitat restoration contracts in 2014 served as a pilot for pairing a workshop and technical assistance with an RFP to better prepare firms for the procurement process. Since then, Metro has reached 380 firms who have attended at least one workshop or training session.

This program has expanded to include multiple workshops covering various topics including preparing a bid or proposal, finance for business growth, and marketing. Many have found such value in them that they have attended multiple sessions.

“It was very informative and the presenters were very experienced.”

In 2019, 27 firms who have attended a Metro workshop were awarded contracts totaling \$2.8 million. This makes a total of 88 previous workshop attendees with \$6.6 million in contract awards since the beginning of the program. Plans for 2020 include further expansion of the workshop and training program.



In the community



Outreach

The small business open house continues to grow. In its 5th year, the event brought nearly 200 people eager to meet project managers. For the 70 Metro staff in attendance, it is a great way to make connections, build relationships and talk about project needs with small firms.

Metro participated in various outreach events to engage with the small business community throughout 2019 including annual events such as the Oregon Association of Minority Entrepreneurs (OAME) tradeshow, Business Expo West, Minority Enterprise Development (MED) Week, Governor’s Marketplace, and Reverse vendor Trade Show, and regular networking with business associations including National Association of Minority Contractors (NAMC), Oregon Native American Chamber (ONAC), multi-chamber mixers, and more. Maintaining a consistent presence events such as these is important to establish trust and relationships with business owners.

Sponsorships and memberships

Sponsorships and memberships are a way for Metro to contribute to the great work that other organizations are doing to support historically disadvantaged businesses. In 2019 Metro partnered with the following organizations:

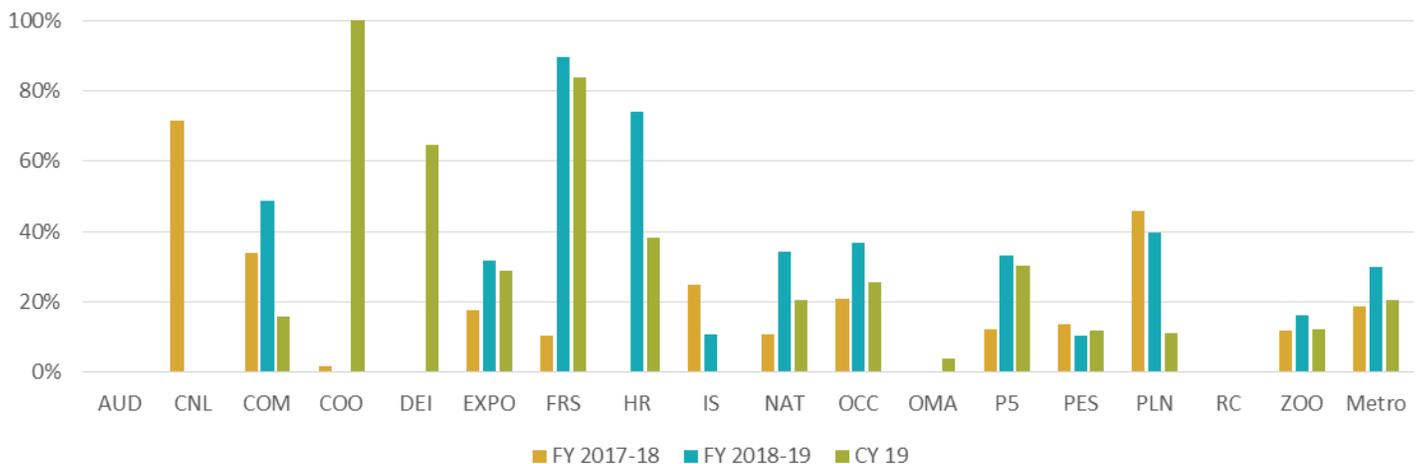
- Asian Pacific Islander Education Forward Foundation
- Best HQ
- Business Diversity Institute
- Hispanic Metropolitan Chamber of Commerce
- National Association of Minority Contractors
- Oregon Association of Minority Entrepreneurs
- Oregon Native American Chamber
- Oregon Tradeswomen Inc.
- Philippine American Chamber of Commerce
- Urban League of Portland

By the numbers

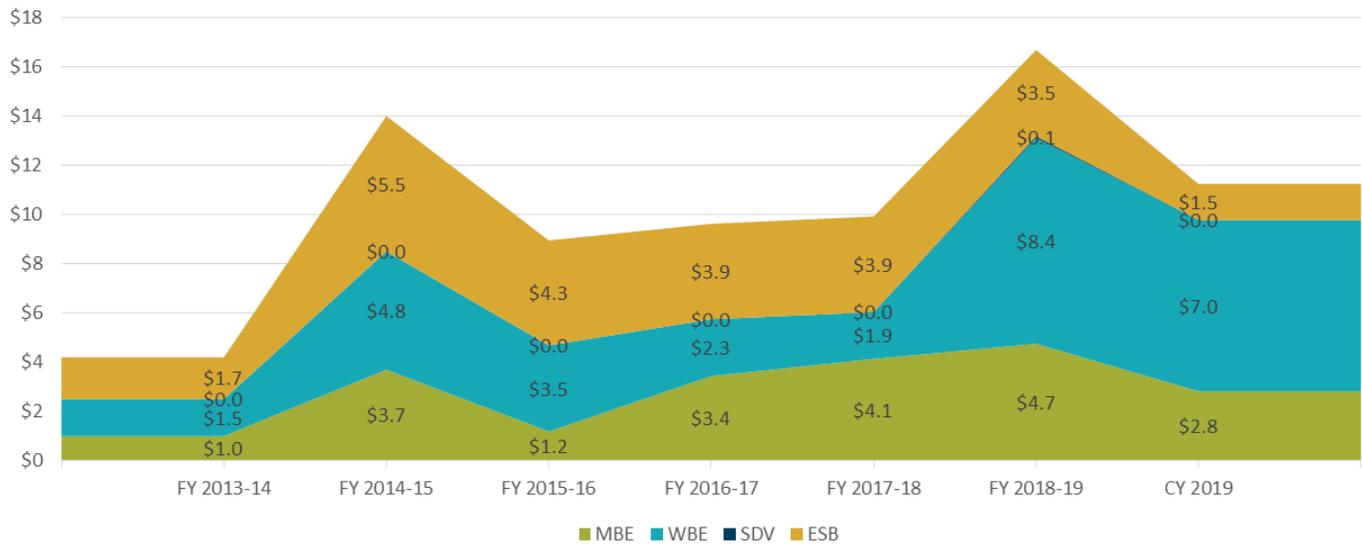
Metro has seen steady increases in awards and dollars spent with COBID firms since the equity in contracting program began in 2014. In 2019 the OCC remodel project showed significant spending that represents a successful, yet unique project. While large projects have huge impact, focus on COBID success on the smaller, more typical projects helps sustain and build business capacity and prepare smaller firms for these unique opportunities.

Note that these graphics show a change from fiscal year (FY) to calendar year (CY) reporting. FY 2018-19 and CY 19 contain a 6 month overlap in data.

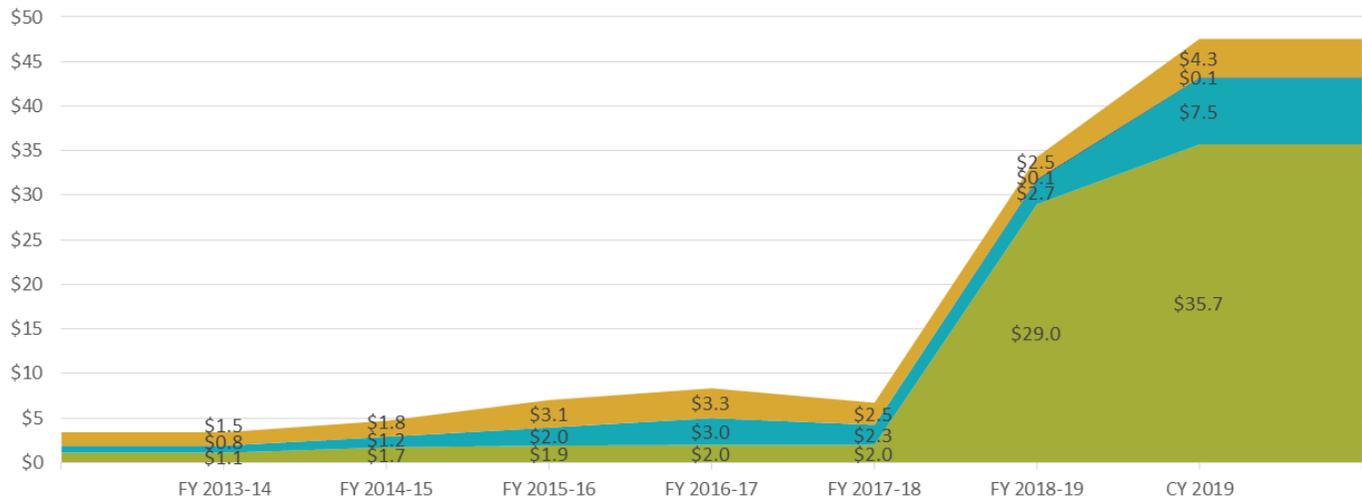
Percent of COBID contract dollars awarded by department



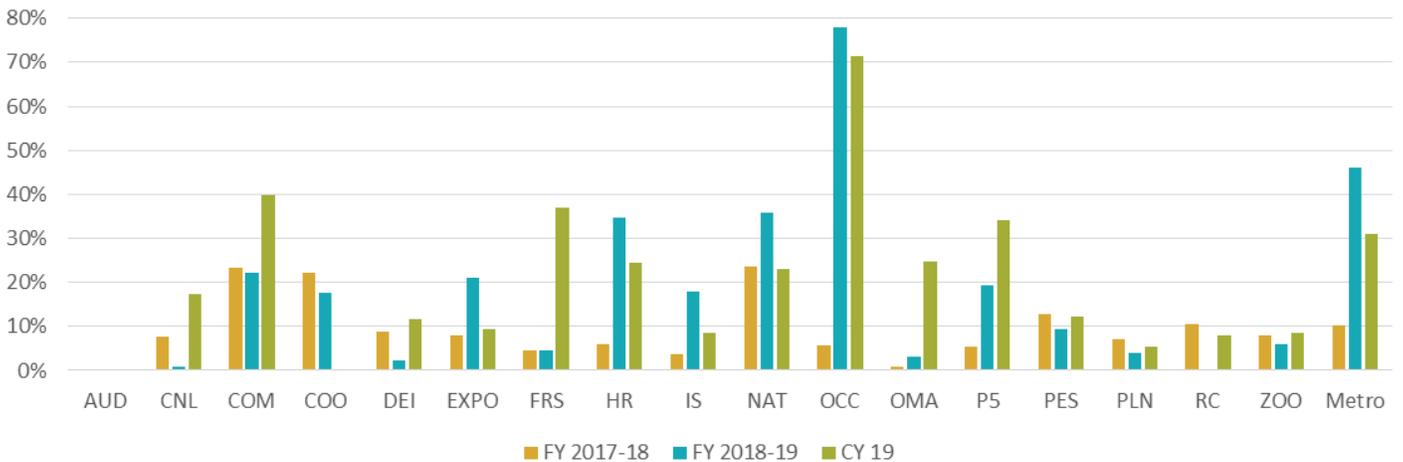
Metro contract award to COBID-certified firms
(in millions of dollars)



Metro spend with COBID-certified firms
(in millions of dollars)



Percent of COBID contract dollars spent by department



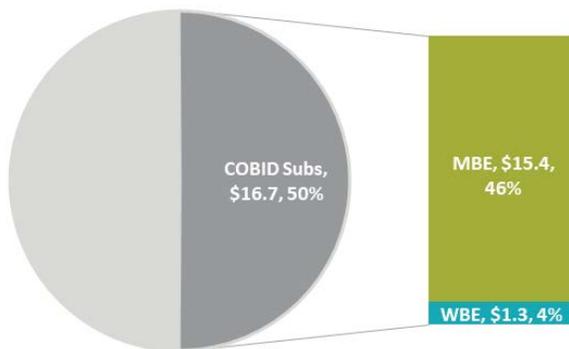
Project spotlight: Oregon Convention Center



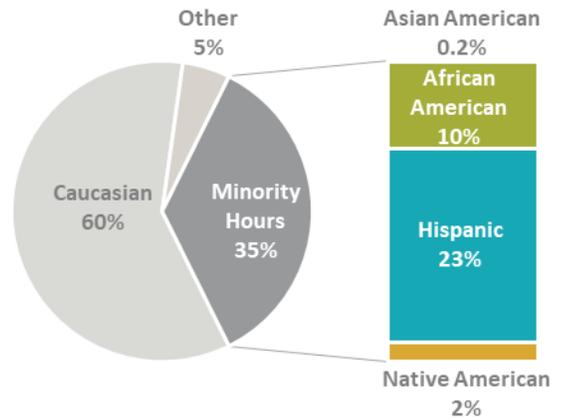
A vision for inclusion

The Oregon Convention Center remodel project started off with a strong vision for inclusive contracting methods and project delivery. And that vision paid off. By the end of 2019, Colas construction, MBE certified prime contractor, had substantially completed the \$33 million project, surpassing the 20% participation goal with 50% of the contract paid to MBE and WBE certified subcontractors. Workforce inclusion is also strong, with more than 35% of workforce hours logged for people of color and 7% for women.

COBID subcontracting on OCC remodel
Total project: \$33 million
(in millions of dollars)



Workforce inclusion on OCC remodel



Procurement Services

The Procurement services team facilitates the implementation of Metro's equity in contracting administrative rules and supports staff throughout the departments in developing equity strategies for procurements, identifying outreach opportunities and by organizing the annual Small business open house.

Procurement services is pictured below:

Back row: Riko Tannenbaum, Thomas Lunsford, Gabriele Schuster, Matt DeNinno, Tracy Fisher, Julie Hoffman

Front row: Kim Bardes, Deanna Podbielan, Jon Deveaux, Laura Corey