City of Seattle
Edward B. Murray, Mayor

DATE: August 30, 2014

TO: Seattle City Council

FROM: Susan Coskey, Personnel/Human Resources, Director
Patricia Lally, Seattle Office for Civil Rights, Director
Fred Podesta, Finance and Administrative Services, Director
Nancy Locke, Director, City Purchasing and Contracting Services

SUBJECT: 2014 Response to Statement of Legislative Intent 46-1-A-1:
Workforce and Contracting Equity

Statement of Legislative Intent summary

As part of the 2012 budget development process, the City Council issued a Statement of Legislative Intent (SLI) that directed the Seattle Office for Civil Rights (SOCR), the Personnel/HR Department, and the Department of Finance and Administrative Services (FAS) to prepare annual reports on contracting and workforce equity that present:

- An analysis of the past year's results, both Citywide and by individual department;
- Updates on new initiatives pursued over the past year;
- Positive steps and areas needing improvement; and
- Recommended strategies to address challenges in reaching workforce and contracting equity.

These reports are intended primarily to help inform the Council's review of departmental (RSJI) mid-year progress reports, including workforce and contracting equity, as well as to inform discussions of the Mayor's proposed budget for 2015-2016. In keeping with the SLI, we are making this year's report format directly responsive to the bulleted SLI directives listed above.

Introduction

Citywide workforce and contracting equity have been primary goals for the Race and Social Justice Initiative from the earliest years of the Initiative. The City's use of purchasing power through contracting and our human resource policies and practices are clear measures of our

commitment to racial equity. For many City employees, proof of the City's commitment to Race and Social Justice rests with our commitment to end racial inequities in these arenas. To this end, the City of Seattle's contracting and human resources must align with our racial equity goals and strategies.

RSJI's contracting equity efforts are led by FAS, which works closely with staff in departments responsible for the bulk of the City's contracting. The Citywide community outcome for contracting equity is: "Increase racial equity in City contracting and purchasing" through departmental programs and projects.

RSJI's workforce equity efforts are led by Personnel/Human Resources Department and SOCR, whose Directors co-chair the City's Workforce Equity Planning and Advisory Committee (WEPAC). WEPAC works to ensure that the City's workforce diversity reflects the diversity of Seattle's population. RSJI Core Team members have provided additional analytical support. The Citywide community outcome for workforce equity is: "Increase opportunities for racial equity in City of Seattle workforce (promotions, internships, Seattle Youth Employment Program, discipline, etc.)."

This report focuses on racial equity goals and strategies. In addition, over this past year, the concept of workplace equity has been expanded to include other potential bases of inequity such as gender, sexual orientation and sexual identity. In follow up to a report submitted earlier this year by The Gender Equity in Pay Task Force, additional work is being conducted by Personnel/HR and SOCR to further evaluate relevant practices and data and propose short and long-term strategic recommendations.

Last year's report on workforce equity included data to provide a statistical snapshot of the City's employment demographics. While this report also includes updated demographic information to maintain consistency with past reports, it is important to note that this type of workforce information does not vary greatly from year to year. Instead, the workforce equity portion of this report (beginning on page 32) describes a set of initiatives put in place in 2014 and continuing in 2015 that will bring greater racial, gender and more general employment equity to our workforce polices and procedures. Under this administration's leadership and direction, joint efforts by Personnel/HR and SOCR are designed to infuse equity principles into all Personnel/HR-related actions, including hiring, new and ongoing training, consultant selection, etc.

The remainder of this report is in two sections:

- Contracting Equity (page 4)
- Workforce Equity (page 32)

For questions about contracting equity, please call Nancy Locke at 684-8903. For questions about workforce equity, call Susan Coskey at 615-1622. For questions about the Race and Social Justice Initiative, call Patricia Lally at 233-7822. We look forward to our briefing with you on September 2.

2014 Response to Statement of Legislative Intent 46-1-A-1: Workforce and Contracting Equity

Contracting Equity 4

Exhibit 1 – Summary of Contract Methods 12
Exhibit 2 – City Results in a Snapshot 13
Exhibit 3 – Consultant WMBE Inclusion Plan 14
Exhibit 4 – Public Works WMBE Inclusion Plan 23

Workforce Equity 32

Exhibit A – Statistical Breakdown of the City's Leadership Personnel 38
Exhibit B – Director numbers and percentages by race 39
Exhibit C – Manager numbers and percentages by race 40
Exhibit D – Supervisor numbers and percentages by race 41
Exhibit E – Engineer, Information Technology Professional and Strategic Advisor numbers and percentages by race 42
Exhibit F – Engineers numbers and percentages by race 43
Exhibit G – ITP Professionals numbers and percentages by race 44
Exhibit H – Strategic Advisors numbers and percentages by race 45

Contracting Equity

Background

City ordinance establishes three procurement categories, each with customized rules and procurement methods (for a summary see Exhibit 1):

- Public works (construction).
- Purchasing (goods, equipment and routine services).
- Consultants (architects, engineers, other experts and professionals).

Guided by City ordinance (SMC Chapter 20) and Executive Order 04-2014 (Contracting Equity), departments have independent authority for project-specific outreach, as well as for consultant awards. The Department of Finance and Administrative Services' (FAS) City Purchasing and Contracting Services (CPCS) division:

- Establishes City policies and boilerplates.
- Manages City rosters.
- Bids, awards, monitors and enforces all contracts except consultant contracts.
- Implements the City's Woman- and Minority-Owned Business (WMBE) program.
- Manages the contract labor equity program.

The City has long held a strong social equity policy to ensure racial and gender equity in the way we spend our public money. Initiative 200 (I-200), passed by Washington state voters in 1998, prohibits race-conscious requirements in public purchasing and contracting. This impacted the City as well as all public agencies in Washington. As manager of the City social equity WMBE programs, CPCS staff created customized approaches that are I-200 compliant yet uniquely effective for each City contract type (e.g., public works, purchasing or consultant).

About 30 percent of City public works dollars are typically intermingled with federal funds. The federal agency contributing funds has full authority over bid and contract documents. The Federal Highways Administration and Federal Transit Administration require their own Disadvantaged Business Enterprise (DBE) program in lieu of the City's WMBE program. The DBE program has mandatory goals yet produces lower utilization rates, particularly for minority-owned firms, than the City's WMBE program.

As background, please note:

- Information provided for public works spend always includes primes and subcontractors.
- Consultant utilization counts only money paid to WMBE prime consultants. We do not yet have a fully populated tracking system for subconsultants; in this report we only reference subconsultant utilization rates occasionally and will specify those instances.
- 2014 data was current as of July 1, 2014.

Consultant and Procurement Spend (see Exhibit 2)

The City has a strong and continuously improving upward trend line for WMBE utilization rates, dating back to 2005.

- 2014's total Citywide purchasing utilization rate of 14 percent (for prime contractors alone) is only slightly less than the 2013 rate, which was the highest in City history.
- 2014's total consultant WMBE utilization rate of 13 percent (for primes alone) also is among the highest rates in City history despite several large departments with steeply declining rates.
- The Consultant Roster is the most successful contract mechanism to assure WMBE utilization. 2014's total Citywide Consultant Roster WMBE prime payments are 36 percent compared to an about 10 percent WMBE prime utilization rate when the City pays for large contracts that were established by competitive solicitation.
- Subconsultant WMBE spend is newly tracked, but indicates meaningful utilization. While statistically incomplete, when including WMBE subconsultants spend, utilization rates appear to reach above 20 percent at least for our largest departments.

Other Public Agencies

Most neighboring agencies in Washington state no longer track WMBE utilization rates. The University of Washington has approximately 1 percent. The State of Washington has 0 percent.

SDOT (Seattle Department of Transportation)

SDOT's department-wide consultant WMBE spend with prime consultants has had a very dramatic downward trajectory in recent years, dropping from 23 percent in 2009 to 11 percent as of July 1, 2014. SDOT's purchasing spends likewise declined dramatically and consistently, dropping from 19 percent in 2009 to 7 percent as of July 1, 2014. Because SDOT represents a large share of total City spends, this dampens the total of all City progress.

That said, SDOT has shown some important and recent improvement. SDOT launched a cultural reset in early 2014, with robust outreach, cultural work within the department, and reinvigorated collaboration with stakeholders and FAS for new ideas and strategies.

We analyzed WMBE spend for large SDOT consultant contracts awarded as a result of competitive solicitations, as well as smaller consultant contracts (less than $280,000) selected from the Consultant Roster. Larger contracts struggle at near historic lows of 11 percent. That reflects long-term agreements entered into in past years that continue; it also represents large global contracts where an emphasis has been to instead recruit smaller subconsultants. However, SDOT is far ahead year-to-date 2014 at 11 percent than this same time one year ago (5.8 percent).

SDOT's Consultant Roster spend in 2014 is attaining more than 50 percent with WMBE primes. This is remarkable; it shows intense commitment and progress in a short time during 2014, though it is likely to temper back through the course of the year. As a comparative for Consultant Roster spend, in 2013 SDOT was at 23 percent, SPU was at 22 percent, and FAS and SCL were at 35 percent. The SDOT attainment of 50 percent Consultant Roster WMBE spends evidences recent progress and new internal cultural commitments that launched in early 2014.

SPU (Seattle Public Utilities)

SPU has had steady and improving WMBE purchasing utilization rates since 2011. SPU's spend with consultant primes has declined steadily over recent years, decreasing from 10 percent in 2011 to 5 percent year-to-date 2014. Like SDOT, there has been a steady shift away from smaller consultant projects (that can use the Consultant Roster) toward larger consultant projects requiring full solicitations. Unbundling is often impractical and too risky for managing liability, although SPU does unbundle when it is practical and risk-appropriate to do so. SPU's consultant spend from the Consultant Roster, especially for engineering services, has a WMBE utilization rate of 23 percent year-to-date 2014, though this represents only a fraction of total consultant contracts ($2.4 million out of $27 million). As with SDOT and the City at large, subconsultant spend data is incomplete and does not capture a sufficient amount of the subconsultant spend to report upon.

FAS (Department of Finance and Administrative Services)

One remarkable success among all departments' remains FAS, which has now doubled both WMBE consultant and purchasing spend since FAS was formed in 2010. FAS has increased from 10 percent to 21 percent in purchasing, and from 12 percent to 27 percent for consultants. FAS spent more than 35 percent with WMBE primes on Consultant Roster contracts. As one of the largest departments in the City, FAS improvements have a significant impact on Citywide success. This is all the more remarkable given that FAS's consultant spend, like SPU and SDOT, mostly involves architects and engineers, and its purchasing spend is dominated by vehicle acquisitions.

SCL (Seattle City Light)

Seattle City Light also continues its remarkable success, with a consistent and steady upward trend line from 2005 to 2013. This is true for both consultant and purchasing spend. SCL achieves its goals each year.

WMBE utilization rates for consultants steadily marched from only 3 percent in 2005 to 17 percent year-to-date. Likewise, SCL's Consultant Roster projects have paid almost 37 percent of those total expended dollars to WMBE primes as of year-to-date (July 1, 2014). Like FAS, SPU and SDOT, SCL also has large contracts with specialized engineers and has still been able to make steady progress and achieve noteworthy inclusion rates.

SCL's purchasing WMBE utilization rates also steadily improved from 5 percent in 2005 to 17 percent by year-end 2013. As of July 1, 2014, SCL had a significant drop in purchasing dollars to WMBE primes; this may be an anomaly that could straighten out before year-end.

Small Department Spend (Department of Neighborhoods)

Our small department award again goes to Department of Neighborhoods with 92 percent of consultant spend and 69 percent of purchasing spend directed to WMBE firms.

Public Works Utilization Trends (See Exhibit 2)

FAS/CPCS is responsible for City Public Works bids, contracts and social-equity enforcement. The City spends about $250 million annually for invoice payments on public works contracts. Public works successes are measured through traditional metrics provided below, but also by creating positive relationships that educate, communicate, foster effective and comfortable access, and manage firms' technical needs and capacity building.

CPCS created the "WMBE Inclusion Plan" in 2011 and it has proven effective. It was launched for public works, and adapted to purchasing and consultant solicitations.

Public works WMBE utilization trends show improvement, although various measures differ as to how steady. Utilization rates year-over-year are difficult to compare because one large project begun years earlier will change results dramatically. WMBE spending as a share of total invoices paid each year continues to climb. Total dollars spent with WMBE firms is large enough to be significant.

2014: 14 percent year-to-date (July 1, 2014)
2013: 15 percent ($32,035,469);
2012: 15 percent ($34,007,333);
2011: 9.7 percent ($42,976,110);
2010: 7.8 percent ($24,665,128).
2009: 8.2 percent ($32,253,833)
2008: 5.8 percent ($16,344,752)

Past performance by project type shows increases; year-to-year rates can change dramatically as they are influenced by even one large project. The Parks Department has very high utilization that reflects the bids now often won by WMBE prime contractors, in addition to frequent WMBE subcontracting.

Year	Road way	Facility	Parks	Under ground	Boundary	Natural Habitat	Roof
2011	13.8%	23.8%	19.4%	11.2%	1.5%	6.5%	N/A
2012	9.7%	23.1%	38.1%	14.5%	N/A	2.1%	6%
2013	19.1%	10.3%	60.4%	48.8%	4.2%	40.5%	22.2%

- Our most competitive bids are from primes that aggressively pursue WMBE. Almost 50 percent of the lowest bids offer the highest WMBE goals.
- The WMBE Inclusion Plan has not reduced our bid pool. Data shows that we receive the same number of bids on average as pre-Inclusion Plan: we average four bids per project, the same as in 2011. We had 55 unique bidders as primes in 2013; we had 50 unique bidders in 2011.
- The WMBE Inclusion Plan offers a section called "Guaranteed Work" where primes earn points by guaranteeing a particular WMBE firm for the project. This has been successful and valuable. Primes guarantee almost 60 percent of their goals. This has virtually eliminated "shop and swap," where primes swap WMBEs for cheaper subcontractors after award, a common complaint before the WMBE Inclusion Plan.
- Bid rejections for unresponsive plans are 10 percent (16 bids rejected out of 164 bids received) since Jan. 1, 2013. This is less than the 12 percent of bid rejections when the plan was still relatively new.

WMBE Inclusion Plan Updates

Consultant Plan (See Exhibit 3): In early 2014, a WMBE consultant asked the City to examine City and prime consultants subcontracting practices. CPCS found:

- Consultants identify and offer resumes for their team members within the proposals they submit to City departments. As with all public agencies, City departments have a responsibility under state law to examine these named personnel, to ensure that the most qualified are selected. Should a consultant request to change its personnel, it is legally appropriate and advisable that departments scrutinize those changes to approve or deny.
- The City, as with all public agencies and industry best practice, scrub and revise proposed scopes of work and/or reconfigure a proposed team to ensure the best solution for the City.
- All consultants of any tier should understand that the scrubbing process will make changes; WMBE firms may feel particularly vulnerable in that process.

With support from the Mayor's Office of Policy and Innovation, FAS/CPCS gathered teams of external interests and department representatives, including representatives from the American Council of Engineering Consultants, Tabor 100 and National Association of Minority Contractors (NAMC), to study strategies to achieve greater racial equity in contracting. On Aug. 15, 2014, CPCS revised the WMBE Inclusion Plan and offered training workshops to staff and companies. The revised plan:

- Affirms City department commitment to preserve WMBE scopes to the extent practicable, given City responsibilities towards negotiating for the best business solutions and greatest expertise on the proposed team.
- Clarifies that all consultants are subject to such negotiations.

- Prohibits prime consultants from substituting a proposed WMBE absent an approved business need.
- Requires prime and proposed WMBE to sign the Plan, which ensures the WMBE has clarity and transparency about its team role and expectations.
- Requires changes to be reviewed and approved during contract performance.

Public Works Inclusion Plan (See Exhibit 4): A revised plan issued Aug. 15, 2014, was created working with external and internal stakeholders:

- The revision deletes the "Spread the Work" section, which failed to encourage utilization of rarely hired WMBE subcontractors. Primes listed many firms. Most were already familiar to the City. Only 11 percent of such firms actually received work.
- The revision added a "Business Strategies," section to encourage solutions for two barriers that WMBE firms often report. It gives "extra credit" for primes that either guarantees early retainage release or pre-mobilization payments to small or WMBE firms.
- The revision adds a form that will require review before a change will be approved.

Program Concerns, Challenges and Solutions

Technical Assistance

We have experienced an uptick in WMBE firms calling for help. We had hoped for this increase given our efforts to increase access, transparency and confidence in our problem solving. FAS/CPCS:

- Updated our website, making it easy to find "Who can help" with escalated issues.
- Solved problems between primes and subs such as inflated insurance requirements and late payments.
- Sent staff to NAMC and Tabor meetings.
- Engaged the Technical Assistance Center (TAC) of the United States Small Business Administration to offer free hands-on technical assistance.

Rapid Pay

Fast cash flow to WMBE firms is important. CPCS worked with the Mayor's Office of Policy and Innovation and many other stakeholders to innovate approaches that speed payment. Working closely with the American Council of Engineering Companies (ACEC) in particular, we fine-tuned requirements for rapid pay.

- For public works, FAS/CPCS changed City boilerplates to guarantee pay for small subcontractors within 30 days of work, regardless of whether the prime was paid. FAS implemented enforcement software.

- For consultant contracts, FAS/CPCS also changed City boilerplates to guarantee rapid pay to small subconsultants; ACEC and others are helping us fine-tune to make it even more effective.
- On Aug. 1, 2014, FAS/CPCS adopted public works procedures to release retainage after 30 days. CPCS traditionally held retainage until the Washington State Department of Revenue and Department of Labor and Industries confirmed paperwork. However, those state agencies were so far behind that the City was waiting six months or longer per project for state approval. CPCS found minimal risk of adopting this change in City invoice payment policies.
- CPCS also accommodates "immediate payment" needs in lieu of having Summit, the City's financial management system, hold the invoice 30 days. These accommodate agreements (such as the Seawall Community Workforce Agreement) or unique instances where delays are excessively burdensome.

Self-Identification

Seattle Municipal Code Chapter 20.42 recognizes all firms with 51 percent ownership by women and/or people of color. City Personnel Rules and Federal U.S. Census allow self-identification, as does SMC 20.42.

Some question if the City should recognize only certified firms. A detailed manual audit performed by CPCS in 2014 shows high accuracy in self-identification, with greater inclusion of firms interested in competing for City work as well as those that seek education, training and capacity opportunities. As part of I-200, self-identification also contributes to assuring broad inclusion for any program benefits.

- Approximately 50 percent of all WMBE firms are state certified and self-identified.
- Many self-identified firms are sole proprietors – artists and jugglers and other small niche firms – that have no benefit or purpose for a lengthy and costly certification process.
- Each race/gender group has similar rates of self-identification compared to certification.
- CPCS audited each white female self-identification status, manually verifying 2,508 self-declared women-owned firms. Matching to ownership listed by the Secretary of State, CPCS found 20 firms improperly declared as female owned. FAS reverted them to non-WBE. Only 125 firms had mixed ownership.
- CPCS is hosting workshops to encourage and assist those who wish to seek state certification.
- There are advantages to our unique commitment at tracking self-identified firms. In the legal disparity studies performed for our region, this comprehensive list of potential firms is evidence of availability, absent certification process barriers.

Immigrant and Refugee Concerns

There is interest by some City offices to record the status of immigrant and refugee business owner utilization patterns. Consistent with our Sanctuary City Ordinance (Seattle Municipal Code Chapter 4.18), the City WMBE program does not seek immigration status, making it difficult to measure utilization of immigrants and refugees. Departments anecdotally report a notable presence of business owners who are immigrants for engineering and technical trades.

Small Versus Graduating Firms

Finally, another issue occasionally discussed is confining programs only to small WMBE firms. I-200 and SMC 20.42 do not limit firms that can benefit from outreach, recruitment or support resources. This has several benefits:

- WMBE firms are not at risk of losing support because they have grown.
- The City avoids costs and staffing to manage and verify company size.

White Females and People of Color

The City's WMBE spend needs greater balance between white females and people of color. FAS/CPCS requested that the Federal Transit Administration (FTA) remove white female goals from FTA-funded projects; we found primes over-used white female-owned firms compared to availability when pursuing Disadvantaged Business Enterprise (DBE) requirements. (This analysis relied on the intensive disparity report that BBC Consultants prepared for Sound Transit and the State of Washington, State Department of Transportation.) The FTA and Federal Highways Administration (FHWA) are our largest federal fund sources for construction; about 30 percent of our projects are federally funded although we do not know what share of that is for FTA or FHWA.

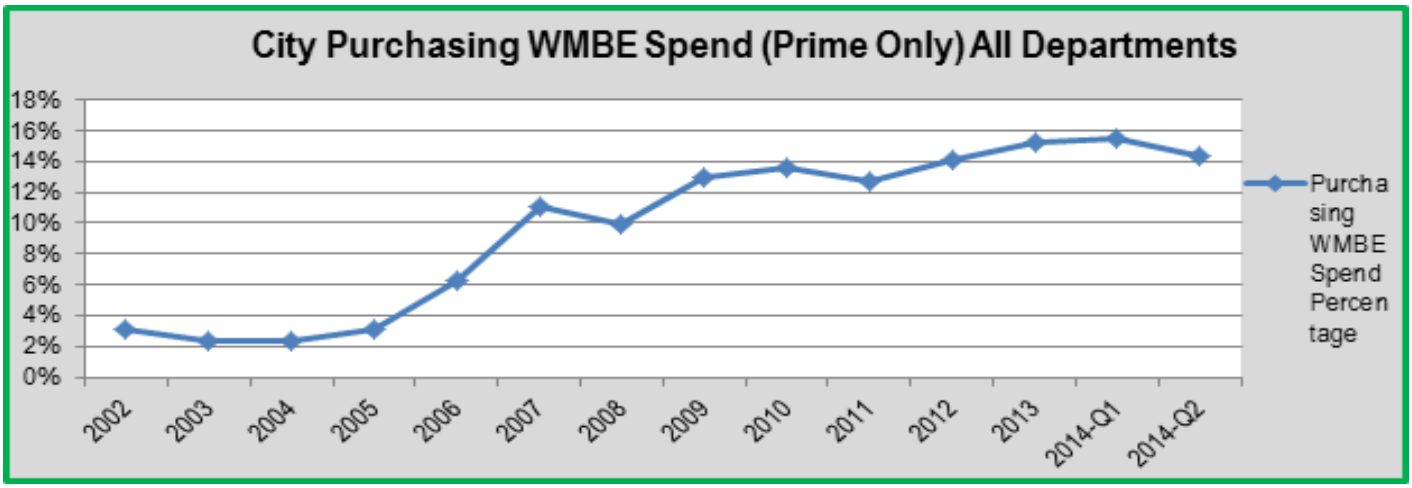
For City-funded projects, absent a formal disparity study, availability of WMBE firms is uncertain. Both white females (WF or WBE) and people of color represent about 30 percent and 35 percent (respectively) total for Seattle and King County (Census 2012, Community Attributes Study, page 40). They have similar rates of utilization, with minority firms greater in some sectors, and WF greater in the Consultant Roster.

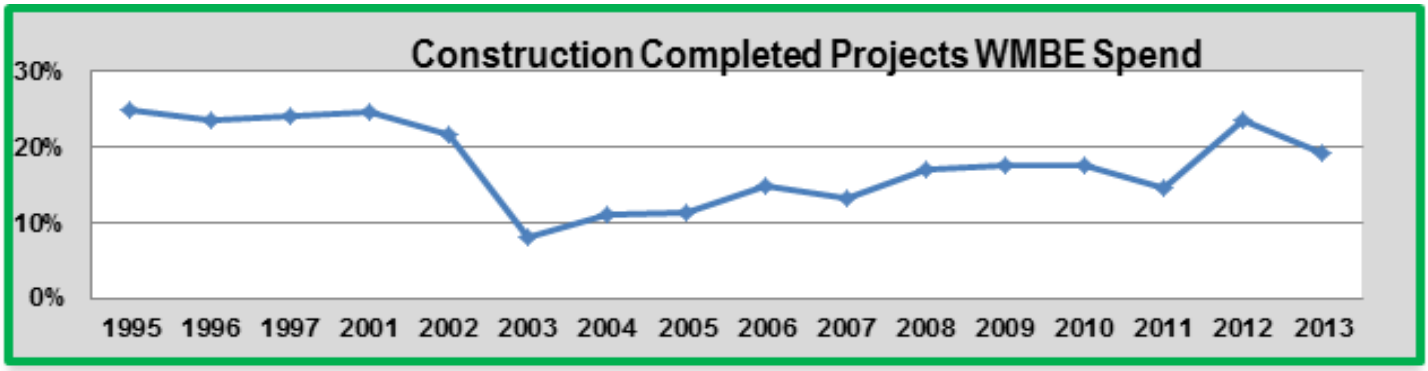
2013 Totals	WBE White Female	MBE	*Contract Tier*
Purchasing	5.8%	9.4%	*Prime only*
Consultants (large solicitations)	3.9	2.4%	*Prime only*
Consultants (Roster)	20%	7.5%	*Prime only*
Public Works (completed)	8%	8.5%	*All*
Public Works Combined	6%	9%	*All*

Exhibit 1 – Summary of Contract Methods

Public Works	Purchasing	Consultant
Small and large construction	Equipment, supplies, routine services. Examples: vehicles, fire boats, generators, office supplies, janitorial services, security guards, software.	Professional experts including architects and engineers, technology experts, auditors, attorneys, etc.
Mandatory low-bid awards, signed by CPCS	Low-bid awards or scored selections	Qualifications-based selections and awards
Job Order Contracts as authorized by RCW, serve like master contracts with work orders below $350,000	Blanket contracts signed by CPCS One-time purchase orders signed by CPCS	Consultant Roster authorized by SMC for contracts below $280,000
Design/Build option, with one large master contract for projects above $10 million, that is selected by scoring and interviews, for both design and construction		
General Contractor + Construction Management (GC/CM) option, which is for projects above $10 million, where the firm is selected through a scored evaluation process, where the construction prime is engaged during final design		

Exhibit 2 – City Results in a Snapshot





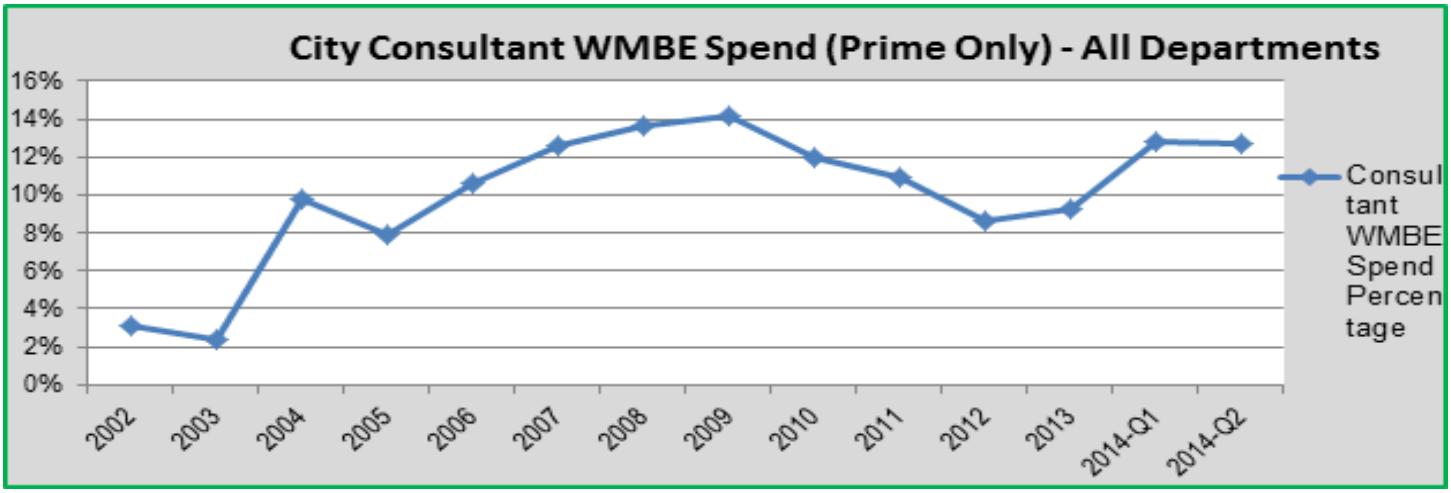


Exhibit 3 – Consultant WMBE Inclusion Plan

City of Seattle

WMBE Inclusion Plan – Consultant Contracts

(SMC CH. 20.42)

Contract Number and Title	
Consultant Name	
Original Submittal Date	
Revision Version Number	
Revision Version Date	

You may add pages.
The Seattle Municipal Code (SMC) and the Mayor's Executive Order direct inclusion of women and minority firms in City contracting. This form must be completed in full and with robust replies, as part of your solicitation response. Failure to do so may result in rejection of your solicitation as non-responsive and your firm rejected from consideration. The information must be consistent with team assignments elsewhere in your solicitation response. When a contract may include Federal Funds, the City instead uses the federal DBE program. During negotiations before contract execution, the City may negotiate scope and teaming; a revised WMBE Inclusion Plan is likely appropriate and becomes the contractually binding version. Carefully read all instructions embedded and on the back of this form. In any event, this form is required for all consultant contracts above $280,000 and is a condition of responsiveness. If you are responding to a Request for Proposal or a Request for Qualifications above $280,000 in value, this form will be required with your submittal. If you are working directly with the department and it is not through a formal solicitation process, you will still have a deadline for submittal before the contract is awarded.

1. Aspirational WMBE Goals

A high priority for scoring is evidence of your strong aspirational intent to include women and minority business (WMBE) as part of your team. In the box below, state the WMBE goals you intend to achieve for this contract including all phases and amendments. While the goals are aspirational, good faith efforts to develop and achieve goals are mandatory. Goals developed in good faith are considered attainable given good faith efforts. A contract amendment may require revisit of this WMBE Inclusion Plan to consider changes that may affect WMBE utilization (see Instructions). WMBE primes can include self-performance in goals below. A zero percentage is non-responsive. Do not provide a range. This percentage must be no less than the Core Work commitments offered on page 2.

Estimated percentage of the total contract value to Women Owned firms	%
Estimated percentage of the total contract value to Minority Owned firms	%

Your WMBE Team. Carefully read Instructions on the back of this form. Requests for proposals or consultant work often include core work that is fundamental to contract performance, and proposed value-added discretionary work. Add rows as needed.

Core Work. Identify WMBE firms you selected who agreed to perform core disciplines or functions on your team. Such WMBE firms must be integrated into your team and on your organizational chart (if one is submitted in your solicitation response). The percentage you name below is the minimum share of total contract value. All WMBE firms named are to be aware of their role and anticipated compensation. Reasons for a Prime to replace the WMBE firms and their intended share of work is restricted by a list of acceptable reasons and City approval (see instructions). The City will preserve WMBE utilization in core work for these WMBE firms to the extent practicable.

Name of WMBE Firm	Identify as Women (W) or Minority (M)	Minimum value to this WMBE firm out of the total spend	Describe tasks and which project phase each task is within	If WMBE firm utilization depends upon a particular resume, list those individuals below	Signature of WMBE Firm
		%			
		%			
		%			
		%			
Aspirational Goal (page 1)	%	% TOTAL			

Non-Core Work (Value-Added Functions). Identify work that is value-added and/or not part of the core scope required by the City solicitation.

Name of WMBE firm	Identify as Women (W) or Minority (M)	Describe task and which project phase each task is within.	If WMBE firm utilization depends upon a particular resume, list those individuals below	Signature of WMBE Firm

Past Performance

Using whatever space you need to fully do so, describe the strategic model you have for integrating WMBE firms, which evidences likely success in doing so for this contract including how you intend to engage WMBE firms. Please identify at least 3 projects of a similar nature as this project by name including name of owner and for each and as to each, list the percentages of utilization of WMBE firms based on total value of the contract and the total final amount of the contract including all amendments. State the total that was spent.

Inclusion Strategies

Using whatever space you need below to do so, answer each of the following. Do not provide an "NA" response or any equally brief response, or your response and your entire solicitation may be rejected as non-responsive.

A. Describe the partnership you have with the WMBE firms on your team, whether you teamed in the past, how substantive their role is, and whether they are decision-makers and leaders on your team.

B. Describe strategies you use to assure consideration of WMBE firms for team assignments not yet made or that result from contract or team changes.

C. A City objective is to strengthen WMBE firm's capabilities and experience, making them increasingly competitive. Describe specific strategies your team will employ to achieve this goal. Do not limit your response to formal mentoring programs.

INSTRUCTIONS

Complete and submit this WMBE Inclusion Plan within your submittal. The City evaluates and scores your Plan during selection.

The Plan must reflect responsible good faith efforts for successful inclusion of WMBE firms. The City may clarify or request information during evaluation. The City may negotiate with the highest ranked Consultant to improve the Plan or accommodate changes necessary to meet City business needs. The agreed-upon Plan becomes material to the contract. Thereafter, changes require City approval as described below.

Definitions:

Aspirational Goals:	Total percentage committed by the Prime to spend with WMBE firm(s) out of the total contract spend including all amendments and phases. The Total Aspirational Goal is a serious intent the Consultant can reasonably and realistically achieve given good faith efforts in determining and pursuing the goal.
Core Work:	Base scope of work, functions and disciplines that the Consultant Team must perform given the description of intended scope of work given by the City.
Non -Core Work:	Work that has potential for being added to the contract scope, but not necessarily dictated or required by the City's solicitation. This work is more vulnerable to budget constraints, negotiations over scope, and/or phased decisions.
Total Contract Spend:	The full dollar value of the contract as negotiated and amended, including all work and expenses.
WMBE:	WMBE firms are State certified or self-identified (at least 51% woman or minority owned per SMC 20.42). A WMBE shall self-register at: http://www.seattle.gov/html/business/contracting.htm

Scoring Criteria

Points are awarded for good faith responses that evidence:

- Responsible, sincere good faith efforts.
- Aspirational goals that are meaningful. City experience on similar projects will provide comparative data for scoring. Such data is available on-line at seattle.gov/business or from the City Project Manager.
- WMBE firms integrated into your team and within core work
- WMBE firms integrated within value-added work opportunities
- Evidence of effective mentoring, training, or capacity-building.
- Strategies that assure WMBE utilization in all likely phases.
- Evidence of strong past performance using effective models.

Expectations

1. Consultants are expected to provide robust aspirational goals that are similar or better than past performance on similar work. Consultants can seek guidance from departments and

also refer to the City utilization reports: http://www.seattle.gov/purchasing/wmbereports.htm.

2. Consultants of all tiers are responsible to understand that contract value, scopes and teams are subject to negotiations and changes initiated by the City. This includes such decisions as launching or aborting phased work, negotiations that reduce budget, changes to create efficiencies, or changes to improve project expertise in City opinion. All consultants should expect that changes to their project role may result, up to and including completely removing a firm from the project. City Project Managers commit to preserve the role and value of all WMBE firms on the team, yet will still make changes as needed in the City interests.
3. Specific expertise for a project as provided by individuals named to the team is also subject to City approval. The expert often needs to be someone who has expertise, experience, and/or even past relationships that create a strong confidence for the City. It is common for individuals to be named onto the team either to fulfill a role or because of their individual resume. The Plan expects the consultant to identify any individuals that are compelling because of their resume, so there is clear understanding for the WMBE firm that the resume (i.e. individual expert) is critical and substitutions place the role of the WMBE firm at risk.
4. Any consultant shall have an opportunity to propose a substitute if the named individual withdraws from the project. Such substitutes could be rejected, and the Consultant in turn may lose the associated scope of work.

Modifications

The City Project Manager, Prime Consultant and WMBE Advisor will consider changes to scope or teams made during the early negotiations before contract execution, and also any amendments made during the contract performance. Whenever there is an amendment, changes to goals or WMBE firm utilization will require a fully executed WMBE Amendment Request and are permitted only if one of the following conditions occurs. If replacement of a WMBE firm is approved by City Purchasing and Contracting Services (CPCS), the Consultant must use good faith efforts to recruit another WMBE.

- ☐ City negotiates and/or must remove, the scope of work from the contract
- ☐ Named Expert for the WMBE firm withdraws and a replacement expert is unavailable or unapproved
- ☐ Failure of Subconsultant to execute a written contract after a reasonable period of time
- ☐ Bankruptcy of Subconsultant
- ☐ Subconsultant cannot perform the work because they are debarred, not properly licensed, or in some other way is ineligible to work.
- ☐ Failure of Subconsultant to comply with a requirement of law applicable to subcontracting
- ☐ Death or disability of Subconsultant (if Subconsultant is an individual)
- ☐ Dissolution (if a corporation or partnership)
- ☐ Failure to perform under previous contracts

- ☐ Failure or refusal to perform the work
- ☐ For other causes when approved by CPCS.

Reporting and Performance

1. The City will expect regularly reporting, as specified through the contract, to ensure compliance to the plan.
2. The City will evaluate Consultant's performance and will again evaluate at project close-out. Upon project close-out, any aspect of the Consultant performance, including that for social equity and WMBE, could be found deficient. If it is found deficient, a report shall be issued by the City. Some deficiencies may qualify for debarment. Performance may also be considered by the City to assess Consultant responsibility for future projects. To maintain a positive rating, the Consultant must demonstrate:
    a. Substantial attainment of the aspirational goal. Failure to substantially attain the goal may evidence a failure in good faith to develop or pursue the goal that was submitted to the City as reasonable;
    b. Timely and accurate reporting;
    c. Guaranteed payment to sub consultants in accordance to contract provisions;
    d. Few or well-managed disputes;
    e. Robust utilization and meaningful partnership with WMBE firms on your team.

Aspirational WMBE Goals

1. Failure to achieve the Total Aspirational Goal is not a material breach; however, substantial variance below the Total Aspirational Goal may indicate failure to conduct a good faith effort developing the Goal or in strategies to fulfill the Goal.
2. Discretionary self-performed work by a Consultant who is a WMBE can be tabulated as part of the Aspirational Goal and Core Work.
3. Enter a Total WMBE Aspirational Goal on page 1. If the Proposer does not indicate a WBE and MBE goal and only gives a total, the City may seek the separate percentages after evaluation and rely upon the total for scoring. If Consultants provide a WBE and MBE goal, but not a total, the City will calculate the total.
4. A zero aspirational goal is non-responsive and subject to the proposal being rejected as non-responsive.
5. A decision to self-perform does not substitute for good-faith efforts to include WMBE participation.
6. Do not provide a range. If you do, then the City will use the lower number in the range from which to score.
7. The total percentage provided as an Aspirational Goal must equal to the Core Work percentages. If not, then the Core Work percentage total shall prevail for purposes of scoring, and the Aspirational WMBE Goal will be adjusted to equal the total of core work percentages.

WMBE Team

Upon review and scoring, as well as during any negotiations or changes, the City may shift WMBE work between Core to Non-Core (or reverse) as appropriate in the City opinion given the scope intended for the contract.

The WMBE is to sign the form, to show that they are aware of the proposed role, that a fundamental agreement between the Prime and the WMBE firm is in place, any key personnel listed on the form are subject to City approval before they can be replaced on the project.

ADDENDUM– WMBE IMPACT AUTHORIZATION

A proposed WMBE Inclusion Plan is subject to negotiations and acceptance. The City will preserve proposed WMBE utilization to the full extent practicable given business needs. The Prime committed to use the WMBE firm, absent City change. Once the Plan is agreed upon, it is contractually binding. The Plan shall be changed by addenda to stay current. Such addenda are often due to City-directed changes. Some result from the Consultant and/or subconsultant. The party initiating a change completes and submits this Form with an Addendum and revised Inclusion Plan.

- All WMBE Firms within the adopted Inclusion Plan as negotiated, may expect to be retained on the project team; removal is permitted only for the limited reasons listed below.
- The Aspirational Goal applies to the entire contract unless greater or lesser goals are approved.

Attach evidence (documents, statement of agreement, etc), obtain signatures, and retain documents in contract file.

PROJECT INFORMATION	
Title - Contract Number	
Addendum Number	
Prime Consultant – Representative's Name	
Requestor Name	

Remove a WMBE Firm: If a change may result in removing a WMBE firm, provide the reason, attach documentation, attach a proposed revised WMBE Plan, and obtain signatures below.	
WMBE Firm being Removed	
Percentage Value on the adopted Plan	
Dollar amount of work completed if any	$

Reason for Removal (check all that apply).

- ☐ City negotiates, removes and/or reassigns the scope
- ☐ Named individual for the WMBE firm withdraws and a replacement is unavailable or unapproved
- ☐ Failure of Subconsultant to execute a contract after a reasonable period of time
- ☐ Bankruptcy of Subconsultant
- ☐ Subconsultant cannot perform the work because they are debarred, not properly licensed, or in some other way is ineligible to work.
- ☐ Failure of Sub to comply with a requirement of law applicable to Subconsultant
- ☐ The death or disability of Subconsultant (if an individual)
- ☐ Dissolution (if a corporation or partnership)
- ☐ Failure to perform under previous contracts
- ☐ Failure or refusal to perform the work

Reduce WMBE scope: If you intend to significantly change the scope of a WMBE firm, specify the cause, attach narrative, attach a proposed revised WMBE Plan, and obtain the signatures below.	
WMBE Firm affected by change	
Percentage Value on Inclusion Plan	
Proposed Percentage Value	

Reason for Change (check all that apply).

- ☐ City negotiates and/or removes the scope from the contract
- ☐ Named individual for the WMBE firm withdraws and a replacement is unavailable or unapproved

Signatures	Printed Name	Signature	Date
☐ Any signatory can check this box to discuss this change with the City before concurrence.			
Prime Consultant			
City Project Manager			
WMBE Firm			
City WMBE Advisor			

Revise the Aspirational Goal: If you seek an increase or decrease in the aspirational goal named on the current adopted WMBE Inclusion Plan, fill out this segment, attach appropriate narrative, provide a proposed WMBE Inclusion Plan, and seek signatures for approval below.

Revise the Aspirational Goal	
Current Aspirational Goal	
Proposed Goal as share of entire contract value.	

Reason for Modification.
If a reduction, attach narrative to identify the drivers that merit revising the Aspirational Goal. Describe why a reduction is the only solution. The City shall not approve a change for circumstances within the Consultant control or that could have reasonably mitigated through good faith efforts.

Revise Goal: Signatures	Printed Name	Agree/Deny	Signature	Date
Prime Consultant				
City Authorizing Signature				
City WMBE Advisor				

Exhibit 4 – Public Works WMBE Inclusion Plan

City of Seattle
City Purchasing and Contracting Services (CPCS)

Inclusion Plan
Construction – Public Works

Bidders must complete and submit this form with their bid. Carefully read all instructions.

For questions or assistance contact:

- Miguel Beltran, City Contract Compliance Manager, 206-684-4525 (Miguel.Beltran@seattle.gov)
- Forrest Gillette, Senior Equity Advisor, 206-684-3081 (Forrest.Gillette@seattle.gov)

Bidder Company Name	
Public Works Number	
Project Title	
Name of person authorized to speak on behalf of the company regarding this Plan	
Email	
Phone	

Aspirational WMBE GOALS. Total available score: 6 points.
Identify the Aspirational WMBE Goals Bidder believes can reasonably be achieved through good faith efforts during this project. It is not mandatory that these goals be achieved; they are not contractually or legally binding. Goals must be developed in good faith and represented as attainable by reasonable efforts.

Estimated percentage of the base bid to Minority Owned contractors and suppliers	%
Estimated percentage of the base bid to Woman Owned contractors and suppliers	%
Total estimated percentage of the base bid to all WMBE contractors and suppliers	%

BUSINESS SUPPORT STRATEGIES. Total available score: 4 points

Each of the two options below is worth 2 points. Bidder may select one, both, or neither. Once selected, it applies to:

1. Registered as a Women or Minority Owned Business in the City Online Business Directory, and/or
2. Small Business Concern as certified by King County, and/or
3. Disadvantaged Business Enterprise of any definition certified by the State of Washington, and/or
4. Women or Minority Owned Business Enterprise as certified by the State of Washington; and/or
5. Small Business Concern certified by the State of Washington

Business Support Strategy	**Accept**
Early Retainage Release. The prime (and any sub-tier primes) will release retainage held for the subcontractor, within thirty (30) days of acceptance of the work performed by the qualified subcontractor.	
Advance Mobilization Pay: The Prime (and any sub-tier primes) shall advance 10% of the specified and agreed-upon mobilization costs that were identified by line item within the WMBE firms bid, to each qualified firm at least 5 days in advance of the mobilization event.	

WMBE GUARANTEES. Total available score: 6 points.
A Bidder may offer to guarantee work to WMBE firms for the project, by identifying the WMBE and minimum dollar value of such work in the table below. You may add additional rows.

WMBE Business Name	**Minimum Guaranteed**
	$
	$
	$
	$
	$
	$
TOTAL	$

The City of Seattle
Public Works
Women and Minority Business
Inclusion Plan Instructions

Carefully review all instructions. All Bidders must complete this form. The City public works inclusion plan requires the Bidder identify the good faith efforts the Bidder will use to include woman-owned and minority-owned business (WMBE) firms on the City project. There are 3 options for evidencing good faith efforts. Each option is worth points which can vary depending on information supplied by the Bidder. There are a maximum of 16 points available. The Bidder must earn at least 10 points. Bidders that earn less than 10 points will be found non-responsive and the Bid will be rejected. This Inclusion Plan becomes a material part of the Bidder's contract if the project is awarded to Bidder.

WMBE firms are state certified or self-identified firms that are at least 51% WMBE owned (per SMC 20.42). A WMBE need not be self-identified within the City Online Directory at bid time, but in such case must self-identify and register by time of award. These resources may assist bidders:

City On-Line Directory: http://web6.seattle.gov/fas/registration/
OMWBE Directory: http://www.omwbe.wa.gov/certification/certification_directory.shtml).

1. **INSTRUCTIONS**
   a. All Bidders (including WMBE Primes) must complete and submit this form as part of the Bid for City design-bid-build public works project having an Engineer's Estimate of $300,000 or greater, unless the City expressly instructs otherwise in the bid package.
   b. There are three commitments Bidders can use to establish an Inclusion Plan – Aspirational WMBE Goals, Business Support Strategies, and WMBE Guarantees:
      1. Aspirational WMBE Goals are goals Bidder believes can be achieved by good faith efforts. This option is worth a maximum of 6 points;
      2. Business Support Strategies are those the Bidder commits to employ for qualified firms. This option is worth a maximum of 4 points;
      3. WMBE Guarantees identify WMBE firms the Bidder guarantees to contract with for this project, with agreement reached about the work and pricing for the WMBE scope, including any terms and conditions important to the WMBE for their performance. This option is worth a maximum of 6 points.
   c. Work performed by a WMBE must be commercially useful and a distinct element of work that includes managing and supervising the work. The Contractor should evaluate the amount of work subcontracted, industry practices, and other relevant factors to determine whether the work is commercially useful.
   d. A Bidder scored less than 10 points will be deemed non-responsive. See scoring section below.
   e. All dollars cited shall exclude sales tax (including references to the Total Bid Cost and estimates made by Prime when completing this form).

2. SCORING INSTRUCTIONS

a. The average percentage of WMBE utilization on past City projects has been calculated by CPCS and is provided in the table below. This average is used to score the points that will be awarded for the aspirational goals and guarantees. These percentages are updated annually. Note that these averages include total WMBE utilization, not subcontracting alone, since aspirational goals may include prime self-performance.
b. If the project is characterized by work of various types, CPCS may calculate a unique utilization rate for the project given the weight of each. CPCS determination is not subject to challenge.
c. The project type and percentage of past WMBE utilization will be stated in the bids advertisement and documents.
d. If past utilization for a project type was zero, an Aspirational Goal above two percent will receive 6 points. Bidder must still identify Business Support Strategies and Guarantees it is willing to employ and will be scored accordingly.
e. Points awarded for WMBE Guarantees will be calculated based upon total available work for subcontract given past performance. This section can be awarded as many as 6 points.
f. A Bidder who has received a formal Deficiency Report issued by the City as a result of unfulfilled WMBE Inclusion Plan commitments on past projects will lose one point from the total score.
g. When calculations are used to evaluate the points, the City will calculate points to the nearest tenth decimal place. The City will round up to the nearest tenth.

Roadway	Facility	Parks *	Under ground	Boundary	Structural Paint	Structu ral	Natural Habitat	Dredging	Roof
14%	19%	22%	12%	3%	1%	5%	16%	21%	14%

Note: Boundary refers to projects performed in Pend Oreille County (Boundary). Parks utilization rate excludes the mandatory self-performed WMBE work for a prime.

3. ASPIRATIONAL WMBE GOAL INSTRUCTIONS

a. Aspirational WMBE Goals represent a serious commitment to use good faith efforts to reach the stated goals.
b. The City will rely upon the Total to determine responsiveness. The City will correct the Total if that provided by the Bidder does not match the MBE and WBE goals.
c. Aspirational WMBE Goals are a percentage of the Base Bid and during the course of the project will apply to the total contract amount including all contract change orders (additives and deductives). Contractor may seek a goal adjustment if such changes may merit a greater or lesser goal; CPCS will consider such requests, approve if appropriate, and modify the Plan accordingly.
d. A WMBE Bidder may include in their goals and guarantees that percentage of contract base bid for work which the WMBE intends to self-perform that is in excess of the mandatory

30% they are otherwise required to perform as required by the City Specifications Section 1-08.1(3).

e. Bidder will receive between 0 and 6 points for its Aspirational WMBE Goals, with proportional points based on a straight line formula to Past Performance (plus 2%) identified for the project as advertised in the bid solicitation. Bidder receives 3 points if the Total Aspirational Goal is half of Past Performance + 2%. Six points are awarded if the Bidder meets or exceeds Past Performance by 2 or more percentage points. For example, a Roadway project with Past Performance of 14%, would receive 3 points if the Total Aspirational Goal was 8% or 6 points if the Total Aspirational Goal was 16%.

$P_A = 6A/(P + 2)$,

Where P_A = Points awarded for Bidder's Aspiration Goal
A = Bidder's Aspiration Goal (%)
P = Applicable Past Performance Trend (%)

4. BUSINESS SUPPORT STRATEGIES INSTRUCTIONS

The Bidder may elect to provide the business support identified on Page 2 for qualified firms. The City will provide two points for each choice selected. There are two options, allowing a total of 4 points if both options are chosen:

1. Early Retainage Release. The prime and any sub-tier primes will release retainage held for the subcontractor, within thirty (30) days of acceptance of the work performed by the qualified subcontractor.
2. For mobilization, the Prime and any sub-tier primes will pay all qualified firms five days in advance of the on-site performance, except if a unique situation prohibits such as an emergency or event requiring an immediate mobilization response. In those events, the Prime (including any sub-tier primes) shall deliver the payment no later than 5 days after job mobilization begins.

5. WMBE GUARANTEE INSTRUCTIONS

a. This guarantees the City and WMBE that they shall be used for at least the amount given, following the remaining rules below. A WMBE Guarantee expects the Bidder achieved agreement about scope, terms and cost of the work for the WMBE at bid time. The burden is upon the Bidder to resolve any differences, once the guarantee is given.

b. The City may contact the WMBE firm after Bid opening to verify that the firm has an agreement to perform work as described in the plan. Failure to have agreement may result in rejection of the Inclusion Plan which will render Bid non-responsive.

c. A bidder will receive between 0 and 6 points for WMBE Guarantees, receiving a proportional number of points based on a straight line formula to Past Performance. A bidder will receive 3 points if the dollar-value of the Guarantees equals half of the Past Performance percentage. Six points are awarded if the Bidder commitments meet or exceed Past Performance.

$P_G = 6\ G\ /\ P$

Where P_G = Points awarded for Bidder's Guaranteed Goal
G = Bidder's Guaranteed WMBE Goal (%)
P = Applicable Past Performance Trend (%)

c. A WMBE bidder may only include self-performed work above 30%. This is based on the self-performance minimum required by the City Specifications Section 1-08.1(3).
d. Substitution of a Guaranteed WMBE firm is prohibited absent a waiver granted by the CPCS as a result of:
    1. Bankruptcy of the WMBE firm;
    2. Failure of the WMBE firm to provide the required bond;
    3. The WMBE firm cannot perform the work because they are debarred, not properly licensed, does not meet the subcontractor approval criteria, or in some other way is ineligible to work;
    4. Failure of the Subcontractor to comply with a requirement of law applicable to subcontracting;
    5. Death or disability of the principal of the WMBE firm rendering it unable to perform the work;
    6. Dissolution of the WMBE firm;
    7. Failure of the WMBE firm to perform satisfactorily in previous projects not known to Bidder at the time of bid;
    8. Failure or refusal of the WMBE to perform work for reasons other than contract term or pricing disputes;
    9. A change in scope of the contract which removes the guaranteed work from the project.

6. INCORPORATION OF PLAN INTO CONTRACT AND REPORTING REQUIREMENTS

a. CPCS may discuss the Plan with the Apparent Successful Bidder before incorporating into the contract and may amend the Plan by mutual consent.
b. The Contractor must provide reports and documents as required by CPCS.
c. CPCS will evaluate Contractor's WMBE utilization throughout the project.
d. Contractor may not substitute a WMBE firm identified in the guaranteed portion of the plan unless the substitution is approved by CPCS. Such a substitution will not be considered unless Contractor can demonstrate clear necessity for such substitution. A Contractor granted permission to substitute for a guaranteed WMBE firm shall use good faith efforts to recruit another WMBE firm to perform the Work.
e. If CPCS determines the Contractor is not making good faith efforts, it may take action as described in the project specification such as withholding invoice payments and breach of contract.
f. The City will evaluate the WMBE utilization at close-out and may assign a Deficiency rating for failure to demonstrate good faith efforts. Deficient ratings are used by the City to determine Bidder responsibility on future work and debarment. To avoid a deficiency rating, the Contractor must demonstrate:
        1. A good faith effort to achieve Aspirational goals. Attainment under 80% of the goal will likely be considered deficient;
        2. Timely submittal of required and requested materials and reports to CPCS;

3. Having advance agreements with each WMBE Guarantee, such that the WMBE understands and agrees that the WMBE Guarantee represents mutual agreement at time of the bid submittal;
4. Using all “WMBE Guarantees” named in the Inclusion Plan, unless Prime received written authorization from CPCS for substitution;
5. WMBE relationships are harmonious, clearly communicated and free of undue dispute; and
   WMBE work was commercially useful.

PUBLIC WORKS WMBE INCLUSION PLAN CHANGE REQUEST FORM

Departments use this form to request modification to a project WMBE Inclusion Plan. Modifications are subject to advance approval from the department WMBE Advisor and City Purchasing and Contracting Services (CPCS).

PROJECT INFORMATION	
Project Name	
PW#	
Date of Request	
Prime Contractor	
Name of Requestor and Title	

When the Prime seeks a change to the WMBE Inclusion Plan, the City Project Manager completes this form, routes to their WMBE Advisor, who then sends to CPCS for approval. Absent CPCS approval, changes to the Inclusion Plan are prohibited. This form is for public works projects with a WMBE Inclusion Plan that needs an adjustment or change to a Guaranteed firm. Check all that apply to this request:

☐ Request to Remove a Guaranteed WMBE Firm

☐ Request to Change WMBE Inclusion Plan Aspirational Goal

REMOVE A GUARANTEED WMBE	
WMBE Firm Proposed for Removal	
Guaranteed Amount	$
Dollar amount of guaranteed work completed, if any	$

Reason for Removal (check all that apply and attach evidence).

☐ Bankruptcy of Subcontractor
☐ Failure of Subcontractor to provide the required bond
☐ Subcontractor cannot perform the work because they are debarred, not properly licensed, or does not meet subcontractor approval criteria, or in some other way is ineligible to work.
☐ Failure of Subcontractor to comply with a requirement of law applicable to subcontracting
☐ The death or disability of Subcontractor (if Subcontractor is an individual)
☐ Dissolution of Subcontractor (if Subcontractor is a corporation or partnership)
☐ Failure by Subcontractor to perform under previous contracts
☐ Failure or refusal of Subcontractor to perform the work for reasons other than contract term or pricing disputes

CPCS will review in collaboration with the appropriate department WMBE Advisor, request documentation as necessary to evidence the change, and will respond to the department Project Manager with direction.

The Prime must make good faith efforts to find another WMBE subcontractor to substitute.

Reduce the Aspirational Goal

Aspirational WMBE Goals

The Total Aspirational WMBE Goal represents the percentage of base bid the Bidder intends to perform with WMBE contractors and also applies to the entire contract cost. **If a contract change, addendum or additive merits modification to the Goals, the City and Prime will discuss whether a greater or lesser goal is appropriate and seek approval to amend the Plan.**

☐ The City requires a change order for a body of work that has no WMBE opportunity. The goal would be adjusted based on the statistical impact that would have given the associated dollars compared to the total project spend.

☐ Other:_____

Original Goal	
Proposed Goal as a share of the entire contract value.	

Reducing Goal	Printed Name	Approved Denied	Signature	Date
Department Construction Representative				
Department WMBE Representative				
FAS/CPCS				

Cc:
Resident Engineer
Contractor PM, Requestor
Sub-Contractor
City WMBE Equity Office
City Purchasing and Contracting, Contract Analyst

Workforce Equity

Past Year Workforce Results, both Citywide and by Departments

Since 2012 the Personnel/HR Department[1] and SOCR have been working with departments to analyze leadership positions by race, in comparison with overall population statistics of Seattle and the overall number of persons in the labor force who are available or engaged in working within the Seattle city limits. Last year, we also expanded this effort to consider Strategic Advisers, Engineers and Information Technology Professionals.

Exhibit A parallels the data previously provided to Council and includes a statistical breakdown of the City's leadership in three broad categories: Directors, Managers and Supervisors. The data for Directors and Managers is from those job classification series. The data for supervisors includes classifications with clear supervisory functions. This specificity facilitates consistent comparisons across departments. At the same time, however, it is important to note that some departments may have additional positions that serve in leadership and/or supervisory positions whose position titles do not indicate supervisory responsibilities, and thus are not included.

The information provided parallels the 2013 Workforce Equity report by focusing on the numbers and percentages of City employees by race. Workforce statistics, however, do not vary greatly from year to year. Thus the statistics do not analyze larger pay equity issues that are being evaluated separately through a forthcoming Gender and Racial Equity Study or assess potentially disparate personnel-related practices that will be reviewed in the context of the development of a strategic plan for the delivery of Human Resources services Citywide. Thus, rather than focusing on the data, this report section highlights initiatives put in place in 2014 and continuing in 2015 that we believe will bring greater racial and broader equity to our workforce polices and procedures, and ensure equity in all personnel-related actions, including hiring, new and ongoing training, consultant selection etc.

We want to acknowledge the leadership and direction of the Mayor's Office, as well as the commitment and cooperation of City department directors, both for their support of WEPAC and their ongoing work with Personnel/HR and SOCR. We also acknowledge the important role played by the City's labor unions in all workforce policy development, and we look forward to working closely with them as we develop and implement these new initiatives.

Updates on Current Initiatives

Analysis of Workforce Equity – Gender, Race, Sexual Orientation/Identity

During the winter, a dedicated taskforce created during the prior administration and working with Councilmember Godden's office, issued a *Gender Equity in Pay* report. This report

[1] Legislation is pending to rename this department the "Seattle Department of Human Resources."

compared gender pay equity in the City against local and national norms. A joint resolution issued by Mayor Murray and City Council directed City Personnel/HR to conduct a more in depth statistical analysis of gender and race pay equity among City employees.

Scheduled to be completed by the end of 2014, the Gender and Racial Equity Study will answer the following questions:

- Are there significant gender or race/ethnicity differences in salary after controlling for variables such as experience and job title?
- Are there significant gender or race/ethnicity differences in the percentage of City employees in higher-paid versus lower-paid occupations and departments?
- Are there significant gender or race/ethnicity differences in starting salaries for new employees?

Collection of this data will establish a baseline to enable us to set goals and measure improvement over time. It will further enable us to identify gaps in our current data collection that may need to be addressed so that we can better identify issues and opportunities.

Informed by the findings of the Gender and Race Equity Study, Personel/HR and SOCR will work with city departments to assess whether any personnel practices may be inadvertenly contributing to gender and race inequities across the City. Recommendations based on all findings will follow and be incorporated into the strategic planning work described below.

Resolution 31523 also directed Personnel/HR to collect data across the City related to sexual orientation/gender identity. The department is working with the City Attorney's Office and internal and external stakeholders to determine an appropriate method for doing so.

Citywide Strategic HR Plan

At the request of both the Mayor and Council, Personnel/HR has begun to develop a Citywide Strategic Human Resources Plan to assess how human resources services are provided to employees throughout the City (both centrally by Personnel/HR and within individual departments), and identify areas where services could be provided more effectively, efficiently, equitably and consistently.

The plan consists of four steps:

- Conduct an assessment of how human resources services currently are being delivered Citywide as well as collect benchmark data from other high performing cities (currently ongoing and scheduled to be completed by the end of 2014)
- Identify gaps and opportunities for improvement
- Develop recommendations and draft Strategic Plan
- Develop implementation plan and begin implementation

The plan is being developed in conjunction with an interdepartmental working group and with the input and involvement of the Human Resources Leadership Group, which consists of HR functional leaders Citywide. The anticipated completion date of the Strategic Plan is June 2015.

Our concurrent efforts on the Gender and Racial Equity Study along with the development of a Citywide Human Resources Strategic Plan will enable us to identify significant opportunities for achieving greater workforce equity throughout the City. As we move forward, we believe these two initiaitves will evolve and continue to intersect – particularly in terms of recommended strategies and courses of action.

Analysis of the Impact of Race on City Discipline

In 2013 a WEPAC subcommittee undertook a systematic investigation of employees' concerns that the City's discipline policies are used inconsistently, both within and between departments, generating unintended but disproportionate impacts on employees of color. The resulting report (issued in January 2014) recommended improvements to employee and workplace expectations, better documentation and tracking of progressive discipline, changes to performance management procedures, annual review of disciplinary actions and training on best practices. The Citywide Strategic HR Plan development process will review this report as a part of its assessment phase and incorporate strategies as appropriate.

Leadership and Management Development

Over this past year, Personnel/HR has made great strides in building an integrated Citywide employee, management and leadership development program. The objective of this program, which has already been launched, is to establish foundational competencies and skills for career growth and advancement of all employees from new employee and superivosr orientation courses to a City Leadership Academy (a revitalized version of the City Leadership Institute). The program, which will include proposed optional and mandatory courses at all levels, will have a special focus on supervisor and manager development as both play critical roles in the effective performance and treatment of the City's workforce and have a direct impact on gender and racial equity.

Additionally, Personnel/HR is filling a newly funded position created by the Gender Pay Equity Ordinance 124484 whose charge is to ensure that RSJI specifically, and racial and gender equity principles more broadly, are infused throughout all training opportunities, as well as identify needs and develop programs for specific under-represented employee populations. That position is expected to be filled by the end of September as a result of a joint selection process between Personnel/HR and SOCR.

Talent Management System

Personnel/HR is leading the Citywide implementation of the Cornerstone OnDemand Talent Management System. The software-as-a-service solution will offer new technology for

launching and tracking training (including e-learning), conducting performance reviews and goal setting, succession planning, certification management, and other talent development functions.

This project and system will impact equity in two very direct ways:

- Increase access, availability and visibility to training opportunities, especially to field and entry-level employees
- Allow us to collect, analyze, aggregate and report on metrics and data that we have not had access to in the past at a Citywide level, which we will be able to use to identify inequities and determine methods to address them

The implementation is anticipated to take place through 2015.

Diversity Outreach Recruiting

As part of the Gender Pay Equity Ordinance, Personnel/HR was granted a new Strategic Advisor position to focus on diversity recruitment and outreach. The position will be responsible for creating outreach strategies and programs to build relationships in underrepresented communities that will enable us to increase diversity in recruitment and employment. This position will also serve as an internal consultant to City departments to ensure hiring practices are effectively reaching targeted audiences and do not have unintended disparate impacts. The position is anticipated to be filled by the end of 2014 through a joint selection process with Personnel/HR and SOCR.

In addition, representatives from Personnel/HR have met with members of the Joint Apprenticeship Training Committee (JATC) at the request of labor to explore new recruitment tools to increase diversity in the City's apprenticeship programs. We intend to continue those efforts throughout the year.

Paid Parental Leave

At the request of the Mayor and Council, Personnel/HR is conducting a study of the possibility of providing a paid parental leave program for employees with new children, in recognition that new family responsibilities can create difficult work choices for employees of all types and pay levels. We will be evaluating the practices of other employers, and assessing likely utilization by our diverse workforce and the costs to the City of such a new benefit. The report is anticipated to be completed by the end of 2014.

Expanding the Availability of Medical Coverage

As a requirement of the federal Patient Protection and Affordable Care Act, the City is expanding eligibility for medical coverage in 2015 to a group of “variable-hour” employees who

were previously ineligible for coverage. This change will provide a tangible non-cash reward opportunity to occasional workers, which will bring more equity to our benefits program.

Positive Steps and Areas Needing Improvement

- The Gender and Racial Equity Study will enable us to analyze more deeply the current state of our employment practices and develop strategies for addressing identified inequities. This work will be integrated into the work of the Citywide Strategic HR Plan to ensure consistency across all City departments.
- The development and implementation of the Citywide Strategic HR Plan will have direct positive impacts on workforce equity, as it will be a pivotal step in the process to standardize employment, discipline, performance management and training / development practices across the City. The Strategic HR Plan will continue the City's movement to a "One City, One Employer" culture.
- Personnel/HR and the Seattle Office for Civil Rights, under the leadership of new Directors, have established new levels of partnership and collaboration, as evidenced by the shared work done on the Gender Pay Equity Resolution and partnerships around new employee training opportunities for RSJI and harassment/discrimination trainings. Together these departments have begun work to revive the WEPAC team and will co-lead it with a synergistic approach.
- To date, Personnel/HR has not been able to develop more accurate categories for baseline measurements for supervisors, managers and directors in each department. This will be a continued focus as we increase our analytical capacity through the Gender and Racial Equity study.
- WEPAC had created and approved a *Guide for Conducting WEPAC Analysis* for departments, to help departments consistently study their five largest job classes and their five "most important or critical" job classes. In 2014 WEPAC decided to shift focus to the Gender & Race Equity study and will not rely solely on the Guide.
- Last year's plan to procure English as a Second Language and literacy support for some of our employees through the Employee Assistance Program was not successful, as the EAP does not provide such training. In the coming year, Personnel/HR will partner with the Office of Immigrant and Refugee Affairs to determine the most effective way to provide second language support to City employees.

Recommended Strategies to Address Challenges in Reaching Workforce Equity

- The Citywide HR Strategic Planning process is a key strategy for increasing equity in the City's workforce. Through this process we will identify opportunities for standardization of policies, processes and practices that will create consistency in employee experience and establish the ability for Citywide review and analysis of equity issues.
- Comprehensive Citywide training also will set a foundation of expectation and accountability across the City for how we engage with employees as one Citywide entity. We will leverage the expertise of the newly created Strategic Advisor position in

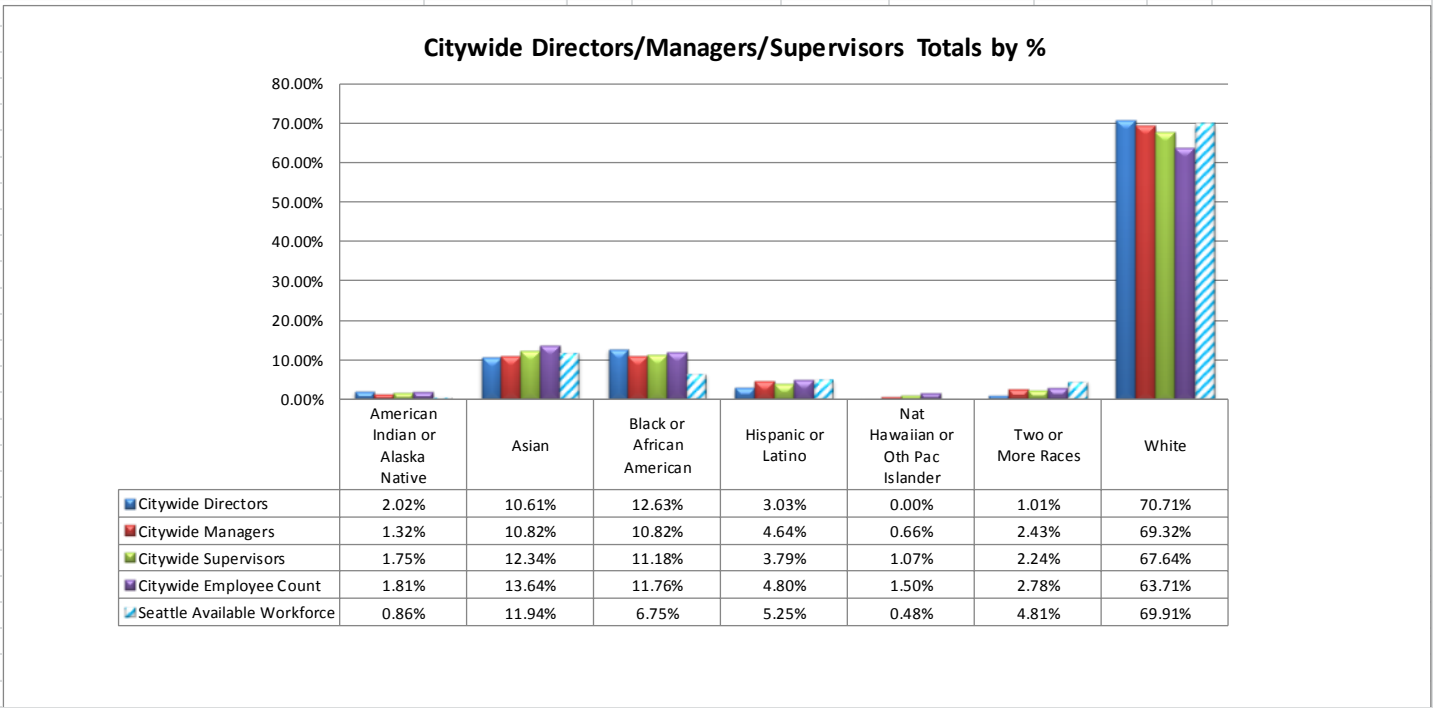
Personnel/HR to assess needs, increase skills, and identify and overcome challenges to upward mobility for under-represented employee populations within City employment.

- SOCR and Personnel/HR are developing a new training (to be introduced as a pilot project in fall 2014) that focuses on the impact of implicit bias in workplace decision-making. After initial implementation, the training will become mandatory for all City employees.
- We also intend to analyze data and final reports from the Gender and Racial Equity Study to identify populations most impacted, further investigate root causes of inequities and make recommendations to address these inequities.
- Personnel/HR and SOCR Directors will co-chair a re-invigorated WEPAC to develop and implement recommendations to address inequities based on data and reports from the pay equity study.
- Once fully implemented in late 2015 and early 2016, we recommend that the City utilize the Talent Management System to gather and analyze new data points for strategic decision making with regard to talent development, performance management, succession planning and talent pipelines.

Exhibits**

Exhibit A - Statistical Breakdown of the City's Leadership Personnel - 2014

COMPARISON OF SEATTLE AVAILABLE WORKFORCE TO CITYWIDE DIRECTORS/MANAGERS/SUPERVISORS BY COUNT								
	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Nat Hawaiian or Oth Pac Islander	Two or More Races	White	Totals
Citywide Directors	4	21	25	6	0	2	140	198
Citywide Managers	6	49	49	21	3	11	314	453
Citywide Supervisors	18	127	115	39	11	23	696	1029
Citywide Employee Count	184	1388	1196	488	153	283	6481	10173
Seattle Available Workforce	3508	48874	27635	21494	1979	19672	286174	409336

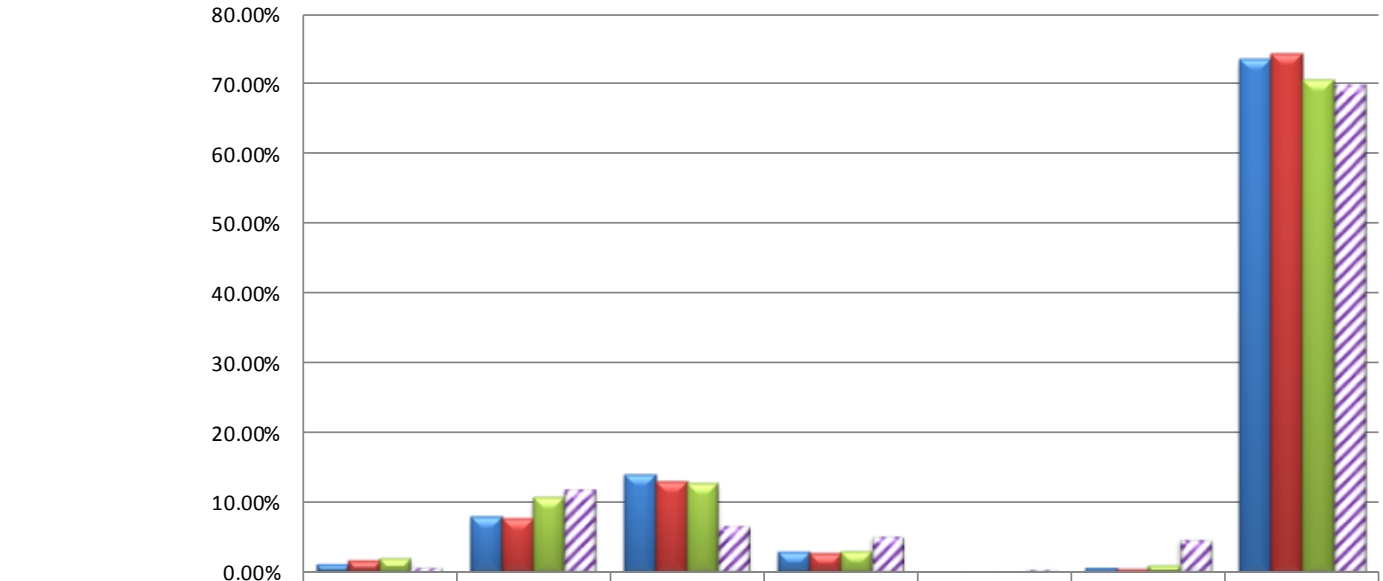


**The data incorporated in these graphs are collected from the following sources:

- Internal City data is collected through EV5, which is the City's Human Resource Information System (HRIS), which contains all the City's employee data, including payroll
- External Seattle Available Workforce data is derived from 2010 census information

Exhibit B – Director Numbers and Percentages by Race

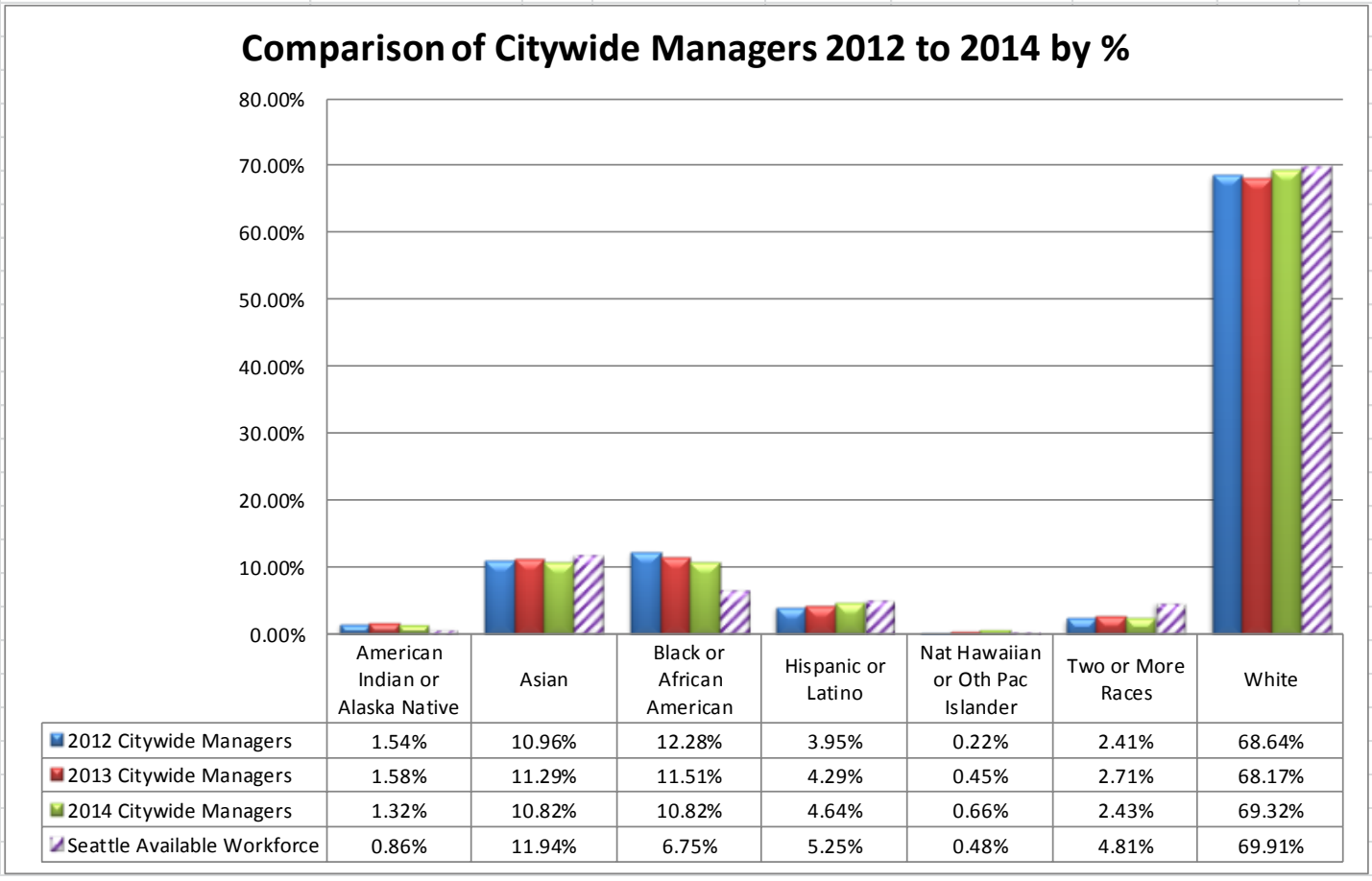
COMPARISON OF CITYWIDE DIRECTORS FROM 2012 to 2014 BY COUNT								
	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Nat Hawaiian or Oth Pac Islander	Two or More Races	White	Totals
2012 Citywide Directors	2	14	25	5	0	1	131	178
2013 Citywide Directors	3	14	24	5	0	1	137	184
2014 Citywide Directors	4	21	25	6	0	2	140	198
Seattle Available Workforce	3508	48874	27635	21494	1979	19672	286174	409336



	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Nat Hawaiian or Oth Pac Islander	Two or More Races	White
2012 Citywide Directors	1.12%	7.87%	14.04%	2.81%	0.00%	0.56%	73.60%
2013 Citywide Directors	1.63%	7.61%	13.04%	2.72%	0.00%	0.54%	74.46%
2014 Citywide Directors	2.02%	10.61%	12.63%	3.03%	0.00%	1.01%	70.71%
Seattle Available Workforce	0.86%	11.94%	6.75%	5.25%	0.48%	4.81%	69.91%

Exhibit C – Manager Numbers and Percentages by Race

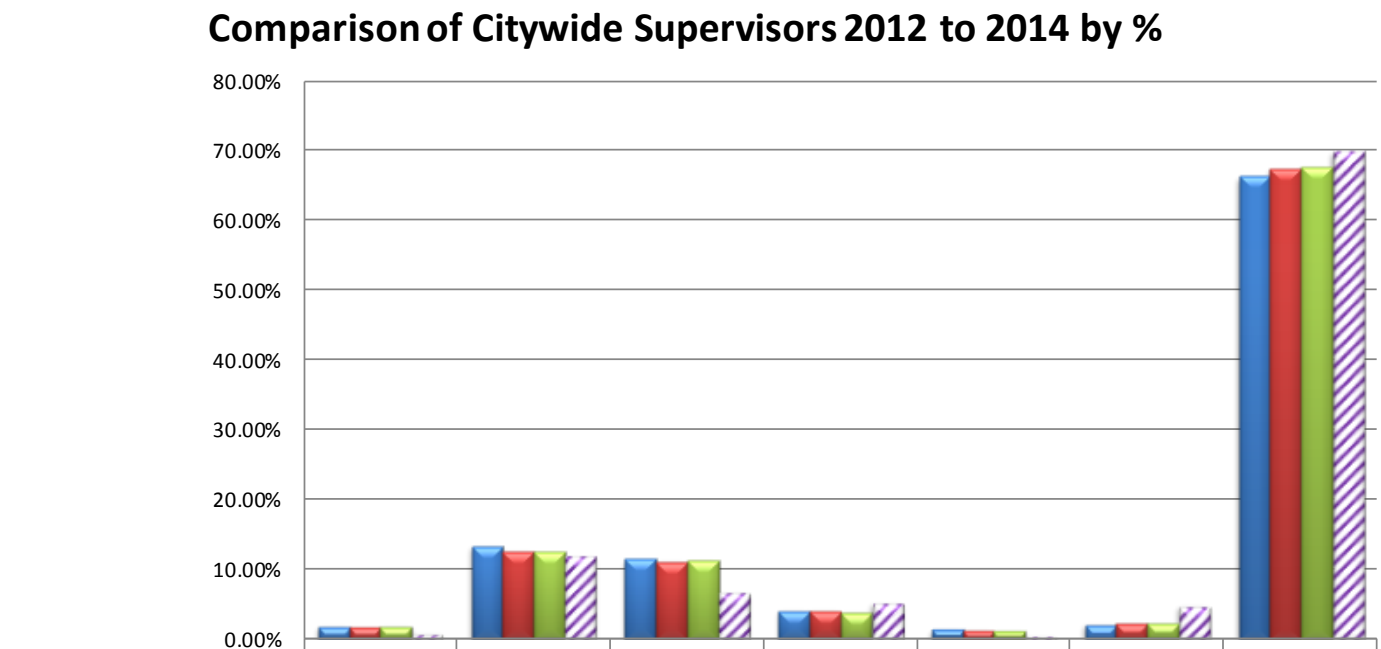
COMPARISON OF CITYWIDE MANAGERS FROM 2012 to 2014 BY COUNT								
	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Nat Hawaiian or Oth Pac Islander	Two or More Races	White	Totals
2012 Citywide Managers	7	50	56	18	1	11	313	456
2013 Citywide Managers	7	50	51	19	2	12	302	443
2014 Citywide Managers	6	49	49	21	3	11	314	453
Seattle Available Workforce	3508	48874	27635	21494	1979	19672	286174	409336



	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Nat Hawaiian or Oth Pac Islander	Two or More Races	White
2012 Citywide Managers	1.54%	10.96%	12.28%	3.95%	0.22%	2.41%	68.64%
2013 Citywide Managers	1.58%	11.29%	11.51%	4.29%	0.45%	2.71%	68.17%
2014 Citywide Managers	1.32%	10.82%	10.82%	4.64%	0.66%	2.43%	69.32%
Seattle Available Workforce	0.86%	11.94%	6.75%	5.25%	0.48%	4.81%	69.91%

Exhibit D – Supervisor Numbers and Percentages by Race

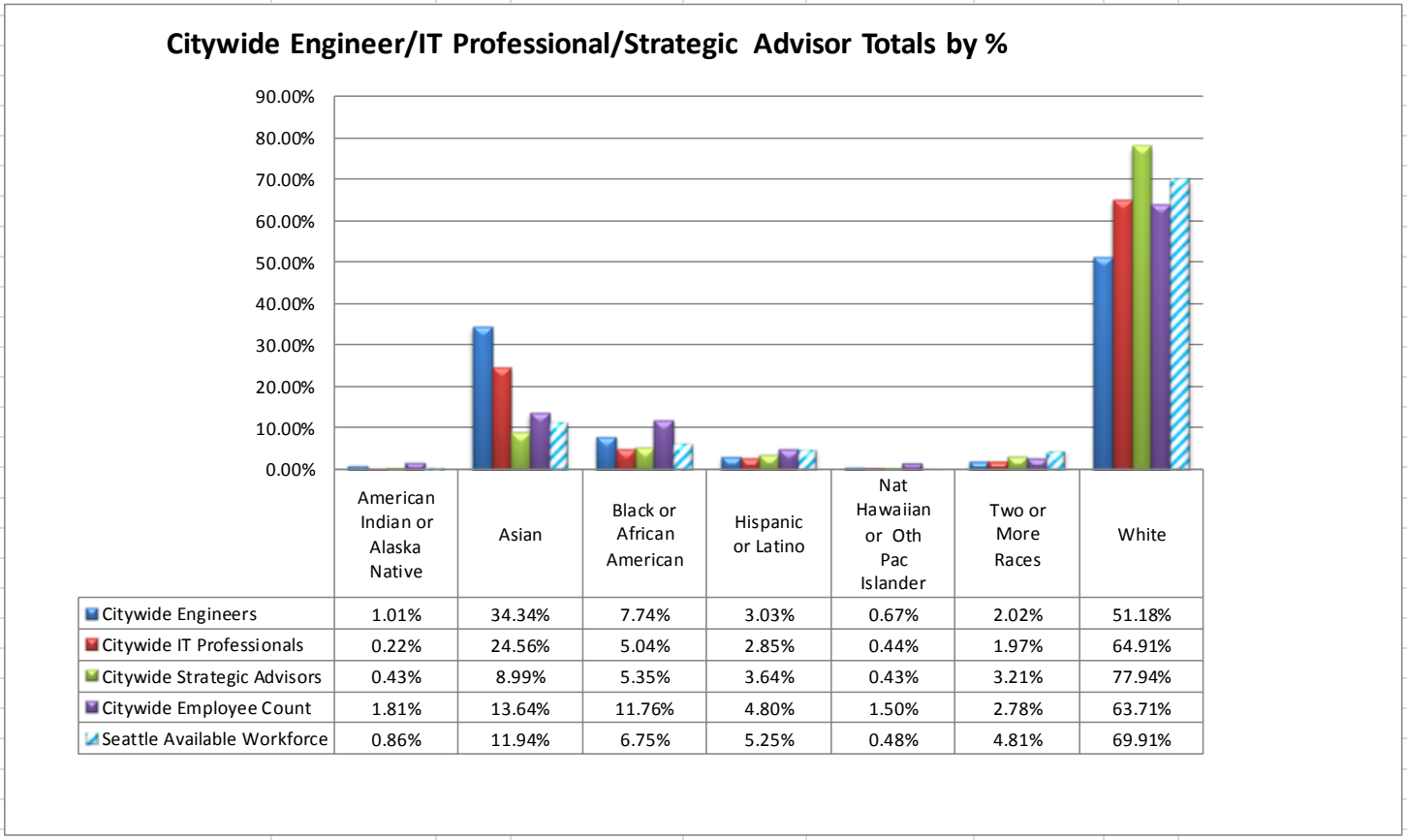
COMPARISON OF CITYWIDE SUPERVISORS FROM 2012 to 2014 BY COUNT								
	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Nat Hawaiian or Oth Pac Islander	Two or More Races	White	Totals
2012 Citywide Supervisors	16	120	104	36	12	18	602	908
2013 Citywide Supervisors	15	113	99	36	11	20	609	903
2014 Citywide Supervisors	18	127	115	39	11	23	696	1029
Seattle Available Workforce	3508	48874	27635	21494	1979	19672	286174	409336



	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Nat Hawaiian or Oth Pac Islander	Two or More Races	White
2012 Citywide Supervisors	1.76%	13.22%	11.45%	3.96%	1.32%	1.98%	66.30%
2013 Citywide Supervisors	1.66%	12.51%	10.96%	3.99%	1.22%	2.21%	67.44%
2014 Citywide Supervisors	1.75%	12.34%	11.18%	3.79%	1.07%	2.24%	67.64%
Seattle Available Workforce	0.86%	11.94%	6.75%	5.25%	0.48%	4.81%	69.91%

Exhibit E – Engineer, Information Technology Professional and Strategic Advisor Numbers and Percentages by Race – 2014

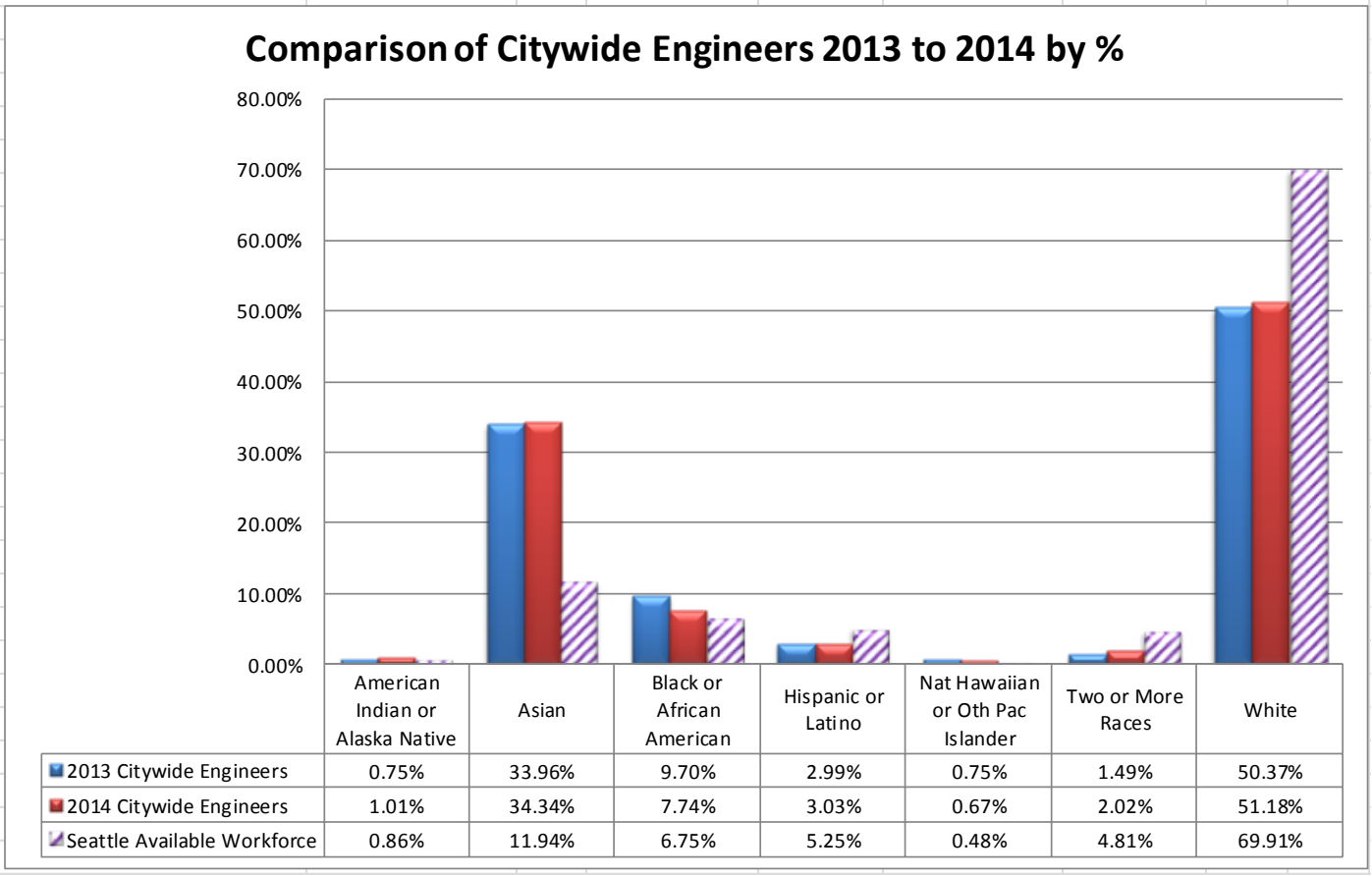
COMPARISON OF SEATTLE AVAILABLE WORKFORCE TO CITYWIDE ENGINEERS/IT PROFESSIONALS/STRATEGIC ADVISORS BY COUNT								
	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Nat Hawaiian or Oth Pac Islander	Two or More Races	White	Totals
Citywide Engineers	3	102	23	9	2	6	152	297
Citywide IT Professionals	1	112	23	13	2	9	296	456
Citywide Strategic Advisors	2	42	25	17	2	15	364	467
Citywide Employee Count	184	1388	1196	488	153	283	6481	10173
Seattle Available Workforce	3508	48874	27635	21494	1979	19672	286174	409336



	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Nat Hawaiian or Oth Pac Islander	Two or More Races	White
Citywide Engineers	1.01%	34.34%	7.74%	3.03%	0.67%	2.02%	51.18%
Citywide IT Professionals	0.22%	24.56%	5.04%	2.85%	0.44%	1.97%	64.91%
Citywide Strategic Advisors	0.43%	8.99%	5.35%	3.64%	0.43%	3.21%	77.94%
Citywide Employee Count	1.81%	13.64%	11.76%	4.80%	1.50%	2.78%	63.71%
Seattle Available Workforce	0.86%	11.94%	6.75%	5.25%	0.48%	4.81%	69.91%

Exhibit F – Engineers Numbers and Percentages by Race

COMPARISON OF CITYWIDE ENGINEERS FROM 2013 to 2014 BY COUNT								
	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Nat Hawaiian or Oth Pac Islander	Two or More Races	White	Totals
2013 Citywide Engineers	2	91	26	8	2	4	135	268
2014 Citywide Engineers	3	102	23	9	2	6	152	297
Seattle Available Workforce	3508	48874	27635	21494	1979	19672	286174	409336



	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Nat Hawaiian or Oth Pac Islander	Two or More Races	White
2013 Citywide Engineers	0.75%	33.96%	9.70%	2.99%	0.75%	1.49%	50.37%
2014 Citywide Engineers	1.01%	34.34%	7.74%	3.03%	0.67%	2.02%	51.18%
Seattle Available Workforce	0.86%	11.94%	6.75%	5.25%	0.48%	4.81%	69.91%

Exhibit G – ITP Professionals Numbers and Percentages by Race

COMPARISON OF CITYWIDE IT PROFESSIONALS FROM 2013 to 2014 BY COUNT								
	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Nat Hawaiian or Oth Pac Islander	Two or More Races	White	Totals
2013 Citywide IT Professionals	1	103	25	11	0	10	291	441
2014 Citywide IT Professionals	1	112	23	13	2	9	296	456
Seattle Available Workforce	3508	48874	27635	21494	1979	19672	286174	409336

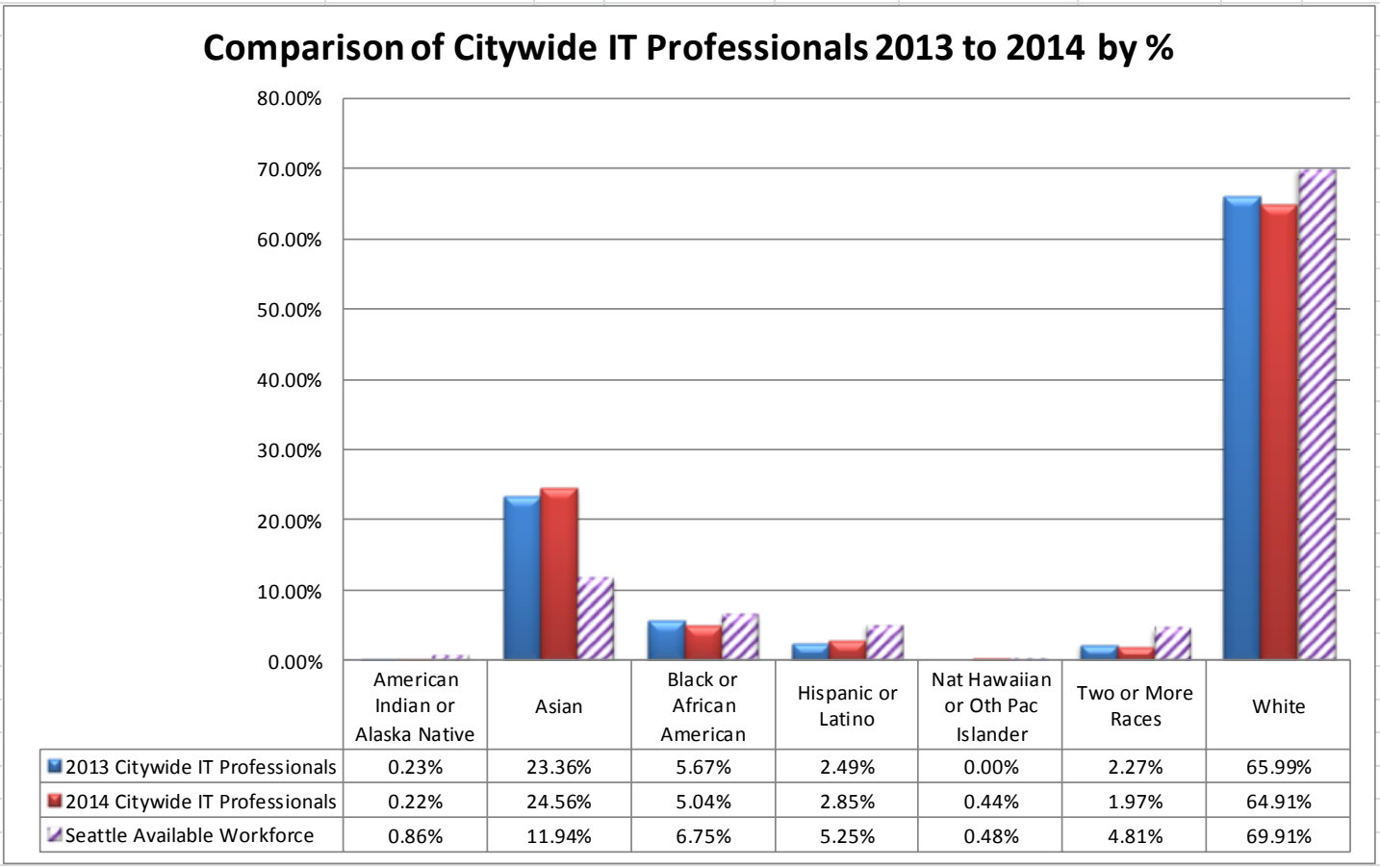
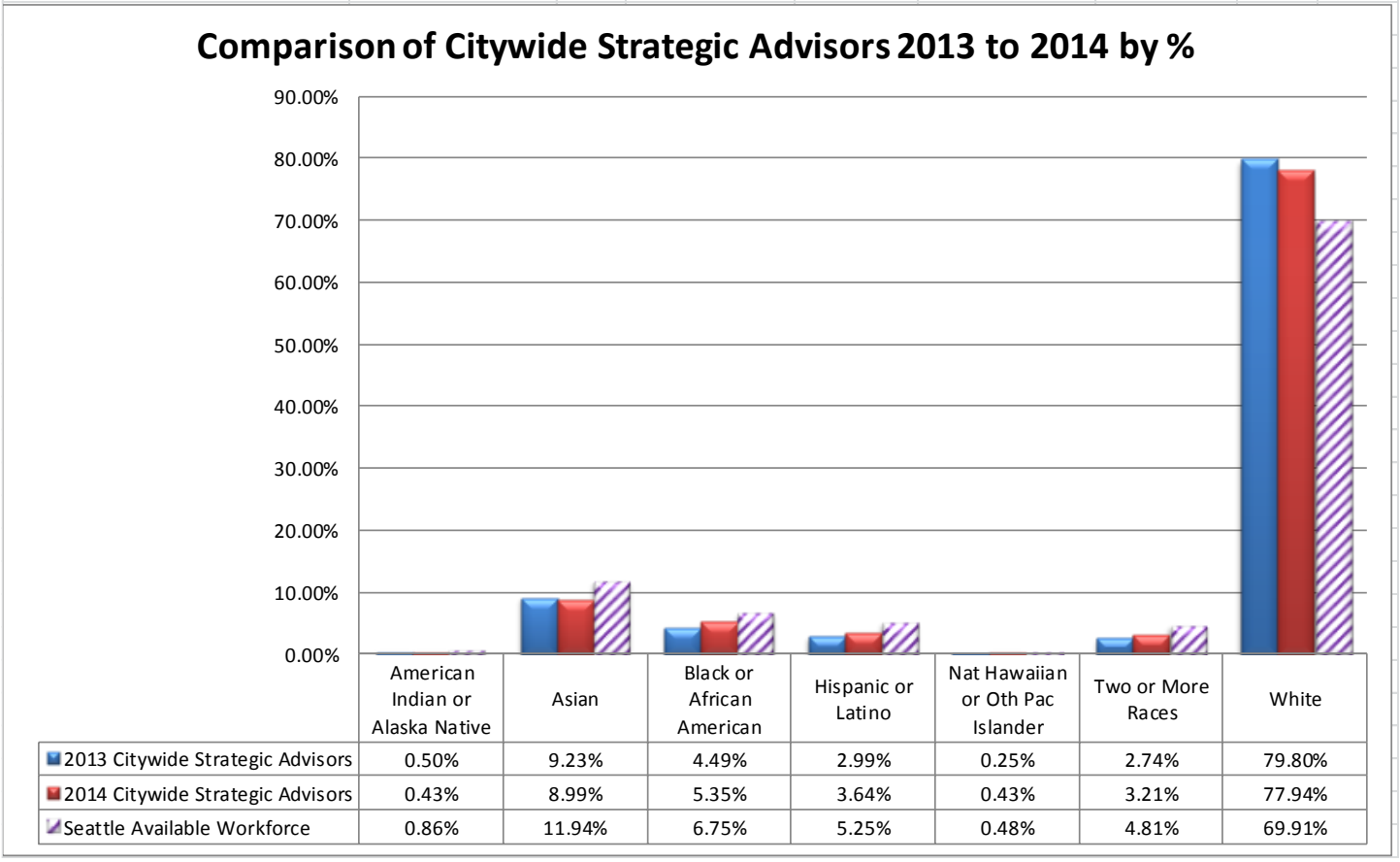


Exhibit H – Strategic Advisors Numbers and Percentages by Race

COMPARISON OF CITYWIDE STRATEGIC ADVISORS FROM 2013 to 2014 BY COUNT								
	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Nat Hawaiian or Oth Pac Islander	Two or More Races	White	Totals
2013 Citywide Strategic Advisors	2	37	18	12	1	11	320	401
2014 Citywide Strategic Advisors	2	42	25	17	2	15	364	467
Seattle Available Workforce	3508	48874	27635	21494	1979	19672	286174	409336



	American Indian or Alaska Native	Asian	Black or African American	Hispanic or Latino	Nat Hawaiian or Oth Pac Islander	Two or More Races	White
2013 Citywide Strategic Advisors	0.50%	9.23%	4.49%	2.99%	0.25%	2.74%	79.80%
2014 Citywide Strategic Advisors	0.43%	8.99%	5.35%	3.64%	0.43%	3.21%	77.94%
Seattle Available Workforce	0.86%	11.94%	6.75%	5.25%	0.48%	4.81%	69.91%