

ANNUAL REPORT

FY 2008-09

**Utilization of minority,
women and emerging small
businesses at Metro**



Metro

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DATE: December 31, 2009

TO: David Bragdon, Council President
Robert Liberty, Councilor
Carlotta Collette, Councilor
Carl Hosticka, Councilor
Kathryn Harrington, Councilor
Rex Burkholder, Councilor
Rod Park, Councilor

SUBJECT: MWESB REPORT FOR FY 2008-09

In accordance with Metro Code 2.04, our office is providing this annual report to the Metro Council. It represents our agency's utilization of minority, women, and emerging small businesses (MWESB) in the contracting process. This report covers the period from July 1, 2008 through June 30, 2009.

An overview of Metro's MWESB program is included, as well as the utilization results by both number of contracts and dollar amount of contracts awarded. We also break down the amount of contracts awarded among minority business enterprises (MBE), women business enterprises (WBE), and emerging small businesses (ESB). MWESB utilization by department is noted, as well as some program highlights from the past year.

We welcome your suggestions and feedback on our MWESB program. Please feel free to contact us if you require additional information.



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Program overview

HISTORY

Metro's minority, women, and emerging small business (MWESB) program is a result of the Oregon Regional Consortium Disparity Study. Along with several other local agencies, Metro created contracting programs to provide opportunities to MWESB contractors. These programs sought to level the playing field and also boost the local business economy.

The Metro Council has previously determined that historical patterns of exclusion have resulted in inequities for MWESB's and that full participation in our free enterprise system by these firms is essential. Greater economic opportunity for MWESB firms is vital, and promoting the use of MWESB's provides for a stronger local economy.

METRO'S PROGRAM

Metro's MWESB program is administered by Procurement Services, a division within the Finance and Regulatory Services Department, on behalf of the Chief Operating Officer.

Metro's policies are race and gender neutral. All contractors are welcome to compete in our contracting processes, regardless of race or gender, as long as they are certified by the State of Oregon as a minority business enterprise (MBE), women business enterprise (WBE), or emerging small business (ESB). Metro does not certify contractors, but rather relies on these state certifications.

Metro's MWESB program is one of outreach, education and opportunity. The program activities that promote the use of MWESB firms include:

- Focusing on outreach to local MWESB firms to ensure their participation.
- Providing technical assistance on bidding, bonding, insurance, and other business practices
- Structuring contract size appropriately to encourage the use of MWESB firms.
- Providing ongoing education to Metro staff on MWESB program rules.
- Ensuring MWESB plan centers receive Metro bids and requests for proposals and advertising in minority business publications.

Metro policies also establish the following requirements in the purchasing and contracting process to ensure opportunities are provided to MWESB firms.

Informal purchasing opportunities

Purchases under \$25,000* are open to all bidders, but do require that at least one MBE, one WBE and one ESB be given the opportunity to bid.

Informal sheltered market

Construction opportunities under \$25,000* are bid only among qualified MWESB contractors. Competitive bidding requirements still apply within the sheltered market of MWESB firms.

Good faith effort

On all construction projects over \$100,000, prime bidders are required to demonstrate a good faith effort in inviting MWESB firms to bid on sub-contracts. The intent is to promote communication with local MWESB firms, so that they can compete for work within their area of expertise.

Advertising

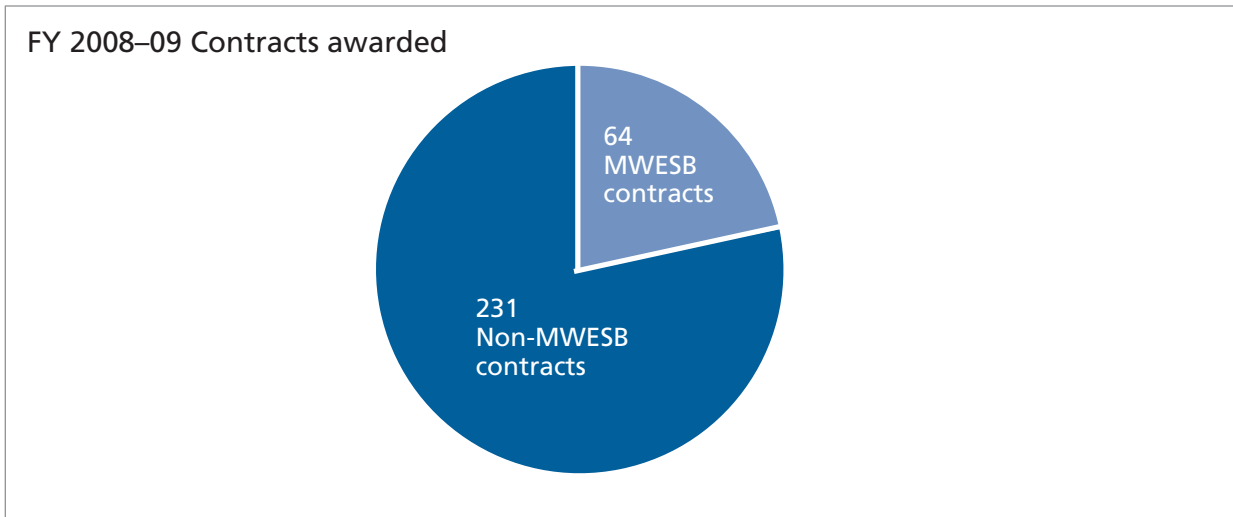
On all formal procurements (over \$100,000), Metro advertises in at least one minority business publication. These include *The Observer*, *The Skanner* and *El Hispanic*.

**Note: Metro Code revisions are underway that will increase the \$25,000 threshold to \$50,000.*

Summary of results

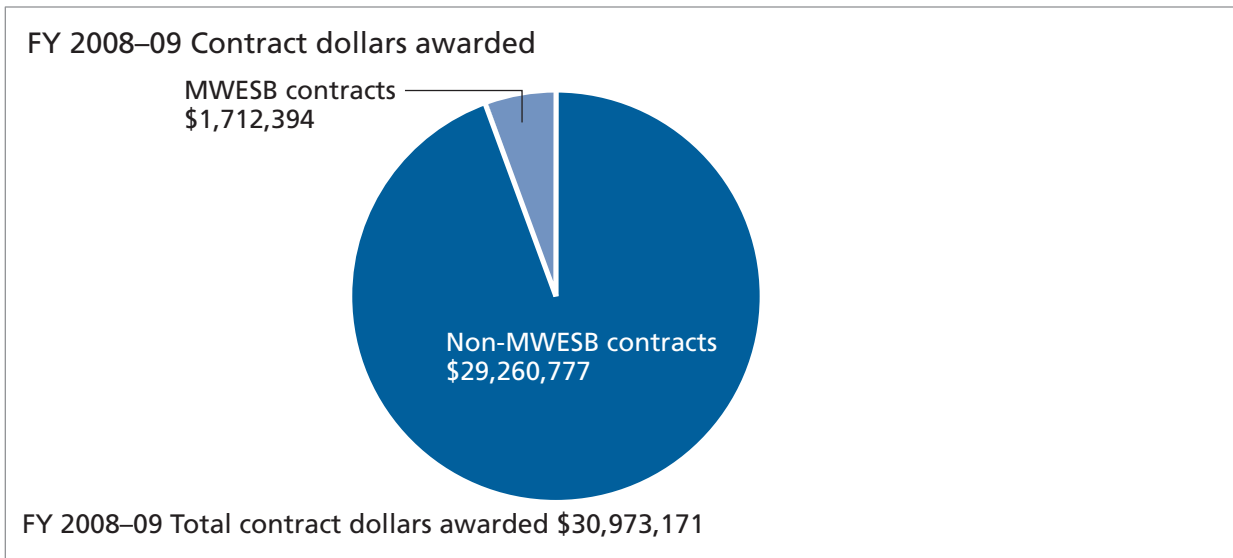
NUMBER OF CONTRACTS AWARDED DURING FY 2008-09

During FY 2008-09 a total of 295 eligible contracts were awarded through Metro's competitive procurement process. This does not include contracts such as intergovernmental agreements and grants. Of the total eligible contracts, 64 were awarded to MWESB firms. This represents 22 percent of the total contracts available.



CONTRACT DOLLARS AWARDED DURING FISCAL YEAR 2008-09

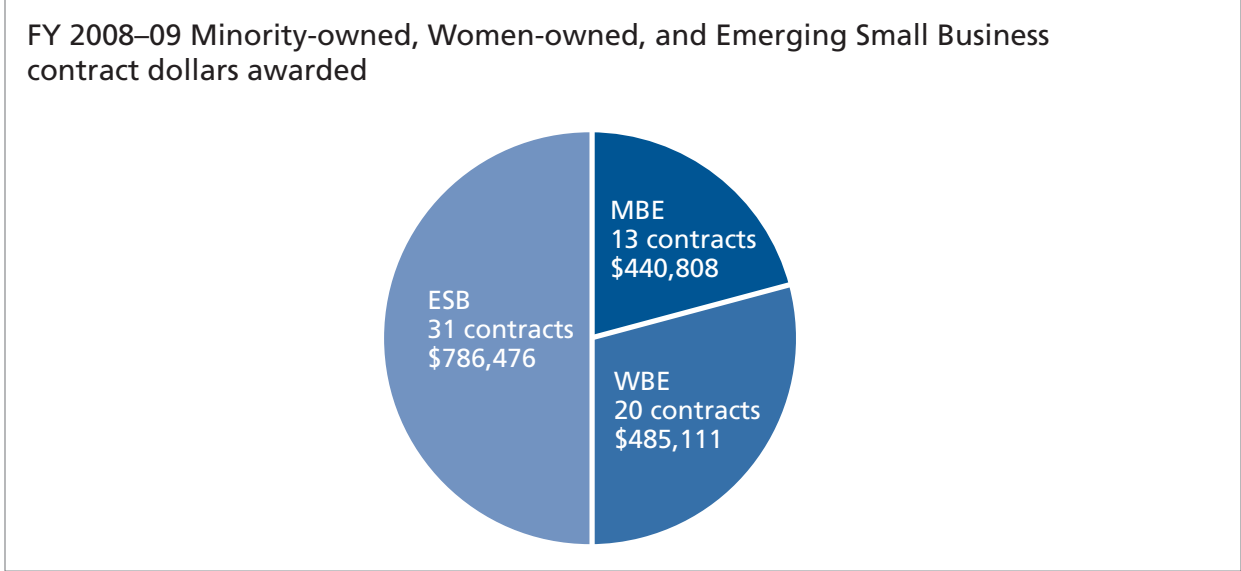
Metro awarded a total of \$30,973,172 in contracts during the past fiscal year. MWESB firms received contracts totaling \$1,712,394, which represents a utilization of 6 percent.



Breakdown by MBE, WBE and ESB

CONTRACT DOLLARS AWARDED BY MBE, WBE AND ESB

A total of \$1,712,394 in contracts was awarded to certified MWESB firms. The breakdown of contract dollars to MBE, WBE and ESB firms are identified below.



During this past fiscal year, ESB's received nearly one half of the available contracts (31 out of 64). The remaining amount was split fairly evenly between MBE's and WBE's.

The following data represent the amount of dollars and contracts awarded by each Metro department*, as well as their MWESB utilization.

	Total number of contracts	Total number of MWESB contracts	Percentage of MWESB contracts	Total contract dollars	Non-MWESB	MWESB	MWESB percentage of contract dollars
Finance and Administrative Services	14	8	57%	\$155,600	\$69,500	\$86,100	55%
Human Resources	8	4	50%	476,260	404,730	71,530	15%
Information Technology	3	2	67%	88,900	31,900	57,000	64%
Office of Metro Attorney	7	0	0%	698,270	698,270	0	0%
Public Affairs and Government Relations	16	0	0%	1,041,497	1,041,497	0	0%
Oregon Zoo	88	20	23%	14,659,717	13,937,225	722,492	5%
Regional Parks and Greenspaces	86	22	26%	7,842,819	7,331,070	511,749	7%
Planning	21	1	5%	2,041,174	2,034,884	6,290	0%
Solid Waste and Recycling	45	7	16%	3,968,934	3,711,701	257,233	6%
TOTAL	295	64	22%	\$30,973,172	\$29,260,777	\$1,712,394	6%

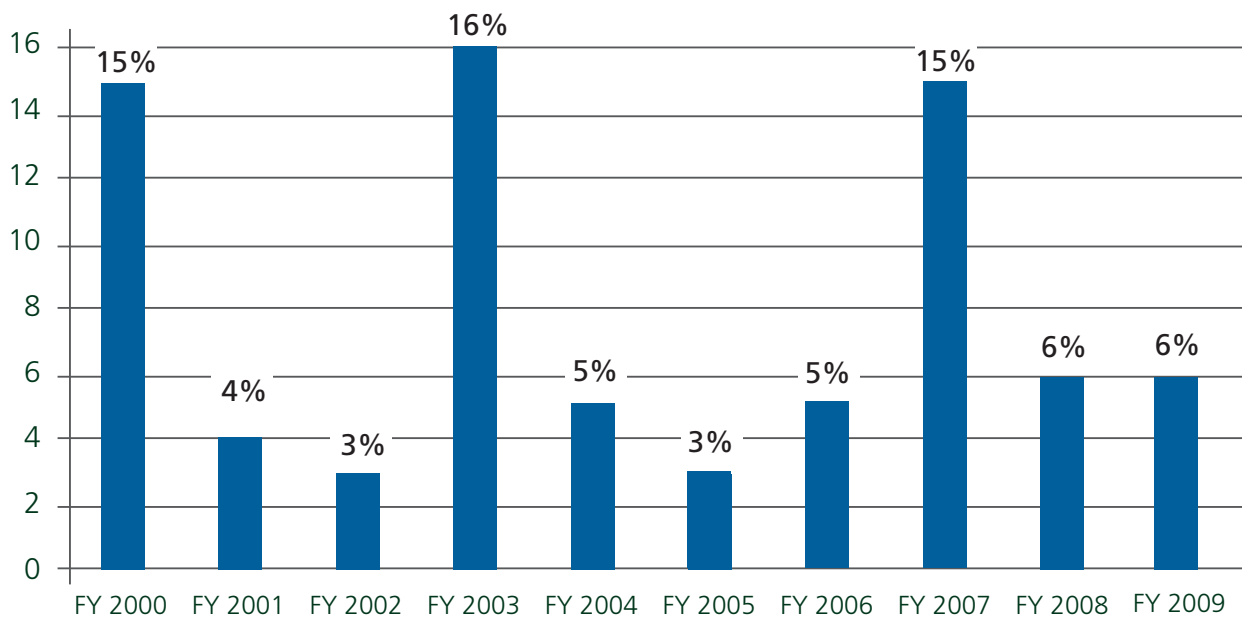
* Departments are designated by their original name prior to the Sustainable Metro Initiative reorganization, consistent with the FY 2008-09 budget and financial reports.

Utilization trends

UTILIZATION HISTORY AT METRO

The following data represent the agency's MWESB utilization during the past ten years. In some years Metro has done extremely well, while other years have not produced the desired results. MWESB program does not include mandatory goals or set asides. As mentioned earlier in this report, Metro's program is one of outreach, education and opportunity.

Minority-owned, Women-owned, and Emerging Small Business program utilization
FY 2000–2001 through FY 2008–09 percentage of dollars awarded



Program highlights

Metro has continued to administer an effective MWESB program, consistent with state and local procurement regulations. We are active in the MWESB business community and participate regularly in key events throughout the year. While much smaller than agencies like Multnomah County and City of Portland (and therefore fewer dollars to spend), Metro has gained a reputation as a strong player in the government contracting sector. Some highlights of our program this past year include:

OAME CHAIRMAN'S AWARD

In 2009, the Oregon Association of Minority Entrepreneurs (OAME) selected Metro's own Angela Watkins as the recipient of the Chairman's Award. This award is given out during their annual trade show and conference, recognizing leadership in supporting local minority businesses. Metro was a sponsor of the event, along with other public and private organizations, and the agency also holds a position on the OAME Advisory Board

RFP SELECTION CRITERIA

Metro has made it a standard practice to include diversity criteria in our request for proposal (RFP) projects. Along with traditional items such as estimated cost, experience and past performance, a commitment to diversity in a firm's employment and contracting practices is part of the selection criteria. This has provided opportunities for MWESB firms to participate on larger Metro projects, and has also sent a message to the local business community regarding the agency's commitment to diversity. Local public agencies have recently requested Metro's assistance in employing this practice in their own procurement processes.

BUSINESS DIVERSITY INSTITUTE

Metro has continued to play a key role in the advancement of the Business Diversity Institute (BDI). Formerly known as the Minority Business Opportunity Committee, BDI is comprised of area organizations that are committed to maximizing opportunities for small businesses. Metro's Angela Watkins served this past year as vice-chair of BDI and will be assuming the chair position this coming year.

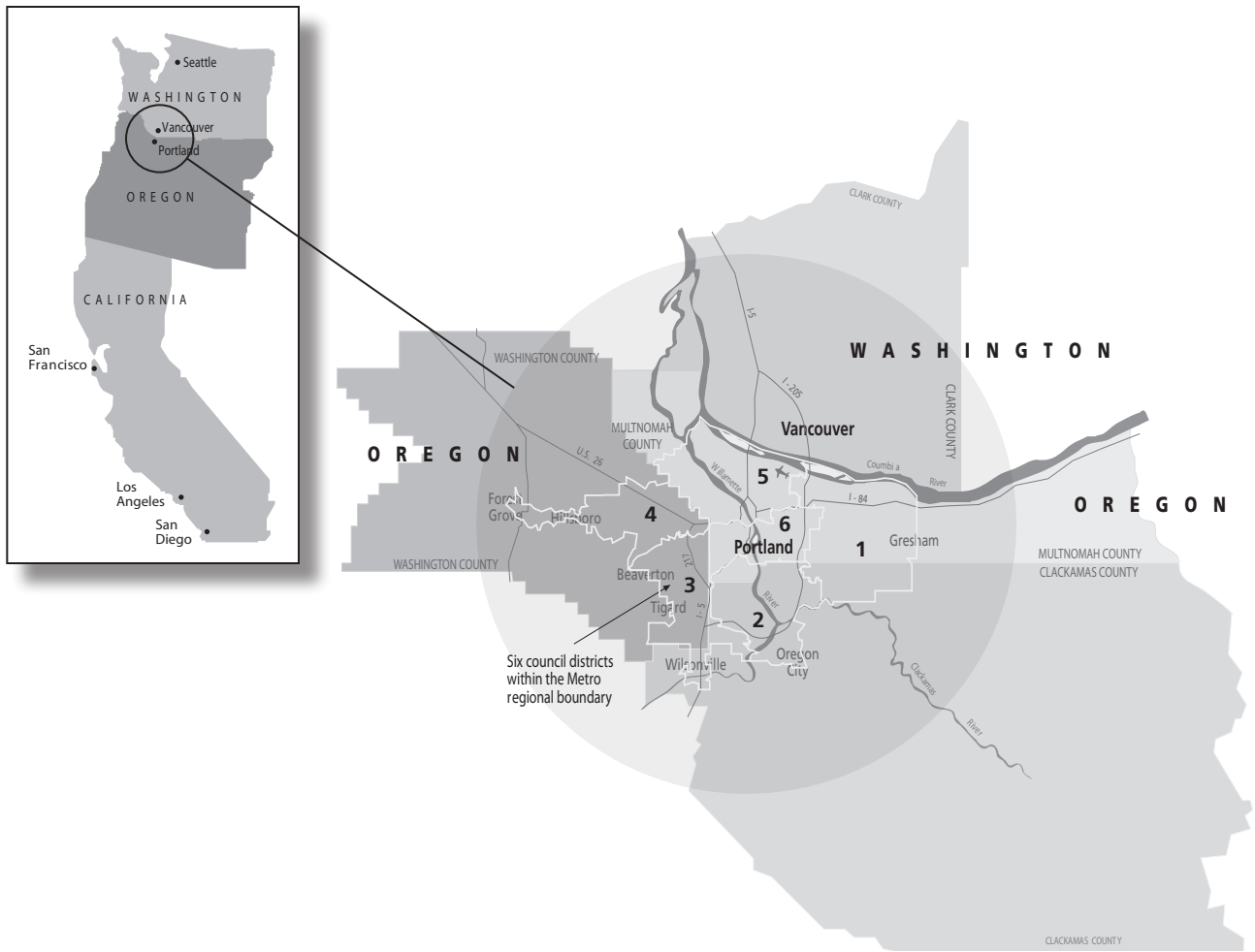
REGIONAL PARTICIPATION

In addition to OAME and BDI, Metro is also active with the National Association of Minority Contractors of Oregon (NAMCO), the American Contract Compliance Association (ACCA), and the State of Oregon Office of Minority, Women and Emerging Small Business (OMWESB). Metro participates in these local organizations and provides sponsorship dollars whenever possible.

Metro participated in the Governor's Annual Marketplace event in 2009, and also served as a sponsor and host for the 2009 Turner School of Construction Management. Additionally, Metro maintains a strong professional relationship with the African American Chamber of Commerce, Metropolitan Hispanic Chamber, and the Native American Chamber of Commerce.

MWESB TRAINING PROGRAM

Procurement Services has developed a training program in which departments and managers are provided education and training on Metro's MWESB program. The training provides an overview of the history of MWESB programs, definition of MWESB firms and Metro's program requirements. The training was well attended in 2009 (42 staff members) and will continue to be offered to all Metro programs.



Metro
People places • Open spaces

Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy and good transportation choices for people and businesses in our region. Voters have asked Metro to help with the challenges that cross those lines and affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to protecting open space, caring for parks, planning for the best use of land, managing garbage disposal and increasing recycling. Metro oversees world-class facilities such as the Oregon Zoo, which contributes to conservation and education, and the Oregon Convention Center, which benefits the region’s economy.

Your Metro representatives

- Council President David Bragdon
- District 1– Rod Park
- District 2– Carlotta Collette
- District 3– Carl Hosticka
- District 4– Kathryn Harrington
- District 5– Rex Burkholder
- District 6– Robert Liberty
- Auditor– Suzanne Flynn

Metro’s web site:
www.oregonmetro.gov