

Port   
of Seattle®

# DIVERSITY IN CONTRACTING

## 2022 ANNUAL REPORT



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The Port of Seattle exists on Indigenous land.

We acknowledge the ancestral homelands of those who walked here before us and those who still walk here, keeping in mind the integrity of this territory where Native peoples identify as the Duwamish, Suquamish, Snoqualmie, and Puyallup, as well as the tribes of the Muckleshoot, Tulalip, other Coast Salish peoples, and their descendants.

We are grateful to respectfully live and work as guests on these lands with the Coast Salish and Native people who call this home. This land acknowledgment is one small act in the ongoing process of working to be in good relationship with the land and the people of the land.

*Welcome Figure at The Smith Cove Cruise Terminal by Andrea Wilbur-Sigo of the Squaxin Island Tribe*

# EXECUTIVE SUMMARY

On January 9, 2018, Port Commissioners adopted a new Diversity in Contracting (DC) policy, Resolution 3737, that drives equity in Port contracting. The policy addresses historical disparities in women and minority business enterprise (WMBE) participation in Port contracting.

The Resolution requires:

- » Annual Division/Department goal-setting that feeds into annual Diversity in Contracting plan
- » Key Employee Diversity in Contracting Performance goals
- » Annual report to Commission
- » Inclusion Plans/Planning
- » Outreach/Technical Assistance
- » Dedicated WMBE liaison for each division

Goals and Five Year Benchmarks:

- » Triple the number of WMBE firms doing business with the Port
- » Increase to 15% the amount of spend on WMBE contracts within five years

## 2022 WMBE UTILIZATION

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2022 was the fourth full year of the Diversity in Contracting program operations, in which Port divisions and departments established 2022 WMBE utilization goals. On an annual basis, the Port starts from zero in its tracking of firms utilized and percent achieved.

- » Port-wide (construction and non-construction): WMBE spend in 2022 was 12.6% (\$59.3M) of the \$472.2M total Port spend, compared to its 15% goal for 2023 and its 12.1% utilization in 2021.
- » Non-Construction: WMBE spend in 2022 was 16.4% (\$44.2M) of the \$269.2M total Port spend, meeting its 15% goal for 2022 and showing an increase from the 13% WMBE utilization in 2021.
- » Construction: WMBE spend in 2022 was 7.5% (\$15.1M) of the \$203M total Port spend, short of its 12.5% goal for 2022 and its 11.5% WMBE utilization in 2021.
- » Firms Utilized: The Port worked with 351 firms in 2022, continuing to make progress towards tripling the number of WMBE businesses working with the Port (354 WMBE firms by 2023), and increasing from 344 firms in 2021.

## 2023 GOALS

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For 2023, the established WMBE total goal is 15%, with 13% WMBE goal for Construction.

## TRAJECTORY

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From one year to the next, the Port has steadily increased both the percentage of WMBE firms, as well as the number of WMBE firms it works with, as shown in the table below.

### Port WMBE Utilization 2016-2022

WMBE Utilization	2016	2017	2018*	2019	2020	2021	2022
Percentage	5.3%	8.8%	8.9%	10%	10.9%	12.1%	12.6%
Number of Firms	118	200	258	296	325	344	351

As the Port advances towards its first five-year WMBE utilization goal, the Diversity in Contracting staff remains focused on achieving the goals set forth by the Commission, which includes eliminating specific disparities in utilization for certain ethnic groups and women.





# DIVERSITY IN CONTRACTING

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## 2022 ANNUAL REPORT

# BACKGROUND

## DIVERSITY IN CONTRACTING PROGRAM BACKGROUND

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In 2018, the Port found that minority and women businesses were under represented and had been under utilized on Port contracts through past disparity studies and WMBE community concerns.

That precipitated the creation of policy directive 3737 the purpose of which was to promote equity and address historical disparities in women and minority business enterprise (WMBE) participation in Port contracting.

The Resolution required the Executive Director to develop a Diversity in Contracting (DC) Program that identifies affirmative efforts to offer women and minority businesses the maximum practicable opportunity to meaningfully participate on Port contracts and to achieve the Port-wide goals. This policy established:

- » Executive-level accountability that drives performance across the Port
- » Port-wide goal setting and reporting processes, requiring Divisions/Departments to establish annual WMBE Plans that include aspirational WMBE goals and performance targets
- » Clear lines of responsibility and accountability for implementation with designated WMBE liaisons for each division
- » Enhanced compliance and tracking of key performance objectives and incorporation of WMBE goals into the Port's Long Range Plan
- » Categories of contracts where inclusion plans and other tools will be used
- » Procedures to ensure prompt payment and change order processes
- » Expanded technical assistance for WMBE firms, coordination with external partners, and support for internal training to Port staff

The directive also established utilization goals for both the amount of contracting dollars paid to WMBE firms as well as the number of WMBE firms under contract to the Port.

### Five Year Goals for 2016-2023

1. Triple the number of WMBE firms that contract with the Port from 118 to 354
2. Increase the percentage of total dollars spent on WMBE contracts from 5.3% in 2016 to 15% by 2023

Furthermore, the Century Agenda goals to increase WMBE utilization in all Port contracts dictate the following actions:



1. Incorporate these WMBE goals into the Port's Long Range Plan to the fullest extent reasonable, including incorporation into Long Range Plan scorecards, reports, and Long-Range Plan updates. Further, the Executive Director shall prepare and publish an annual report each year titled Diversity in Contracting Annual Report;
2. Improve inclusion and outreach to sustain and improve WMBE participation and to reduce disparity in Port contracting;
3. Take affirmative efforts to ensure equality of contracting opportunity through the development and application of Inclusion Plans or other tools as necessary; and Expand opportunities for WMBE firms across Port functions, wherever practicable.



## WMBE PROGRAM BACKGROUND

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The WMBE Program is the flagship program of Diversity in Contracting at the Port. It is the program that is squarely within the authority of the Port, independent of other government requirements, and most directly impacts the five-year goals to triple WMBE firm participation and increase the percentage of dollars spent on WMBE contracts.

Internal to the Port, Diversity in Contracting staff in the WMBE Program perform the following actions:

1. Identify a WMBE aspirational goal for construction projects, Port-wide, for the year
2. Work with department and division directors to develop WMBE aspirational goals for non-construction projects, for their respective department/division, for the year
3. Conduct affirmative efforts to achieve the set goals
4. Monitor the attainment of the goals which is a part of directors' annual performance evaluation

The primary way the Port meets its construction goals, and department/division meet their annual non-construction goals is through WMBE goals that are applied to individual projects above certain dollar thresholds (which varies depending on the contract type).

The WMBE goal setting for projects is done in collaboration with Port project stakeholders, the Central Procurement Office, and prime businesses, and generally includes the following steps:

### **1. Establish WMBE goal**

The WMBE aspirational goal is the aspirational minimum percentage of WMBE participation that prime firms must agree to make efforts to achieve when responding to the project solicitation. The WMBE contract goal setting process begins during the “pre-procurement” phase when the Diversity in Contracting (DC) Department reviews the project’s scope of work and researches the availability of WMBE firms to determine the appropriate WMBE aspirational goal for that project.

### **2. Secure WMBE commitment**

Once a goal has been established, each contract type takes its own path to evaluate efforts for the selection of the prime contractor. During the solicitation process, DC staff negotiate with the selected prime and finalize the dollars or percentage of a contract that will go to WMBE firms.

### **3. Track performance against requirement**

Once the Prime accepts a final WMBE commitment percentage, it turns into a requirement they are contractually bound to meet. The DC team tracks the prime’s actual spend and percentage of WMBE spend against their WMBE requirement throughout the life of the project.

WMBE commitments are most often found in Inclusion Plans which prime contractors are required to provide during the solicitation process for a project. It includes a detailed description of the strategies and actions they will conduct to fairly and equitably outreach, support, and contract with WMBEs. The inclusion plan enables the Port to identify the contractors and consultants who share the Port’s value of diversity in contracting and is factored into the overall evaluation of solicitations. Prime contractors are typically asked to address the following items in their Inclusion Plan:

- » **Outreach strategy**
- » **Business development support**
- » **Strategies for meeting the contract’s WMBE aspirational goal**
- » **Approaches to resolving disputes**

Once a prime contractor wins a project with the Port, they are required to carry out all the strategies and actions described in the inclusion plan that they submitted in response to the solicitation.



## WMBE DATA

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The Diversity in Contracting team works closely with the Port Central Procurement Office's Planning and Analytics Team to extract, verify, and interpret data to guide decision-making. The data provided in this report comes from multiple sources:

- » **VendorConnect** – the Port's contracting portal for vendors and potential vendors
- » **Contractor Data System** – the database for the Central Procurement Office's contracts for service agreements and construction
- » **PeopleSoft** – the Port's Enterprise Resource Planning (ERP) software where all financial records are kept.
- » **Bank of America** for Procurement Card data

The Diversity in Contracting Team and Planning and Analytics Team also collaborate to extract, verify, and distribute quarterly reports to division and department leaders providing valuable information on how their groups are performing against their contract goals.

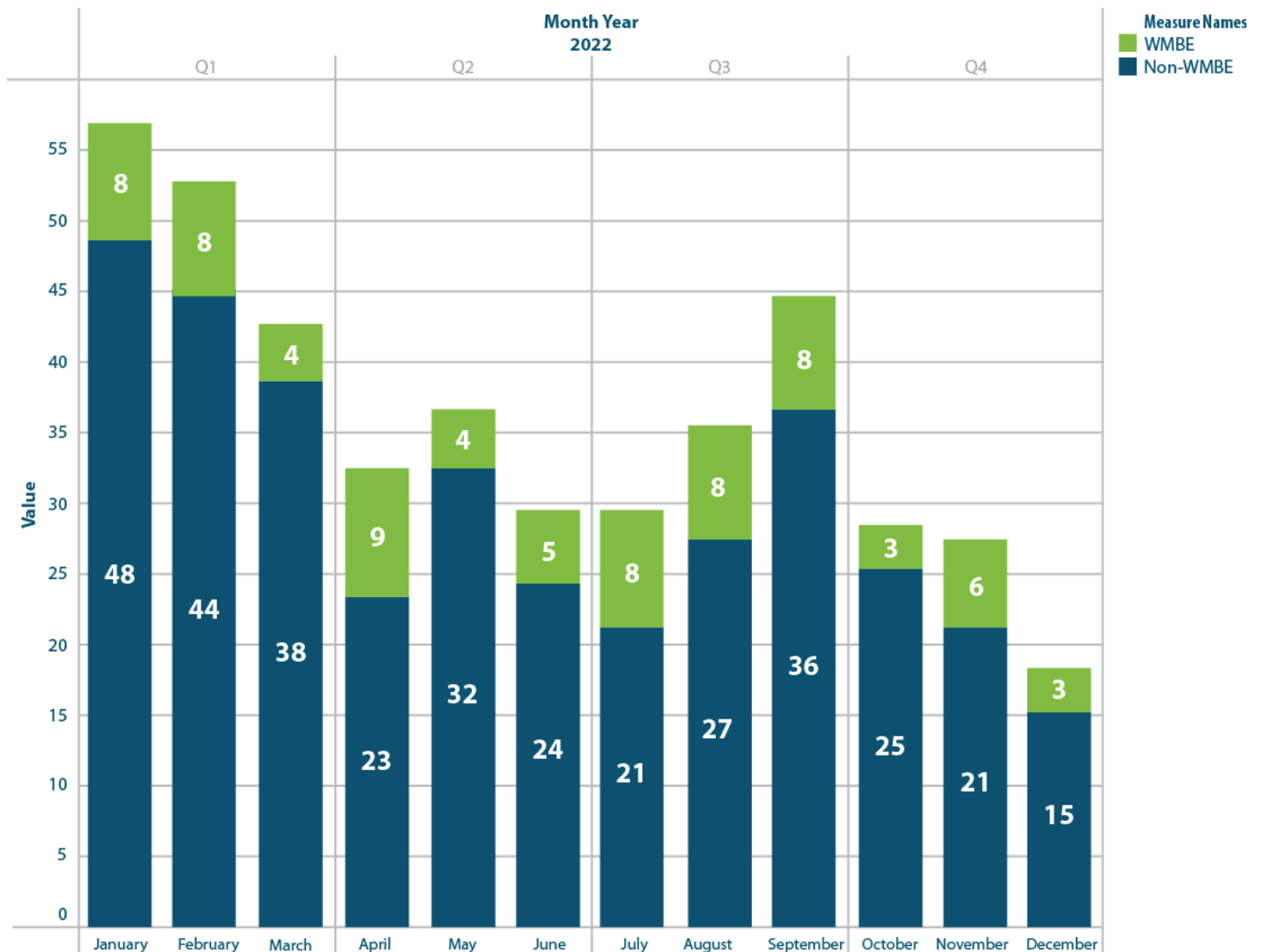


## VendorConnect

The Port’s contracting platform, VendorConnect, is the online marketplace for businesses and the place for WMBE firms to “see and be seen”. It is where Port employees and other government buyers search for and find firms, and in particular WMBE firms, to meet their business needs. It is also where WMBE firms can view Port contract opportunities, and all the information that they need to reach out to primes and other subcontractors that they would like to team up with on a Port project.

In 2022, there were 428 total new registrations, with 74 WMBE firms.

### 2022 VendorConnect Registrations by Month





# 2022 WMBE UTILIZATION AND 2023 WMBE GOALS

This section shows data on 2022 Port-wide WMBE utilization percentages for Port-wide projects, utilization by contract type, utilization by division, and WMBE utilization data breakdown by ethnicity.

## 2022 OVERALL WMBE UTILIZATION

**Port-wide** (construction and non-construction): WMBE spend in 2022 was 12.6% (\$59.3M) of the \$472.2M total Port spend, compared to its 15% goal for 2023 and up from its 12.1% utilization in 2021.

**Non-Construction:** WMBE spend in 2022 was 16.4% (\$44.2M) of the \$269.2M total Port spend, meeting its 15% goal for 2022 and showing an increase from the 13% WMBE utilization in 2021.

**Construction:** WMBE spend in 2022 was 7.5% (\$15.1M) of the \$203M total Port spend, short of its 12.5% goal for 2022 and its 11.5% WMBE utilization in 2021.

### Port-Wide (Public Works and Non Public Works) WMBE Utilization

Category	WMBE	Total	WMBE Percentage	WMBE firm number
Public Works (Construction)	\$15.1M	\$203M	7.5%	87
Non-Public Works	\$44.2M	\$269.2M	16.4%	271
<b>Total</b>	<b>\$59.3M</b>	<b>\$472.2M</b>	<b>12.6%</b>	<b>351*</b>

*\*The total does not double-count seven firms that did work in both public and non-public works.*

## 2022 WMBE UTILIZATION BY CONTRACT TYPE

Contracting at the Port is classified by the following types of work

- » Construction (also referred to as Public Works)
- » Service Agreements (also referred to as Professional Services)
- » Purchasing (also referred to as Goods and Services)

### Construction

Construction includes small works (<\$300K), major construction (>\$300K), and alternative public work (Job Order Contract, Design Build, General Contractor/Construction Management) projects.

In 2022, WMBE spend was 7.5% (\$15.1M) of the \$203M Port construction spend, compared to its 11.5% in 2021.

## 2022 Port-wide Construction WMBE Utilization

	WMBE Spend	Total Spend	% WMBE	WMBE firm count	Total firm count
<b>Major Construction</b>	\$13.9M	\$191.7M	7.2%	80	402
<b>Small Works</b>	\$1.0M	\$3.6M	28.1%	11	34
<b>Mega Project</b>	\$0.3M	\$7.7M	3.7%	5	61
<b>Total</b>	<b>\$15.1M</b>	<b>\$203M</b>	<b>7.5%</b>		

In 2022, Port construction spending was lower than in recent years. Although the Port executed 20 contracts, not many contracts resulted in spending which also meant fewer dollars spent on WMBE firms in construction. There was also one large (\$90M) specialized contract from a previous year that, due to the specialized nature of the work, had low WMBE utilization and which accounted for a large part of the total construction spend.

Since 2021, however, the Port has raised the average WMBE aspirational goal percentage on construction contracts. In 2022, projects over \$1 million had an average WMBE Goal of 11%, compared to 2021 where projects over \$1 Million had an average WMBE goal of 9%.

For 2023, the Port is anticipating projects that had goals set in 2022 to generate about 13% WMBE participation. A good portion of those contracts will enter construction phase during which WMBE firms will be active on projects.

The table below highlights a few major construction projects executed in 2022 with anticipated contributions to WMBE spend for 2023.

	Estimated Contract Value	Estimated Contract Length	WMBE Goal	WMBE Commitment	Anticipated WMBE Dollars
<b>Telecom Meet Me Room - Building - Design Build</b>	\$6M	14 months	12%	53%	\$3.2M
<b>Terminal 106 CBP Facility Renovation Design Build</b>	\$6M	18 months	11%	60%	\$3.6M
<b>North Employee Parking Lot Improvements Phase 1</b>	\$1M	8 months	12%	28%	\$0.3M



## Service Agreements

Service Agreements, also referred to as “Consulting Projects” is made up of Professional Service Agreements and Personal Service Agreements. Professional Service Agreements are architecture, engineering, landscape architecture, and land surveying services. Personal service agreements are for all consultant services that fall outside of the Professional Service Agreements disciplines. Service Agreements continue to leverage our Diversity in Contracting Inclusion Plan as a tool to increase utilization of WMBE firms for personal and professional services.

In 2022, WMBE spend was 23.6% (\$18.8M) of the \$79.6M Port service agreement spend, much higher than the 18% achieved in 2021. This is an increase of 6% of WMBE spend without increasing the overall Port spend to achieve the increase.

### 2022 Port-wide Service Agreement WMBE Utilization

Contract Type	WMBE Spend	Total Spend	% WMBE	WMBE firm count	Total Firm Count
Personal	\$5.4M	\$19.7M	27.4%	88	280
Professional	\$13.3	\$59.1M	22.5%	87	240
Other	\$0.05	\$0.8M	10.3%	2	17
<b>Total</b>	<b>\$18.8M</b>	<b>\$79.6M</b>	<b>23.6%</b>		

In 2022, the Port executed 85 Category III (above \$199,999) contracts, 44 of which had WMBE utilization requirements. Contracts without goals were either grants or had little no subcontracting available due to the size and scope of the projects. Internally, the Port developed a WMBE Utilization Calculator tool to assist project managers to monitor future work to ensure the firm is on track in achieving the contract WMBE requirement. This tool also helps determine if a firm is at risk of not achieving its WMBE requirement, allowing the Port to proactively work with the firm to develop a mitigation plan.

For professional services, Service Agreements participated in on-site PortGen events to further engage with the community to share upcoming projects, highlight key information on the Port procurement process, and network with attendees.

The table below highlights some key contracts executed in 2022:

Service Agreement Executed in 2022	Contract Value	Contract Duration	WMBE Requirement	Anticipated WMBE Dollars
Terminal 18 Design Services IDIQ	\$15M	5 years	15%	\$ 2.3M
Project Management Services IDIQ 1 of 2	\$9M	5 years	95%	\$ 8.6M
Project Management Services IDIQ 2 of 2	\$9M	5 years	16%	\$1.4M



## Goods and Services

Goods and Services contracts consist of operational needs such as janitorial services, supplies, and other services that do not fall under consulting services.

In 2022, WMBE spend was 22.9% (\$19.3M) of the \$84.5M Port goods and services spend, much higher than the 12% achieved in 2021.

### 2022 Port-wide Goods and Services WMBE Utilization

Contract Type	WMBE Spend	Total Spend	% WMBE	WMBE firm count	Total Firm Count
Goods and Services	\$19.3M	\$84.5M	22.9%	37	269

Within goods and services, janitorial services continue to be a major driver for the Port of Seattle's WMBE participation accounting for approximately 60% in 2022. Another major driver this year of WMBE spend in goods and services was the Port's Maritime security contract.

The table below highlights a few Goods and Services projects executed in 2022 that we are anticipating contributions to WMBE spend for 2023.

Contract Title	Estimated Contract Value	Estimated Contract Length	WMBE Goal	Anticipated WMBE Dollars
Consolidated Customer Support Services at SEA	\$3.3M	4 Years	12%	\$396K
Airport Janitorial Services - Zone 4	\$2.8M	5 Years*	20%	\$560K

\*Base is 3 years with 2 additional option years

## Purchasing: Direct Buy Purchases (P-Card)

Purchase card spend consists of purchases under \$4,999. These types of purchases consist of Amazon purchases, small work supplies orders, and smaller purchases to meet one-off needs that Port departments have to carry out their day-to-day work.

P-Card WMBE spend is calculated across all departments. This spend does not necessarily contribute to high WMBE utilization participation, but it does allow the Port to increase the number of WMBE businesses it works with, as P-Card purchases constitute a large number of the 351 WMBE businesses the Port did business with in 2022.

### 2022 Port-wide P-Card WMBE Utilization

Contract Type	WMBE Spend	Total Spend	% WMBE	WMBE firm count	Total Firm Count
P-Card	\$5M	\$95.4M	5.3%	90	4,618

## 2022 WMBE UTILIZATION BY DIVISION

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Each year, Diversity in Contracting works with divisions and departments to determine their WMBE utilization goal for the year. Performance is monitored on a quarterly basis and is a part of directors' annual performance evaluations. Aviation has the largest Port-spend out of the Port divisions, more spend than the other divisions combined, with spending in both public works and non-public works. In comparison, the Corporate division spend is much smaller and is almost entirely constituted of non-public works spend which is reflective of construction not being a part of its portfolio of work. As such, each division in the Port has different business needs which impact how many and what kinds of WMBE firms they work with. That does not, however, change the fact that within their unique parameters, each division is expected to increase WMBE utilization.

### Aviation

The Aviation Division is responsible for managing and developing the Seattle-Tacoma International Airport (SEA) which serves as a critical hub for passengers and cargo traffic in the Pacific Northwest. The Aviation Division oversees all aspects of airport operations which includes airline and passenger experience, Airport Dining and Retail, facilities maintenance and a variety of major construction capital improvement projects. Aviation has the largest Port-spend out of the Port divisions, more spend than the other divisions combined, with large sums spent on both public works and non-public works.

In 2022, Aviation Division spent 11.2% of its \$354M total spend with WMBE firms (\$39.6M). 6% of its \$164.6M construction spend went towards WMBE Firms (\$9.8M) and 15.8% of its \$189.3M non-construction spend went towards WMBE firms (\$29.9M).

### Corporate

Port of Seattle's Corporate Division is comprised of a large number of departments and programs which manage the Port's administrative matters. This division oversees a wide-range of departments, including, but not limited to: Finance, Human Resources, and Information Technology. Corporate Division's spend is comprised of various consulting, goods and services contracts, and IT Infrastructure support.

In 2022, the Corporate Division spent 26.6% of its \$30.9M total spend with WMBE firms, which is constituted only of non-construction spend, with WMBE firms (\$8.2M).

### Economic Development

The Port's Economic Development Division (EDD) plays an important role in promoting economic growth and development in our region. It is comprised of various programs and initiatives, which include Portfolio and Real Estate Management, Diversity in Contracting, and Tourism Development.

In 2022, EDD spent 17.9% of its \$10.2M total spend with WMBE firms (\$1.8M). 16.8% of its \$3.7M non-construction spend went towards WMBE firms (\$615K) and 18.5% of its \$6.5M construction spend went towards WMBE firms (\$1.2M)

## Maritime

The Maritime Division manages the operations, development, and maintenance of the Port's seaport facilities, which includes cruise and cargo terminals, as well as fishing and recreational facilities. Maritime Division dollars in 2022 were spent on a variety of Service Agreements in Waterfront Project Management. In the goods and services category, a large portion of the spend went towards security services for the various maritime sites. The Maritime Division's construction spend includes Terminal 117 Sites 23-25 Restoration Construction and a host of Small Works projects and Job Order Contract orders.

In 2022, the Maritime Division spent 24.9% of its \$22.7M total spend with WMBE firms (\$5.7M). 22.4% of its \$20M non-construction spend went towards WMBE firms (\$4.5M) and 43.3% of its \$2.8M construction spend went towards WMBE firms (\$1.2M)

## Northwest Seaport Alliance (NWSA)

The Northwest Seaport Alliance (NWSA) is a marine cargo operating partnership between the Port of Seattle and the Port of Tacoma. Although some of the projects executed are jointly managed, Port of Seattle Diversity in Contracting tracks and reports their WMBE Utilization as well.

In 2022, the Maritime Division spent 6.7% of its \$54.1M total spend with WMBE firms (\$3.6M). 4.1% of its \$25.3M non-construction spend went towards WMBE firms (\$1M) and 9% of its \$28.8M construction spend went towards WMBE firms (\$2.6M)





## 2022 WMBE Utilization by Division – Public Works and Non-Public Works Spend

Division	WMBE Spend	Port Spend	%WMBE Spend	2022 %WMBE Goal
Aviation	\$39.6M	\$354M	11.2%	15%
Corporate	\$8.2M	\$30.9M	26.6%	14%
Economic Development	\$1.8M	\$10.2M	17.9%	14%
Maritime	\$5.7M	\$22.7M	24.9%	16%
NWSA	\$3.6M	\$54.1M	6.7%	N/A

## 2022 WMBE Utilization by Division – Public Works Spend

Division	WMBE Spend	Port Spend	%WMBE Spend
Aviation	\$9.8M	\$164.6M	6.0%
Corporate	<\$1M	<\$1M	3.5%
Economic Development	\$1.2M	\$6.5M	18.5%
Maritime	\$1.2M	\$2.8M	43.3%
NWSA	\$2.6M	\$28.8M	9%

## 2022 WMBE Utilization by Division – Non- Public Works Spend

Division	WMBE Spend	Port Spend	%WMBE Spend
Aviation	\$29.9M	\$189M	15.8%
Corporate	\$8.2M	\$30.9M	26.6%
Economic Development	\$0.6M	\$3.7M	16.8%
Maritime	\$4.5M	\$20M	22.4%
NWSA	\$1M	\$25.3M	4%

## 2022 WMBE UTILIZATION BY ETHNICITY

While WMBE utilization is useful as an overarching metric, it is important to dive down into utilization more granularly because the barriers and disparities experienced by different marginalized groups are unique and need to be understood and addressed as such. This remains a challenge for the Port, however, as seen by the large number and percentage of WMBE spend that is “unspecified WMBE” for which the Port does not have data on the business owners’ ethnic minority status or gender status.

## 2022 WMBE Utilization by Minority Status and Gender

EthnicMinority Status	Gender	WMBE Spend	% of Port Spend	No. of Companies
Minority	Female	\$2.8M	0.6%	22
	Male	\$11.9M	2.5%	46
	Unknown	\$11.3M	2.4%	39
	Total	\$26M	5.5%	107
Non-Minority	Female	\$11.8M	2.5%	68
Unspecified WMBE		\$21.5M	4.6%	176
<b>Total</b>		<b>\$59.3M</b>	<b>12.6%</b>	

## 2022 WMBE Utilization by Ethnicity

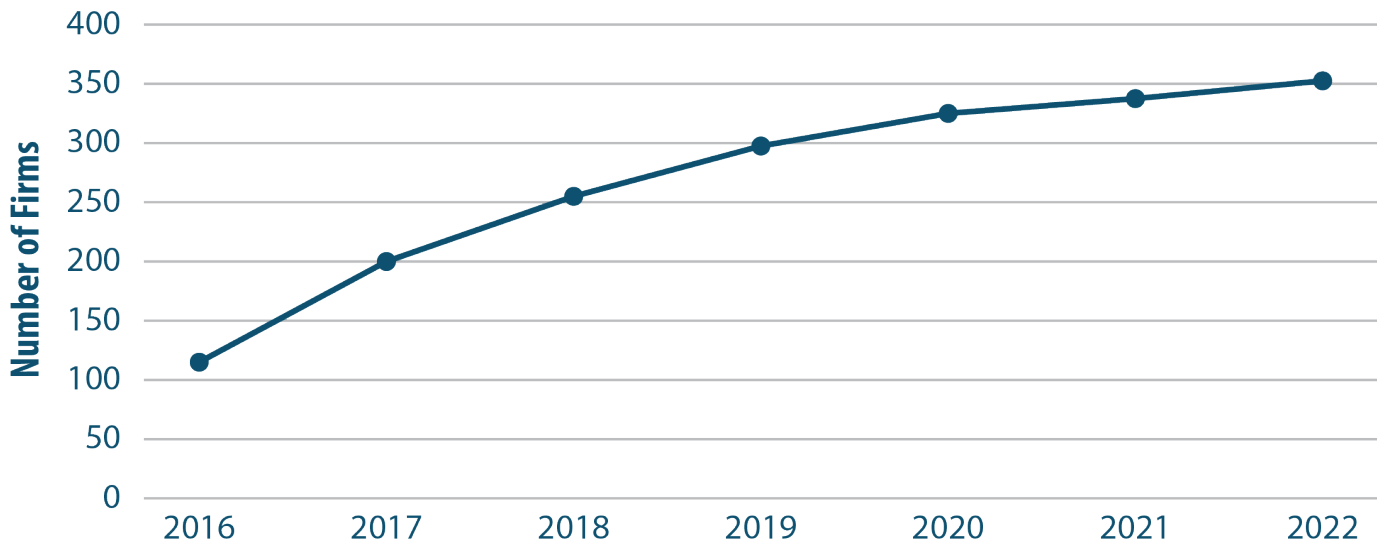
Ethnicity	WMBE Spend	% of Port spend	No. of Companies
Asian Pacific	\$5.3M	1.13%	34
Asian Subcontinent	\$1.9M	0.41%	3
Black or African American	\$10.3M	2.18%	22
Hispanic/Latino	\$5.2M	1.11%	28
Native American	\$3.1M	0.65%	14
Other Minority	\$0.1M	0.03%	6
<b>Total</b>	<b>26M</b>	<b>5.5%</b>	<b>107</b>



## WMBE FIRM PARTICIPATION 2016 TO 2022

Each year we track the number of WMBE businesses that work on Port contracts. Since our baseline year of 2016 the Port has gone from 118 to 351 firms in 2022. The table below shows the progression of overall WMBE Participation from 2016 to 2022.

2022 WMBE Participation from 2016 to 2022



## 2023 DIVISION GOALS

Working with division directors to set their annual goals by reviewing their 2023 budget items and the WMBE utilization possible in each, the Diversity in Contracting department identified a Port-wide 2023 WMBE aspirational goal for Non-Public-Works as 16% of dollars spent.

2023 WMBE Goals by Division (Non-Public Works Spend)

	2023 Projected WMBE Spend*	2023 Projected Overall Spend	2023 WMBE Goal% **	2022 WMBE Attainment
<b>Aviation</b>	\$16.6M	\$112.3M	15%	15.8%
<b>Corporate</b>	\$5.7M	\$33.5M	17%	26.6%
<b>Economic Development</b>	\$0.6M	\$3.9M	16%	16.8%
<b>Maritime</b>	\$1.2M	\$5.9M	21%	22.4%
<b>Total</b>	<b>\$24.1M</b>	<b>\$155.6M</b>	<b>16%</b>	<b>16.4%</b>

\*The amounts listed are estimates and actual spending may differ

\*\*The WMBE goals are projected targets and are rounded



The first Port-wide construction project was established in 2021. The Port-wide construction WMBE goal for 2023 is 13%

	2022 WMBE Spend	2022 Port Spend	2022 WMBE Utilization	2023 WMBE Goal
<b>Construction</b>	\$15.4M	\$203M	7.6%	13%

### 2023 Corporate Department WMBE Goals

Corporate Department	2023 Projected WMBE Spend	2023 Projected Overall Spend	2023 WMBE Department Goal	2022 WMBE Attainment
Central Procurement Office	\$14,883	\$148,830	10%	2%
Chief Operating Office*** check about merging	\$13,539	\$135,499	10%	1.63%
Commission Office** check about merging	\$2,220	\$22,000	10%	16%
Environmental	\$441,775	\$3,155,537	14%	20.4%
Equity, Diversity, and Inclusion	\$673,659	\$4,491,060	15%	38.3%
External Affairs	\$672,308	\$3,735,048	18%	20.1%
Chief Finance Office/IT	\$3,539,441	\$18,531,109	19%	37%
Human Resources	\$233,307	\$1,110,984	21%	18.7%
Internal Audit	\$1,409	\$140,928	1%	2.2%
Labor Relations	\$628	\$6,280	10%	25.1%
Legal	\$67,904	\$1,697,605	4%	4.9%
Office of Strategic Initiatives** check about merging	\$17,623	\$88,115	20%	71.1%
Police Department	\$10,800	\$200,000	5.4%	13.5%
<b>Total</b>	<b>\$5,670,958</b>	<b>\$33,462,995</b>	<b>17%</b>	<b>26.6%</b>



# DBE PROGRAM

The Diversity in Contracting (DC) Department has two distinct programs: The Women and Minority Business Enterprise (WMBE) Program and the Disadvantaged Business Enterprise (DBE) Program. While the WMBE Program was established and fully overseen by the Port, the DBE Program is a federal program. Projects that do not contain any federal funding have WMBE goals, whereas Port projects that receive Federal Aviation Administration funds are overseen by the DBE Program and have specific DBE goals.

The Department's Disadvantaged Business Enterprise (DBE) program is designed to remedy ongoing discrimination and the continuing effects of past discrimination in federally-assisted highway, transit, airport, and highway safety financial assistance transportation contracting markets nationwide. The primary remedial goal and objective of the DBE program is to level the playing field by providing small businesses owned and controlled by socially and economically disadvantaged individuals a fair opportunity to compete for federally funded transportation contracts.

It is the policy of the Port of Seattle to ensure that DBEs, as defined in 49 CFR Part 26, have an equal opportunity to compete for contracts, subcontracts, and agreements in the award, participation, and administration of USDOT-assisted contracts. The Port does this by:

1. Establishing an overall DBE goal covering a three-year federal fiscal year period which is submitted to the FAA. Goals are determined by availability of DBEs in the area and adjusted to reflect the possible DBE participation
2. Monitoring and ensuring DBE subcontractors are promptly paid for work
3. Gathering and reporting data to the Department of Transportation
4. Planning and participating in DBE training seminars
5. Ensuring contractor compliance with good faith effort requirements to meet the DBE goal

For the Federal Fiscal Year 2022, DBE firms were paid over \$3.4M (11.8% of DBE projects spend) for work performed on FAA-funded Port projects.

## 2023 DIVISION GOALS

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The focus of the DBE Program will be the following:

1. Increase DBE Participation on FAA-funded Port projects
2. Conduct informational sessions for upcoming DBE projects including Job Order Contract and Small Works projects
3. Collaborate with state and local transportation agencies to increase technical assistance training for DBEs
4. "Get certified" events with the Washington State Office of Minority & Women's Business Enterprises

# COMMUNITY ENGAGEMENT AND TRAINING

Diversity in Contracting's WMBE and DBE programs are complemented and supported by robust community engagement and training efforts, in which the primary goal is to improve and expand technical assistance (including WMBE certification, business development, training, and mentoring programs for WMBE firms) to enhance bidding expertise. Community engagement and training is comprised primarily of 1) training and growth opportunities, 2) communications targeted to the WMBE community, and 3) engagement and partnership with the WMBE Community, advocacy organizations, and other public agencies.

## 2022 COMMUNITY ENGAGEMENT AND TRAINING

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Through Port community engagement and training activities, the Diversity in Contracting team reached 945 individuals from 452 companies, which include 28 WMBE firms that have successfully secured work at the Port.

### PortGen

PortGen is the umbrella term applied to all in-person and online events hosted by the Port to connect WMBE businesses with business development training, Port contracts, or networking opportunities. Informational PortGen events focused on providing WMBE firms with what they needed to know about an area at the Port, or with specific upcoming projects so that they could determine whether they wanted to pursue it and could begin teaming with other firms well ahead of time if they chose to pursue it. The 2022 informational PortGen events included:

- » Introduction to Major Construction at the Port
- » SEA C1 Project Presentation
- » SEA Fire Station Project Presentation
- » Restroom Renovations Project Presentation

Other PortGen events, while they may include an informational component, are geared more towards enabling WMBE firms to create and maintain relationships with primes and other subcontractors with whom they can collaborate on projects at the Port and beyond. The 2022 networking-focused PortGen events included:

- » Aviation Industry Day featuring South Concourse Evolution
- » Maritime Industry Day featuring various projects
- » Aviation Maintenance Suppliers Meet and Greet



Complementing annual or one-time PortGen events are the Advanced PortGen workshops, a series of workshops that the Port hosted in Fall 2022 to empower WMBE firms with what they need to obtain their first government contract. The seven-week series consisted of weekly drop-in workshops which featured business development presentations, introductions to technical assistance agencies, and introductions to different government agencies. The Advanced PortGen workshops were very successful with a total reach of 137 participants, ranging from 23 to 47 participants per session and a participant satisfaction rate of 92.3%.

The Business Accelerator mentorship program is the most advanced PortGen offering. 2022 was the second year that the Port conducted the 10-week cohort Business Accelerator Program, designed to enable WMBE firms with previous government contracting experience to level up and get more work. Chosen from a pool of applicants, 13 WMBE businesses experienced twice weekly business development classes and weekly one-on-one sessions with a mentor who was selected just for them. Since the end of the program, two of the program graduates secured contracting opportunities with the Port, a number which we strongly anticipate will increase.



In 2022, Diversity in Contracting also began distributing weekly e-digests to the over 4,000 contacts on its mailing list so that those firms were always up to date on the latest Port contracting opportunity postings and upcoming training and networking events.

As always, the Port continued to support and partner with community organizations and outside government agencies to foster WMBE growth and expand the WMBE pools for our agencies to utilize. These events include attending monthly community advocacy group meetings, regular trade group meetings, and the Regional Contracting Forum.



# 2023 OUTREACH AND TRAINING PLAN

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Many of the engagement and training activities in 2022 will be carried over and developed further in 2023. Advanced PortGen and Business Accelerator will be improved upon but will remain largely the same. All other PortGen events, however, will be classified into the following categories:

- » PortGen 101 – Webinars providing essential information for working at the Port
- » PortGen First Look – Presentations (in person or online) on specific Port projects
- » PortGen Connects – Networking-focused in-person events

All PortGen activities, communications, and engagement efforts, will be in service of achieving the following goals for 2023:

1. Increase quantity and quality of relationships with WMDBEs measured by the:
  - a. Additional WMDBE firms DC reached
  - b. Number of relationships sustained
  - c. Number of relationships deepened with WMDBEs
2. More WMBE and DBE firms pursue [sub]contracts on Port projects measured by:
  - a. Number of WMDBE firms who understand the essentials of pursuing Port work
  - b. WMDBE firms awareness of the opportunities coming up
  - c. Engagement of Port Primes with WMDBE firms
3. More WMBE and DBE firms are better positioned to win contracts and subcontracts as measured by
  - a. Number of WMDBE firms connected with the right resources
  - b. Whether or not WMDBE firms build capacity through Advanced PortGen and Accelerator programs
  - c. Number of WMBE firms that get DBE certification







**PORT OF SEATTLE  
COMMISSIONERS**

Ryan Calkins  
Sam Cho  
Fred Felleman  
Toshiko Grace Hasegawa  
Hamdi Mohamed

**EXECUTIVE DIRECTOR**

Stephen P. Metruck

Port of Seattle  
P.O. Box 1209  
Seattle, WA 98111  
U.S.A.  
(206) 787-3000  
[www.portseattle.org](http://www.portseattle.org)

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