

# Multnomah County Community and Economic Development



# Contracts

*At Multnomah County, social equity is deeply imbedded into our policies, contracting efforts, and regional partnerships. Social equity is integral to our community development and economic development efforts. Small businesses are vital to our economy. In Multnomah County, small businesses account for 95% of all businesses.*

For more than 15 years, Multnomah County has implemented programs and policies to increase contracting opportunities for Minority-owned, Women-owned, and Emerging Small Businesses (MWESBs) across purchases of services and goods. Multnomah County contracts for goods and services under five major categories: (1) Construction; (2) Health & Human Services; (3) Materials; (4) Non-Professional Services; (5) Professional Services.



Multnomah County has put in place purchasing policies and procedures to foster a diverse vendor pool and a diverse workforce to meet the County's program and project needs. By growing a diverse vendor pool with an emphasis on the inclusion of local MWESB certified businesses the County hopes to make a positive contribution to economic development within the region. Vendor diversity increases competition on County procurements and cultivates new ideas and new approaches which often improve the way the County serves the community. In addition, these efforts help the County develop a strong community.

For the third consecutive year, services and goods contracts awarded to Minority, Women, and Emerging Small Businesses (MWESBs) exceeded 30% of all contract awards, with slight increases each year. In 2011, contracts awarded to MWESBs increased to 34.4%.

The total number of contracts awarded by Multnomah County decreased by more than one third compared with 2010. These declines, however, did not negatively impact MWESBs. Dollars awarded to Minority Business Enterprises (MBEs) through contract awards increased significantly. Compared to 2010, MBEs were awarded an additional \$739,000 representing an increase of 28%.

- **For the third consecutive year, contracts to MWESBs exceeded 30% of all contract awards**
- **In 2011, contracts to MWESBs increased to 34.4 % of all contract awards**
- **Dollars awarded to MBEs increased 28% from the previous year**



# Construction Workforce Development

Multnomah County utilizes a three-tiered approach in its commitment to construction workforce development. On the front end, the County provides financial support to youth development initiatives. These efforts focus on educating young people about the meaningful career opportunities available in the construction industry. The second tier is the County's support of pre-apprenticeship programs. The final tier is the County's WTHP which requires State-registered apprentice training on its formal construction projects.



## Workforce Diversity

### Pre-Apprentice Efforts

The entry point for a career in the construction trades for many women and minorities begins with their graduation from one of several pre-apprenticeship training programs. These programs are designed to provide individuals with the entry level knowledge, experience, work ethic and commitment necessary to gain entry into apprenticeship programs.

### Apprentice Efforts

The goal of Multnomah County's Workforce Training & Hiring Program is to increase the number of women and minorities in the construction trades by requiring apprenticeship training on Multnomah County construction projects.

Depending upon the trade, apprenticeships last from two to five years. Some apprentices will work for one employer throughout their apprenticeship while others will work for a number of different employers before they graduate to Journey status.

Apprentices usually begin their apprenticeship earning 50% of a journey workers rate of pay. Typically an apprentice earns a 5% wage increase every six months until they reach the journey worker status. Journey worker wage rates vary from trade to trade.

The County requires workforce training on its formal construction projects to ensure that County-funded projects offer equal opportunity employment in the construction trades.

The program requires prime and sub-contractors to provide apprenticeship hours in each trade throughout the project. For prime contracts over \$200,000 and sub contracts over \$100,000 contractors must:

- 1) Make every reasonable effort to employ a diverse workforce;
- 2) Be a registered Training Agent before starting work on the project;
- 3) Provide 20% apprentice hours in each trade throughout the project without exceeding the apprentice-to-journey ratio allowed by your apprenticeship programs; and
- 4) Submit monthly employment reports.

The County is committed to increasing the number of women and minorities in the construction trades through apprenticeship opportunities. By requiring apprentice participation on County projects the County is helping ensure a trained and diverse workforce will be in-place to meet the regional construction workforce demands of tomorrow.



# Business and Workforce Development



## Turner School of Construction

This training program provides is offered to Minority, Women and Emerging Small Business owners in the construction industry on an

annual basis. Over a six week period, participants learn about effective business plans; banking and financial management; marketing strategies; scheduling and estimating; purchasing; daily operations; safety; billing; risk management; and measuring performance. In FY11 Turner School of Construction graduated 40 MWESBs representing a mix of owners and employees of MWESBs. In addition to providing financial support, Multnomah County and other participating public agencies teach one of the seminars, which focuses on doing business with public agencies.

## Metropolitan Contractor Improvement Partnership (MICP),

This is a construction business training program that assists minority-owned firms with ways to improve and implement business management systems as well as on the job mentoring and project management. It focuses on those historically underutilized firms that are viable but are looking to increase their profitability and net worth. Program participants receive one-on-one consultation in financial management; projections and job costing; estimating; human resources; insurance and bonding; technology; safety planning; and project management. This program provided assistance to 44 Minority-owned businesses.

Through a number of existing programs, Multnomah County directs financial support to sponsor business and workforce development training for MWESBs and their employees and individuals seeking to enter the construction industry.

By providing hands-on business and workforce development services, Multnomah County is making a positive contribution towards the success and growth of a diverse vendor pool and workforce. Some of the programs Multnomah County provides financial support to include:



## University of Washington Minority Business Executive Program

University of Washington's Michael G. Foster School of Business provides training to minority business professionals in a variety of areas, including: finance and accounting; brand management strategy; leadership; entrepreneurship and innovation; marketing strategy; human resource management; and business ethics. This program provided training to 26 minority-owned businesses.

## Oregon Tradeswomen, Inc.

Oregon Tradeswomen, Inc. (OTI) provided training opportunities for low-income girls and women by holding the Building Girls Summer Camp and the Trades and Apprenticeship Career Class for Women. As a result of Multnomah County's sponsorship, 31 low-income women and 21 high school girls benefited from the training for careers in the building, construction, mechanical and utility trades. Many graduates of OTI's training programs go on to enroll in apprenticeship programs and to become Journey level trades people.



**Constructing Hope** Constructing Hope is a nonprofit pre-apprenticeship training program committed to rebuilding lives through training and career placement in the construction industry. The program is focused on providing training for low income individuals. Last year, 26 low income women and men received hands-on training in resume writing, interviewing techniques, financial management, Blueprint reading, construction math and sustainable building techniques. As with OTI's training program, the ultimate goal is for Constructing Hope graduates to enroll in apprenticeship programs and upon graduation from those programs to enjoy careers in the construction industry.

# Construction – Leveraging Construction Manager/General Contractor Projects

Multnomah County's Construction Manager/General Contractor (CM/GC) projects demonstrate the County's long term commitment to grow the vital infrastructure of the region's local economy: the small business contractor community and the diverse workforce in and around Multnomah County.

The CM/GC process allows agencies such as Multnomah County to make a value based decision in selecting a contractor to both manage the project and perform the work. Important County values such as social equity, sustainability, public involvement process and others can be incorporated into the evaluation process which helps ensure the CM/GC contractor that is selected is the best fit for the project. Multnomah County's most recent CM/GC project is the Sellwood Bridge Replacement Project.

## Sellwood Bridge CM/GC Project

The Sellwood Bridge Replacement Project represents the County's largest construction project to date. The County integrated Disadvantaged, Minority, Women, and Emerging Small Businesses (DMWESB) participation into all procurements and project phases. This project includes two major contracts: (1) the Engineering Services contract; (2) the Construction Manager/General Contractor contract.

## Architects' & Engineers' Efforts

Working with the selected Engineering Services contractor, T.Y. Lin International, Multnomah County achieved unprecedented DMWESB participation levels. Sixteen DMWESB sub consultants were awarded more than \$2.1 million – 15% of the overall contract value.

Going beyond contracting efforts, the County collaborated with TY Lin International to establish mentoring and technical assistance efforts including:

- Offered one-on-one mentoring for all 16 DMWESBs
- Arranged for additional one-on-one technical mentoring for two DMWESBs
- Offered three technical assistance classes for DMWESBs not participating on the project in the areas of marketing, ethics, sustainability, and elevator pitches



**Rajiv Ali, Principal Engineer, Rhino One, LLC**

"There are two kinds of organizations. There are organizations who have in their mission statements that they are going to increase the participation of minority-owned, women-owned and small businesses, but they don't

actively do an outreach effort. Now, organizations like Multnomah County do go out and they do implement and monitor the participation of smaller businesses."



**Vijay Deodhar, CEO, 3D Infusion Inc.**

"This bridge has ended up being a bridge to prosperity for us. Our firm has been put in a place where we can be at

the table with the larger companies and prove that we belong."

## Sellwood Bridge CM/GC Efforts

Multnomah County believes a multi-tiered social equity approach is essential to supporting the long term growth of local DMWESB businesses. Throughout the duration of the project, DMWESBs will be provided opportunities to build capacity and expand their businesses, learn from their peers in the industry, and benefit economically from the work they perform.

### Contracting

Specific efforts to provide opportunities and build capacity of local small businesses on the Sellwood Bridge project include:

- Established aspirational target of 20% DMWESB participation – multi-tiered contracting approach (estimated at \$44 million)
- Unbundled large bid packages to create the largest number of small business opportunities
- Researched the local DMWESB marketplace to determine areas with the highest DMWESB availability
- Contracts estimated to be \$500,000 and below – bid only to DMWESBs
- Contracts estimated to be \$500,000 and above – utilized a best value-Request for Proposal method and will assign 15% of the total evaluation points to DMWESB utilization
- Waived performance bonding for all DMWESB subs



**Mark Matthews,  
President,  
Pacific Mark  
Construction**  
"For small  
businesses like  
us, we never

would have had the chance to grow if Multnomah County hadn't reached out. When you're reaching out to minority contractors, you're reaching out to minority communities."



**Brandon Wick, scholarship  
recipient, Asian Reporter  
Foundation**

### Youth Development

Building the capacity of local young people is another component of project efforts. Through internships and scholarships, the construction and local community will realize future benefits as young people who were provided opportunities to help further their education and complete their training return to work in this community.

These efforts include:

- Provide paid internships for 8 college students
- Fund 24 scholarships totaling \$48,000 to college students through existing community scholarship programs to: African American Chamber of Commerce, Hispanic Chamber of Commerce, Asian Reporter Foundation, Native American Chamber of Commerce, and others.

### Workforce

Construction workforce development is another area of emphasis on large County projects. On the Sellwood project apprentice participation and workforce diversity goals were incorporated into the CM/GC contract.

- Established 20% apprentice workforce target
- Established overall diverse workforce target of 14% women and 20% minority workers

### Technical Assistance Services

During all phases of the project, comprehensive technical assistance to DMWESB businesses will be provided.

- Pre-award and Post-award assistance
- Business assessments offered to DMWESBs by a third party provider, at no charge to the businesses
- Technically and operationally mentoring 2 DMWESBs to become CM/GCs
- Mentoring 6-8 DMWESBs one-on-one

# Sustainable Purchasing and Social Equity



Additional Sustainable Purchasing policy innovations include:

- Sustainability checklists embedded into purchasing approval processes
- Includes services as well as goods
- Provides tools and resources online for employees, vendors, and other agencies

Multnomah County's unique approach to social equity leverages the County's purchasing power to bolster MWESB economic development. This policy is nationally recognized for social equity emphasis and metrics.

Multnomah County implemented a Sustainable Purchasing and Social Equity Policy in 2010. The policy provides a critical framework for staff to make buying decisions while integrating social and environmental considerations into purchases of services and goods.

Multnomah County seeks to conduct business with vendors who demonstrate responsible business practices through sustainability and social equity innovations. Our vendors are an integral part of the societies and communities in which they operate. Their influence extends to the employees they depend upon, the environment from which they draw their resources and the marketplace in which they participate.

The policy provides strong emphasis on social equity. These include:

- Mandatory allocation of 25% of proposal evaluation criteria for sustainability and social equity
- Allocation of social equity points (10%) in the areas of:
  - Past utilization of MWESBs
  - Current utilization of MWESBs
  - Workforce diversity
  - Overall business practices
  - Inclusion of employee healthcare and other benefits
- Requirements that purchases between \$5,000 and \$150,000 must solicit quotes from at least three MWESBs



# Regional Leadership

Multnomah County is actively involved with other public agencies and private sector leadership throughout the year to improve policies and efforts to ensure the long-term success of Minority-owned Women-owned and emerging Small Businesses (MWESBs).

## MWESB Summits

Since February of 2010, over 20 public agencies at the local, state, and federal level have participated in quarterly meetings along with leadership from Portland Area Minority Cham-



**March 2, 2012 Summit meeting co-sponsored by Portland Community College.**

bers of Commerce, and other small businesses organizations.

The goal of the MWESB Summit meetings is to share information, collaborate on new and existing policies, identify areas for improvement, and where ever possible, look for opportunities to implement policies and procedures consistently across agencies.

Each Summit is lead, facilitated, and co-sponsored by Multnomah County. With 11 Summit meetings convened to date, additional meetings are scheduled through June of 2014. Since the first Summit meeting in 2010, subsequent meetings have focused on specific topic areas ranging from workforce development, technical assistance, policies, and mentoring.



(Left to right) Sophia Cavalli, Multnomah County, Sam Brooks, OAME, Governor John Kitzhaber, Cheryl Myers, Governor's Office, Jorge Guerra, OAME

## Executive Leadership Summits

In early January, 2012, Multnomah County collaborated with the Governor's Office and Oregon Association of Minority Entrepreneurs (OAME) to convene private sector leadership from various industries and elected officials from the local, state and federal level. The Summit was designed as an open dialogue to discuss how to ensure that small businesses are growing and developing in the State of Oregon. Governor Kitzhaber co-sponsored the meeting and a subsequent meeting in October of 2012.

The goal of the Summits is to identify areas for collaboration and improvement in four areas: access to capital; procurement; internships and mentoring; and partnering with community and MWESB organizations.

Leaders will reconvene annually with Governor Kitzhaber to report back successes, new initiatives, and Lessons Learned. Ten work groups representing various industries ranging from healthcare, construction, universities, and utilities are currently under development and will provide input for inclusion in Oregon's State-wide Economic Business Plan.

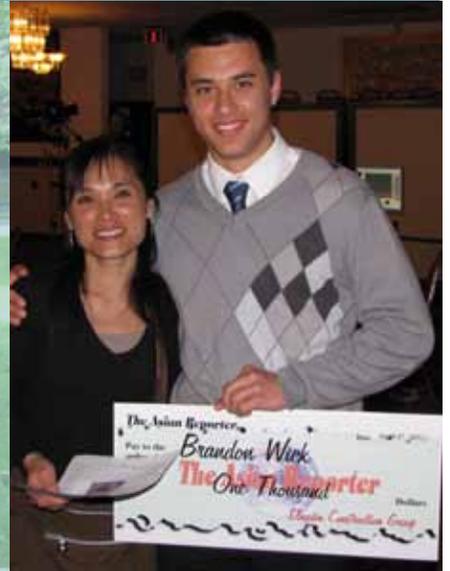
# Outreach

Throughout the year, Multnomah County staff attend more than 90 community meetings and events to market construction contracting and personal services opportunities. Attending community outreach events supports and strengthens our partnerships with diverse organizations and communities.

Some of the 90 plus organizations, meetings and events County staff attend to market opportunities include:

- Oregon Association of Minority Entrepreneurs numerous meetings and annual tradeshow
- National Association of Minority Contractors of Oregon monthly meetings
- Hispanic Metropolitan Chamber of Commerce monthly meetings and annual tradeshow
- Governor's Marketplace tradeshow
- National Institute of Government Purchasing & Oregon Public Purchasing Association Reverse Vendor tradeshow
- Philippine American Chamber of Commerce monthly meetings
- Asian American Pacific Islander Small Business Conference
- African American Chamber of Commerce meetings
- Native American Chamber of Commerce monthly meetings
- Urban Entrepreneurs Network annual Urban Summit





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