

Connie Ashbrook
Oregon Tradeswomen, Inc.

Nate McCoy
NAMC Oregon

Jonath Colon
Hispanic Metropolitan Chamber of Commerce

Melinda Dailey
NWUCA

Herb Fricke
Oregon Native American Chamber of Commerce

Jorge Guerra
Oregon Association of Minority Entrepreneurs

Pat Daniels
Constructing HOPE

Mark Matthews
Pacificmark Construction

Willy Myers
Columbia Pacific Building Trades Council

Sarah Coghill
AGC Columbia Chapter

Alando Simpson
Small Business Advisory Council

Valerie J. Solorzano
Chick of All Trades, LLC.

Shirlene Warnock
Innovative Growth Solutions, LLC

Megan Watts
Venture Portland

H.Q. LA
Pacific Asian Chamber of Commerce

Vicqui Guevara
Professional Business Development Group



CITY OF PORTLAND **Fair Contracting Forum Meeting**

Thursday, October 26, 2017

10:00 a.m. to 11:30 a.m.

3rd Floor, Rose Room, City Hall, Portland, Oregon

Meeting Summary

Welcome - Members and attendees were welcomed by Larry Pelatt, Acting Chief Procurement Officer for the City. The welcome was followed by self-introductions. Larry expressed that the Fair Contracting Forum (FCF) meetings are designed for City employees to learn from community members and visa-versa.

FCF Vision for The Future

Maurice Henderson started the meeting off by reminding everyone of the Mayor's commitments during his campaign last year and his expressed desire to improve the City's efforts to increase contracting opportunities with D/M/W/ESB firms and to strengthen diversity in the workforce, specifically on City funded projects. Maurice commented on the importance of this forum, noting that this is a place to hear the concerns of community members and to come together to solve the issues. He indicated that despite the bumps and bruises of this field of work, we are better together and that there are real opportunities to generate solutions.

CEIP

Larry Pelatt asked attendees to take look at the draft CEIP and reminded them that this is an opportunity to help move the City forward.

Larry shared his desire to change the format of the FCF meeting to ensure the community may also have a say in the agenda and have it lead by the community.

Nate McCoy from NAMC Oregon inquired about increasing the threshold for workforce training requirement limits that are currently at \$100,000 and looking to increase somewhere around the \$300,000 - \$500,000 range. This was a topic that had previously been discussed in the last FCF meeting. Larry indicated that he intends on bringing the "dollar threshold" conversation back to the table for discussion, but that the main priority in recent months has been the CEIP and he noted the City has had a change in leadership that has contributed to the conversation being slowed.

Nate added that the dollar threshold relates closely to the CEIP and CBA and doesn't want the conversation to get lost and forgotten. Ken Rust, City CFO shared that he and Tom have had several conversations about the dollar threshold and generally there is a desire to ensure the FCF is a part of the conversation and that it was pushed aside for the CEIP. Ken indicated that he like to have this on the agenda for next meeting.

There were some members who spoke up are against increasing the dollar threshold. Larry reminded the group that there has been no decision made regarding the dollar threshold and that several conversations must take place prior to anything official being made. A small group may be created to consider the subject of the dollar threshold. They would report back to the group on any possible solutions. The Profession Business Development Group expressed a desire to be part of the smaller group to ensure they were a part of the conversation.

Long Term Project Update and Forecast Preview: Bureau of Environmental Services (BES)

Jonas Biery from BES Business Services Group briefed the group on the BES three current big initiatives; the first is their equity plan, which is in place. It includes multiple strategic initiatives that address opportunities and evaluating those opportunities to expand equity in their construction and contracting projects which would include the design and predesign phases as well. Second, BES is about to publish a new Strategic Plan. It was created through engagement with the community as well as and through multiple City partners. It delineates 29 strategic initiatives, many of which identify the same kind of things this group is interested in such as: delivering services equitably, improving their capital delivery process, improving community relationships, supporting workforce development, and increasing their leadership role in the City. And Thirdly, BES is embarking on major Capital Improvement Plan (CIP) called Process Review and Enhancement Project. Jonas explained this project includes everything from concept to closeout and is driven by the need to increase the capital projects they perform by \$30M - \$50M a year, with the objective of getting to a sustainable asset replacement cycle. He suggested this will lead to an increase in work in the next five years and beyond.

Next, Jonas shared information on some opportunities coming from the Capital Improvement Plan.

- Sewer / pipe replacement; over 1/3 of Portland's 2,000-mile pipe system is over 80 years old and BES is embarking on an intentional process every year to start replacing a significant amount of the existing pipe infrastructure.
- 5-year CIP approximately \$600MM with approximately \$200MM for the traditional pipe replacement.
- Maintenance, rehabilitation and capacity expansion at the two treatment plants, the Columbia Boulevard treatment plant and the smaller Tryon Creek treatment plant.
- There are approximately 100 pump stations throughout the system and BES is methodically upgrading and replacing up to 3-4 per year until they are on a regular replacement cycle.
- Large projects moving forward: Both at the treatment plants, first at the Tryon Creek treatment plant headworks project with costs estimated at

\$54M, to be started by spring 2019 and completed by 2022. The next project is for the Columbia Boulevard Treatment Plant with a project estimate \$89M to expand secondary treatment as a part of a regulatory requirement. Estimated notice to proceed in 2019 with a completion in winter 2024.

Long Term Project Update and Forecast Preview: Portland Bureau of Transportation (PBOT)

Millicent Williams from PBOT gave an overview of the bureau's equity plan. She suggested that it is more than a plan on a shelf, that it reflects the values of equity, inclusion and consideration for people and organizations from across the City to ensure the inclusivity of everyone, and not just the usual partners. She indicated that PBOT is working on a strategic plan called, Portland Progress II that forces PBOT to ask questions of themselves to make improvements across the organization. Millicent said PBOT is ensuring they are working cooperatively to make sure investments are coordinated and that they continue to look for cost savings in addition to creating a sustainable future. She described how PBOT is attempting to have more compassion to the citizens as changes are made in our growing City, that they along with Prosper Portland, Metro, TRIMET and ODOT are working together to guarantee everyone is on the same page with large projects happening in Portland. She added that currently PBOT is in the process of implementing software called "E-Builder". E-Builder is a collaboration tool for project managers to be more efficient in communication and allowing contractors to have access to more data. She stated that they are also working on more effective forecasting for the next several years because significant community investment is coming from the bureau.

Nate McCoy expressed concerns with the disconnect between project managers and minority contractors. He suggested that there is a difference in specifications between ODOT, PBOT and TRIMET despite the similarity of the job.

Millicent replied to his concerns by saying they are looking at their capital project team to ensure they are creating opportunities to receive mentorship and training around how the City conducts business. She said that she is working collaboratively with Stacey Edwards the City's Prime Contractor Development Program (PCDP) Program Manager to engage in ways that are meaningful and impactful to break down barriers of perception.

Stacey Edwards said that procurement has a Project Manager Program designed to train young talent and reiterates the importance of top level leadership to make this a priority.

CEIP / CBA Draft Preview

In July, there were three resolutions going to Council: Community Equity and Inclusion Plan, Percent for community opportunity enhancement to create a City-wide program that would be used for technical assistance and increasing diversity in

the workforce and develop and implement a contracting delivery method selection process for contracts over \$10M.

City Project Analyst, Jamie Waltz indicated that they are looking for opportunities to possibly move from low bid winner to alternative contracting, CMGC and other types to boost the equity work the City is doing. There was a new resolution submitted October 24, 2017 that includes the conversation with the CEIP and CBA. The City still has the Community Opportunity and Enhancement Program (COEP) and the selection methodology is still with council and will be revisited again as a bundle of three on November 8, 2017.

Dante James states Commissioner Dan Saltzman wanted a CBA as the default process with projects over \$25M. The CEIP is moving forward for contracts under \$25M

Connie Ashbrook suggested there should be a partnership agreement (Exhibit A) because they should all go hand in hand. Jamie replied that what has been submitted to be heard by Council is the CEIP, Exhibit A: Partnership Agreement, and Exhibit B: City of Portland Community Benefits Agreement.

In closing, Tom Rinehart gave some closing remarks and said he looks forward to the next meeting on January 25, 2018.

