



CITY OF PORTLAND

Fair Contracting Forum Meeting Notes

Thursday, September 27, 2018

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

City Hall, 3rd Floor, Rose Room
1221 SW 4th Ave., Portland, Oregon

Meeting handouts:

Agenda, Attachment 1: Code of Conduct for Apparel Manufacturers and Service Providers, City of Portland Sustainable Procurement Policy

Welcome and Introductions

Lester Spitler opened the meeting with a welcome to all the attendees and a call for introductions and sharing.

Next, he introduced Kyle Chisek the Director of Bureau Relations with the Mayor's office presenter of the first agenda item.

Announcement from the Mayor's Office RE: Community Opportunities and Enhancements Program (COEP)

Kyle Chisek spoke to the group about the discussions they have been having with the City's Office of Management and Financial Services (OMF), Prosper Portland, and Work Systems related to the Community Opportunities and Enhancement Program (COEP) and how to best leverage the existing resources to accomplish goals. He explained that the discussion ranged from small business technical assistance, past due bill dates and workforce development grants and that those are through COEP and focused more on the construction industry and the trades rather than generally. He indicated that there is existing infrastructure in place and that they have discussed how they leverage both Prosper Portland and Work Systems to accomplish the goals that OMF has laid out as part of the CEIP and through the COEP.

Kyle indicated that moving forward OMF will have a key role in setting the direction on the outcomes, metrics and goals, that we are trying to accomplish, and he noted that they have been working with "you" over several years regarding the CEIP process. Kyle asked, "How do we engage Proper Portland?" by using their small business tech assistance resources and by leveraging the other aspects of their network. Work Systems would be a specific program, but it is also be able to leverage its other programs. He said that one of the things they are working on doing better, not only leveraging and coordination throughout the City, but to get better outcomes. Kyle added that they want to be very intentional on how they set up that program but admittedly he is not the expert on that; they will be relying on Procurement and OMF, Prosper Portland, and Work Systems. They are looking at Procurement, Prosper Portland, and Work Systems and how they interface as well. He indicated they want to put together a program that is transparent and accountable. He completed he overview and asked for any questions of concerns.

Nate McCoy suggested that the numbers have shown time and time again that Professional Services continue to rely on the City contracts and outside the City as well, and it doesn't seem like we looked at that fully as-a-way to support those small professional services – there is a need for design experts. He was wondering if that is something that will be coming to add value as well? Is that part of the next steps or in the future? Kyle suggested that is work they have been trying to do on the Professional Services side of things and that, that is something he would be in support of. We could look at that because that is how we grow and expand businesses.

Kyle received positive feedback from members regarding leveraging resources to get "more bang for your buck."

A comment about the goals included suggestions to make sure the primes are giving the work to subs that they said they would. There is concern that Professional services solicitations can change or have its scope reduce whenever "they" want once it has been awarded. Is there any way to measure if goals are accurately being achieved? Lester explained that Procurement has implemented a new software solution that tracks A&E contracts along with that, we have a dedicated compliance person that reviews the proposals that includes reviewing the participation and the companies that the primes said they would subcontract to. Lester expressed that we have "Upped" our game with the software and the dedicated person reviewing every design contract to make sure that the Primes are holding true to their word. Kyle left for another meeting, but Andrea Valderrama from the Mayor's office remained to answer any questions on the topic of the COE.

Jennifer asked that the group bear with us as we manage this transition and process with Prosper Portland and Work Systems. She assured those of you who applied for grants that we will be getting back to you on what the outcome of that process is; today we wanted to share what the high-level plan is and your feedback is appreciated because we are writing an agreement between OMF and Prosper to talk about outcomes, goals, metrics, etc.... Jennifer added that any feedback

you want to give us “we are open to, constructive, positive, or whatever it is.” A question regarding how “this” all came about was posed to Jennifer. She responded that they anticipated that OMF would be managing the process and the allocation of funds, monitoring etc.... but the Mayor’s office identified that we have resources in different parts of the City, in Prosper and relationships with other entities like Work Systems that we should leverage.

Jennifer indicated that there will be an IGA between OMF and Prosper, where we would be passing through the COEP monies and it will be administered through the infrastructure that is at Prosper and through Work Systems also. Her comments brought more feedback from the group. It was suggested that the City would be taking responsibility for administering this and that it feels like there were backdoor conversations taking place. Andrea Valderrama explained that from their end they are just trying to make sure they are utilizing the dollars as efficiently as possible. The IGA for us is going to assume we are using that existing infrastructure that is quick and the right level of guidance and support for those folks.

Nate made a point that “those” conversations were with a small group and wondered why FCF is just now hearing about it. Faye indicated there is some concern about administering the admin fees and is that taking from the other programs and she inquired about how those costs will be paid. Jennifer responded that the IGA will address that. Kelly Kupcak inquired about who is developing the IGA and if there is a sunset date to it? Jennifer indicated that she is not aware that there is a legal limitation for IGAs, but she will find out and get that information out to the group.

Maurice Rahming suggested that this group be allowed to help write out what the desired outcomes would be for Proper and Work Systems and be able to check in periodically to see how we are “hitting” those goals that we set? Jennifer reiterated that she is interested in their feedback and suggested that email her or Lester. She cautioned people to not overload Tiffani.

Lester said that they had intended to go to council on the 17th October for the COEP to update them but with the revised direction from the Mayor’s office we will have to own that and work out the details so that we can present it to them because it is a new direction. Jennifer suggested that she doesn’t want to push the date out to far because it is an ongoing thing and they will need to go back to council to keep them informed. She indicated that the date will be shared with them once they have it locked in.

Members continued to weigh in about the City partnering with Prosper and Work Systems to administer the COEP and its monies. There was discussion about the use of their programs and proof of effectiveness. Members provided feedback both pro and con but at the end of the day as Jennifer stated that “the Mayor’s office has made its decision”. Jennifer indicated that this group has an opportunity to weigh in on the outcomes they want, the tools we need, so it can basically be built to get us where we want to be. Tiffani encouraged members to voice their concerns. Jennifer let the group know that Tiffani is not where they should voice their concerns. Jennifer requested members send their ideas and concerns to she and Lester. Tiffani said also members can voice their concerns to the Mayor’s office.

Several members made suggestions “today” such as a request to know; who go the awards, quarterly reports, base line assessments (what is it costing the small contractor to for instance, correct work or fire someone who’s not performing”) what does that look like in dollars monthly and what percentage is the administrative costs are going to be going to Prosper and Work Systems. There was a suggestion that they also work with OAME because they give small contractors funds when they need it. Also, maybe the programs can track how many contractors they serve and what the inefficiency might be and streamlining the process for getting money for apprentices and having an ongoing stream of funds.

Pat Daniels suggested that funds are needed for existing programs. Comments were made about the pre-apprentice programs and the need for improving marketing. Also, it was mentioned how difficult it is to know what the different programs and rules are for the different agencies. Jennifer indicated that we should figure out a way to help make it easier for people so that they don’t have to remember how the entities do things.

Lester announced that the PCDP program is going through a Needs Assessment and he expects that members of the group will be contacted either by Stacey Edwards or Deborah Dunn to see if you would like to participate in a focus group session.

Maurice had feedback regarding the PCDP program and Jennifer asked him to expect a call from either Stacey or Deborah. Lester said that he will respond to the group and let them know when they can expect the call.

Sustainable Procurement Policy Update and Discussion

Lester introduced Stacey Foreman, the Sustainable Program Coordinator for Procurement Services. Stacey shared some of the City’s history relating its sustainability policies and practices. She explained that the City spends a lot of money and that

money has a lot of impact from economic developments to the factory workers who produce the products, so products can be toxic as can the working conditions. Through the City's sustainability purchasing policies and practices it can help to make things better. Recently the sustainable purchasing policy was updated from numerous policies and now housed under one umbrella policy. There is also an increase in expectations of what we should doing with the umbrella sustainable procurement policy. For instance, looking deeper at products, how they are made and under what conditions, and how the money is getting spent. She suggested that things are getting more complex but there are also more resources being made available whether its tools, networks to help tackle the more complex issues, there is even an international guidance document on sustainable procurement. She added more networks are being developed to help tackle the more complex issues.

Stacey spoke about the policy and explained that under the "Emerging Best Practices" section it focuses on more complexed issues and there is direction in there to have Procurement Services and the City as a whole, take action on those more complex issues. She didn't go through the entire updated policy but rather the highlighted the two areas that were most relevant to today's discussion. The recent resolution amendment City Council passed that directed "us" to beef up the language in the policy surrounding the labor issues and labor best practices. Stacey indicated that one of the proposed edits is in the Sustainable Procurement Policy at the bottom of page 4 (see handout) section titled Supplier Diversity and Fair and Safe Supply Chains. In that section they are proposing expanding the language in integrate more vendor requirements regarding labor best practices. The second area where she said they are proposing edits is under the Code of Conduct for Apparel Manufacturers. They are proposing expanding that to Service Providers (see handout Attachment 1: Code of Conduct for Apparel Manufacturers and Service Providers). Stacey noted that the proposed changes will expand the Code of Conduct to more areas and service areas. They also added language about Labor Peace Agreements, Wage and Benefits, under Just cause for Termination there are edits to discipline and dispute dissolution, and edits under Disclosure Responsibility. She added that these edits need to be reviewed and approved.

Lester explained that from an equity perspective that there wouldn't be any firms that would be disadvantaged by this new policy or the new standard we are creating. He expressed the conceptually that we are in support of what this is trying to accomplish but we also want to make sure it doesn't disadvantage a non-union minority that isn't at the point organizationally to respond to the criteria or disclose corporate responsibility.

The group poised clarifying questions to learn more about the intent and details of the policy. There were suggestions to expand the policy further, inclusion of language for subcontractor timely payments and change orders and possibly offer technical support to smaller businesses. Several members voiced support for the policy and proposed edits to the policy.

Lester thanked everyone for attending and contributing to the discussion, then meeting was adjourned.

Next Meeting

Tuesday, November 13, 2018

New location - Congress Center 11th Flr Conference Room

1001 SW 5th Ave, Portland, OR 97204

10:00 to 11:30am

