



Community Inclusion Update

2019-20 ANNUAL REPORT

Tacoma Public Schools | December 2020

Acknowledgements

Community Inclusion Taskforce Partners

Tacoma Public Schools
A. Philip Randolph Institute
Black Collective
City of Tacoma
NAACP 253 Tacoma Branch
Pierce County Building & Trades Council AFL-CIO
Tacoma Ministerial Alliance

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About Our Commitment

The Tacoma Public Schools Community Inclusion Commitment is the first of its kind in the state for public K-12 institutions and is designed to:

- Support local firms
- Expand opportunities for women- and minority-owned businesses and small businesses
- Create career pathway opportunities for young adults

COMMUNITY INCLUSION TASK FORCE

The Tacoma Public Schools Community Inclusion Commitment is a partnership between Tacoma Public Schools and our community partners and was signed by partner leadership and approved by the TPS Board of Directors in March 2016.

Members of the task force include representatives from Tacoma Public Schools, Pierce County Building & Construction Trades Council AFL-CIO, Black Collective, Tacoma Ministerial Alliance, City of Tacoma, A. Philip Randolph Institute, and NAACP 253 Tacoma Branch.

OUR COMMITMENT

This commitment outlines a number of activities and provides the following inclusion goals for new and maintenance-related construction projects:

- 30% local (Pierce County) businesses
- 10% minority-owned businesses
- 6% women-owned businesses
- 5% small businesses
- 15% apprenticeship utilization

Other parts of this agreement included commitments to:

- Modify procurement documents to require prime contractors to include Voluntary Inclusion Plans with goals for apprenticeship utilization and for helping meet the District's MWBE and SBE goals in all bid packages greater than \$300,000.
- Modify procurement documents to require prime contractors to report and make available to the District and Community partners monthly MWBE percentages, prevailing wage intents and affidavits, monthly certified payrolls with quarterly compliance review, monthly invoices paid to subcontractors with quarterly compliance review, and monthly apprenticeship utilization percentages.
- Promote and enforce apprenticeship utilization on all projects consistent with Washington law.

REPORTING PERIODS

Spending by the District is reported by fiscal year, which runs from Sept. 1 through Aug. 31. Spending by large contractors is tracked by contract, which can run multiple years.

Strategic Plan Analysis & Update

Strategy: Use contracting methods and language to increase inclusion of diverse, small and local businesses.

Inclusion Commitment Excerpt: Modify procurement documents to require prime contractors to include Voluntary Inclusion Plans with goals for apprenticeship utilization and for helping meet the district’s MWBE and SBE goals in all bid packages greater than \$300,000.

Situation	Actions	2019-20 Results
When this work began, we relied on once-traditional “Design Bid Build” contracting for our major capital projects, which meant the bulk of subcontractors were already identified on a project when they bid, leaving little room to negotiate opportunities for increased use of local or disadvantaged businesses after the award. Early use of Voluntary Inclusion Plans saw little if any impact.	<p>In 2017, TPS launched the first-ever K-12 campus project managed under a Design Build method, which allows the prime contractors to recruit, build relationships, and negotiate scopes of work and costs to meet project inclusion and budget goals, as well as create packages that support partnerships between larger and smaller businesses.</p> <p>Contract language was also included in the RFQ/RFP process to make the inclusion plan a significant part of the selection process.</p>	<p>TPS currently has four projects in various stages of design or construction using Design Build, and two projects concluding that use GCCM contracting.</p> <p>Of the six projects, three different prime contractors are involved; all four projects that have contracted out have exceeded contracting goals for local, minority and small businesses.</p> <p>Women-owned business inclusion is improving, but remains a hurdle due to a small amount of businesses in this category.</p>

Strategy: Improve documentation and review process to increase accountability and improve goal progress.

Inclusion Commitment Excerpt: In addition to promoting and enforcing apprenticeship utilization, the commitment specifies modifying procurement documents to require prime contractors to report:

- Monthly MWBE percentages
- Prevailing wage intents and affidavits
- Monthly certified payrolls with quarterly compliance review
- Monthly invoices paid to subcontractors with quarterly compliance review
- Monthly apprenticeship utilization percentages

Situation	Actions	2019-20 Results
Tracking certified subcontractors, certified payrolls, paid invoices and apprenticeship utilization in a transparent and consistent fashion is important for accountability but can be time-intensive for both owner and contractor.	TPS implemented B2G Now and LCP Tracker software to validate certification, monitor adherence to prevailing wage, capture real time apprenticeship data, and track certified payroll and progress payments.	Software tracking has enabled us to flag issues with prevailing wage and improper categorization of local or certified small businesses and allowed TPS to resolve those with contractors and subcontractors early in the process to maintain the integrity of our goals and data, as well as being able to pull real-time apprenticeship data.

Strategy: Connect with qualified businesses; connect businesses.

Inclusion Commitment Excerpt: N/A

Situation	Actions	2019-20 Results
<p>A common hurdle for including more disadvantaged businesses on projects, big or small, is making connections between project manager or prime contractor and the business. Project managers often work with people they have a relationship with, because they know what to expect. To build new relationships, and be more inclusive, we need to make new connections.</p>	<p>Prior to the COVID lockdown: TPS was able to hold one last in-person networking event in preparation for the Downing and Skyline replacement projects.</p> <p>TPS attended the Pierce County Alliance Tradeshow in March.</p>	<p>Major construction projects are all exceeding MBE, local and SBE goals.</p> <p>Direct spending on MWBE contracts under \$300,000 were much lower this year, at 3.4%. Part of this is due to reduced maintenance budgets, being between bonds, and COVID. TPS will be analyzing work orders and looking for opportunities to increase involvement of disadvantaged businesses.</p>

Strategy: Be serious about being certified.

Inclusion Commitment Excerpt: N/A

Situation	Actions	2019-20 Results
<p>Many area organizations, including some local governments, allow for self-certification, which has the impact of minimizing the value of being state-certified. We heard from some eligible MWBE businesses that certification can be a difficult process with little if any reward, since in previous years few required it to count toward goals. A reliance on self-certification not only devalues certification but makes it harder to find eligible businesses because they won't be in the state directory. Certification also shows a level of experience and expertise has been proven by the small business.</p>	<p>TPS now requires businesses to be state certified in order to qualify toward project MBE or WBE goals.</p> <p>Rare exceptions for this requirement are made on a case by case basis in consultation with the Minority Business Development Agency (MBDA) – Tacoma Business Center.</p> <p>We work closely with the MBDA to provide support for businesses needing help with completing the certification process.</p> <p>We continue to educate new contractors we bring on regarding this requirement, and that self-certification isn't comparable, and they are making adjustments to meet our needs.</p>	<p>All four major capital projects that have contracted out are above goal for minority-owned businesses.</p> <p>The City of Tacoma has incorporated state certification requirements into their diverse contracting strategies.</p> <p>In 2019, the state added "certification" in their RCW procurement language when referencing MWBE.</p>

2021 Work Plan

Planning and Construction

As we enter 2021, Tacoma Public Schools will start on large and small capital projects supported by the 2020 bond. Projects supported by these funds this next year include:

- Downing and Skyline elementary replacement projects
 - These projects use the Design Build process.
 - Contractor teams are currently in design; sub outreach will begin in the new year.
- Fawcett Elementary School replacement project
 - This project uses the Design Build process.
 - RFQ currently posted; RFP will be posted in January; contractor will be selected in February.
- Variety of small works projects, including roofs, HVAC, envelope work, pool updates, athletic fields, safety and security, etc.

Action items:

- **Use Design Build contracting whenever possible;** this contracting method allows TPS to work closely with prime contractors on subcontractor outreach and creating strategic bid packages that have resulted in a substantial increase in local, MWBE and SBE utilization on TPS projects. This contracting method has also been successful in controlling projects costs.
- **Require inclusion plans as part of the RFQ/RFP process;** scoring of RFQ/RFPs reflect local and inclusive hiring efforts as a priority.
- **Package small works projects together** to award to a prime following the RFQ/RFP and inclusion plan process to involve more small and microbusinesses in the work; this will enable mentorship partnerships and smaller businesses who might not be able to take on an entire project to participate and grow.

Facilities (formerly Maintenance & Operations)

Tacoma Public Schools Facilities opportunities are currently limited primarily to ongoing service contracts, emergency work orders, and bond-related projects. Known upcoming opportunities include:

- Exteriors of buildings for pressure washing, tuck and point brick work, painting and sealing the building envelope.
- Controls and boilers repair and replacement
- Pool upgrade and repairs

Action items:

- Increase minority-owned, woman-owned, small and local businesses on small works roster.
- Include minority-owned, woman-owned, small and local businesses in requests for quotes whenever possible.
- Work with Purchasing to **identify common contracting opportunities** by analyzing past work orders and **targeting small works roster recruitment to meet those needs.**
- Participate in sub outreach and training.

Procurement & Business Outreach

Tacoma Public Schools works to proactively recruit local, small and diverse businesses to its small works roster, as well as connect our prime and subcontractors with opportunities to work together while following state and district processes and policies for public works procurement.

Action items:

- Participate in networking events (such as the March 2020 Alliance tradeshow that occurred just prior to shut down). While such events are currently on hold, we will **continue to look for opportunities to connect and recruit local, small and diverse businesses to our small works roster.**
- **Facilitate training to potential subcontractors**, including “How to Do Business with TPS” and other trainings in partnership with PTAC, the City of Tacoma, MBDA-Tacoma, OMWBE and other partners.
- **Create and implement “virtual networking” and outreach opportunities** to continue efforts to recruit businesses to our small works roster and connect our prime and subcontractors despite COVID restrictions.
- Research RCWs and policies to **refine public works contracting procedures.**

Accountability Tracking & Reporting

Tracking our efforts and connecting with project managers and contractors over the course of a project is key in keeping on the right track, and identifying opportunities. In 2021, tracking and reporting methods will include:

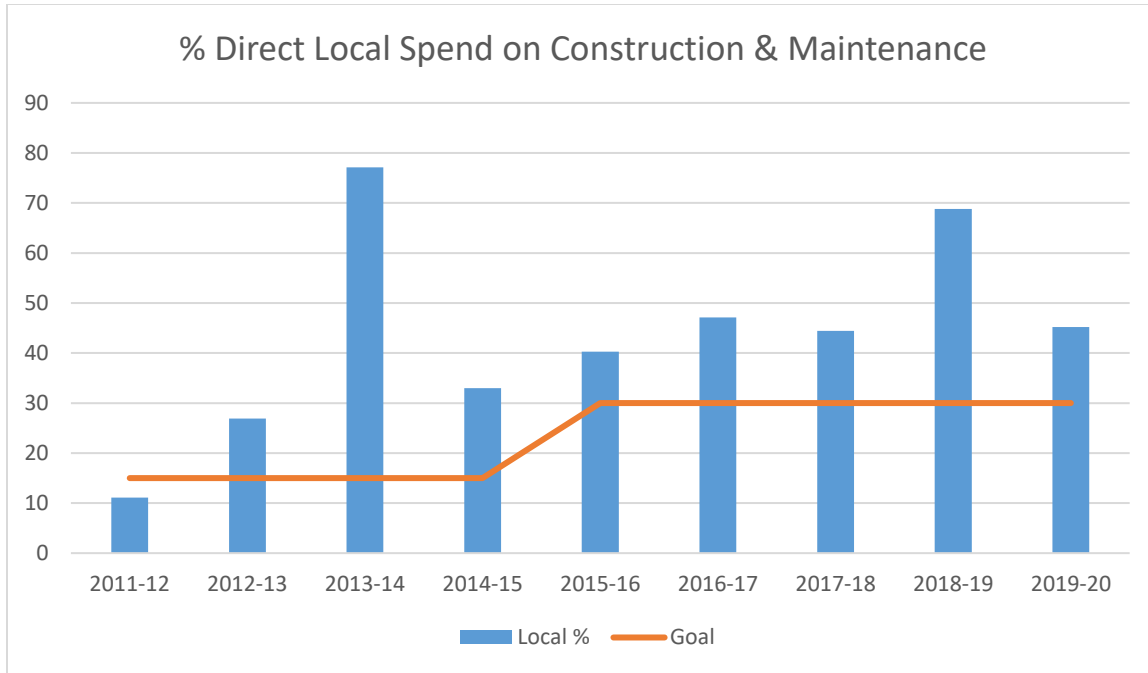
- Quarterly check-ins with the Community Inclusion Task Force (April, July, October, January)
- Quarterly conversations with contractors regarding progress (March, June, September, December)
- Annual school board update in January
- Monthly checks with project managers (TPS and contractor)

Action items:

- Regular review of data points with project managers and contractors to ensure compliance.
- Audit contractors’ utilization reports to confirm certification and/or local business status.
- Regular review of apprenticeship utilization.
- Regular review of progress payments.
- Use of LCP Tracker to ensure prevailing wage and apprenticeship utilization.

TPS Local Spending Data

This data shows Tacoma Public Schools spending on local businesses as part of District-managed contracts for new or maintenance-related construction projects. Local is defined as headquartered in Pierce County. This only measures the contracts that are between TPS and a contractor, and does not take into account subcontracting data.



	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Total spend	\$40,586,477	\$14,365,973	\$36,263,513	\$28,008,025	\$146,433,097	\$107,805,501	\$69,470,868	\$74,580,025	\$95,256,971
Local spend	\$4,498,144	\$3,857,507	\$27,950,648	\$9,249,312	\$58,993,559	\$50,736,020	\$30,857,135	\$51,306,306	\$43,085,127
%	11.1%	26.9%	77.1%	33%	40.3%	47.1%	44.4%	68.8%	45.2%

Narrative

Tacoma Public Schools local contracting has been able to consistently exceed the 30% inclusion goal, with significant increases showing where contractors and architects on capital projects are headquartered in Pierce County.

TPS MWBE Spending Data

Since state-certified MWBE businesses are by definition small businesses, larger contracts (such as for prime contractors on large capital projects) are generally beyond the scope of certified MWBE businesses. Larger contracts are required to have inclusion plans; that data summary is included later in this report.

MWBE Breakout: TPS spending on vendor contracts totaling under \$300,000

This data shows Tacoma Public Schools spending on MWBE businesses as part of District-managed contracts for new and maintenance-related construction projects \$300,000 in comparison to the District's goals. Total spend in this category also includes ongoing service contracts, equipment and supply purchase, permits, etc.

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Total spend in category	\$2,620,700	\$5,286,376	\$5,845,308	\$5,837,522	\$8,029,526	\$8,060,415	\$8,059,796	\$7,398,142	\$5,520,119
Total MWBE contracts spend under \$300,000	\$45,842	\$95,120	\$178,119	\$504,788	\$181,224	\$645,880	\$954,470	\$883,360.05	\$188,831.12
%	1.8%	1.8%	3%	8.6%	2.3%	8%	11.8%	11.9%	3.4%

Narrative

The 2019-20 fiscal year was an anomaly for TPS, in dealing with recent budget cuts, COVID, and the dip between the 2012 bond projects wrapping up and the 2020 bond projects coming online in 2021. This spending category also includes basic department spending needs such as ongoing service contracts, equipment and supplies, permits, etc. While TPS continues to look for MWBE opportunities, the majority of work this past year has been limited to ongoing or emergency work via existing service contracts.

Small Works Vendor Utilization Breakout Analysis

2019-20 MWBE Utilization for Tacoma Public Schools Small Works Projects

Total TPS construction contracts under \$300,000 - \$5,520,119			
<i>Business name</i>	<i>2019-20</i>	<i>MBE</i>	<i>WBE</i>
Orca Pacific Inc.	\$74,287.39	X	
Aamex Inc.*	\$33,339.12	X	
Excel Electric of Tacoma	\$31,693.52	X	
S&T Window Films LLC	\$7,267.69	X	
Image 360	\$4,153.59	X	X
Wedderman Architecture	\$3,000		X
JMS Masonry Restoration	\$1,757.69	X	
EHS International	\$1,639	X	
Total MWBE spending on contracts under \$300,000**		\$188,831.12 (3.4%)	

* Certification OK'd by MBDA director

Construction Management Spending Summary

As part of our work to open the door to smaller businesses, we are working with contractors over \$300,000 to thoughtfully involve diverse subcontractors. This includes making inclusion commitments part of our construction management contracts.

Vanir is a woman-owned construction management firm based out of Seattle. While they were once certified, they are no longer small enough for state certification. They are working on the Grant Center for the Expressive Arts and Skyline Elementary Replacement Projects.

Project: Grant Center for the Expressive Arts		Vanir total contract amount: \$900,000		
As of 10/31/20		Paid to date: \$898,100		
		Commitment		Paid to-date
Subcontractor	Role	MBE	WBE	
Green Project Solutions	Value engineering	7,250		\$7,901
Ato Apiafi	Planning & Permit Coordination	\$7,200		\$7,200
Platinum	Change order estimating	\$20,300		
Platinum	Cost control	\$92,625		\$91,233
Jimale Technical Services	Document Services		\$84,524	\$85,366
Total		\$127,375	\$84,524	\$191,700
Percent of contract amount		14.2% <i>Goal: 10%</i>	9.4% <i>Goal: 6%</i>	21.3% (current)
* Jimale Technical Services is a certified MWBE business.				

Project: Skyline Elementary Schools		Vanir total contract amount: \$1,100,00		
As of 10/31/20		Paid to date: \$146,797		
		Commitment		Paid to-date
Subcontractor	Role	MBE	WBE	
Platinum	Estimating Review	\$37,530		\$2,970
Platinum	Change Order Estimating	\$33,750		
Jimale Technical Services	Document Services		\$127,312*	\$545
Jimale Technical Services	Set up TPS Sharepoint		\$9,348*	
Total		\$127,375	\$84,524	\$3,515
Percent of contract amount		6.5% <i>Goal: 10%</i>	12.4% <i>Goal: 6%</i>	2.4% (current)
* Jimale Technical Services is a certified MWBE business.				

Parametrix is a locally owned business that provides engineering, planning, environmental services, land surveying and construction services. Parametrix is providing construction management on the Boze Elementary Replacement Project.

		Parametrix total contract amount: \$1,172,446		
		Paid to date: \$717,628.19		
		Commitment		Paid to-date
Subcontractor	Role	MBE	WBE	
Jimale Technical Services	Document services		\$96,292	\$110,337
Urban Tech	Construction management	\$296,260		\$13,480
Total		\$296,260	\$96,292	\$123,817
Percent of contract amount		25.3% <i>Goal: 10%</i>	8.2% <i>Goal: 6%</i>	21.1% (current)
* Jimale Technical Services is a certified MWBE business.				

Capital Construction Spending Summary – 2019-20

Below reflects construction contracting commitments through November 2020 on active capital projects.

Hunt Middle School – Absher

***Current contract value: \$54,703,360.69**

	MBE	WBE	SBE	Local	Apprentice utilization
Goal	10%	6%	5%	30%	15%
Contracted	14.74% \$8,065,608.20	4% \$2,180,140	44.2% \$24,191,735	93% \$50,988,452.69	23.32% 13,030.25 apprentice hours
Confirmed paid to date (B2G audits)	5.3% \$2,896,854	1.2% \$661,627	13.1% \$7,170,609	31% \$16,982,125.50	55,875 total hours

*Contracting still in progress

Birney Elementary School – Turner

Current contract value: \$29,553,421.89

	MBE	WBE	SBE	Local	Apprentice utilization
Goal	10%	6%	5%	30%	15%
Contracted	15.1% \$4,470,818	0.17% \$50,159	5% \$1,477,671.09	48% \$14,058,246.67	17.9% 23,223.25 apprentice hours
Confirmed paid to date (B2G audits)	11.4% \$3,367,240.50	0.08% \$24,432.75	6.1% \$1,814,351.92	31% \$9,129,984	129,954.11 total hours

Boze Elementary School - Korsmo

Current contract value: \$27,122,450

	MBE	WBE	SBE	Local	Apprentice utilization
Goal	10%	6%	5%	30%	15%
Actual	29.92% \$8,114,173.05	2.74% \$743,897.71	7.101% \$1,925,900.88	82.37% \$22,339,742.94	20.7% 19,493.91 apprentice hours 94,218.10 total hours

Grant Center for the Expressive Arts - Korsmo

Current contract value: \$26,095,340

	MBE	WBE	SBE	Local	Apprentice utilization
Goal	10%	6%	5%	30%	15%
Actual	25% \$6,531,141.50	2.28% \$595,101.35	6.04% \$1,576,443.60	87.32% \$22,788,302.52	15.77%