



Community Inclusion Report

2016-17 Year-End
Monitoring Update

Tacoma Public Schools | JANUARY 2018

The Tacoma Public Schools Community Inclusion Commitment was approved by the Tacoma Public Schools Board of Directors in March 2016, and signed by community task force members and partners between March and May 2016.

The first of its kind in the state for public K-12 institutions, the Community Inclusion Commitment is intended to support local firms, expand opportunities for women- and minority-owned businesses and small businesses, and create career pathway opportunities for young adults by promoting and enforcing the use of apprenticeships on all projects.

These goals were created by a community task force involving Tacoma Public Schools, the Pierce County Building & Construction Trades Council, the Black Collective, Tacoma Ministerial Alliance, the A. Philip Randolph Institute, and the NAACP 253 Tacoma Branch.

About this report

In this report we outline the 2016-17 inclusion progress according to the goals outlined in the Community Inclusion Commitment, as well as work being done to improve the district's inclusion efforts and next steps.

Reporting periods

Spending by the district is reported by fiscal year, September 2016 to August 2017.

Subcontractor spending by contractors is reported to-date on the project as of January 2018.

COMMITMENT: INCREASE LOCAL BUSINESS INCLUSION

- ✓ *Contract with local businesses (local business being defined as firms headquartered Pierce County, except where Washington law or regulation requires Tacoma Public Schools to define local in a different manner).*

PROGRESS -- *Goal: Increase local share of total construction to 30 percent.*

- **The percent the school district spent on local contractors continues to exceed our 30 percent goal.**
In 2016-17, local spending was 47.1 percent.
- **Overall local spending by contractors on tracked 2013 capital bond projects is 31.77 percent.**

NEXT STEP: Continue to emphasize local hiring as a priority with our contractors and internal project managers.

COMMITMENT: INCREASE MWBE/SBE INCLUSION

- ✓ *Adopt the Governor's diverse business goals*

PROGRESS -- *Goals: MBE (10%); WBE (6%); SBE (5%)*

- **District spending on minority- and women-owned business enterprises increased in 2016-17 to 6.2 percent.**
- **Overall MWBE spending by contractors on tracked 2013 capital bond projects remains below goals, with 1.26 percent for MBE and 1.53 percent for WBE.**
- **Overall SBE spending by contractors on tracked 2013 capital bond projects is above goal at 37.69 percent.**

KEY RECENT EFFORTS

- Re-emphasized internal use of MWBEs on contracts below \$40,000.
- Increased community outreach and efforts to connect prime contractors with MWBE vendors prior to bid deadlines by sharing contact information and scheduling pre-bid networking opportunities.
- Improve district contracting language and processes to prioritize inclusion strategies as part of a successful project.

NEXT STEPS: See *"Modify processes to support MWBE, SBE, Apprenticeships"* section.

COMMITMENT: MODIFY PROCESSES TO SUPPORT MWBE, SBE, APPRENTICESHIPS

Modify procurement documents to require prime contractors to include "Inclusion Plans" in all bid packages greater than \$300,000 which will utilize subcontractors.

PROGRESS – Complete, with ongoing process improvement

- Overall, projects with inclusion plans have not seen a significant improvement in meeting inclusion goals.
- Of the four contractors who have started work with TPS under this inclusion, Pease & Sons has exceeded both local and SBE goals, and come the closest to meeting MWBE goals with 4.04 percent MBE and 3.86 percent WBE.
- Overall, contractors are exceeding apprenticeship goals except for one (work still in progress).

KEY RECENT EFFORTS

- TPS has added language into prime contractor RFQs and RFPs that includes requiring specific outreach and project strategies for increasing inclusion. These responses are a significant part of the contract scoring, thus encouraging contractors to be thorough and thoughtful in their proposals and meaningful in their efforts. Upcoming contracts that will be impacted by these efforts: Construction Management, Birney, Grant, and Boze.

NEXT STEPS

- Review contracting processes and bid submittals to look for trends, areas of improvement, success stories, and opportunities.
- Monitor and measure inclusion progress as new projects move forward with increased inclusion emphasis.
- Continue to look for opportunities to connect prime contractors with local/MWBE/SBE subcontractors.
- Continue to look for ways to improve procurement document language and requirements.
- Work with partners to identify opportunities for TPS students to become apprentices on TPS projects.

COMMITMENT: **MODIFY REPORTING PROCESSES**

Modify procurement documents to require prime contractors to report and make available to the District and Community Partners:

- *Monthly percentages of MWBE, SBE, utilized on the project.*
- *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.*
- *Promotion and enforcement of apprenticeship utilization on all projects consistent with Washington law.*

PROGRESS – In progress, with ongoing process improvement

- We are currently collecting this information from our prime contractors.
- Roll-up data can be found on page 10. Documentation can be provided upon request.

NEXT STEPS:

- Refine document collection and review processes.
- Define and implement quarterly compliance review process.

2016-17 TPS OUTREACH

- Purchasing Forum at Clover Park Technical – Oct. 6, 2016
- How to do Business with TPS vendor training event – Oct. 13, 2016
- Alliance Northwest Tradeshow, Puyallup Fair Grounds – March 9, 2017
More than 900 vendors in attendance; 28 signed up to be notified of How to do Business with TPS
- Regional Contracting Forum, Seattle – April 12, 2017
More than 800 vendors in attendance; 10 signed up to be notified of How to do Business with TPS
- How to do Business with TPS vendor training event -- May 17, 2017
 - 22 vendors attended (five more than previous event)
 - Presentations by Procurement Technical Assistance Center and Keith Armstrong.
 - Available for networking and questions: Mortenson Construction, Korsmo Construction, TPS Purchasing Department

LOOKING FORWARD

As Tacoma Public Schools continues to implement and update its Community Inclusion Program, here are some key efforts you will see as 2017-18 progresses that we believe will continue to improve TPS inclusion results.

- **Hosting project-specific networking events to connect prime contractors with subcontractors.** We have hosted two so far, for the Construction Management professional services contracts and another for the Boze Design Build project. Contractors for Birney and Grant replacement projects were also invited, and we plan to work with selected contractors (Turner and Korsmo) to do additional outreach once bid packages are identified.
- **Including inclusion past performance and project-specific inclusion plans as part of the RFQ and RFP selection process** for construction contractors, as well as professional services contracts over \$300,000. This was a part of our selection process for playground installation, construction management professional services, and for the Birney, Grant, and Boze replacement projects. Each time we work to refine the process and emphasize with bidders the importance of these goals.
- **Creating career pathways for Tacoma students.** In addition to emphasizing minimum 15 percent apprenticeship utilization on construction projects, we are working to create a more intentional pathway for recent graduates to enter into apprenticeship programs and participate in TPS school replacement projects.

TPS is participating in the **Alliance NW** training and vendor outreach event on March 15 at the State Fairgrounds in Puyallup.

We will hold another **How to Do Business with TPS on Wednesday, April 25, 2018**, at TPS Professional Development Center, 6501 N. 23rd Street, Tacoma. Training begins at 4:30 p.m. in the QUAD room. TPS will partner again with City of Tacoma as well as offer an opportunity to meet and greet with prime contractors.

With current Community Inclusion goals tied to implementation by the end of 2018, part of this year's work plan will be to identify what is working and find new opportunities to consider as we shape the next phase of the TPS Community Inclusion Program.

DATA

TACOMA PUBLIC SCHOOLS SPENDING SUMMARY

Tacoma Public Schools community inclusion measurements focus primarily on two distinct areas:

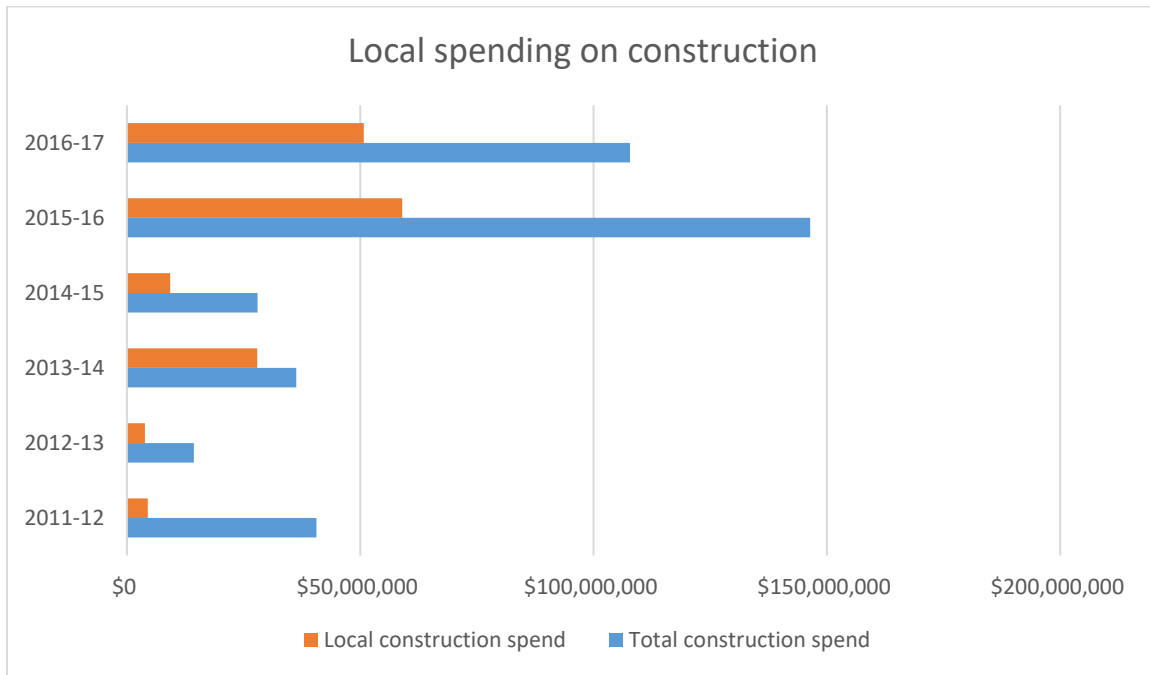
- Inclusion of MWBE/SBE/local contractors on small works or district-managed contracts, typically under \$300,000. The below matrix illustrates community inclusion on district-managed contracts (large and small).
- Inclusion of MWBE/SBE/local subcontractors and apprenticeship usage on major construction projects, as reported by prime contractors. Subcontractor breakdowns for major construction projects can be found on page 10.

2016-17 TPS Community Inclusion Spending Summary – Construction				
Project size	Local	MBE	WBE	SBE
Goal	30%	10%	6%	5%
State agency average **		2.45%	1.97%	
State education institution ave. **		0.74%	0.38%	
Total construction \$107,805,501	47.1% \$50,736,020	<i>MWBE-certified business are by definition small businesses and do not hold larger TPS contracts. MWBE and SBE inclusion efforts are reflected in subcontractor breakdowns on the on page 10.</i>		
Under \$1 million \$16,503,507	48.3% \$7,967,614	6.1% \$1,012,838	1.1% \$180,196	<i>Not currently tracked at the district level.</i>
Under \$300,000 (small works) \$8,060,425	42.5% \$3,428,630	7.9% \$635,651	2.2% \$180,196	

** For comparison and context, these are state-wide statistics for FY 2016 as reported by the State Office of Minority & Women’s Business Enterprises.

TPS LOCAL SPENDING DATA

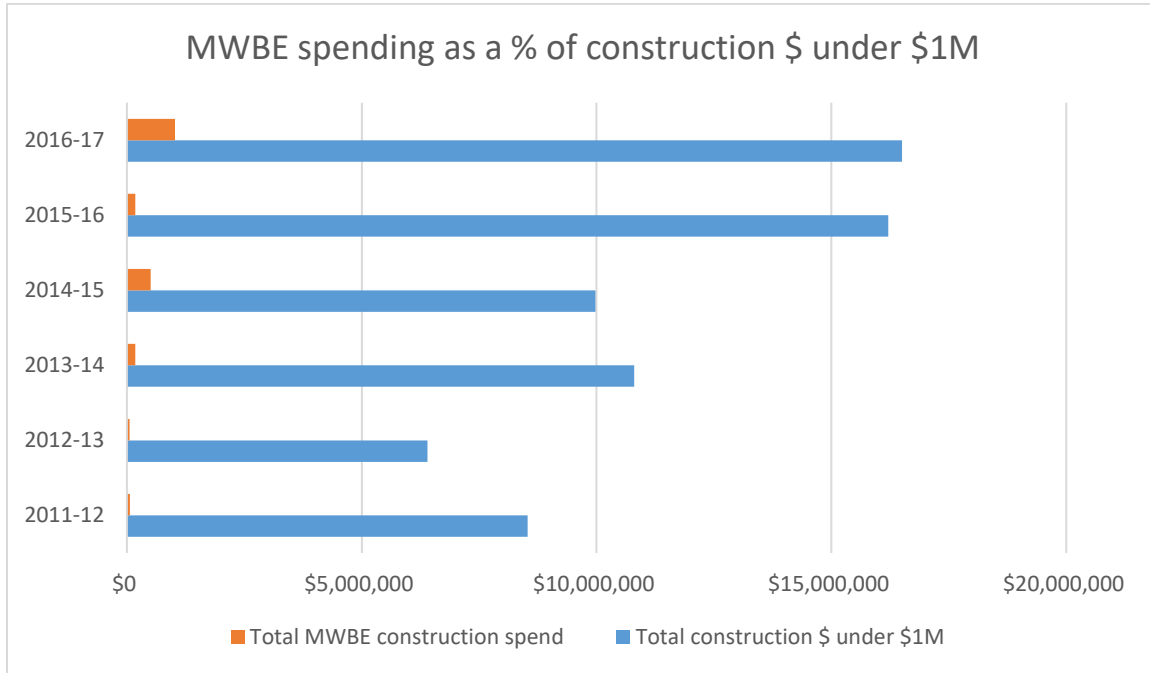
This data shows the amount of local spending by Tacoma Public Schools on district-managed contracts for new or maintenance-related construction projects. Local is defined as headquartered in Pierce County.



	11-12	12-13	13-14	14-15	15-16	16-17
Total construction Spend	\$40,586,000	\$14,366,000	\$36,263,513	\$28,008,025	\$146,433,097	\$107,805,501
Local construction Spend	\$4,498,000	\$3,858,000	\$27,950,648	\$9,249,312	\$58,993,559	\$50,736,020
%	11%	27%	77%	33%	40%	47.1%

TPS MWBE SPENDING DATA

This data shows the amount of MWBE spending by the Tacoma Public Schools on district-managed contracts for new or maintenance-related construction projects under \$1 million. Since state-certified MWBE businesses are by definition small businesses, larger contracts are generally beyond the scope of these businesses. To continue to push inclusion, TPS expects larger prime contractors to subcontract out parts of work to MWBE/SBE businesses. That data can be found on page 10.



	11-12	12-13	13-14	14-15	15-16	16-17
Total construction spend under \$1M	\$8,533,000	\$6,398,000	\$10,797,739	\$9,978,388	\$16,211,162	\$16,503,507
Total MWBE construction spend under \$1M	\$60,000	\$57,000	\$178,119	\$504,787	\$181,224	\$1,023,067
%	0.7%	0.9%	1.7%	5.1%	1.1%	6.2%

PRIME CONTRACTOR CAPITAL CONSTRUCTION SPENDING SUMMARY

Contractors with Inclusion Plans include Arlington Elementary (Neeley), Environmental Learning Center (Forma), Browns Point Elementary (Skanska), and Mary Lyon Elementary (Pease & Sons).

Percentages are from construction start date through January 2018 Total MWBE/SBE/Local Dollars: \$147,402,136					
	MBE	WBE	SBE	Local	Apprenticeship
Goals	10%	6%	5%	30%	15%
Current projects					
Browns Point Elementary Skanska USA \$22,499,759	0.34% \$75,912	0.28% \$61,998	2.00% \$449,227	41.64% \$8,368,587	19% 822 apprentice hours 3,440 journeyman hours
Mary Lyon Elementary Pease & Sons Inc. \$23,577,441	4.04% \$951,760	3.86% \$909,982	40.88% \$9,637,452	62.74% \$14,791,733	9% 949 apprentice hours 9,333.5 journeyman hours
Sub-total: \$46,077,200	2.23% \$1,027,672	2.11% \$971,980	21.89% \$10,086,679	52.43% \$24,160,320	
Completed Projects					
McCarver Elementary Skanska USA \$22,628,095 *in close-out	2.20% \$498,449	2.14% \$484,061	30.67% \$6,940,313	14.51% \$3,282,249	18% 20,491.5 apprentice hours 93,520.08 journeyman hours
Stewart Middle School Skanska USA \$46,414,779 *in close-out	2.1% \$975,750	2.1% \$975,750	36.44% \$16,911,519	8.41% \$3,902,594	21% 46,107.01 apprentice hours 168,716.96 journeyman hours
Wainwright Intermediate Neeley Construction \$22,177,840 *in close-out	0.10% \$23,000	0.88% \$195,119	50.09% \$11,109,909	54.19% \$12,018,007	17% 17,613.53 apprentice hours 84,168.75 journeyman hours
Arlington Elementary Neeley Construction \$16,930,000	0.09% \$14,501	1.23% \$207,651	23.88% \$4,042,183	79.03% \$13,379,811	19% 10,344.25 apprentice hours 42,935.6 journeyman hours
Environmental Learning Center Forma Construction \$12,570,047	0.00% \$0	0.71% \$88,817	0.48% \$60,532	3.46% \$434,790	22% 4,446.02 apprentice hours 20,503.69 journeyman hours
Wilson High School Absher Construction \$37,228,827	0.06% \$22,244	0.56% \$208,291	74.53% \$27,747,179	20.50% \$7,632,766	26% 422,542.25 1,653,005.42 journeyman hours
Grand Total \$204,026,788	1.26% \$2,561,616	1.53% \$3,131,669	37.69% \$76,898,314	31.77% \$64,810,537	