

**Tacoma Community Workforce Advisory Committee Members**  
**Responses to Meeting 3 Homework**  
**“Challenges & Opportunities – and Potential Solutions”**

Document dated February 12, 2019

**Sample # 1: Meeting SBE 5% utilization goals not linked with bidder ratings**

This example addresses concerns/goals/experience of (check all that apply):

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> WMBE hiring                  | <input checked="" type="checkbox"/> Union contractors     |
| <input type="checkbox"/> Hiring of residents of distressed areas | <input checked="" type="checkbox"/> Non-union contractors |
|  | <input type="checkbox"/> Unions                           |
|  | <input type="checkbox"/> Employees                        |
|  | <input checked="" type="checkbox"/> City of Tacoma        |

Issue:

**SBE Code provides a 5% incentive for SBE utilization. This does not always cover the difference between the SBE bid to the Prime and low bidder to the City. A bidder is considered responsive as long as they submit an SBE utilization number, even if the number does not match the goal set by the SBE office.**

Current Status in Tacoma:

Potential Solutions:

- Redefine a responsive bidder to include meeting the SBE utilization goal.
- Adjust the 5% incentive to be closer to the reality of SBE bids to prime contractors

**TWCAC Member comments:**

*In regards to the solutions, if you are going to set these types of goals, the City must be able to do everything they can to meet the goal. Setting goals to be ignored sends the wrong message to Primes. It says Government is only political and not really the city’s core values. (F. Lemos)*

There are very few SBE’s. The current system provides an incentive for contractors to utilize SBE’s, and keep the project budget intact. I like the current system, as is. (L. Pease)

*Include participation of WMBE/MWBE/DBE as a condition of award. Primes should not be held to CBA/CWA agreement regarding non-signatory WMBEs. (A. O’Brien)*

I like the “Adjust the 5% incentive to be closer to the reality of the SBE bids to prime contractors” approach. (T. Attebery)

*A 5% incentive does, in my experience, cover the increased percentage cost for back-office operations for small contractors. However, it cannot cover the cost for Union memberships or the Union Benefit Fund. Also, in lobbying meetings where primes were present, they have uniformly stated that when a PLA or CWA is required, they bump up their bid by as much as 20% to account for the increased*

*paperwork. This means that the City and taxpayers pay. Yes, a responsive bidder should definitely include meeting the SBE utilization goal. Good solution. (M. Moch)*

If the goal is to increase SBE utilization, is there a way to combine both the goal of SBE and entry-level worker/apprentice's utilization and provide a braided program? If so, can a potential solution be to provide a program (similar to **Summer Jobs 253**, but for adults) that subsidizes the wages of new trainees up to 5 for SBEs to lower the bid of SBEs, provide workers, and increase local on-the-job training? Please categorize each solution with the vision 2025 goal? Select the solution that best meets the strategic vision of Tacoma residents. (K. Moseley)

*The bidder should be considered "non responsive" if the bidder does not have the 5% utilization number included in the bid. A formula that covers the difference between the SBE bid to the Prime and the low bid to the City of Tacoma should be developed (L. Quasim)*

Utilizing SBE should be an important part of the process, and the city should strongly recommend the utilization of SBE in their process. If this means developing a scoring system to adequately assess the bids submitted, than that is what should be done. If we do not, as a community, proactively recognize that there is a systematic disadvantage inherent in the system, we cannot change, and we will be unable to foster the next generation of business owners. (N. Lawver)

*Do not adjust the 5% incentive.*

*Possibly increase the incentive.*

*Do not consider a bidder responsive if they do not match the goal set by the SBE office*

*Any prime building in the City and being granted tax credits etc., must utilize the CWA guidelines regarding hiring apprenticeships, priority hire and WMBE's whether it be a public or private project. (Y. Brooks)*

**Sample # 2: Insufficient number of incoming apprentices to workforce.**

This example addresses concerns/goals/experience of (check all that apply):

- WMBE hiring
- Hiring of residents of distressed areas
- Union contractors
- Non-union contractors
- Unions
- Employees
- City of Tacoma

<p>Issue:  <b>Insufficient quantity of incoming Apprentices to workforce.</b></p>
<p>Current Status in Tacoma:          LEAP Code as of July '18 includes Apprentice Utilization goal. TTEP trains ___ per year. LEAP currently requires 15% - 30% of labor hours be Local Employees / Apprentices.</p>
<p>Potential Solutions:</p> <ul style="list-style-type: none"> <li>• Increase pre-apprenticeship training opportunities in City in partnership with local institutions</li> <li>• Increase apprentice retention funding/support in City of Tacoma</li> <li>• Solicit partners in the City/area to create new infrastructure towards increasing training/exposure opportunities in the trades.</li> </ul> <p>- What is the role of the City here as opposed to and in conjunction with contractors, organized labor, open shop labor, and other institutions?</p>
<p><b>TWCAC Member comments:</b></p> <p><i>In speaking with a General Contractor his comments were that “anything other than open shop labor, is a big hindrance to the small businesses.” In most instances Unions cannot provide what they need. As far as the solutions, they are all smart solutions but apprentices are hard to come by, increasing training opportunities for apprentices is a good thing and hopefully that will increase the number of qualified apprentices than can do the type of work that is needed on City projects. (F. Lemos)</i></p> <ul style="list-style-type: none"> <li>• If contractors do not utilize apprentices their work force will eventually diminish. Our company easily meets the 15% goals and met them well before there were any mandated goals. The market place will take care of itself.</li> <li>• Currently the Unions dominate the state certified apprenticeship. By increasing the apprenticeship goals, eventually more open shop firms will either drop out of public work or they will create their own state recognized apprenticeship programs. They Unions typically oppose this because they see increased apprenticeship goals as a way to increase their market share.</li> <li>• I do not see why the government needs to be so concerned with apprentices, the market place will take care of itself. (L. Pease)</li> </ul> <p><i>Increase pre-apprenticeship training opportunities in partnership with local institutions both for union and open shop contractors. Partner with non-union aligned entities to develop apprenticeship programs in the traffic control and construction trades industry; i.e., through community colleges, private enterprises, and open contractor in-house training. (A. O’Brien)</i></p>

I have been on the Tacoma LEAP Oversight Committee for 10 years. Contractors, over the many years, have average the required 15% labors. The program is working well as is. The industry is unable to do more than 15% as a practical matter. Let unions and contractors continue to independently and privately recruit workers into the industry without increased government mandates. (T. Attebery)

*There must be an equal and equitable pathway for open-shop apprentices. Studies consistently show that woman and minority-owned companies are the leaders in hiring women and minorities. The industry is looking for minority workers. By excluding open-shop apprentices, such as those provided by the CITC, CWAs are excluding precisely those companies who have them. This sample also relates back to Sample #1, since open-shop bidders must classify all employees at the journeyman rate, thus increasing their bid. (M. Moch)*

Increase pre-apprenticeship training opportunities that target under-employed Tacoma residents. It is limiting to only target recruitment to unemployed residents and can take 10 to 20 weeks off of work to participate in full-time training. Most people who are unemployed in this job market have barriers and challenges. We need to shift to evening/weekend training opportunities for Tacoma residents to pull talent.

Redraft LEAP goals to change who qualifies as LEAP eligible to Tacoma residents, as opposed to Pierce County. The goal of the city is to help accomplish Vision 2025 goals. Economic Development could partner with the workforce development council to coordinate regional workforce development efforts with Tacoma resident's interests in mind. It should help small businesses grow and job seekers connect with training opportunities. (K. Moseley)

*The city could contract directly with the unions (rather than use PLAs) to foster the apprentices coming from distressed areas. (B. Otto)*

Organized labor offers extensive training programs in locations throughout western Washington. Spreading the word about these is a priority of the respective trade unions, and they are working to do this outreach with schools, WDCs, government entities. It's a cultural shift from the past 30 plus years of "go to school, get good grades, go to college, get a job, be successful". The city can influence apprentice utilization, and has made steps, through the LEAP program. (N. Lawver)

*I like the potential solutions. In addition, the City should review what the unions can do to make their apprenticeship programs more accessible to low-income persons and persons of color and women (M. Mirra)*

LEAP is not efficient in getting full time employment- get rid of it.

City must get involved in recruitment of apprentices.

Work with the Employment Security Department in granting benefits while someone attends a pre-apprenticeship program (once).

Work with DSHS with them recommending individuals to the pre-apprenticeship program (abled body must attend).

Establish an oversight committee to assure the City is doing its part in assisting in recruitment (attending events/media) while working with other institutions/labor unions/open shop labor.

Any prime building in the City and being granted tax credits etc., must utilize the CWA guidelines regarding hiring apprenticeships, priority hire and WMBE's whether it be a public or private project.

(Y. Brooks)

### Sample # 3: Insufficient WMBE utilization on City funded projects

This example addresses concerns/goals/experience of (check all that apply):

- WMBE hiring
- Hiring of residents of distressed areas
- Union contractors
- Non-union contractors
- Unions
- Employees
- City of Tacoma

<p>Issue:  <b>Insufficient quantity of WMBE utilization on City projects (not including Federal/State funded projects)</b></p>
<p>Current Status in Tacoma:          There are no hard WMBE goals on City projects. The SBE program looks at company size by way of contract amounts and owner net worth.</p>
<p>Potential Solutions:</p> <ul style="list-style-type: none"> <li>• Many solutions to this laid out in Disparity Study Recommendations</li> </ul>
<p><b>TWCAC Member comments:</b></p> <p><i>It is important to separate WMBE from SBE. We need to have two separate sets of goals for these two distinct groups. Two sets of goals will help with utilization and knowing where each group stands and then allow city policy to be written and adopted that is constructive. (F. Lemos)</i></p> <ul style="list-style-type: none"> <li>• Construction is a difficult business to succeed in. The economy has natural cycles and it is very hard to withstand at times.</li> <li>• I believe there are more MWBE firms than one realizes, but they choose not to register with the Government. What incentive do they have? More paperwork, more intrusion of government into their private lives.</li> <li>• With PLA and CWA's more barriers of entry are created. Than add apprenticeship quota's, payroll reports, slow pay, and why would anyone want to get involved in government construction?</li> <li>• The simple way is to be a business friendly City, provide excellent education for our children, upgrade our infrastructure and there will be so much work that everyone can be working or owning their own company.(L. Pease)</li> <li>• <i>Allow exceptions for open-shop WMBEs to increase total pool of WMBE companies.</i></li> <li>• <i>Establish utilization of WMBEs (both union and open shop) as a condition of award. (A. O'Brien)</i></li> </ul> <p>Given I-200's very plain and simple language, I don't believe the City's attorneys could defend a hard and fast WMBE government mandate in court. (T. Attebery)</p>

*Obviously, having mandatory goals is a start. Since mandatory goals might run afoul of I-200, a system of awarding points for responsiveness, such as that in Seattle, is an option. Generally, the length of a WMBE sub-contract is too short for the workers to benefit from the Union Benefit Fund, so both the sub and the workers are paying the Union for nothing. In addition, the payments to the Union must be made within 30 days of starting the job, whether or not the sub has been paid, making the decision to bid very difficult. Potential solutions: Prompt payment provisions and immediate City reimbursement for dual benefits might help some WMBE firms' willingness to bid. However, for most of us, the only option is to exempt WMBE firms from the CWA provisions when their share of the work is less than a set amount. (M. Moch)*

If we develop the workforce of Tacoma residents with these skills, we will have more WMBE businesses.

If the goal is to increase WMBE utilization, is there a way to combine both the goal of WMBE and entry-level worker/apprentice's utilization and provide a braided program? If so, can a potential solution be to provide a program (similar to **Summer Jobs 253**, but for adults) that subsidizes the wages of new trainees up to 5 for WMBE s to lower the bid of WMBE s, provide workers, and increase local on-the-job training? Please categorize each solution with the vision 2025 goal? Select the solution that best meets the strategic vision of Tacoma residents. (K. Moseley)

*The city of Tacoma should establish goals for WMBE on City projects and follow the appropriate recommendations of the Disparity Study (L. Quasim)*

- Provide a financial incentive to utilizing WMBEs to offset direct costs
- Not all WMBEs are or want to be small businesses and not all small businesses are WMBEs so using one for the other seems ineffective.
- Do what you can to make sure small business provisions meet the objective of access without creating an incentive to be small because the larger the organization, the greater the resources available to manage a diverse set of subcontractors.
- Larger organizations also tend to have benefits and training available to support and develop its workforce. (B. Otto)

*Mentorships with larger, more established contractors could be a key component in this. City providing opportunities to understand the system and how it works. Labor can offer some guidance; there is a systemic issue of MWBE's not being utilized due to a myriad of issues, most of which go back generations. (N. Lawver)*

In addition, the CWA should set the goals and if the signatories do not get it done that would trigger a CWA provision to broaden the eligible contractors to include non-union shops. (M. Mirra)

*The Disparity study does not recommend a CWA- felt enhanced LEAP would be sufficient (do not agree) ; Make all goals meet Federal Standards. (WSDOT goals): Have all SBE/WMBE's register through the state OMWBE and utilize one list instead of having multiple lists.*

*Any prime building in the City and being granted tax credits etc., must utilize the CWA guidelines regarding hiring apprenticeships, priority hire and WMBE's whether it be a public or private project. (Y. Brooks)*

## Sample # 4: CWA Limits on Key Workers creates hardship for non-union contractors

This example addresses concerns/goals/experience of (check all that apply):

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> WMBE hiring                  | <input type="checkbox"/> Union contractors                |
| <input type="checkbox"/> Hiring of residents of distressed areas | <input checked="" type="checkbox"/> Non-union contractors |
|  | <input type="checkbox"/> Unions                           |
|  | <input type="checkbox"/> Employees                        |
|  | <input type="checkbox"/> City of Tacoma                   |

Issue:

**“Key Worker” provision of typical CWA creates hardship to non-union contractors once past a certain size. WMBE contractors are overwhelmingly non-union in Western Washington.**

Current Status in Tacoma:

This provision does not exist in current City contracting.

Potential Solutions:

- Identify need that this policy solution fills for Unions and find other way to fulfill that need.

### TWCAC Member comments:

*From an MBE specialty contractor: CWA’s do make it easier for certain things and ensure Unions cannot strike, so that is a positive but there have been times when Unions are not pleased with specific parts of a job and will work around that provision due to the new mandatory sick leave laws passed in Washington State. They will instruct their workers to simply stay home and use that sick time which is as good as a strike and devastating for a small business. CWA’s are in the long run very detrimental to small business and are a stronghold for Unions. (F. Lemos)*

- Follow the money. Government likes PLA’s because the Union provides campaign funds and with Union workers typically they do not have as much payroll issues.
- Unions like PLA’s because they have created an economic disadvantage to open shop contractors and PLA’s will increase their market share. Union leaders can tell their members how they are getting more Union jobs by eliminating open shop contractors.
- Union Contractors like PLA’s because it typically reduces their competition, Open Shop contractors are non union by choice and their workers do not receive benefits unless they are in the union for a long time, consequently they stay away from doing work on PLA’s. Not to mention that Unions do not treat Open Shop Contractors fairly when they call the hall for workers. Typically, they do not get the Unions best workers.
- Union Contractors do not like PLA’s because they do not like interference of the Government and Unions. Subcontractors are hard enough to find, now many will not bid the job, which means more risk to the Prime Contractor. Contractors are tax payers as well and they see first hand the increase cost of projects.
- The simple solution is not to have CWA and PLA’s. (L. Pease)



*Current provision should stay the way it is written to ensure the continued current participation levels of WMBE. (A. O'Brien)*

Leave as is. No change in policy (T. Attebery)

*As with the Union membership and Trust Fund provisions, the provision that a small firm can only bring on 2-3 of its workers before hiring from the Union Hall is designed to exclude open-shop firms from CWA jobs and increase Union strength in construction. From the Union standpoint, I get it – clever strategy. However, the workforce is changing, the new small businesses are not the relatives of the established firms – we have no cushion. The Unions cannot bring enough apprentices into established firms to meet the need of either the community or the construction workforce. Only WMBE firms can do that. Small firms can only take on 1 or 2 jobs at a time. If we cannot bring our workers on the CWA job, what are those left behind to do? Go on unemployment for the duration of the job, getting less money and driving up our rates for employment security? As with Sample #2, mandatory goals and certified firms may help some WMBE firms compete, but to truly increase WMBE utilization, small WMBE firms must be exempt from the CWA Union costs and hiring restrictions. (M. Moch)*

The core workers provision is designed to ensure non-union contractors can compete effectively on projects without displacing their own workers to do so. The provision is for them. Which part of the provision is hardship?

For example, In Seattle non-signatory workers can bring as many as five core workers for each contract, but they all have to meet the journey man level qualifications for their work and have previously been on the payroll. It will be important to monitor the system, because it would not be fair if non-union shops did not have to participate in helping to train new apprentices and participate in the local hiring goals. (K. Moseley)

*Utilize the core worker concept (L. Quasim)*

I'm not familiar with key worker provisions. However, any direct influence the union has on the workforce and workplace of a non-union shop should be avoided. The unions contract directly with the city and commit to supporting the attraction and development of a targeted workforce. (B. Otto)

*Most key worker provisions provide for approximately 2 key people to be part of the workforce in a contract. (N. Lawver)*

If the CWA signatories do not meet the CWA goals, that should trigger a CWA expansion to non-union contractors. (M. Mirra)

*All non-union contractors who are WMBE/DBE with a contract maximum of \$150,000 or less be exempt from the CWA.*

*Micro businesses (will help fulfill the goals and increase participation)*

*All non-union contractors with \$1,000,000 or less net income with a contract maximum of \$150,000 or less be allowed to use their own employees (up to 15) on a contract before going to the union.*

*Any prime building in the City and being granted tax credits etc., must utilize the CWA guidelines regarding hiring apprenticeships, priority hire and WMBE's whether it be a public or private project. (Y. Brooks)*



## Sample # 5: Lack of Supportive Services for WMBEs

This example addresses concerns/goals/experience of (check all that apply):

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> WMBE hiring                  | <input checked="" type="checkbox"/> Union contractors     |
| <input type="checkbox"/> Hiring of residents of distressed areas | <input checked="" type="checkbox"/> Non-union contractors |
|  | <input type="checkbox"/> Unions                           |
|  | <input type="checkbox"/> Employees                        |
|  | <input checked="" type="checkbox"/> City of Tacoma        |

<p>Issue:  <b>Lack of Supportive Services for WMBE's</b></p>
<p>Current Status in Tacoma:          The SBE program does not currently provide supportive services, though it could do so by current code. This is mostly due to a lack of resources, both staff and financial.</p>
<p>Potential Solutions:</p> <ul style="list-style-type: none"> <li>• Allocate more resources to supportive services</li> <li>• Align program to meet specific needs with specific outcome expectations</li> </ul>
<p><b>TWCAC Member comments:</b></p> <p><i>It states above that city code currently is such that support services could be provided but for reasons unknown they are not. If you want to have a successful and inclusive WMBE program these types of services must be available to help these businesses navigate the confusing process of city contracting. City leadership need to ask themselves, is WMBE concern a core value or a political bumper sticker. Core value issues get funding. (F. Lemos)</i></p> <p>Do WMBE's want to work construction? Construction is not an easy job and more and more people of all classifications are not wanting to do construction work. Providing more support for WMBE's has not been effective in the past. I suggest working with students early on and promote construction jobs and the importance of a high paying job. (L. Pease)</p> <p><i>Develop and promote a mentorship program with established WMBEs. (A. O'Brien)</i></p> <p>The City should have a robust supportive services program for WMBE's as voluntary program. Yes, please increase staff in this area. (T. Attebery)</p> <p><i>Yes, more resources need to be allocated to supportive services for WMBE firms. This is not because they lack skills, but because they lack power. There are many available training programs, but to date municipal outreach efforts stop with the signing of the contract. There needs to be more continuing oversight of the primes in relation to the WMBE subs. And those conducting the oversight need to be empowered to enforce the rules. Municipalities are going to have to step up to the financial plate and invest in WMBE firms if racial and gender income disparities are not to be locked in place for many years to come. (M. Moch)</i></p>

The City of Tacoma must provide support to WMBE's. If this is not a budget and resource priority for the city this effort will fail. (L. Quasim)

*Facilitate coordination with the support services that exist in the marketplace through strong referral networks. I think the best support for a business owner is having a vetted business plan before opening – supporting access to education and services for planning and business acumen is critical. (B. Otto)*

Mentorships with larger, more established contractors should be a key component in this. City providing opportunities to understand the system and how it works. Labor can offer some guidance there is a systemic issue of MWBE's not being utilized due to a myriad of issues, most of which go back generations. (N. Lawver)

*City of Tacoma should stop laying off/firing staff who are effective and proactive in providing supportive services.*

*Need to establish mentoring program for WMBEs.*

*Need to work with community organizations/private organizations/agencies to develop a HUB (one stop assistance) for WMBE's*

*Any prime building in the City and being granted tax credits etc., must utilize the CWA guidelines regarding hiring apprenticeships, priority hire and WMBE's whether it be a public or private project. (Y. Brooks)*

## Sample # 6: Prior contractor performance on SBE hiring not considered in awarding City contracts

This example addresses concerns/goals/experience of (check all that apply):

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> WMBE hiring                  | <input checked="" type="checkbox"/> Union contractors     |
| <input type="checkbox"/> Hiring of residents of distressed areas | <input checked="" type="checkbox"/> Non-union contractors |
|  | <input type="checkbox"/> Unions                           |
|  | <input type="checkbox"/> Employees                        |
|  | <input checked="" type="checkbox"/> City of Tacoma        |

Issue:

**The City does not currently utilize contractor evaluations to use previous performance to impact future bids as it regards SBE's.**

Current Status in Tacoma:

There is currently no practiced administrative means to hold contractors accountable for any discrepancy between the utilization of an SBE marked at the time of the bid, and once the contract has been completed.

There is also no means to effectively hold SBE's accountable for their performance on the job of a City contract as a sub. Thusly, there is a double lack of accountability.

Potential Solutions:

- Create a formalized evaluation process that takes SBE utilization into account for primes
- Create a formalized evaluation process that takes allows primes to help evaluate the performance of SBE's in a way that the City can use

**TWCAC Member comments:**

*I think the lack of a process to hold prime contractors accountable for past performance speaks for itself. Many times the same contractors bid over and over on city projects and many times they get the contract. If these contractors past performance is not taken into account and those performances are less than what is expected then what is to stop the city from continuing to award bad actors more and more contracts. You definitely need to create a formal process to evaluate past performance. (F. Lemos)*

Drop the SBE requirement and you will not have to spend precious dollars on a program that has no accountability. (L. Pease)

*Create a city evaluation program for WMBE performance and those not passing minimum standards are not eligible to participate in city programs until experience is attained. (A. O'Brien)*

Don't use anecdotal information in this area. Do a comprehensive study to detail the exact amount of times this is a problem. Get data in this area and provide percentages of failure. (T. Attebery)

*What!? This one is easy to solve. There are good examples throughout the country of basic accountability in evaluation processes. A no-brainer. The potential solutions suggested would do the trick, but the evaluation needs to be locked into ongoing bid considerations. (M. Moch)*

Provide contractors an open database of registered SBE's and WMBE's to contract with. Require bids to submit an outreach plan for WMBE and provide information on qualified firms. Establish an outreach process to help coach GC's and connect with local WMBE. Instead of recruitment by projects, establish outreach connection events quarterly for GC from all area projects and sub-contractors to meet. (K. Moseley)

*Evaluation of performance is an absolute must and failure to perform on previous contracts should result in disqualification (L. Quasim)*

If you have a criteria, strong discipline is critical to make sure the criteria are met. Otherwise the trust in the entire process is undermined. Also, I reiterate that any incentives that encourage an organization to stay small is 1) not the intent of the incentive and 2) has the effect of capping opportunities of those employed by the small organization and ultimately the goal is to get more people employed. (B. Otto)

1. *Let the contract with the City require the contractor to report this information.*
2. *Have City processes direct staff to read the information and store it in a retrievable way.*
3. *Let a contractor's history of success or not be available when the city reviews that contractor's future bids. (M. Mirra)*

Need to create an oversight committee to meet once a month to evaluate progress or lack of it.  
Create a mentoring program.

Use Federal Standards/guidelines

City should monitor the intents and affidavits on all public work projects (on L & I website). See who the prime indicated they were going to hire (on intent) versus who was actually hired and utilized (affidavit)

Any prime building in the City and being granted tax credits etc, must utilize the CWA guidelines regarding hiring apprenticeships, priority hire and WMBE's whether it be a public or private project. (Y. Brooks)

## Sample # 7: City has no goals targeting small WMBE firms

This example addresses concerns/goals/experience of (check all that apply):

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> WMBE hiring                  | <input checked="" type="checkbox"/> Union contractors     |
| <input type="checkbox"/> Hiring of residents of distressed areas | <input checked="" type="checkbox"/> Non-union contractors |
|  | <input checked="" type="checkbox"/> Unions                |
|  | <input type="checkbox"/> Employees                        |
|  | <input checked="" type="checkbox"/> City of Tacoma        |

Issue:

**The City does not currently have any goals (aspirational or otherwise) to specifically target small (needing a hard definition) WMBE firms.**

Current Status in Tacoma:

There are currently no programs to support this group of firms. Any solutions put forth for this group must take into account the difference between an established, larger, WMBE firm and a smaller firm that needs more direct support to grow.

Potential Solutions:

- Create supportive services specifically for this group
- "Exemptions" or set-asides for this specific group on certain scopes of work or projects
- Many tools recommended by Disparity Study that would still need a firm size scope added in.

**TWCAC Member comments:**

*As we talked about earlier, yes support services are needed to aid small WMBE's, this is critical. Once the city is able to reach out to these businesses and hear their concerns and assist them, then goals can begin to be put into place as you will know what sort of utilization numbers may be possible for WMBE's. Disparity Studies are good because they show you the problem in black and white. Then, it is the City Council and City Government responsibility to step up and implement the necessary changes to policies to begin to address those disparities and make positive impacts for these underutilized small businesses. (F. Lemos)*

Promote a strong education system for all people. Promote a business friendly environment, develop infrastructure and there will be so many people doing construction in Tacoma we will not need to have all these quotas and MWBE programs. (L. Pease)

*Establish different qualification levels or criteria for WMBE for size of projects. (A. O'Brien)*

I like robust voluntary support services for this group. (T. Attebery)

*Not only must WMBE goals be mandatory, but the definition of who is WMBE must refer to a firm certified by Washington's OMWBE, not self-certified. Self-certified firms are too subject to fronting for large or white male-owned firms and to not being a truly small business by the standards of OMWBE.*

*This issue overlaps with Sample #5, re: supportive services. "Exemptions" or "set-asides" used by Washington State in their JOC and small business roster programs have been useful for my firms to get state work and should be explored. (M. Moch)*

I don't think the city is in the best position to directly support business growth and maturity issues. Indirectly influencing priorities through looking at the programs/curriculum of public institutions (K-12 and community colleges) and ensuring they have the best data available to the city would be responsible. There are many organizations outside of the city that do focus on supporting local small businesses and ensuring the city stays current with those service providers in a referral capacity also seems a responsible/holistic approach. (B. Otto)

*Aspirational goals for use of WMBE firms should be established by the city, in conjunction with, perhaps, an existing citizens committee. The use of WMBE firms should not contradict the goals established in Tacoma 2025, as outlined in the staff-supplied memo early on in this process. (N. Lawver)*

If the City contract imposed meaningful goals for the contractor to meet and meaningful rewards or consequences for meeting or not meeting those goals, perhaps that would allow the contractor to budget mentoring efforts for small subcontractors. (M. Mirra)

*Need to target WMBE's and micro businesses.*

*\$150,000 or less are exempt from CWA.*

*Unbundle projects for micro businesses.*

*Disparity study does not recommend CWA.*

*Any prime building in the City and being granted tax credits etc., must utilize the CWA guidelines regarding hiring apprenticeships, priority hire and WMBE's whether it be a public or private project.*

*(Y. Brooks)*

## TCWAC Member Example Challenge/Opportunity

**Submitted by: Korbett Moseley**

This example addresses concerns/goals/experience of (check all that apply):

- |  |  |
|--|--|
| <input type="checkbox"/> WMBE hiring                             | <input type="checkbox"/> Union contractors     |
| <input type="checkbox"/> Hiring of residents of distressed areas | <input type="checkbox"/> Non-union contractors |
|  | <input type="checkbox"/> Unions                |
|  | <input type="checkbox"/> Employees             |
|  | <input type="checkbox"/> City of Tacoma        |

Issue:

**Policy decisions are often not aligned with the vision of values of Tacoma residents that were laid out in the vision 2025 strategic plan. To accomplish these goals, requires policy decisions that move each of the goals in the right decision and not in the opposite direction.**

Current Status in Tacoma:

We have a plan that should guide policy decisions.

Potential Solutions:

Use value based decisions. How does each decision do the following: Reduce Poverty, Increase the number and quality of jobs throughout Tacoma, Diversity Tacoma's living wage business base, Prepare people to success in Tacoma's workforce?

TWCAC Member comments:

Washington State almost led the nation in job growth over the past year. One of the major issues facing the construction sector locally is the lack of enough trained workers to fill the jobs. Nationwide, contractors have trouble meeting their labor demands. A national poll of 1,600 contractors found 78% percent have trouble filling jobs. (Associated General Contractors, 2016) Strengthening the construction workforce pipeline has a mutually beneficial effect for the construction industry and local economy.

Accomplish the following:

- Identify and recruit local talent
- Coordinate regional workforce development efforts
- Create a communication platform
- Help small businesses grow with access to high-quality local talent
- Help job seekers connect with training opportunities



**TCWAC Member Example Challenge/Opportunity**

**Submitted by: Yolanda Brooks**

This example addresses concerns/goals/experience of (check all that apply):

WMBE hiring

Union contractors

Hiring of residents of distressed areas

Non-union contractors

Unions

Employees

City of Tacoma

Issue:
Current Status in Tacoma:
Potential Solutions: <ul style="list-style-type: none"><li>•</li></ul>
<b>TCWAC Member comments:</b>  Have a rotation of micro businesses with same NAIC.  Priority hire to be reviewed every year. The city is changing and becoming gentrified. As an area becomes gentrified its income level will change and it may not be warranted to keep them in the priority hire zip code.  Any prime building in the City and being granted tax credits etc., must utilize the CWA guidelines regarding hiring apprenticeships, priority hire and WMBE's whether it be a public or private project.

**Insufficient quantity of incoming Apprentices to workforce.**

While there are residents who are interested in a career in the trades, they are simply not prepared to be competitive for apprenticeship programs and/or jobs. I agree that we need to increase pre-apprenticeship training opportunities that also provide case management and support. We also need to address transportation and childcare needs to ensure access to pre apprenticeship and success completion – these types of support needs to continue as the residents’ transition to employment.

Pre-apprenticeship programs must have agreements with JATCs and businesses to use this as a pipeline and ensure graduates are selected first for apprenticeship/job opportunities.

We need to make sure when residents get jobs, that these jobs are sustainable and do not disrupt their subsidies if they cannot substitute with wages – we need benefits specialists to assess each resident and advise them before they decide to take the opportunities presented.

Lastly, we have a local workforce development system in place that needs to be incorporated into the work of LEAP, CWA, and Targeted Local Hire – This system has leverage of resources, targets residents who are economically challenged due to unemployment, underemployment and other barriers that include having a criminal record, homelessness, disability, etc.

**Challenges & Opportunities – and Potential Solutions**

This example addresses concerns/goals/experience of (check all that apply):

x\_\_\_ Hiring of residents of distressed areas                      x\_\_\_ City of Tacoma

Issue: <b>The City of Tacoma’s workforce development planning and activities do not align or work in partnership with its local workforce development system, which is led and overseen by the Pierce County Workforce Development Council. This leads to an inefficient use of public resources, does not take advantage of leveraged resources, does not forward the need to increased coordination and alignment (outreach to target population, engaging businesses, creates a parallel mini system that results in more confusion for our community, etc).</b>
Current Status in Tacoma: Preliminary discussions on how to align workforce development efforts with the local workforce development system.
Potential Solutions: <ul style="list-style-type: none"><li>• Solution 1 – Include the Workforce Development Council’s voice via WorkForce Central in all City workforce planning efforts</li><li>• Solution 2 – Include the workforce development system in City workforce strategies</li></ul>
TWCAC Member comments: Imagine using the Workforce Development Council/WorkForce Central as the City’s workforce department rather than set up its own – let’s use each other’s competencies
How this would look would need to be developed and agreed upon.