

Business Equity/Diverse Business Inclusion Committee Capital Projects Advisory Review Board

4 March 2022

Committee focus:

- Comprehensive review of RCW 39.10 with the lens of equity (include RCW 39.04 & 39.80).
- Create consistency in statutory language.
- Evaluate and bring forth effective strategies and opportunities for firms to compete.

<input checked="" type="checkbox"/> Olivia Yang	Washington State University	CPARB /Committee Member
<input checked="" type="checkbox"/> Santosh Kuruville	Exeltech	CPARB /Committee Member
<input type="checkbox"/> Lisa Van der Lugt	OMWBE	CPARB /Committee Member
<input checked="" type="checkbox"/> Charles Wilson	DES	CPARB /Committee Member
<input checked="" type="checkbox"/> Irene Reyes	Excel Supply Company	CPARB /Committee Member
<input checked="" type="checkbox"/> Janice Zahn	Port of Seattle	CPARB /Committee Member
<input type="checkbox"/> Jackie Bayne	WSDOT OEO	Committee Member
<input type="checkbox"/> Cheryl Stewart	Inland Northwest AGC	Committee Member
<input checked="" type="checkbox"/> Chip Tull	Hoffman Construction	Committee Member
<input checked="" type="checkbox"/> Aleanna Kondelis	Akana	Committee Member
<input checked="" type="checkbox"/> Brenda Nnambi	Sound Transit	Committee Member
<input checked="" type="checkbox"/> Linda Womack	MBDA	Committee Member
<input checked="" type="checkbox"/> Cathy Robinson	City of Lynnwood	Committee Member
<input type="checkbox"/> Shelly Henderson	Mukilteo School District	Committee Member
<input checked="" type="checkbox"/> Keith Michel	Forma	Committee Member
<input checked="" type="checkbox"/> Young Sang Song	Song Consulting	Committee Member
<input checked="" type="checkbox"/> Stephanie Caldwell	Absher Construction	Committee Member
<input type="checkbox"/> Bill Dobyms	Lydig	CPARB
<input type="checkbox"/> Bobby Forch	Forch Consulting	CPARB
<input type="checkbox"/> Lily Keefe	USDOT - Northwest SBTRC	
<input type="checkbox"/> Sarah Erdman	OMWBE	
<input type="checkbox"/> Van Collins	ACEC Washington	
<input type="checkbox"/> Cathy Ridley	Exeltech	
<input checked="" type="checkbox"/> Maja Huff	Washington State University	
<input type="checkbox"/> Jerry Vanderwood	AGC of Washington	
<input type="checkbox"/> Timolin Abrom	OMWBE	
<input type="checkbox"/> Melissa Van Gorkom	Senate Committee Services	
<input type="checkbox"/> Amy Stenvall	Mukilteo School District	
<input checked="" type="checkbox"/> Cindy Magruder	University of Washington	
<input checked="" type="checkbox"/> Carrie Whitton	Forma	
<input checked="" type="checkbox"/> Rachel Murata	OMWBE	
<input type="checkbox"/> John Rose	MRSC	
<input type="checkbox"/> Jolene Skinner	LnI	
<input type="checkbox"/> Curt Gimmestad	Absher Construction	
<input type="checkbox"/> Eric Alozie	NEW Construction	
<input type="checkbox"/> Jerry Vanderwood	AGC	
<input type="checkbox"/> Hans Hansen	Bailey Construction	
<input type="checkbox"/> Bill Frare	DES	
<input type="checkbox"/> Andrea Ornelas	Union	
<input checked="" type="checkbox"/> Rebecca Keith	Seattle City	
<input checked="" type="checkbox"/> Greg Bell	Pierce County	
<input checked="" type="checkbox"/> Kara Skinner	Integrity Surety	
<input checked="" type="checkbox"/> Julie Campos	OMWBE	

AGENDA

Item	Purpose	Start
Welcome and committee member introductions	Information	10:00 am
Review & approve agenda	Action	10:05 am
Review & approve 2/25/2022 meeting minutes	Action	10:10 am
CPARB Chair Comments		10:20 am

Invitation to the public to participate	-	10:25 am
Survey	Discussion	10:30 am
Discussion: Access to Capital	Discussion	10:40 am
New Business	Discussion	11:30 am
"Final word" (from committee members)	Discussion	11:40 am
Adjourn	Action	12:00 am

DIGITAL CONFERENCE ACCESS

The committee meeting will be conducted entirely by Zoom digital conferencing.

Online <https://wsu.zoom.us/j/97615048848>

Meeting ID: 976 1504 8848

Join by telephone

Dial: US: +1 253 215 8782 or +1 669 900 9128 or +1 646 558 8656

Meeting ID: 976 1504 8848

Olivia Yang - Washington State University

206 718 0787 olivia.yang@wsu.edu

Santosh Kuruvilla – Exeltech Consulting

206 713 1241 santosh@xltech.com

Item: **Welcome and committee member introductions**

- Call to Order
- Quorum confirmed.

Action by: BE/BDI Committee

Status: Approved and complete

Item: **Review & approve agenda**

- Revise Agenda to include “CPARB Chair Comments” before “invitation to public to participate”.
- Agenda Approved.

Action by: BE/BDI Committee

Status: Approved and complete

Item: **Review & approve 2/25/2022 meeting minutes**

- Minutes approved with correction to “gaming systems” to “gaming the system”.

Action by: BE/DBI Committee

Status: Approved

Item: **CPARB Chair Comments**

- Three more meetings of CPARB between now and when the report is to be complete, April 14, May 12 and June 9.
- Strongly suggest following schedule for report submission
 - Preliminary draft by April 14 CPARB Meeting, pre-reads to Talia by April 7
 - Final Draft on May 12 CPARB Meeting
 - Final adoption and vote at the June 9 CPARB Meeting
 - Gives the time to meet the June 30 date.
- DBIA Committee has developed a Best Practices guide that can be shared with the committee.

- Add in additional meetings?
 - Move to twice a month?
 - Motion to add March 25 – 9:30 – 11:30 – to discuss Access to Training.
 - Motion Passed
 - Confirming April 1 meeting remains in effect.

Action by: WSU to schedule the additional meeting.

Status: N/A

Item: **Public Comment**

- None.

Action by: N/A

Status: N/A

Item: **Survey**

- Shared the survey results received through 3/3/2022.
- Intend to include as an appendix to the report.
- Seems to be lining up with MBDA National Survey.
- Reviewed the Comments Received in response to the survey.
- Include discussion topic in the next meeting to discuss further after people have had time to review.

Action by: N/A

Status: In progress

Item: **Access to Capital**

- Cash Flow -
 - There is opportunity that fall within the timing, policy and legislative current allowance.
 - Labels on scopes of work to effectively encourage allowing for billing for work that is scheduled to be performed the following month. Could impact 30+ days of waiting in the pay cycle.
 - 120 day delay in payment impacts line of payment scrutiny by lenders and borrowers. Banks don't understand the processes in public works.
 - Schedule of values and the
 - Diverse businesses complain about not being paid even though the prime has already been paid. Owner's point to the prime when asked.
 - Internal prime processes can take 30 days to process once the payment is received from the Owner.
 - Surety companies don't like to see Advance Payment clauses in the contract. Will make obtaining a bond for the project more difficult.
 - Educating banks. Get with a banker for their construction line of credit, not a
 - Payment terms within the Public Contract – may be conflicting with the subcontractor payment terms. Checklists of administrative items also have an impact to the timing of payment – training on this item is important.
 - Compliance with prompt payment laws – challenge with being adhered to. B2Gnow referenced as a system to track payments. Public agencies should be following up with the subcontractors.
 - Questions to Owners:
 - Are there to many layers of processes in processes for payment required of the Primes?
 - How do you hold accountable the GC's who don't pay the subs on-time or at all?
 - Bottom line – accountability.
 - Frame the problem; assume a good owner, good contractor, good subcontractor – what are the mechanisms that could allow for a quicker payment?
 - For the sub to be paid, is it work in scope or work in a change, or work in dispute? Hard Bid,

- GCCM, DB?
 - If there is a way for Owners to know the track record – might be something in 39.10 as a criteria of RFQ/P selection?
 - Why if there are bad owners/contractor, why keep doing their work?
 - Partially Public/Partially Private project example – working on a net 15 payment process. Internal process, checklist – educational advance work. Is there a way to recommend creative solutions – ie. Net 15 and how it will work?
- How much are best practices and how much may need to be changes to law, specific to prompt pay. Same questions around accountability.
- Public Owners are subject to State Auditor – who specifically look for documentation that the work has been performed before paid.
- If it's not in the contract it's not going to happen. – Prime's perspective.
- What's the risk to Owner's to putting language prompt payment for subs in the contract language, down the layers?
 - Is in – but monitoring and enforcement that becomes an issue.
 - How hold accountable?
- 39.04.250 – 10 days after receipt of money it's supposed to go downstream.
- GC's challenged by paying for work twice, when downstream payment processes impact them.
- Know the pay cycle and allowable billing within the contract. Sometimes a lack of understanding between residential and commercial markets is huge in this category.
- Would like to understand more about the Advance Payment risks? As it may be the piece, we know the least about and understand.
 - Owners don't want to pay early – don't want to pay for something they don't have and don't know they are going to get.
 - A small advance or a little early is more acceptable. But large advances make surety companies nervous due to lack of knowing where the money is going to go.
 - Drawing a little early is not necessarily considered advance payment in sureties' eyes.
 - Architect signed document confirming that the work has been completed.
 - Are you using the SOV effectively to impact the push/pull of when and justifying payment?
 - Month v. bi-weekly payments – nuances and opposing reasoning for example administrative burden.
 - Draft payment processes to in advance anticipate the work performed and be able to bill before
 - Prime contract versus subcontract terms out of alignment.
 - Cash Flow – who controls and when do they have control over it.
 - For Owners – Advance payment is considered a gift of public funds. There this is an audit issue.
 - Challenge from both the surety, contractors, and owners creates accountability challenges and tracking.
 - Pay more frequently – two-edged sword in the burden of generating the paperwork to be able to do so.
 - Working Capital seems to be lynch pin of this – cash flow is the space that we can lean into more about what would reduce the barrier of firms to have access to working capital at rates that would not be as painful.
- Surety likes joint checks – Public Works hearing that owners are not willing to do the extra paperwork to do the joint check options.
- Bring in a banker or lender to the conversation. There are opportunities for low interest and low interest working capital for small contractors. Not having working capital can literally put that new company out of business.
- There are also some credit barriers to the target businesses. How do you get a line of credit, improve your credit? Training topic.
- Dual checks – looking at it as a proactive tool. Owners agree it is something to be looked into as there is a lot of push back by public owners business offices.
- OMWBE Link Deposit Program – has capacity. Making efforts and strides in gaining momentum on the program. Affordable capital for state certified firms. Currently 13 banks and credit unions are part of the program.
 - Goal of the program to understand the barriers faced from the banking industry – banks want to see a business in business at least 3 years before they are willing to offer the loan.
 - OMWBE called for feedback of struggles, what is working well and what isn't.

Action by: Olivia/Santosh

Status: In progress

Item: **New Business**

- Come prepared to talk about Access to Training at the next meeting.
 - Types of training available/needed.
 - Contracts – access to advice on reviewing contracts?
 - Available training programs? How best coordinate? Central Directory?

Action by: Olivia/Santosh

Status: In progress

Item: **Final Words**

- Joint checks warrant further internal conversations.
- Some funders have restrictions on joint checks. Looks at available disparity studies and their recommendations.
- Send feedback as soon as possible due to the aggressive timeline.
- Can we have a timeline of when to submit comments?
 - Send comments by Tuesday March 8, 5PM to Santosh/Olivia.

Action by: N/A

Status: N/A

Adjourn 11:54

From Washington MBDA Business Center to Everyone 09:57 AM

Good morning

From Rachel Murata (she/her) OMWBE to Everyone 10:03 AM

Rachel Murata - OMWBE

From Cathy Robinson, City of Lynnwood to Everyone 10:03 AM

Cathy Robinson, City of Lynnwood

From Greg Bell to Everyone 10:03 AM

Greg Bell, Pierce County

From Stephanie Caldwell to Everyone 10:03 AM

Stephanie Caldwell, Absher Construction

From Janice Zahn to Everyone 10:03 AM

Janice Zahn, CPARB Chair

From Brenda Nnambi to Everyone 10:03 AM

Good morning: Brenda Nnambi, Sound Transit

From Carrie Whitton - Outreach + Inclusion Manager to Everyone 10:03 AM

Carrie Whitton - FORMA

From Washington MBDA Business Center to Everyone 10:03 AM

Linda Womack, WA-MBDA

From Young Sang Song to Everyone 10:03 AM

Young-Sang Song - Song Consulting, LLC

From Olivia Yang to Everyone 10:03 AM

Olivia yang higher ed

From Aleanna Kondelis to Everyone 10:03 AM

Aleanna Kondelis, Akana, rep diverse business, committee member

From Keith Michel to Everyone 10:03 AM

Keith Michel - FORMA

From Chip Tull to Everyone 10:03 AM

Chip Tull; Hoffman Construction Company

From Ken Gaer to Everyone 10:03 AM

Ken Gaer - Exeltech

Me to Janice Zahn (Direct Message) 10:11 AM

Do they have the "best practices" published someplace that you could send me a link to?

From Chip Tull to Everyone 10:14 AM

I (Chip) am available on Friday, March 25th

From Stephanie Caldwell to Everyone 10:15 AM

I'm available 9:00 to 11:00 on the 25th.

From Rachel Murata (she/her) OMWBE to Everyone 10:15 AM

I am available, and from my perspective the more meetings this group can fit in, the better. There appear to be a lot of decisions left to be made on content.

From Keith Michel to Everyone 10:15 AM

Not available on the 25th. I am on 3/11.

From Irene Reyes to Everyone 10:15 AM

I'm available 10 to 11 for 25th

From Aleanna Kondelis to Everyone 10:15 AM

I can be available, Fridays work well.

From Washington MBDA Business Center to Everyone 10:15 AM

Ok

From Brenda Nnambi to Everyone 10:15 AM

I'm not available for 3/25 but can attend 4/1 meeting

From Shelly Henderson to Everyone 10:16 AM

I can make the 25th work.

From Cathy Robinson, City of Lynnwood to Everyone 10:16 AM

I'm available starting at 10 am on March 25

From Janice Zahn to Everyone 10:16 AM

I am available on 3/25

From Young Sang Song to Everyone 10:17 AM

25th lam wide open

From Brenda Nnambi to Everyone 10:17 AM

I can provide comments in my absence prior to the meeting.

From Cathy Robinson, City of Lynnwood to Everyone 10:19 AM

I'm not available until 10 am on the 25th

From Shelly Henderson to Everyone 10:19 AM

I can do 9-11

From Washington MBDA Business Center to Everyone 10:20 AM

I will make both work

Yes

From Stephanie Caldwell to Everyone 10:20 AM

yes

From Young Sang Song to Everyone 10:21 AM

Yes - I can make that work.

From Shelly Henderson to Everyone 10:21 AM

4/1 is on my calendar 10-12

From Janice Zahn to Everyone 10:21 AM

FYI we need to send the draft document to Talia as a pre-read to CPARB by 4/7.

From Shelly Henderson to Everyone 10:24 AM

Shelly Henderson - I was about 5 minutes late

From Cindy Magruder to Everyone 10:24 AM

Cindy Magruder is attending. UW.

From Charles Wilson to Everyone 10:24 AM

This is Charles Wilson - DES

From Stephanie Caldwell to Everyone 10:27 AM

Can Maja please send a copy out?

Me to Janice Zahn (Direct Message) 10:29 AM

yes - I will include these with the minutes.

From Cindy Magruder to Everyone 10:29 AM

Yes, would love a copy of this.

From Stephanie Caldwell to Everyone 10:29 AM

Thank you

From Brenda Nnambi to Everyone 10:29 AM

I think the comments help tell the story. Maybe we could summarize the comments into themes.

From Stephanie Caldwell to Everyone 10:30 AM

Liked: "I think the comments help tell the story. Maybe we could summarize the comments into themes."

From Rebecca Keith to Everyone 10:37 AM

Some really great comments. I will look forward to receiving them and being able to further digest.

From Brenda Nnambi to Everyone 11:02 AM

Primes not paying promptly when they have been paid should be reflected in their performance evaluation and used in the evaluation of future procurements.

The public agencies also have to make sure they are not creating unintentional barriers by their internal delays in getting payments to primes. The prime may be able to sustain the delay but not the small business.

From Rebecca Keith to Everyone 11:02 AM

Unfortunately, I am not able to stay for the full meeting but I am so thankful that the committee is having these substantive conversations. I hope to come to future meetings.

From Aleanna Kondelis to Everyone 11:06 AM

@Brenda...agree

@Stephanie...totally agree

From Stephanie Caldwell to Everyone 11:07 AM

Yes.

From Shelly Henderson to Everyone 11:08 AM

Brenda - my district only runs checks twice a month which can be an unintentional barrier, I always do a payment schedule for primes that give the dates I need a pay application to review & date of payment. I don't think that funnels down to subcontractors so that schedule should probably go in bid documents so subcontractors are aware

From Brenda Nnambi to Everyone 11:11 AM

Shelly - Thanks for that info and I agree that the subs need to know. This is why flow down language is also so important to pay attention to as an owner.

From Aleanna Kondelis to Everyone 11:11 AM

Agree @Keith

From Brenda Nnambi to Everyone 11:13 AM

All good points Keith! All a part of what good project management looks like.

From Shelly Henderson to Everyone 11:20 AM

have to step out for a minute

back

From Aleanna Kondelis to Everyone 11:20 AM

Agree Keith.

From Stephanie Caldwell to Everyone 11:25 AM

To Keith's point regarding material suppliers not being paid as a concern if paid early Agency and Primes can encourage Joint Check Agreements.

From Irene Reyes to Everyone 11:31 AM

I agree with joint checks is another process

From Stephanie Caldwell to Everyone 11:31 AM

It protect our small businesses as well.

From Cathy Robinson, City of Lynnwood to Everyone 11:33 AM

I have to step away for a few minues

From Stephanie Caldwell to Everyone 11:34 AM

Agreed Irene. It should be part of the on-going training regarding building a line of credit.

Yes. Janice. Use it as a positive tool

From Irene Reyes to Everyone 11:35 AM

Janice that is good providing payment options

From Cathy Robinson, City of Lynnwood to Everyone 11:39 AM

I'm back

From Irene Reyes to Everyone 11:41 AM

Julie please let us schedule a meeting in identifying construction banks.

From Julie Campos to Everyone 11:44 AM

Irene & everyone here is my email: juliec@omwbe.wa.gov to connect

From Cathy Robinson, City of Lynnwood to Everyone 11:45 AM

I have to leave. Thanks everyone for the discussion.

From Santosh Jacob Kuruvilla to Everyone 11:48 AM

Minority Business Success: Refocusing on the American Dream, by Leonard Greenhalgh (Author),
James H. Lowry (Author)

Capital Projects Advisory Review Board
Business Equity/Diverse Business Inclusion Committee
Survey Results
March 3, 2022

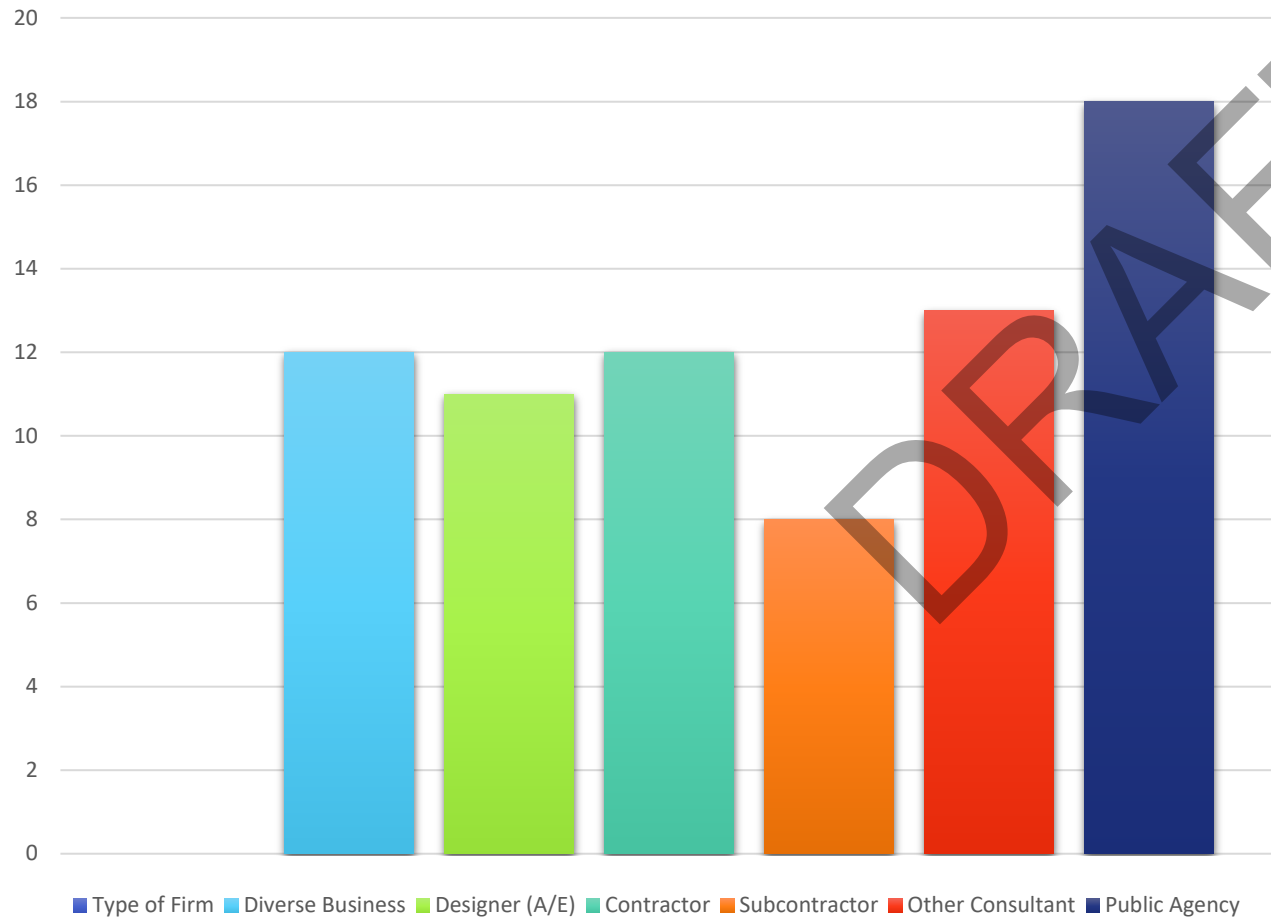
During the first two months of 2022 CPARB asked members of the Alternative Public Works community to respond to a survey around access to equity as it relates to 39.10 RCW.

The following represents the results of the survey.

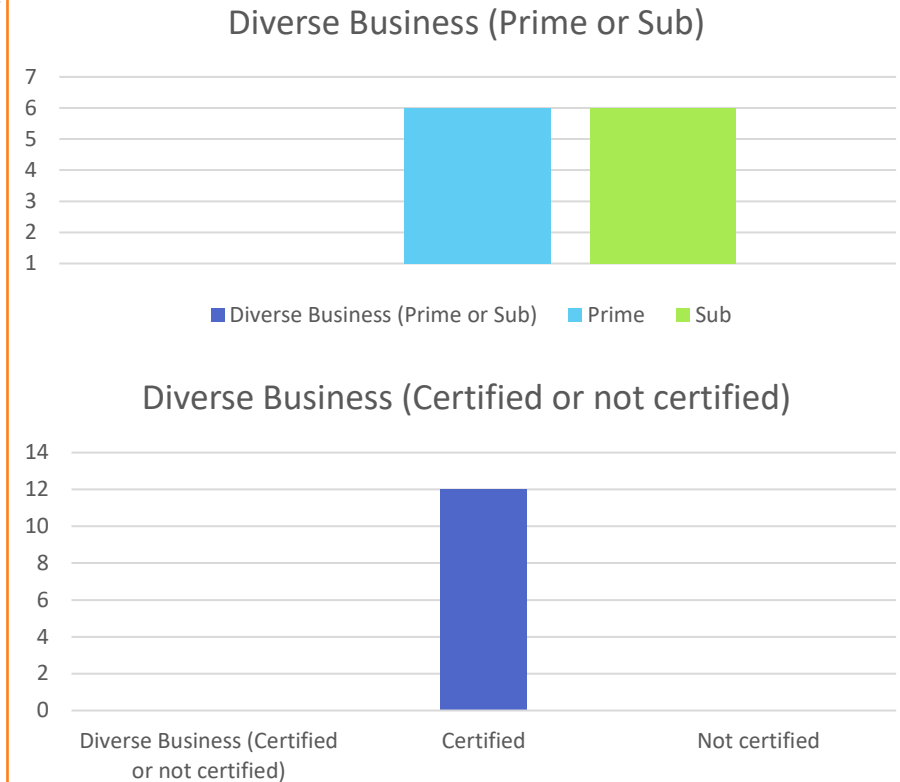
The Respondents

74 total people responded

Type of Firms



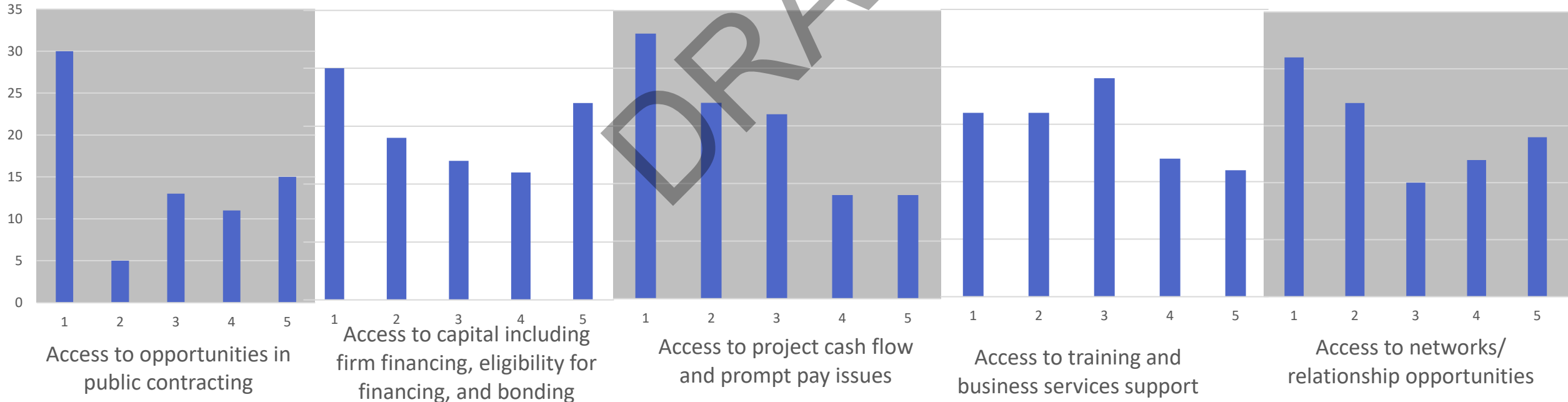
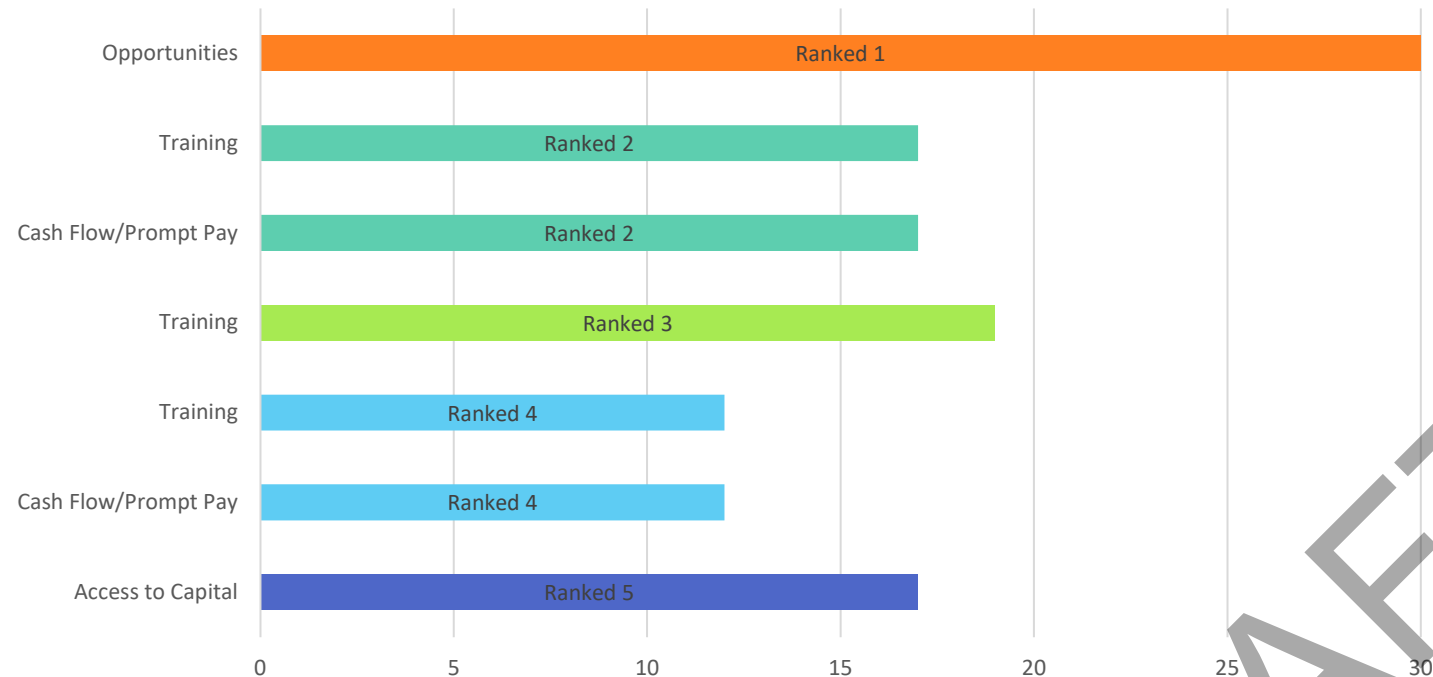
Of the Diverse Businesses who responded:



Rank the Barriers

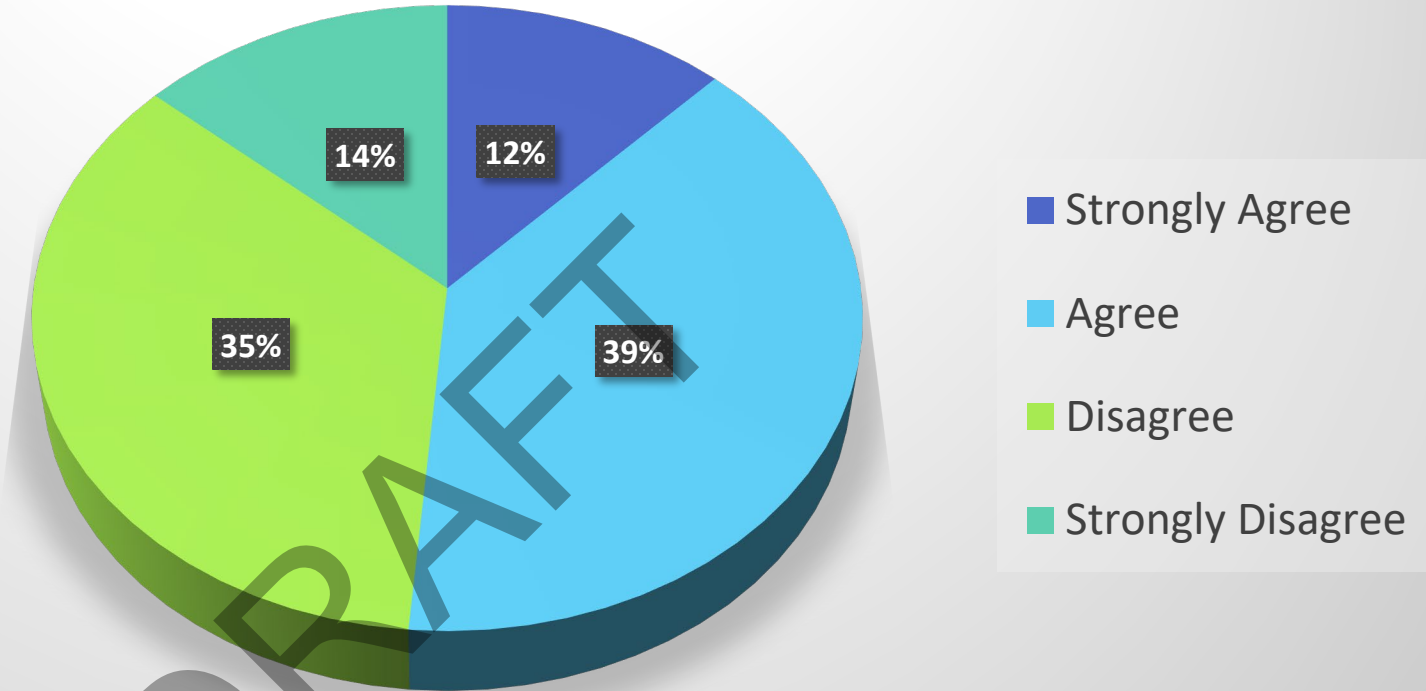
We asked the survey respondents to rank the barriers that they think are most impactful to their role in the industry.

Ranking from 1 most important to 5 least important.

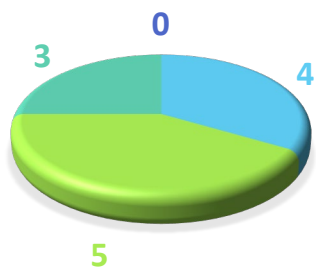


Access to opportunities in public contracting is satisfactory

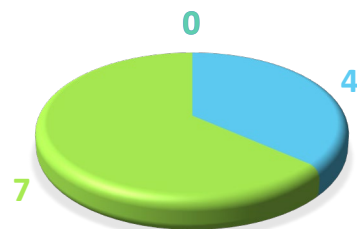
All Responses



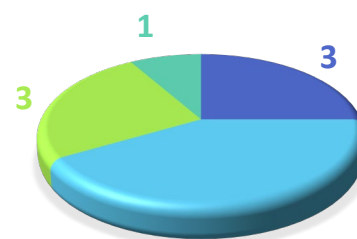
DIVERSE BUSINESS



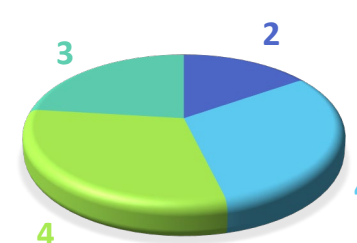
DESIGN (A/E)



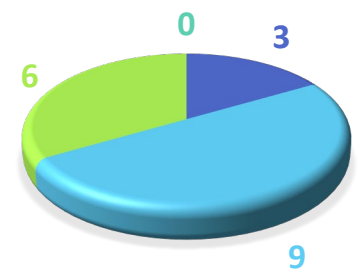
CONTRACTOR



OTHER CONSULTANT

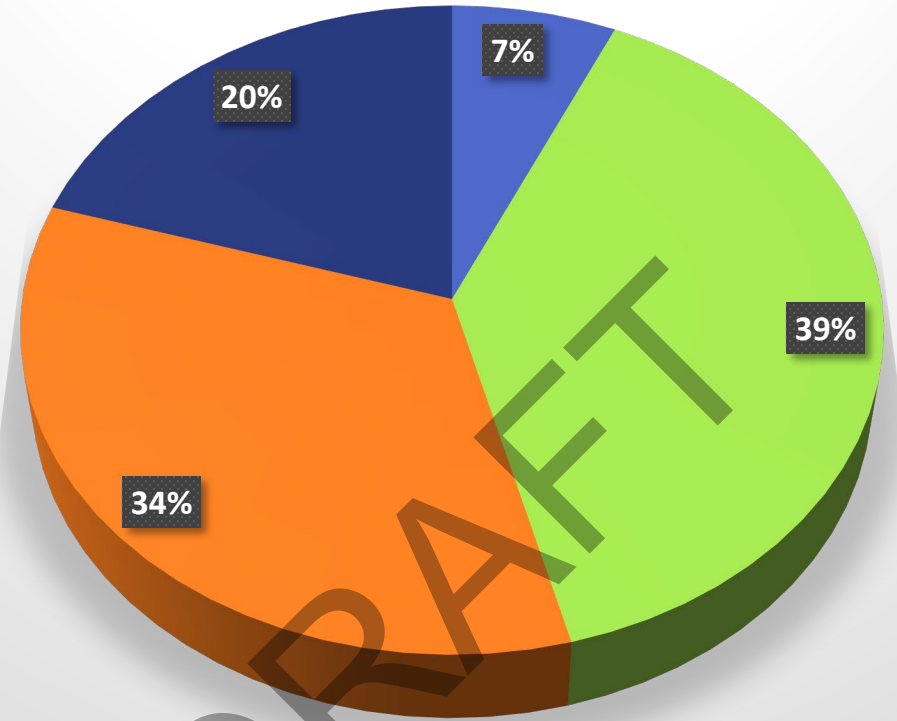


PUBLIC AGENCY

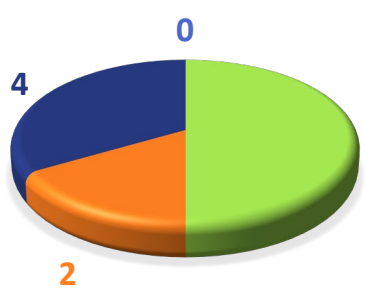


Access to capital including firm financing, eligibility for financing, and bonding is satisfactory

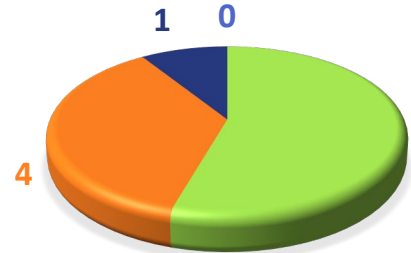
All Responses



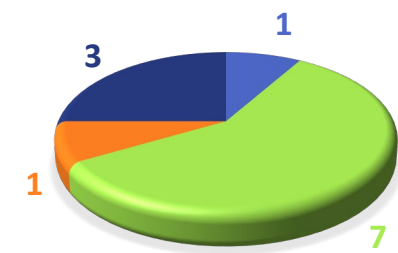
DIVERSE BUSINESS



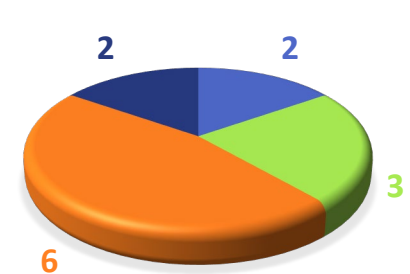
DESIGNER (A/E)



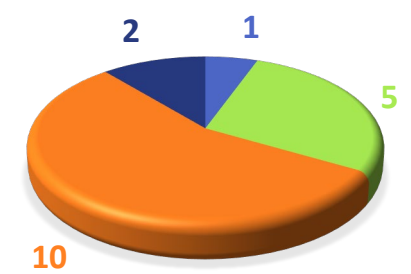
CONTRACTOR



OTHER CONSULTANT

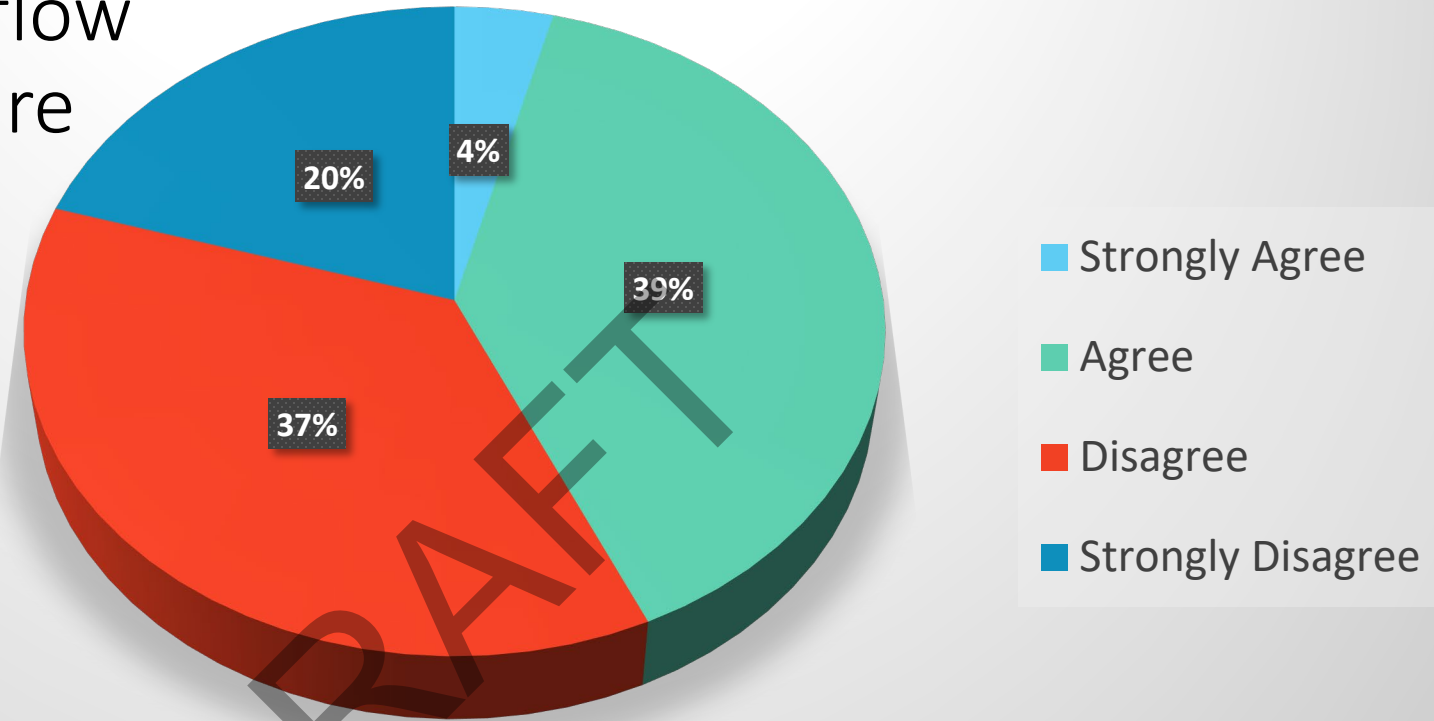


PUBLIC AGENCY

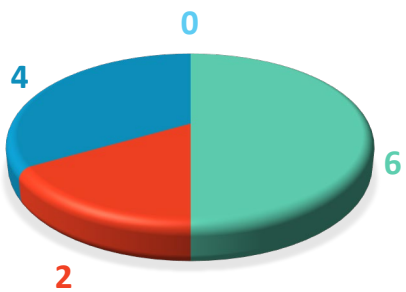


Access to project cash flow and prompt pay issue are satisfactory

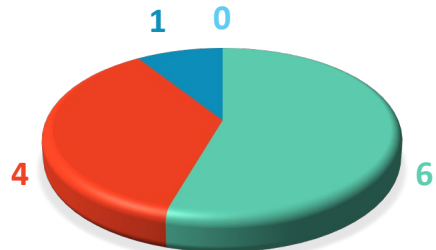
All Responses



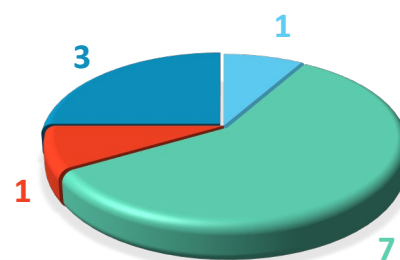
DIVERSE BUSINESS



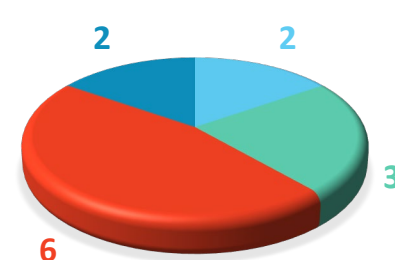
DESIGNER (A/E)



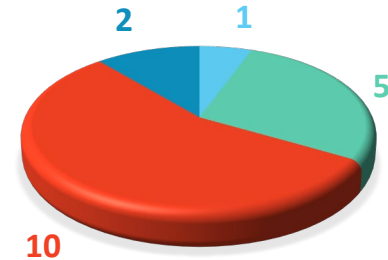
CONTRACTOR



OTHER CONSULTANT

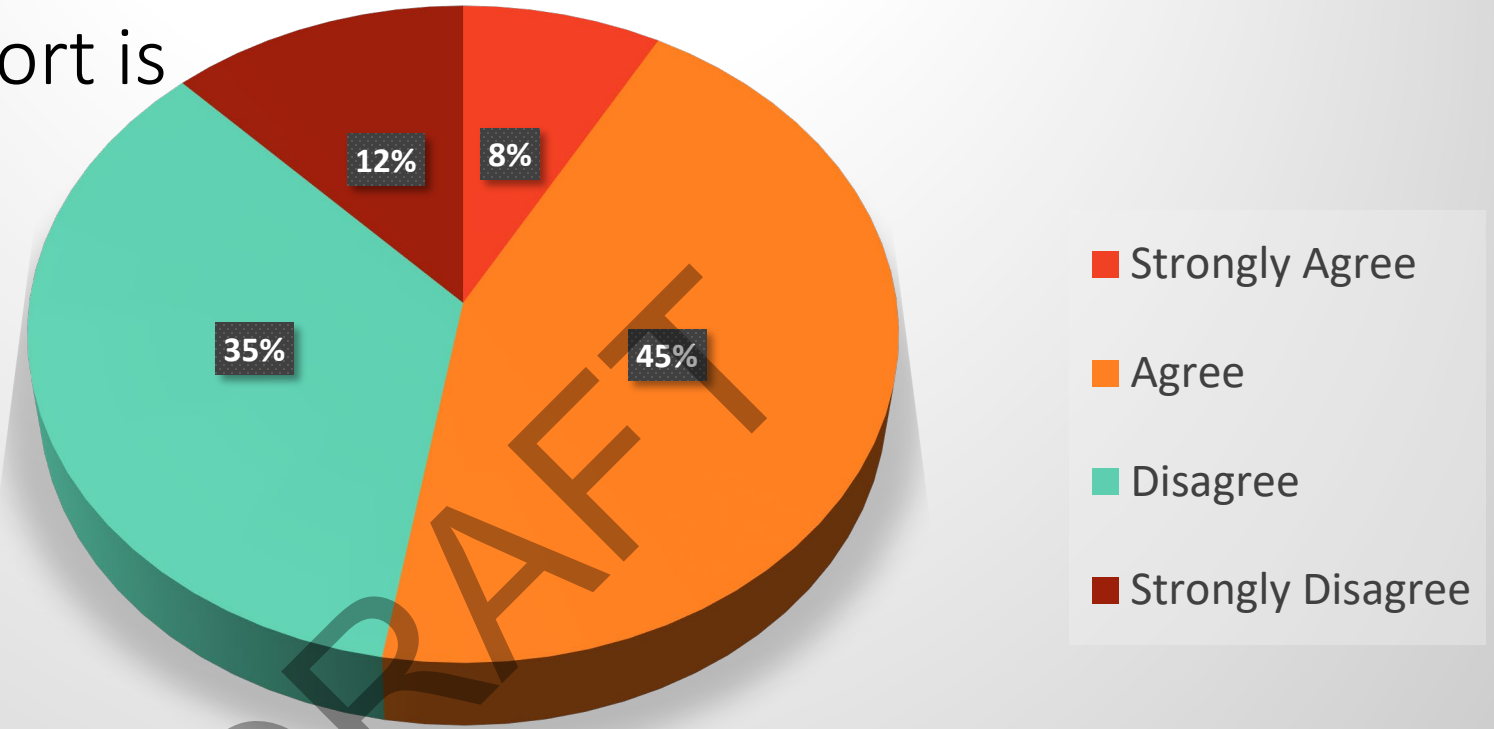


PUBLIC AGENCY

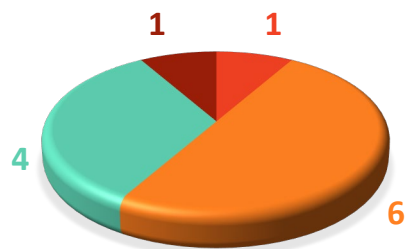


Access to training and business services support is satisfactory

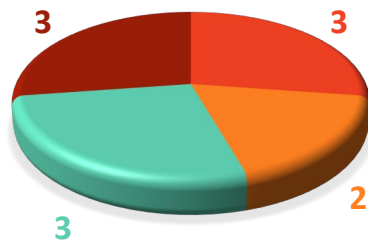
All Responses



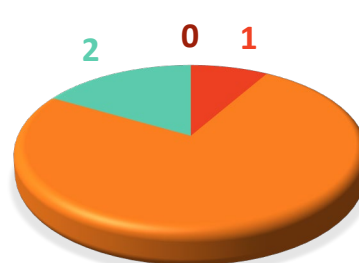
DIVERSE BUSINESS



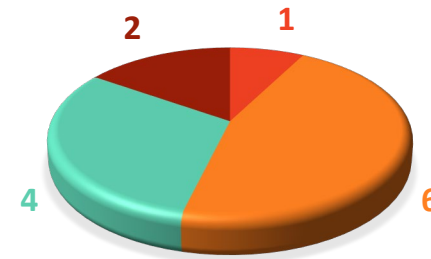
DESIGNER (A/E)



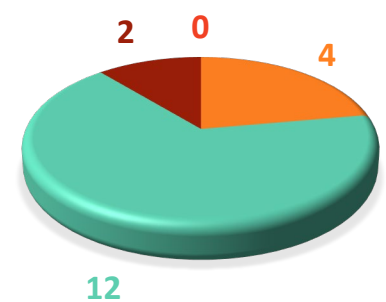
CONTRACTOR



OTHER CONSULTANT

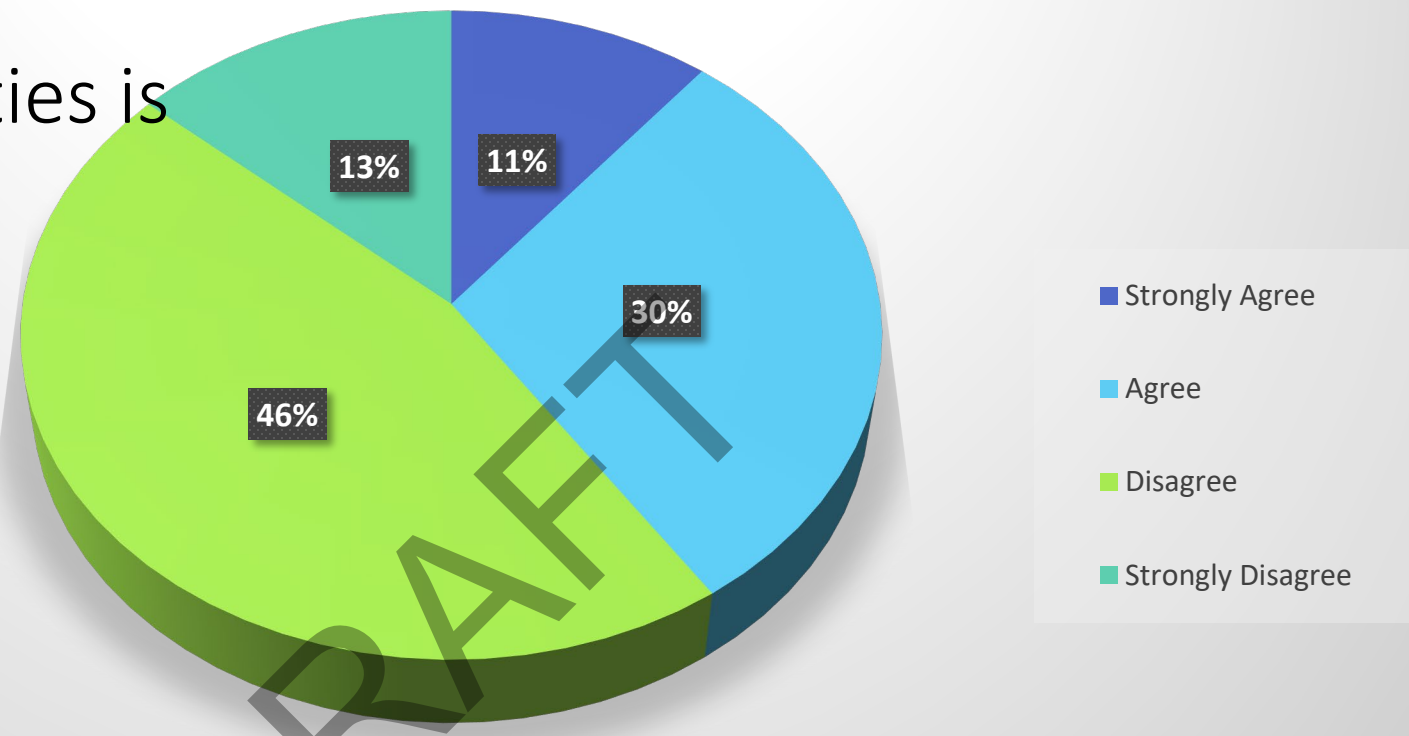


PUBLIC AGENCY

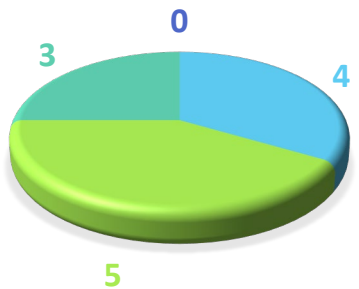


Access to networks/
relationship opportunities is
satisfactory

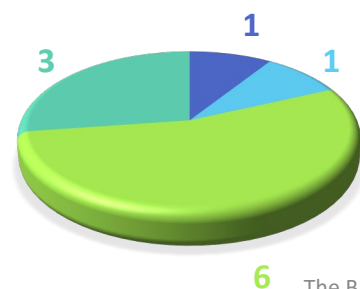
All Responses



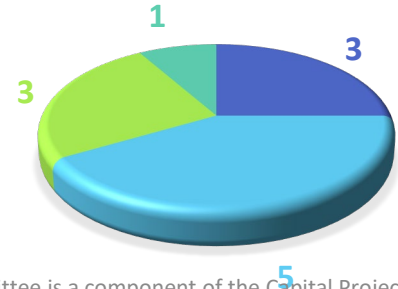
DIVERSE
BUSINESS



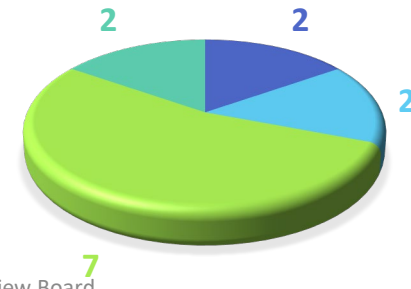
DESIGNER (A/E)



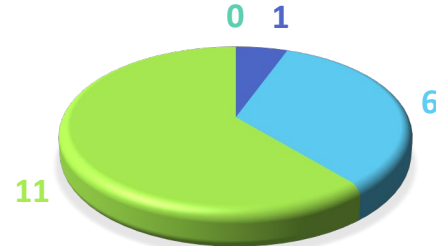
CONTRACTOR



OTHER
CONSULTANT



PUBLIC AGENCY



Additional Comments Received

- I believe if you want it you can make it happen. If you don't want it you will make excuses as to why you cannot achieve something.
- UW both makes a lot of effort to improve inclusion within the constraints we have as a public agency, and also welcomes new ideas we should consider to do even better.
- As a School District access to funding for new schools is the largest issue. Our voters have difficulty supporting bond measures based on property valuation. As property values increase, even maintenance levies and bonds increase their taxes. Super Majorities, make passage of bonds onerous to school districts. A constitutional modification to this law is in order. Training for ways to work with contractors to increase their equity, diversity, and outreach to minority, and women-owned, veterans and small business enterprises would be beneficial.
- I recommend looking at the Tacoma Public Schools' Diversity best practice program for positive insights. The City of Seattle is also exploring ideas to break down barriers; again, I recommend gleaming insights from their WMBE committee.
- Lack of certified businesses in WA State A/E industry to hire in the primary problem, especially in E WA. Certification process looks at larger and smaller firms in the same manner, seems like criteria should shift to recognize inherent differences in business at these two scales.
- There are other barriers not discussed here that should be considered. Training for owner staff, inclusion plan use and most of all reporting and accountability.
- Access to work for engineering companies in the DB delivery model is problematic. There is less work for smaller engineering firms in this project model and its harder to get. Even large engineering firms are optioning out of the DB projects and pursuing other work. This needs to be dealt with legislatively. While DB is the delivery model of choice for owners it has had adverse effects on the engineering community as whole. Since its working for owners, the DB model needs to be altered to make it more fair for engineering companies.
- These issues are posed as if my organization is a small DBE firm. I have answered them as a government employee in public works and what my perception that that the barriers would be to those firms being in a position to obtain contracts with my agency. But my perception could be off.

Additional Comments

Received Continued

- As a public agency we find contractors submitting bids on our projects are often deterred by the DBE requirements established on federal projects. Smaller firms have a hard time meeting the commitments. DBE's are often not locally available or they do not have the resources to properly bid or provide documentation on large scale projects even as a subcontractor. This drives contract prices up disproportionately and makes contract administration increasingly difficult. Any implementation of additional resources and requirements should take in to consideration of local demographics and the contractor base in the areas.
- Those affected by certain capital projects such as those working in a building that is slated to undergo building renovation or new building construction are often not consulted or labeled as stakeholders but they should be.
- One barrier is access to capital, and bid bonds are hard to get qualified.
- Accessing opportunities is great, but if the people evaluating submissions are biased and the criteria is not inclusive allowing new businesses to compete with existing businesses.
- A barrier to contracting for small business is the frequent requirement that the SB/DB has to perform greater than 50% of the labor. Frequently in construction or environmental consulting jobs the small business needs to subcontract those opportunities, and does not immediately have the labor to do 50 % or greater. This should be changed to facilitate future opportunities.
- WSDOT does not recognize the most common form of small business, which is a pass-through single-member LLC. As an independent consultant providing professional services, I have a single member LLC pass-through entity with zero employees. It is impossible to determine a salary-derived rate. WSDOT therefore excludes my firm from all of their professional services contracts. Other DOTs interpret the Federal DBE law differently and provide a threshold contract value under which my firm can, as a subconsultant, establish a "reasonable" hourly rate. In Utah, this is \$25,000. The Federal government excludes small businesses from the FAR, but WSDOT imposes FAR-based accounting rules on my tiny little one-person firm making less than \$100,000 per year. I can hold Federal contracts as a prime for up to \$250,000 using a "reasonable" hourly rate that is not salary-derived. In Washington, I can't even hold a \$5,000 subcontract. Consequently, my firm is unable to work in my home state at all.

Additional Comments Received Continued

- As a sole proprietor consulting engineer in a very narrow technical field (solid waste management), my responses should not be considered typical. Since I'm semi-retired and don't have to pay employees, my need for capital is minimal. After 40+years in this technical field, I have a pretty wide network, but if I were starting out or had just 10 years of experience, it would be quite difficult.
- Cronyism drives selection.
- DBE certification is not an advantage in an RFP system that does not include DBE requirements, percentage minimums, or points in the evaluation process. Oregon RFPs always say they want DBE applicants but never systematically reward us for the burden of the DBE certification process. This needs to change.
- Net payment terms hurt small business subcontractors - large primes hold onto cash as long as possible. Perhaps large contracting primes can pay their subs PRIOR to being paid by the government.
- Community banks' hands are tied when it comes to lending to small business. SBA avenues force small businesses to work with a huge government bureaucracy, required dedicated FTEs simply to comply with all of the red tape. Instead, unleash local community banks to lend to those small businesses in their community.
- Methods of developing Indirect Cost Rates don't apply to all small businesses (especially Owner-Employees) and the costs of hiring accountants, etc to figure it out are prohibitive for many of us. There should be an easier way of determining fair pay, not some arbitrary multiplier. My fees are based on my expertise, including the years of education and experience it took me to earn it. I should be able to charge what I am worth for my professional services, what it is worth my time to do -not what some actuary who doesn't understand what I do thinks I should be paid.
- Dumb, you think you can ask me a set of questions and then on the next page claim fame and your on it ? Dumb

Additional Comments Received Continued

- A one stop cost effective or free service provided to small contractors offering resources from the inception of their business to completion of the first project. To include: access to plan room, bonding, OCIP, help with bid doc's, specifications, special agreements PLA/CWA's progress payments, working with the communities, outreach etc.
- The barriers for small firms (at least in the professional services side) are still strong. These are very relationship-based businesses where project teams are built far ahead of public notices. Primes holding half-day long meet and greets that don't result in any work are just a waste of time for us. One-on-one mentoring programs or other ways that relationships can actually be built might be more useful.
- Navigating any government process or system is cumbersome at best, confusing and overwhelming most of the time. Historically disenfranchised and justice involved people are usually not adept at these processes, have barriers to access/certification, don't have the time/funding to invest in lengthy bid/RFP's. Make it easier to do business with.
- In WA state there is a lack of caring, commitment and opportunity. In WA state public agencies and prime contractors have demonstrated that they will hire, recruit and contract with out of state individuals and companies before they will hire and contract with minorities that are state residents. CPARB is a prime example of discriminatory practices in WA state. CPARB functions solely for the benefit of its members and not the benefit of the state and especially the minority citizens of the state of Washington. Until there are explicit directions from the governor and state legislature and enforced reporting requirements CPARB will continue to operate in a manner that is not in the best interest of the state . Thanks for the opportunity to respond to this survey and hopefully someone will read and investigate the truthfulness and accuracy of these statements.
- I only manufacture airfield equipment and I have a hard time finding current FAA AIP funded projects. It seems that when there is a DBE goal it is eaten by labor so, manufacturers don't receive any benefit from DBE goals. I wish they would separate the labor from the materials purchased in DBE goals.
- PLA's, State registered Apprenticeship requirements limit access.

Additional Comments Received Continued

- I'm in somewhat a different situation as a consulting firm that is less capitolly intensive than a construction firm. At this stage, some of the "disagree" selections are more of an "I don't know." In my case, there are many public agencies interested in what I do, but the system is slow with poor, outdated perceptions, or culturally insensitve behaviors from large firms. There needs to be better understanding on the role of a small firm to fulfill agency needs, how healthy prime/sub relationships work where appropriate, what business diversity (not conformity or obedience) means in achieving value for everyone involved.

DRAFT