

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

22 April 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 Kuruvilla	Exeltech	CPARB /Committee Member
<input checked="" 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 Dobyns	Lydig	CPARB
<input checked="" 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 checked="" type="checkbox"/> Melissa Van Gorkom	Senate Committee Services	
<input checked="" type="checkbox"/> Amy Stenvall	Mukilteo School District	Representing Shelly Henderson today
<input 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 type="checkbox"/> Rebecca Keith	Seattle City	
<input checked="" type="checkbox"/> Greg Bell	Pierce County	
<input checked="" type="checkbox"/> Kara Skinner	Integrity Surety	
<input 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 4/1/2022 meeting minutes	Action	10:10 am
Report from CPARB		10:15 am
Last thoughts on Access to Opportunities	Discussion	10:25 am

Culture (KPI)	Discussion	10:35 pm
Accountability	Discussion	11:00 am
New Business	Discussion	11:40 am
"Final word" (from committee members)	Discussion	11:45 am
Adjourn	Action	12:00 pm

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.
- Could not record due to permission issues today.

Action by: BE/BDI Committee

Status: Approved and complete

Item: **Review & approve agenda**

- Agenda Approved.

Action by: BE/BDI Committee

Status: Approved and complete

Item: Review & approve 4/1/2022 meeting minutes

- Minutes approved.

Action by: BE/DBI Committee

Status: Approved

Item: Report from CPARB

- Neutral to no feedback on the executive summary.
- Importance of the schedule was discussed, emphasis on the June deadline.
- Discussed thoughts and reflections on the last CPARB meeting from those CPARB members present.
- Some of this committee have had an opportunity to sit with Dr. J. Culture piece is important to their office and the PEAR plan. Charged by the governor with the work around the Office of Equity. Expect to see a lot of work being charged to CPARB based upon Office of Equity recommendations.
- Feedback heard from Senator Hasegawa – looking for this work to be done right and not rushed. Data and how to collect it is a topic of conversation. Recognized that data collection was not inside of CPARB, but that the absence of data is a concern, it can be persuasive and helps to understand. Comments were in alignment with where we are going.

Action by: Who

Status: N/A

Item: **Last thoughts Access to Opportunities**

- How will people know that they have done the right things towards effort of practices to access to opportunities?
- Reference materials included in report – comes back to culture and accountability.
- Aiming for engagement not insincere compliance. We are trying to change hearts and minds.

Action by: Committee

Status: None

Item: **Culture (KPI)**

- Set the table for the discussion. Thank you for being able to bring opposing opinions and being willing to disagree without being disagreeable.
- What is the good version look like and what is the bad version? (Opportunities, Capital, Training) Utopian view versus dystopian view. Example: banks allowing loans to a broad spectrum, versus redlining districts.
- Opportunity: unbundle understand businesses and capacity, bad even odd pages of the spec being the package.
- Mentor Protégé – 5 years for WSDOT. Seen success in small businesses who saw 75M through the program. Hope to enhance the program by (builders want financial incentives), technical credits, overhead reimbursement, or mentors who actually contract with their protégé's. Move from training/counseling into hiring and using protégé's
- Agencies – strides towards better environment based on RFP/Q language. Roadmap to diversity. Voluntary program versus mandatory – spring of next year – race and gender conscious goals. Most agencies have their “usual” bidders, in some cases the agencies can only perform as well as the contractors are willing to perform. Trying to create environments for access and growth – long term goal. Better contract language, better relationships so bidders understand goals, managing them to success. Challenge of the number game, number of firms versus percentage completed by one firm to achieve the goal.
- Culture is a verb. Are we talking about culture that it is proactive and a leaning in? Is it creating space for more firms. Where the things you are doing is to a culture of inclusion – see firms as integral to our collective success.
- Actions being taken by gov agencies and business, that shows examples and stories to create the culture.
- Values, norms, traditions that affect the way a member of a group what they perceive, think, interact, behave, make judgement or decisions.
- Values are the fuel for your mission.
- What do you believe? You should be able to demonstrate and articulate something you believe in manifest in actions. You become more collaborative on a shared value towards a mission and journey.
- People can be directed to do the steps, but they become check the box efforts that do not the same impact.
- Dancing movement video mentioned.
- Starts internally – why have a culture and what does it look like? What does that resonate for you as an employee – ask your employees. Where do you start from? What do you value and bring to the table? A-Z what you believe in – so that we can get to the bottom line of the business so that value and culture of the firm, can be helped within the firm. Attitude you come with may need to be corrected, hard conversations that are needed to bring you to the level of culture needed to bring people into the industry. Has to be baked into the culture, hard conversations all the way to the employee level. There are going to be folks not on the same page, who cannot get there. How do you deal with them?
- How is it measured – values can get very fuzzy. Using it as a verb and doing the culture is really fuzzy.
- Engagement – every agency is embracing equity differently. Ask and educate on behaviors. Non-

threatening communication. Do they know what equity is? Are they afraid to ask?

- How to engage with good models and how to talk to those that aren't.
- The drive to increase from where we are moving forward. One size does not fit all. Project specific inclusion plans in best value procurement. Accountability and follow through. Metrix standpoint – one sub high dollar. Meaningful inclusion metrics – number of businesses involved. Is it your first time working with the firm, finding and creating new relationships? Debrief at the end of the project.
- Monetary Incentives for inclusion – can open the door to undesirable outcomes or behaviors and can be seen as a negative thing.
- Knowledge when put into practice is wisdom. Values when put into practice is culture. Do you agree?
- Equity – does not mean equal, it means fair. Meme short and tall fence. Equity is creating ways to be equal, equality is being fair.
- Culture change – beginning, middle and end. Why do culture projects fail? How to make more sustainable
- One thought on why lose traction/momentum. Teams and firms are made of individuals within i.e. team, subs, pms, etc. As people come into power – new regime – new culture.
- Culture Shift – might be helpful to view that way. You need every single person to own it. If it is top down within an org, it may not be successful. It takes a longer time. No easy answers because it can not be directed top down. Ownership and empowerment. Checklist analogy – without someone who says a new checklist is needed it never gets changed.
- Culture Shifts – as many people join us as possible. Don't want to say inclusion is the monopoly of a group of people just because of the way they look. To find the things we agree on and work together to make it happen. Some of us have been discriminated against because of the way we look. We don't want to do unto others what was done to us.
- Effort as change management kind of effort. Three things make a great program. 1. Engaged and knowledgeable leader – starts with the leader. 2. Leader has empowered advocates who they empower to make the change based on shared values. 3. Means and methods, contractual agreement changes to hold accountable.
 - Inventory
 - Analysis
 - Plan
 - Execute plan with values
 - Tipping point when the majority of the group thinks a certain way and they then drive the outcomes
- Are we there? Different for different organizations. Driven by who is in charge. Who is willing to step over dollars to make a more competitive environment. Most level field with the widest lane and brightest light.
- Why culture shift fails? It has to start from the top, the process does not create a deep personal commitment to change. Too many disconnected initiatives about culture shift. Culture is not clearly managed as a strategy. It's process that has to be aligned as a value. It must make it to the bottom of the business, org, or agency to become a culture shift.
- Wondering if similar to safety culture, patterning culture. Safety culture over history – alternative delivery culture and the shift from DBB. Creating that type of psychological inclusive culture. Lifting it to being just as important as physical safety. So that it fits into the space at the individual level. How do we create the social norms that people see when they show up at work every day.
- Parallels to safety protocols – whatever that was if we can figure out how to do that with culture – might be an answer.
- Privately help versus publicly held company. It is also up to the project owner. Challenging to break it down based upon industry. How much control do we really have in changing culture?
- Safety has the metric of osha and LNI – compliance that is law. Accountability. Not one guideline that encompasses all.
- Culture like antibodies – they grow and live in you.

Action by: Committee

Status: in process

Item: **Accountability**

- Focus on accountability in opportunities, capital and training.

- Capital – accountability – there are companies from out of state coming in that understand different nuanced about how that works. Wedge into the market because they partnering to go after jobs in Washington. Establishing joint ventures to provide access to capital for DBEs. Outside of state versus out inside state.
- Reporting side of efforts and results – timeline of a project – plan – actionable things during project – reflection in reporting. Continuous improvement cycle for everyone involved.
- Is there anything that accountability can do to help create the outcome of business development versus just numbers?
- Start accountability with metrics. We need to have metrics. How to hold someone accountable if you don't know what you are accountable for?
- Important to have metrics – employee late example. The metric needs to be nuances set. If focus is just the procurement, you will find an agency – 30% next year 0%. One year big project, major subcontractor, next year no project, subcontractor went back home. Is that the goal or is it the development of small business in the place where the project is happening. Utilization needs to be balanced by other factors.
- Sustainability as part of accountability. Development of the pool. Measured the number of firms. X 1 firm. B – 30%, X 5, B 0%. Importing versus building the pool of local and small businesses.
- Metrics need to be tied to what we are trying to do.
- Inclusion plans – engaged response. How to measure?
- I hope we are measuring effort – specifically increase effort with respect to we can't keep doing the same thing expecting a different result. What are they doing to drive increased inclusion? Plan implemented effectively and created a positive impact? Examples – 2 versus 4 weeks. Additional targeted outreach events. Extra effort on the first one will feel like the baseline on the next and ultimately help build community.
- Senator Rosa Franklin “lets not just measure efforts, lets measure results”.
- Results or efforts – a bit of debate on how to measure.
- 80th year of the executive order of the internment of the Japanese people in the US. purple heart battalion – irony is that family members of the soldiers were interment survivors. Most of time all we want is an opportunity to show how good we are. Accountability for those soldiers was counted in the most final way.
- Yes, we want to measure the inputs, understanding whether we are getting the results. AND inputs are to learn about when we are getting or not getting the results and why? Input measurements cannot be in lieu of results.
- It's not that one is irrelevant but used to inform the progress of the other.

Action by: Committee

Status: in process

Item: **New Business**

- Draft ready Wednesday of next week, will send out to the committee for review for the May 6 meeting.
- In preparation for May 12 CPARB meeting, send report you have all seen out for pre-read to CPARB.
- Then make it a wide broadcast to get comments.
- Pre-read is due on the 5th for CPARB.
- Comments due a week after CPARB meeting.
- Report will come with a comment form.
- Potentially first and second pre-read to CPARB?
- Committee and CPARB see first draft at the same time.

Action by: CoChairs – Schedule additional time.

Status: in process

Item: **Final Word**

- Thank you for the important and impactful last three meetings.
- Great discussion of a large undertaking.
- At the end of the day – can I put food on the table. If we are not looking at how much is being sent to the diverse firms. This is not new. How do we put more money in the pockets of these contractors, architects, engineers and doing work for us.

- Storming, forming, norming, and performing. Working on all cylinders right now advancing the industry.
- Senate state government and elections committee is interested in having a report from this committee effort. Potential item for meeting at the end of September. Will be reaching out to CPARB to schedule for that session.

Action by: Committee

Status: N/A

Adjourn 12:03 pm

From Janice Zahn to Everyone 10:10 AM

Hello everyone. Janice Zahn, CPARB Chair.

From Carrie Whitton - Outreach + Inclusion Manager to Everyone 10:11 AM

Carrie Whitton - FORMA Construction

From Young Sang Song to Everyone 10:21 AM

Young-Sang Song - Song Consulting, LLC

From Cathy Robinson, City of Lynnwood to Everyone 10:30 AM

I had to step away for a few minutes. I'm back now.

From Stephanie Caldwell to Everyone 10:35 AM

I need to step away for a quick minute.

From Linda Womack@MBDA to Everyone 10:38 AM

No problem...I will get it to Santosh for massive distribution

From Brenda Nnambi to Everyone 10:59 AM

Sorry that I have to leave at 11 but did want to mention that I agree with the comments made about culture and valuing the importance of inclusion by agencies and businesses. Sound Transit has 6 core values of collaboration, customer focus, inclusion and respect, safety, integrity, and quality. We have an anti-racist initiative which includes an economic development component. Agencies play a critical role in communicating our values to those we do work with.

From Stephanie Caldwell to Everyone 11:08 AM

1. I think we loss traction from any movement because we get comfortable.

From Stephanie Caldwell to Everyone 11:14 AM

Agreed with Bobby's comment. It has to start with the head of that company. They set the DNA that is baked into the culture.

From Bobby Forch to Everyone 11:15 AM

I have to drop off

From Linda Womack@MBDA to Everyone 11:21 AM

Linda Womack @ MBDA-WA

From Kara Skinner to Everyone 11:21 AM

Kara Skinner - Surety

From Cathy Robinson, City of Lynnwood to Everyone 11:21 AM

Cathy Robinson, City of Lynnwood

From Stephanie Caldwell to Everyone 11:21 AM

Stephanie Caldwell, Absher Construction Company

From Van Gorkom, Melissa to Everyone 11:21 AM

 Melissa Van Gorkom, Senate Committee Services

From Greg Bell to Everyone 11:21 AM

 Greg Bell, Pierce County

From Amy Stenvall to Everyone 11:21 AM

 Amy Stenvall, Mukilteo School District

From Charles Wilson to Everyone 11:21 AM

 Charles Wilson - DES

From Aleanna Kondelis to Everyone 11:21 AM

 Aleanna Kondelis, Akana, DBE - private business

From Rachel Murata (she/her) OMWBE to Everyone 11:21 AM

 Rachel Murata, OMWBE

From Keith Michel to Everyone 11:21 AM

 Keith Michel - FORMA

From Carrie Whitton - Outreach + Inclusion Manager to Everyone 11:21 AM

 Carrie Whitton - FORMA

From Lisa van der Lugt to Everyone 11:25 AM

 thank you!

From Young Sang Song to Everyone 11:33 AM

 I need to step away - I'll do my best to jump back on.

From Irene Reyes to Me (Direct Message) 11:54 AM

 I can email you what I talked about today if it is easier for you.

From Linda Womack@MBDA to Everyone 11:55 AM

 Sorry, I have to jumped off....have a great weekend!

From Amy Stenvall to Everyone 11:56 AM

 I have to leave. Great meeting!!

From Lisa van der Lugt to Everyone 11:58 AM

 I have to sign off. Thank you for a great meeting!

From Aleanna Kondelis to Everyone 11:59 AM

 Great!