

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

25 February 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 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 type="checkbox"/> Chip Tull	Hoffman Construction	Committee Member
<input checked="" type="checkbox"/> Aleanna Kondelis	Akana	Committee Member
<input 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 checked="" type="checkbox"/> Shelly Henderson	Mukilteo School District	Committee Member
<input checked="" type="checkbox"/> Keith Michel	Forma	Committee Member
<input type="checkbox"/> Young Sang Song	Song Consulting	Committee Member
<input checked="" type="checkbox"/> Stephanie Caldwell	Absher Construction	Committee Member
<input checked="" 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 type="checkbox"/> Cindy Magruder	University of Washington	
<input 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"/> Greg Bell	Peirce County	
<input checked="" type="checkbox"/> Nina Jones	WSDOT Representing Jackie Bayne	
<input checked="" type="checkbox"/> Mallorie Davies	Laborers Union	PRC Committee Member
<input checked="" type="checkbox"/> Kara Skinner	Integrity Surety	

## AGENDA

Item	Purpose	Start
Welcome and committee member introductions	Information	10:00 am
Review & approve agenda	Action	10:05 am
Review & approve 1/28/2022 meeting minutes	Action	10:10 am
Invitation to the public to participate	-	10:15 am
Report Outline	Discussion	10:20 am

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New Business	Discussion	11:00 am
"Final word" (from committee members)	Discussion	11:30 am
Adjourn	Action	12:00 am

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**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

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Olivia Yang - Washington State University

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Santosh Kuruvilla - Exeltech Consulting

206 713 1241 [santosh@xltech.com](mailto:santosh@xltech.com)

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Item: **Welcome and committee member introductions**

- Call to Order
- Quorum confirmed.

Action by: BE/BDI Committee

Status: Approved and complete

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Item: **Review & approve agenda**

- Revise Agenda to reach "Report Outline" instead of "Report Outline and Kanban and Survey".
- Agenda Approved.

Action by: BE/BDI Committee

Status: Approved and complete

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Item: **Review & approve 1/28/2022 meeting minutes**

- Minutes approved.

Action by: BE/DBI Committee

Status: Approved

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Item: **Public Comment**

- None.

Action by: N/A

Status: N/A

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Item: **Report Outline and Kanban and Survey**

- Shared DRAFT report outline
- Propose that for the remaining time: March, April, May – focus on legislative changes under each of the Access to Opportunities, Capital and Training topic headers – the need, intent, concept. Report can lay the groundwork for specific legislative changes in the future.
  - Are there policy changes that can get us started in the right direction? Yes, example of

changes Owner's can make right now discussed. Conversation around Owners by size and challenges in policy change and impact when legislative changes are anticipated/upcoming. Call for policy change increased efforts by large owners.

- Policy between entities - consistency is desired.
- Public Owners and collaborative approach discussed.
- Small Owner flexibility?
  - Legislation is more restrictive than policy. SWR example given. Try to leave policy as the more open/flexible option than legislation. So that the agency is not artificially restrictive.
- Access to Capital – to a business owner in terms of loans, cash flow during the course of a project, prime-to-sub, sub-to-sub, and bonding impacts to cash flow.
- Some of the smaller owners do have policies where the thresholds are more restrictive than what legislation allows.
- Businesses need to learn how to navigate the various delivery models available and determine which is the best for their business model/plan.
- 39.10 focus and be mindful of our respective lane.
  - Within 39.10 there are components of low bid and therefore by extension the discussion still lives here.
- Eastern Washington – training for both Owners, primes and subcontractors – geographic circumstances should be part of how aspirational goals are developed. Local market resources should be reviewed to tailor to effectively move the needle. Instead of cross pollination across the cascade. If a small business is talked into taking on a contract far out of their geographic radius, they need to be aware of the risk being asked of the small business.
- OMWBE is/could be a good central access to help provide training.
- Not all agencies have all tools. Think it is very important that contractors know the environment that the public owner is working in. Feels like that information is not out there to educate businesses about funding and delivery methods. Recommendation for Owners to look at the existing tools and can you leverage those tools to get the outcomes you want.
- Concerns around low bid discussed. Prevent gaming the system and associated barriers.
- Identify and seek out positive change. Remind all members that Differences between delivery methods does present choice. Choice is valuable for a growing and emerging business. Filtering opportunities to pursue is a big part of business model.
- A way for businesses to be cued to which model is best for them – incorporate into the thinking and discussion around access to training.
- The essence of the why and the vision for the future is part of the document. How we pack that up and describe it in the document is important.
- Choices for Owners to be making and what delivery methods being made right now. What are some actionable steps my agency could be making around specific delivery models to make “for now” changes? Expect to be able to look to this document for actual ideas.
- From Lisa: It's ok to ask for things that are hard and aspirational. Be sure that we provide something meaningful. OMWBE feels the impact of being accountable for funding received.
- Current legislation dovetails into our conversations.

Action by:

Status: In progress

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Item: **New Business**

- Propose Next steps:
  - Review the next draft of the report and speak to content, not wordsmithing.
    - March – Access to Capital – Legislative changes conversations (all things money)
      - Invite lender, bankers, sub-lenders, etc. to provide input.
    - April – Access to Training – Legislative changes conversations
    - May – Access to Networking – Legislative changes conversations
- OFCI future discussion.

Action by: Olivia/Santosh

Status: In progress

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Item: **Final Words**

- Appreciate the tough conversations and efforts of this committee.
- Thank you for the committee and hard work
- Expectation it to cover content around access to capital.
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Action by: N/A

Status: N/A

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Adjourn 11:25

From Aleanna Kondelis to Everyone 10:01 AM

Brenda is having IT issues

From Stephanie Caldwell to Everyone 10:11 AM

Sorry, I having audio issues this morning. Aye

From Lisa van der Lugt to Everyone 10:18 AM

agree with this approach.

From Shelly Henderson to Everyone 10:21 AM

I think legislation is usually more restrictive than policies already

From Shelly Henderson to Everyone 10:27 AM

Sorry, lost audio for a while & had to sign in again

From Cathy Robinson, City Lynnwood to Everyone 10:35 AM

Some of the smaller owners do have policies where the thresholds are more restrictive than what legislation allows.

From Lisa van der Lugt to Everyone 10:40 AM

brb

From Linda Womack @ MBDA-WA to Everyone 11:13 AM

sounds like a plan

I can invite a lender and work with kara on Access to Capital

From Rachel Murata (she/her) OMWBE to Everyone 11:14 AM

We've been having some conversations with folks at Commerce about their programs for access to capital, that work is much broader but they might have something to offer.

From Rachel Murata (she/her) OMWBE to Everyone 11:22 AM

The phone user is Lisa

From Brenda Nnambi to Everyone 11:26 AM

Have a great weekend!