

# M/WBE Program - Ordinance Revision



Tuesday, February 5, 2019  
City Council Work Session

# Disparity Study Recommendations

- Accepted by City Council 8/21/2018



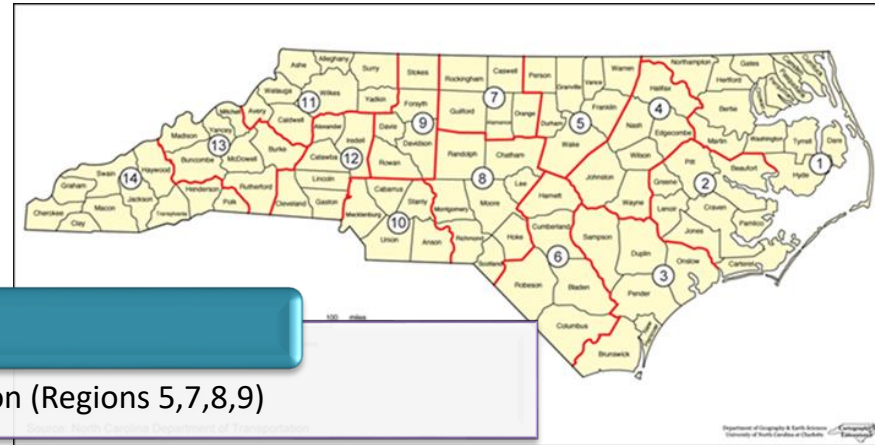
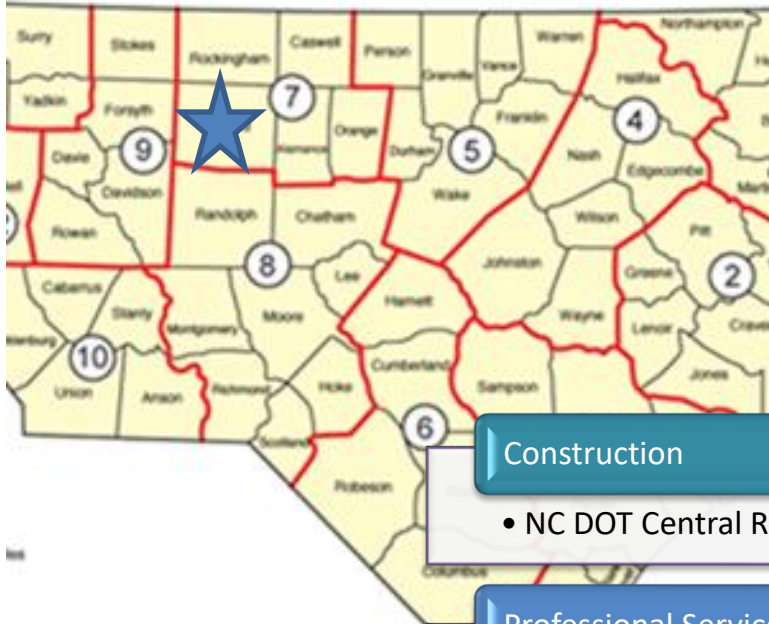
# M/WBE Program – Ordinance Revision

## Major changes to the Program Plan:

- Relevant Marketplace
  - Measured by where at least 75% of City contract dollars were awarded
- Expansion of minority group members in Construction
  - Added Hispanic Americans
- Expansion of minority group members in Professional Services
  - Added Asian American
- Expansion of minority group members in Goods & Other Services
  - Added Asian American and Native Americans
- Annual Aspirational Goals
  - Established based on availability in 27 county marketplace
- Inclusion of disparity study recommendations
- General 'clean up' of language and definitions



# GEOGRAPHIC RELEVANT MARKET



## Construction

- NC DOT Central Region (Regions 5,7,8,9)

## Professional Services

- NC DOT Central Region (Regions 5,7,8,9)

## Other Services

- NC DOT Central Region (Regions 5,7,8,9)

## Goods

- NC DOT Central Region (Regions 5,7,8,9)

# Availability Estimates

**Table 1: Summary of Availability Estimates by Work Category In the Relevant Market**  
(Based upon the Master Vendor File)  
**City of Greensboro Disparity Study**

Ethnicity	Construction	Professional Services	Other Services	Goods
African American	11.48%	17.38%	13.89%	13.87%
Asian American	1.02%	3.48%	1.03%	3.36%
Hispanic American	4.51%	2.94%	2.17%	2.75%
Native American	0.82%	0.53%	0.52%	1.22%
Total Minority	17.83%	24.33%	17.61%	21.20%
Nonminority Female	19.88%	21.93%	11.36%	27.44%
Total M/WBE	37.71%	46.26%	28.97%	48.64%
Non-M/WBE	62.30%	53.74%	71.04%	51.36%
Total	100%	100%	100%	100%

# Aspirational Goals

Based upon availability estimates in the Relevant Market

Ethnicity	Construction		Professional Services		Other Services		Goods	
African American	11.48%		17.38%		13.89%		13.87%	
Asian American	1.02%		3.48%		1.03%		3.36%	
Hispanic American	4.51%		2.94%		2.17%		2.75%	
Native American	0.82%		0.53%		0.52%		1.22%	
<b>Total Minority</b>	<b>17.83%</b>	<b>38%</b>	<b>24.33%</b>	<b>46%</b>	<b>17.61%</b>	<b>29%</b>	<b>21.20%</b>	<b>49%</b>
<b>Nonminority Female</b>	<b>19.88%</b>		<b>21.93%</b>		<b>11.36%</b>		<b>27.44%</b>	
Total M/WBE	37.71%		46.26%		28.97%		48.64%	
Non-M/WBE	62.30%		53.74%		71.04%		51.36%	
Total	100%		100%		100%		100%	

# Recommendations

## **#1: MWBE Aspirational and Contract Specific Goals**

- Annual aspirational goals for each business category updated
- Contract specific subcontracting goals will be established on a contract by contract basis
- M/WBE good faith efforts updated to enhance the steps that prospective bidders must undertake to document efforts to meet the M/WBE goals.

## **#2: Develop Forecasting Plan**

- As part of the City's Annual Fiscal Year Budget Approval Process, a forecast of anticipated expenditures of each City Department will be used to develop MWBE spending targets

## **#3: Greater Oversight of M/WBE Office**

- The Minority and Women Business Enterprise Office shall have primary oversight responsibility with the full support and cooperation of all other City of Greensboro offices and departments in the establishment and administration of the Policy and procedures established herein.

## **#4: On-call Contracts**

- Design contracts that are of a fairly routine nature under \$50,000, may be awarded to an on-call or prequalified panel of firms on a rotating basis.

## **#5: Bonding & Insurance**

- The City's Goal Setting Committee may waive the bonding requirement for contracts in accordance with applicable state laws.

# Recommendations

## **#6: Small Business Reserve Program**

- Enabling legislation required to authorize the City of Greensboro to have a small business program.

## **#7: Reform Data Infrastructure**

- Implementing a Diversity Management System to improve contract compliance and payment monitoring.

## **#8: Investigate Possible Discrimination**

- The M/WBE Office may conduct an investigation into possible violations where the M/WBE participation is substantially below the M/WBE participation goal(s) established for the contract.

## **#9: Economic Development Projects**

- Goals Setting Committee shall require the developer to apply mandatory M/WBE subcontract participation goals to the construction portion of the project.

## **#10: Vendor Rotation**

- Construction and Other Services contracts that are of a fairly routine nature under \$30,000, may be awarded to an on-call or prequalified panel of firms on a rotating basis.



# Additional Program Enhancements

- Program Plan re-written by program staff – more user friendly
- Goal Setting Committee – chair changed from CMO to M/WBE Coordinator
- De-bundling contracts
- Joined Chamber of Commerce Minority Business Accelerator Program
- M/WBE Goal Achievement Summary attached to City Council business agendas
- On-call contracts – generally 3 years with no extensions
- Direct solicit (based on availability) for projects under \$30k
- Annual Reports to City Council
  - Semi-annual reports to Coordinating Committee and Goal Setting Committee
- Exploring revamped Mentor-Protégé program
- Contractor ‘Report Cards’
- Quarterly mixers for primes and subcontractors



# Next Steps

- Implementation of revisions to M/WBE Program Plan
- Small Business Enterprise legislation
- Software – launched in 2017
  - Expansion for full contract compliance (in consultation with Griffin and Strong)
  - State HUB reporting
- Griffin and Strong additional work
  - Data Preparation for 3,000 firms in 10-county area
  - Data Preparation for additional 2,500 firms in the 25-county area
  - Goal Setting Instruction and Training (for staff and Goal Setting Committee)
- Annual City Contract Forecasting Plan
- Formal M/WBE capacity building program
- Staff education program





# Questions?