

Agency Supplier Diversity Inclusion Plan • Calendar Year 2022

Agency: Washington State Department of Transportation

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Agency Supplier Diversity Inclusion Plan

Summary Statement: The agency's plan is to increase participation of certified small minority, women, and veteran-owned firms.

WSDOT is committed to maximizing opportunities for all diverse businesses. WSDOT has commissioned a 2022 Diversity Study to determine if disparities continue between the availability of minority-, women-, and veteran-owned business enterprises and their utilization on Federal Highways Administration, Federal Transit Administration, and state-funded contracts.

Authorizing Individual: Earl Key, Director Office of Equal Opportunity

Specific measures the Agency will take to increase participation of certified businesses:
Internal Processes:

Small and Veteran-Owned Business Enforceable Goals Program on State-Funded Contracts - Diversity Roadmap, Step Two

To increase small, minority, women, and veteran-owned business participation in WSDOT contracting and consulting, the department developed and implemented the [State-Funded Contracts - Diversity Roadmap](#). As many small business firms are minority or women-owned businesses, increasing these firms' capacity and public contracting experience will expand the availability and utilization of diverse firms.

In 2018, WSDOT took the first step on the roadmap and implemented the Capacity Building Mentorship Program. Although the program has gained success and positive feedback, it has not made sufficient progress toward meeting the Governor's Results Washington Diverse Business Participation goals on WSDOT state-funded construction projects.

In early 2021, in a further effort to meet the Governor's goals, the agency advanced to step two of the Diversity Roadmap and is implementing a Small- and Veteran-Owned Business Enforceable Goals Program. WSDOT believes that expanding race-neutral efforts on state contracts will result in additional availability of women- and minority-owned firms, as many small businesses are also diverse firms.

New and Expanded Supportive Service Opportunities

Additional funding from the legislature has allowed WSDOT's Office of Equal Opportunity to extend Minority and Women Business Enterprise assistance through the implementation of the following programs:

- A newly designed Minority and Women Business Enterprise Supportive Services program will assist MWBE businesses in gaining market share in the highway construction industry.
- A nine-week construction management course, targeted toward MWBE business owners, will be announced in early 2022.
- A Trucking Consortium is being created to allow MWBE trucking companies a structure for collaborating to better compete in the highway construction industry.

Forecasting

By Nov. 15 of each year, WSDOT posts an [advanced schedule of projects](#). These contracts are anticipated for advertisement from Feb. 7, 2022, through Jan. 31, 2023. Please note that advertisement dates are tentative, and some information may change after this report is issued. All projects are dependent on funding availability.

New Disparity Study

WSDOT is beginning a new DBE Program Disparity Study to determine if WSDOT has the scientific and legal evidence needed to be implementing race- and gender-conscious contracting goals program on Federal contracts. This study will analyze all Federal Highway Administration, Federal Transit Administration, and state-funded construction and consulting contracts, including projects awarded by local agencies and other jurisdictions between October 1, 2015, and September 30, 2021 (Federal Fiscal Years 2016 through 2021). The research will also include data received from local agencies, prime contractors, and subcontractors. This study will provide WSDOT with sufficient information to implement its DBE Program assist the agency in determining overall program goals on federal and state-funded contracts.

Per the Governor's Executive Order 22-01, and under the Tools for Equity in Public Spending guidelines, the agency will implement additional forecasting efforts as feasible and appropriate.

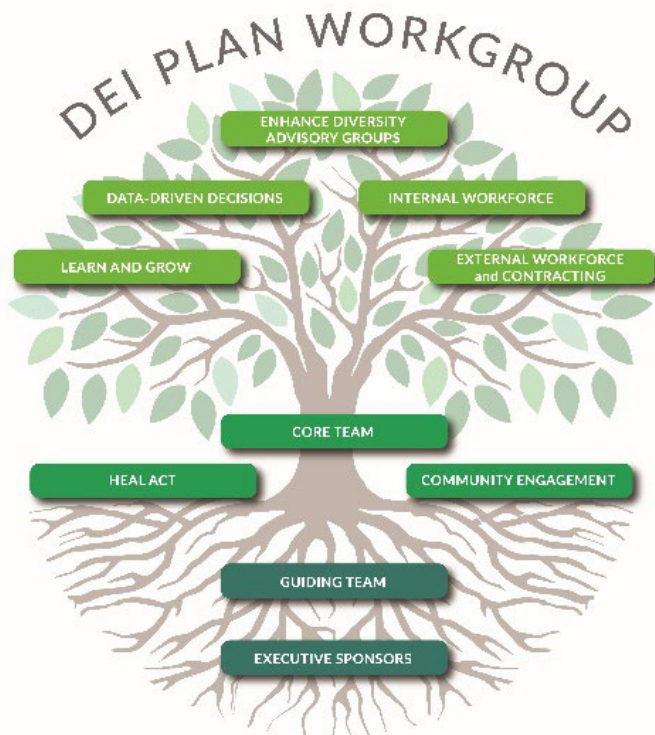
Outreach

During the pandemic, outreach has evolved with WSDOT as it has for all agencies. WSDOT follows the Governor’s Coronavirus Response directives and is not currently conducting traditional public meetings or outreach events. While this has decreased our ability to interact with stakeholders face-to-face, WSDOT utilizes the newest virtual platforms and electronic communications to ensure we remain inclusive in providing all companies the opportunity to participate in our contracting and consulting projects.

Diversity, Equity, and Inclusion Workplan

WSDOT has initiated a Diversity, Equity and Inclusion Plan, which includes creating a DEI workgroup. This workgroup is actively engaged in changing the agency’s culture.

Workgroups are active in various strategic areas, including community engagement. The focus for this group is to create and proactively pursue strategies to improve engagement with under-represented or under-empowered groups. These efforts will encourage better stakeholder engagement practices and incorporate diversity, equity and inclusion practices into meetings between project teams, the community, and other stakeholders.



Capacity Building Mentorship Program

WSDOT and Sound Transit maintained their partnership with Minority Business Development Agency to continue administering the [Capacity Building Mentorship Program](#). The mentorship program arose as part of Governor Inslee’s diverse business participation goal in Results Washington.

This program highlights WSDOT’s commitment to supporting and building capacity for underrepresented firms. The mentorship program enhances both the capabilities of and increases the participation of Minority, Small, Veteran, and Women Business Enterprises to perform work on transportation-related projects. One of the best ways to enhance opportunity and equity for these businesses is to synchronize the efforts of all involved parties to develop,

implement, and deliver a voluntary (or race-neutral) program, such as the mentorship program. The growth potential for firms taking advantage of this program is significant, and many early adopters have received contracts.

This program has continued to increase its capacity. Since this program launched in summer 2018, WSDOT has paired 68 mentors with 86 protégés. MBDA is presently administering the program. The mentorship program has recently begun collaborating with the Tribal and Federal Relations team and local Tribal leaders to encourage additional membership in the program. The application process for Cohort 5 is underway, and in January 2022, Cohort 3 joined the rank of alumni when all participating agencies convened and celebrated successes.

WSDOT uses the following opportunities to inform the construction community of current and upcoming bid opportunities:

- [WSDOT bid opening schedule](#) – a weekly newsletter that lists new and upcoming projects
- Announcements, Events & Resources for DBE Contractors & Consultants – a weekly newsletter is targeting disadvantaged businesses. The newsletter lists and provides links to new and upcoming bid and contracting opportunities, as well as training opportunities.
- [Business with WSDOT](#) – link on the WSDOT external website where firms can learn about the requirements to do business with us, including information about bidding, acquisitions, contracts, and project delivery.
- [Contracting Opportunities](#) – link on the WSDOT external website where firms can search contracting opportunities: Find contracting opportunities that include engineering contracts for design and construction projects, service contracts for transportation studies and media, as well as Information Technology goods and or services.

Inclusion Plan

WSDOT requires inclusion plans on construction projects. In alignment with Executive Order 22-01, the agency is in the process of implementing inclusion plans on all consultant, administrative, and IT procurements.

Small and Veteran-Owned Business Enforceable Goals Program on State-Funded Contracts - Diversity Roadmap, Step Two

To increase small, minority, women, and veteran-owned business participation in WSDOT contracting and consulting, the agency developed the [State-Funded Contracts - Diversity Roadmap](#). As many small business firms are minority or women-owned businesses, increasing these firms' capacity and public contracting experience will expand the availability of experienced DBEs.

While WSDOT continues to utilize voluntary goals, in 2018, the agency took the first step on the roadmap and implemented the Capacity Building Mentorship Program. Although the program has gained success and positive feedback, it has not made sufficient progress toward the Governor's Results Washington Diverse Business Participation goals on WSDOT state-funded construction projects.

In early 2021, in a further effort to meet the Governor's goals, the agency advanced to step two of the Diversity Roadmap and is implementing a Small and Veteran-Owned Business Enforceable Goals Program. Starting on Jan. 4, 2022, the program's goals expanded to include newly advertised design-build construction contracts. Additionally, on April 4, 2022, it will expand to include newly advertised design-bid construction projects.

We are also working with various stakeholder groups to determine additional ways to increase diverse utilization on state-funded contracts.

Communication and Training Plan

WSDOT is currently working to implement Executive Order 22-01 and will partner with OMWBE to train our staff on the necessary components of "Tools for Equity in Public Spending" (equity toolkit) and executive order. We are working with internal partners to integrate, as applicable, the toolkit into their standard practices.

Contractor Monitoring and Contract Goal Tracking

WSDOT utilizes the Access Equity System, B2GNow, to monitor Consultant Services Office and Construction Division projects for diverse business spending and ensure subcontractors are paid promptly and in full. We are looking for ways to integrate goods and services, IT and administrative departments into this monitoring system.

WSDOT provides diverse attainment information to internal and external stakeholders through newsletters, email distribution lists, outreach, and networking events, and with members of its Disadvantaged Business Enterprise Advisory Group.

Supplier Diversity Inclusion Plan Supplemental Questions

Please refer to the [Governor’s Business Diversity Subcabinet approved best practices](#) attached and outlined in the above link to assist you in completion of your agency inclusion plan.

Best Practice 1: Proactively identify your contracting and procurement needs.

- A. Are there any planned procurements for the current FY22 and FY23? If so, what areas of spend are they in? (i.e. IT, professional consulting)
- Future spending in transportation-related construction, through planned, advertised contracts by the Washington State Department of Transportation from Feb. 7, 2022 - Jan. 31, 2023, is projected to be between: \$2,699,500,000 and \$3,388,000,000
- Please note the advertisement dates are tentative, and some information may change after this report is issued. Projects are dependent on funding availability.
<https://wsdot.wa.gov/sites/default/files/2021-08/ASOP.pdf>
- B. Identify the general categories of goods and services that your Agency regularly purchases (i.e. IT, consulting, Office Supplies). How much was spent in these areas in FY21?
- | | |
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| Identify the general categories of goods and services that your Agency regularly purchases. How much overall spend was in these areas in FY20? | |
| EA. Supplies | \$25,004,674 |
| EB. Communications | \$1,749,022 |
| EE. Repairs/maintenance | \$5,416,678 |
| EF. Printing | \$92,381 |
| EH. Furnishings/equipment | \$3,706,214 |
| ER. Purchased services | \$84,087,842 |
| ES. Vehicle operations | \$11,788,135 |
| EY. Software licenses, maintenance, subscriptions | \$24,213,920 |
| EZ. Miscellaneous | \$6,569,385 |
- C. What was your total spend on Master Contracts in FY21? How much was diverse spend? Please review [Master Contract data](#).
- WSDOT does not track payments using an Agency Financial Reporting System. WSDOT has a Transportation Reporting Accounting and Information System as its accounting system. Due to the difference in systems, WSDOT closely monitors information on diverse spending related to construction and consulting projects. WSDOT will work closely with OMWBE to develop a way to provide a full analysis of diverse spending.
- D. What was your total spend on Internal Contracts (i.e. interagency)
- Due to the difference in accounting systems, WSDOT focuses tracking efforts on construction and consulting projects – where our ability to influence opportunities exists directly. WSDOT will

agreements) in FY21?
How much was diverse spend with certified minorities, women, and veterans?

work with OMWBE to develop a method to analyze diverse spending comprehensively.

E. What was your total spend on Direct Buy Purchases in FY21?
How much was diverse spend with certified minorities, women and veterans?

Due to the difference in accounting systems, WSDOT focuses tracking efforts on construction and consulting projects – where our ability to influence opportunities exists directly. WSDOT will work with OMWBE to develop a method to analyze diverse spending comprehensively.

F. What was your total spend in Public Works?
How much was diverse spend with certified minorities, women, and veterans?

For reporting period - July 01, 2020, through June 30, 2021: the OMWBE Supplier Diversity Participation Report shows WSDOT's total spend in Public Works and Procurement: \$1,392,137,614
Total diverse spend with OMWBE Certified firms: \$86,675,915

Best Practice 2: Review your procurement practices.

A. Does your Agency unbundle contracts by dollars, scopes or locations?

WSDOT's construction program has not unbundled due to the determination that sufficient opportunities exist with Local Programs and the small works roster.

B. Does your Agency use an inclusion plan to require a contractor or vendor to set goals or follow a specific process for using small and diverse vendors?

Both the state and federal construction programs require Inclusion plans. In early 2021, in a further effort to meet the Governor's goals, the agency advanced to step two of the Diversity Roadmap and is implementing a Small and Veteran-Owned Business (SVBE) Enforceable Goals Program. Starting Jan. 4, 2022, the program's goals expanded to include newly advertised design-build contracts. And on April 4, 2022, it will expand to include newly advertised design-bid projects.

WSDOT has recently enhanced its state Inclusion Plan and federal Design-Build Participation Plan requirements to be more comprehensive.

C. Has your Agency changed what it includes/excludes in solicitations? If yes, what changes have been implemented?

WSDOT is committed to keeping projects reasonably sized to the practicable extent. When diverse firms cannot participate as prime contractors or consultants, WSDOT also encourages diverse firm subcontracting through Inclusion Plans. Contracts have been modified to include respectful and inclusive workplace language. WSDOT's construction manual was recently revised to include clear guidance on WSDOT's civil rights programs. WSDOT will continue to evaluate its processes, procedures, contract language, and other documentation to enhance the ability of diverse firms to participate in contracting, consulting, and procurement opportunities.

D. On average, how long does your agency post solicitations?
Does your Agency conduct pre-bid solicitation conferences?

Solicitations are posted on average between three to four weeks.

WSDOT conducts pre-bid solicitations of procurements and contracts if it is deemed beneficial for us to do so.

E. Has your Agency adopted new contracting policies as it relates to quick pay, insurance, bonding or experience requirements?

WSDOT will implement the Governor's Executive Order 22-01 and, in partnership with DES, review bonding, insurance, retainage, and experience requirements to make recommendations to eliminate barriers to minority-, women-, and veteran-owned businesses in those areas.

F. Aside from WEBS, describe how your Agency provides access to contract information to the public. This can include how to do business with your Agency, informational workshops and post-bid details.

WSDOT participates in many project outreach events. WSDOT's Disadvantaged Business Enterprise (DBE) Supportive Services program offers assistance in preparation for contracting and assisting in bidding projects. WSDOT also partners with Sound Transit and the Minority Business Development Agency to assist diverse businesses in locating mentorship opportunities that often lead to contracting opportunities. WSDOT regularly attends the National Association of Minority Contractors and Tabor 100 and has an active community engagement team continually working to connect subcontractors and prime contractors.

G. How does your Agency communicate with a small business that asks about contracting opportunities? Is there contact information available on your website? How does your Agency follow up?

WSDOT has resources dedicated to Community Engagement and Supportive Services for OMWBE Certified firms. Two contracted entities provide additional resources, one dedicated to currently DBE certified firms and one newly created Minority and Women Business Enterprise Support Services, dedicated toward state-certified firms.

Best Practice 3: Identify diverse options for each category of spend.

A. Would your Agency be interested in partnering with OMWBE to conduct a workshop on how to identify and work with minority and women owned firms? Has OMWBE presented to your Agency on certification in the past?

As a large agency with approximately 6,000 employees, WSDOT performs its internal MSVWBE training and informs personnel on locating diverse firms.

Yes, WSDOT has partnered with OMWBE on numerous occasions, including our DBE boot camps and on project outreach events.

B. Does your Agency use the [search tool](#) on the DES website to identify master contracts with diverse vendors?

Prime contractors working on our state program have requirements to utilize both WEBS and OMWBE directories. The Agency is currently working to implement Governor’s Executive Order 22-01 and to review, incorporate, and adopt, as appropriate, the Washington State Tools for Equity in Public Spending on all expenditures.

C. When and how does your Agency currently use the [OMWBE’s searchable directory](#) of certified minority and woman owned firms?

WSDOT uses the Directory of Certified Firms in numerous ways, including direct buys, locating firms to perform work, sharing information about upcoming opportunities, reviewing business descriptions, analyzing certified firm distribution, and determining firm contact information.

Best Practice 4: Conduct outreach.

Does your agency offer OMWBE certification information on any external marketing materials (i.e., website, brochures, social media, etc.)?

WSDOT includes information about certification on its website and invites OMWBE to attend its outreach meetings. Numerous handouts also contain information on how to obtain certification.

Best Practice 5: Monitor.

How often do you review the diverse spend for your Agency? Who reviews this for your organization? How is this review conducted?

WSDOT and OMWBE staff meet with FHWA monthly to review both state and federal diverse spending data and adjustments made accordingly. This information is shared with internal stakeholders, including the Mega Projects diversity group, the DBE advisory group, and the Associated General Contractors of Washington.