



Social Equity in Contracting City Council Work Session

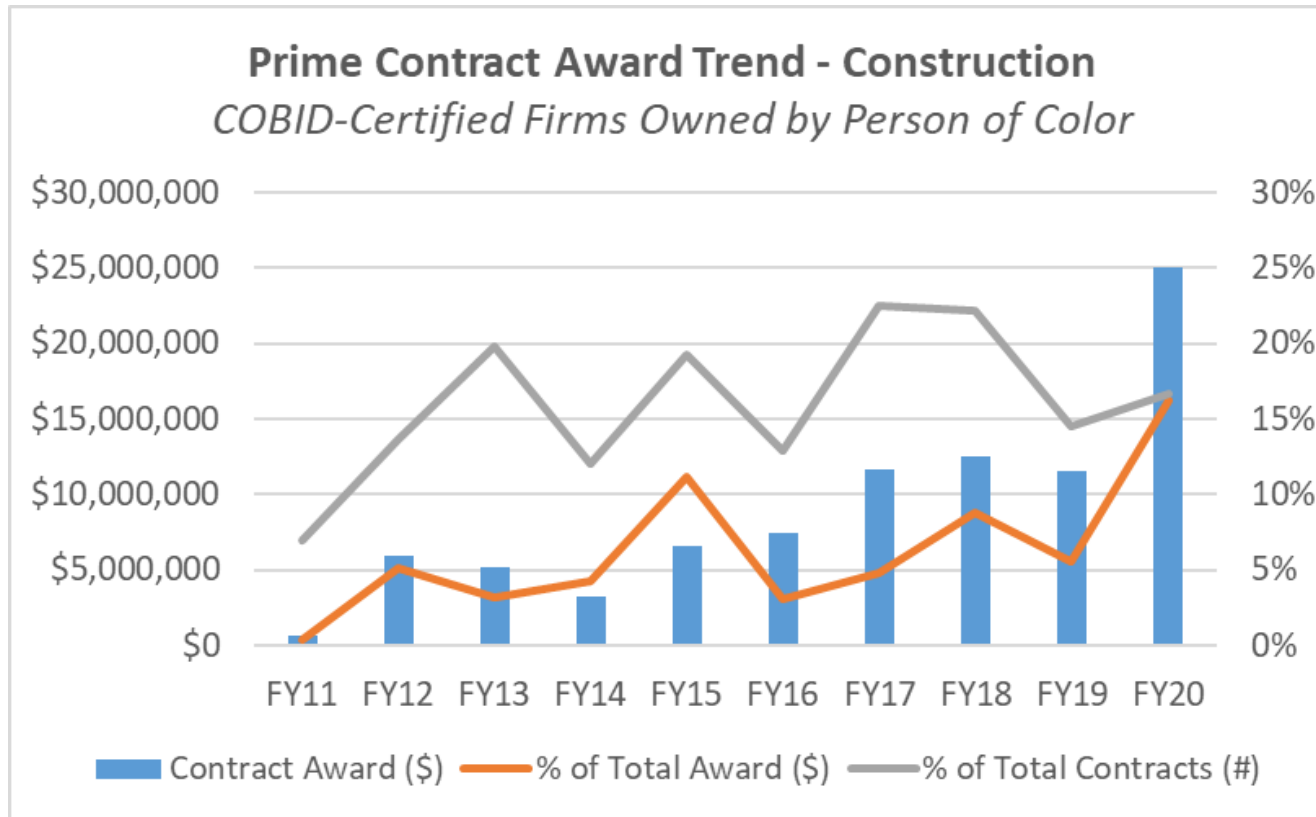
Pre-Work Session Briefing Materials

Performance Trends & Indicators



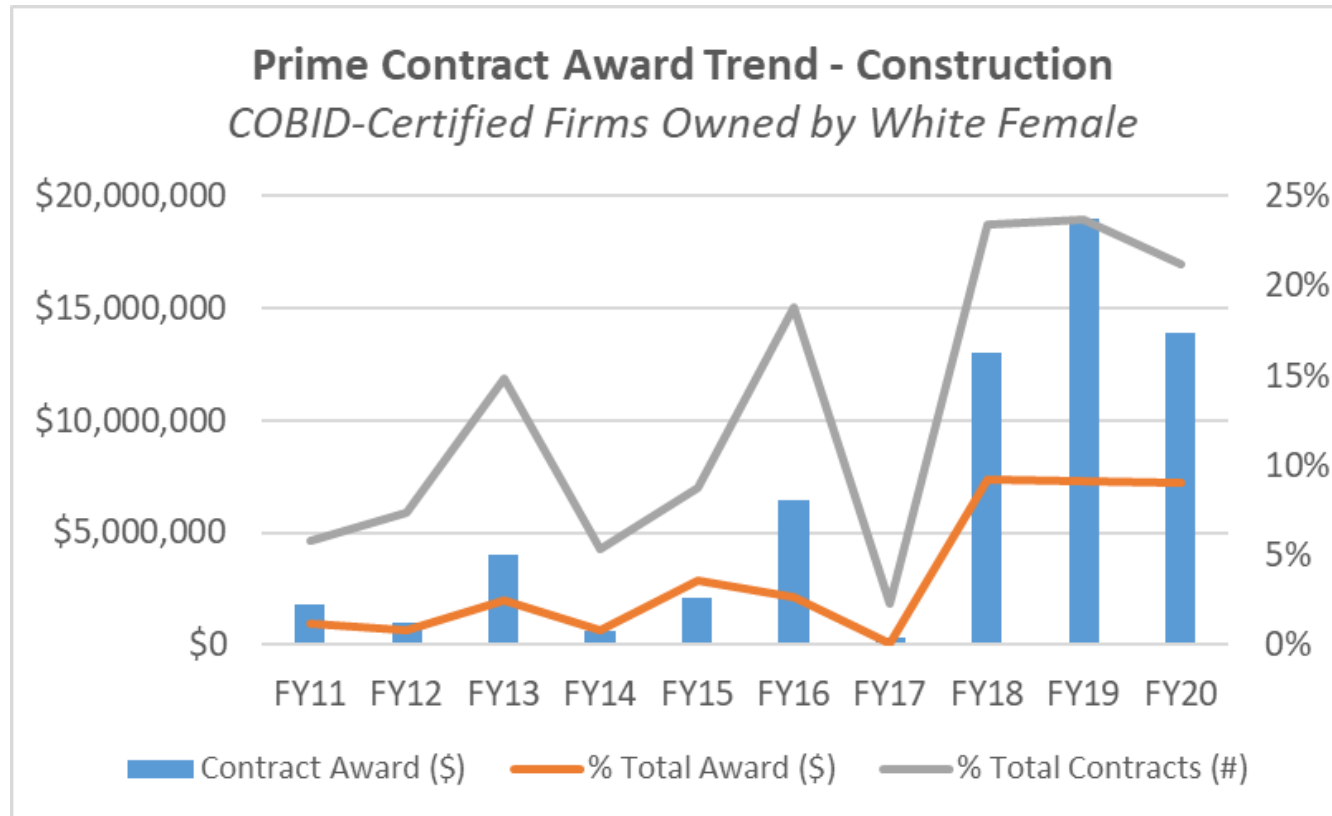
Ten Year Trends

Ten-Year Trends – Prime Contracts



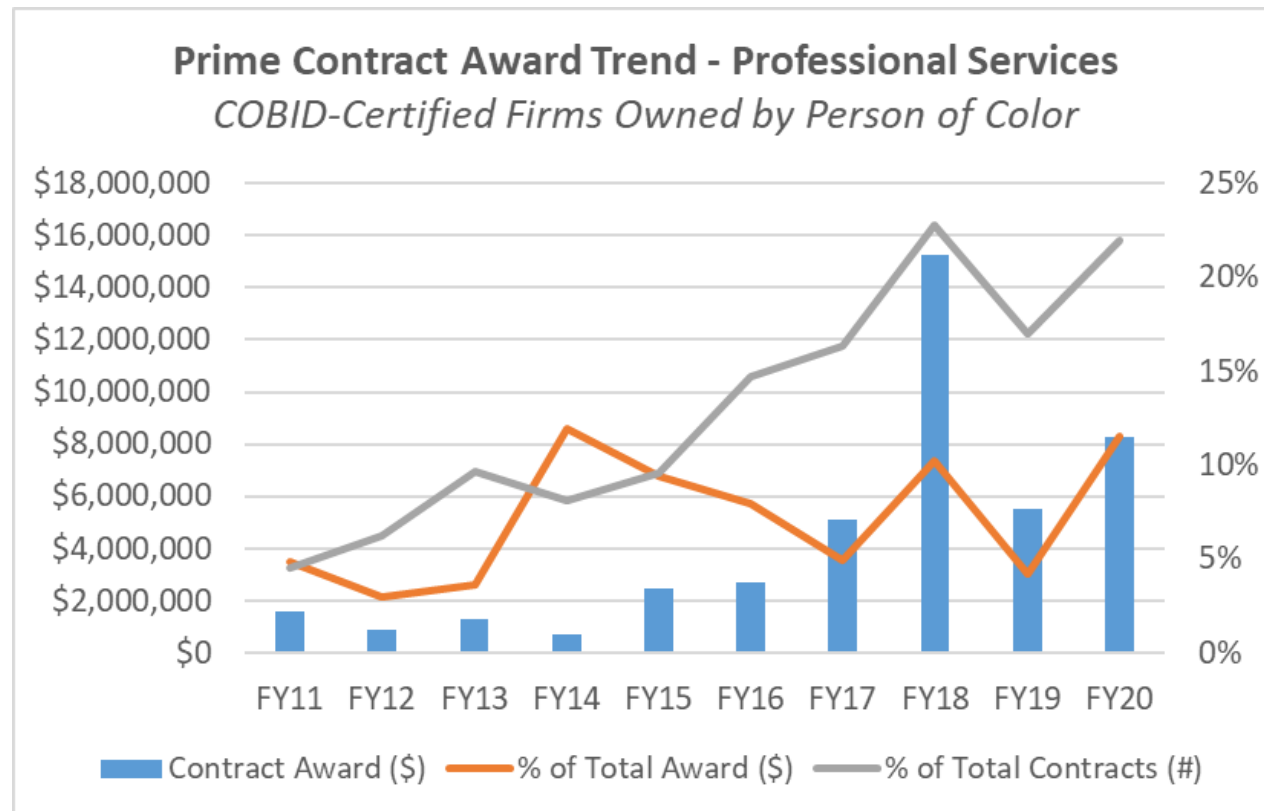
- Prime construction contract awards to COBID-certified firms owned by people of color have generally increased over the past ten years (based on dollars awarded, % of dollars awarded and % contracts awards.)
- With the exception of FY20, the % of dollars awarded is less than the % of contracts awarded – indicating the average contract awarded to these firms is comparatively less.
- The spike in FY20 is due to \$18M awarded under six individual price agreements as part of the *Job Order Contracting* program.

Ten-Year Trends – Prime Contracts



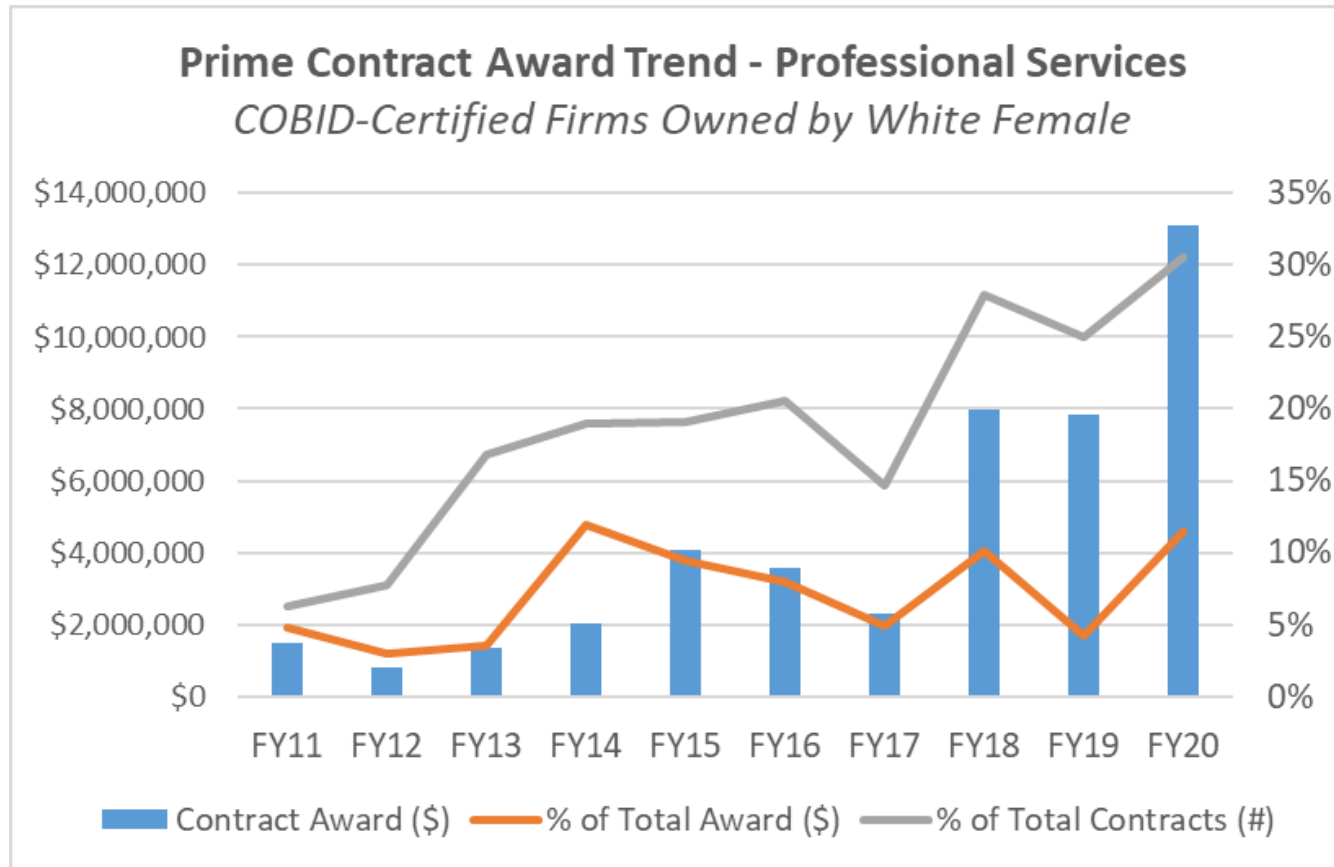
- Prime construction contract awards to COBID-certified firms owned by white women have generally increased over the past ten years (based on dollars awarded, % of dollars awarded and % contracts awards.) The trend, however, is fairly volatile.
- With the exception of FY20, the % of dollars awarded is less than the % of contracts awarded – indicating the average contract awarded to these firms is comparatively smaller.
- \$11.2M of the \$46M awarded over the past three years were awarded as price agreements.

Ten-Year Trends – Prime Contracts



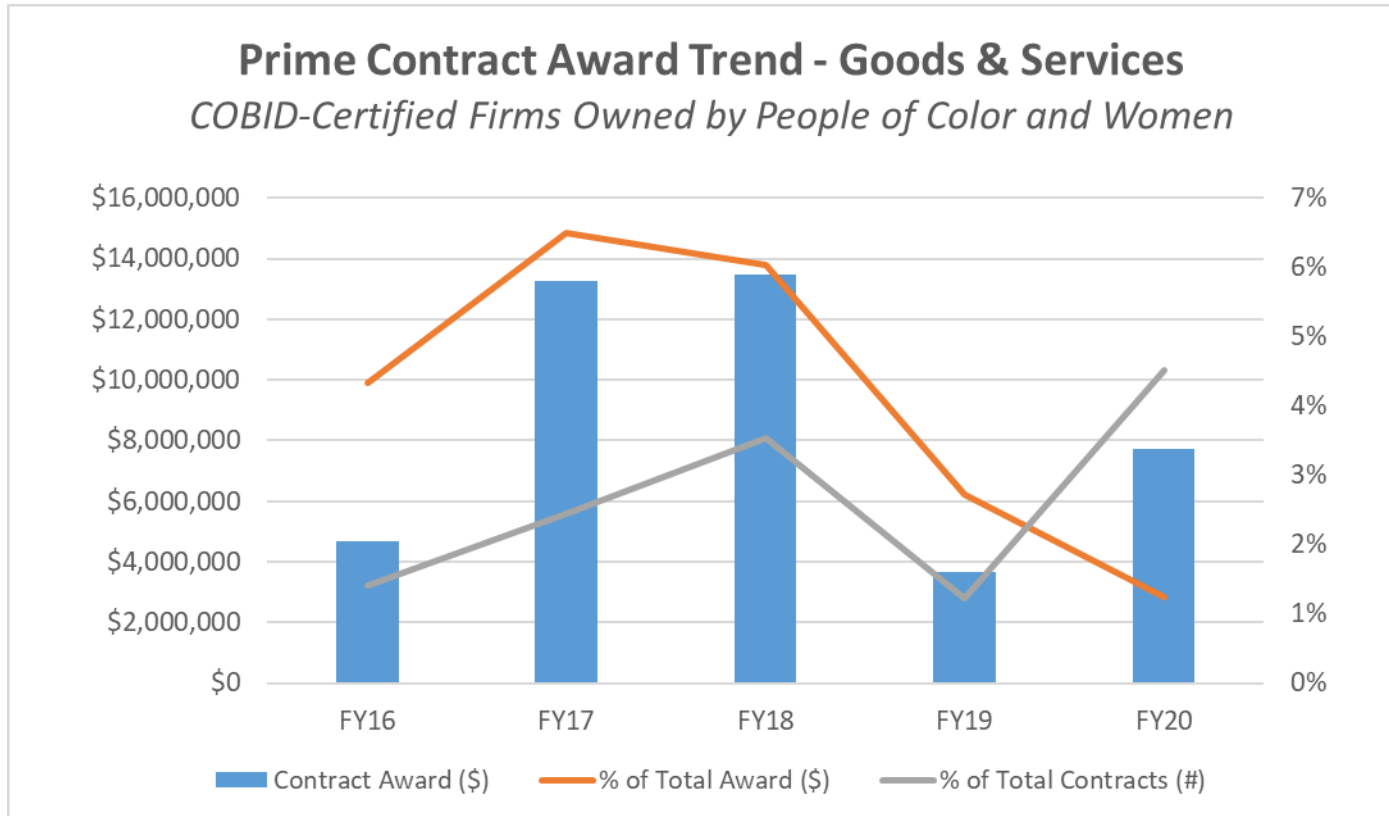
- Prime professional services contract awards to COBID-certified firms owned by people of color have increased over the past decade (based on dollars awarded, % of dollars awarded and % of contracts awarded.) Year-to-year volatility, however, exists across this period.
- COBID-certified firms owned by people of color have seen a steadily increasing share of professional services contract awards (i.e., contracts, not contracted dollars) over past decade.
- The spike in FY18 is largely due to \$9.7M in awards made for “on call services” price agreement contracts.

Ten-Year Trends – Prime Contracts



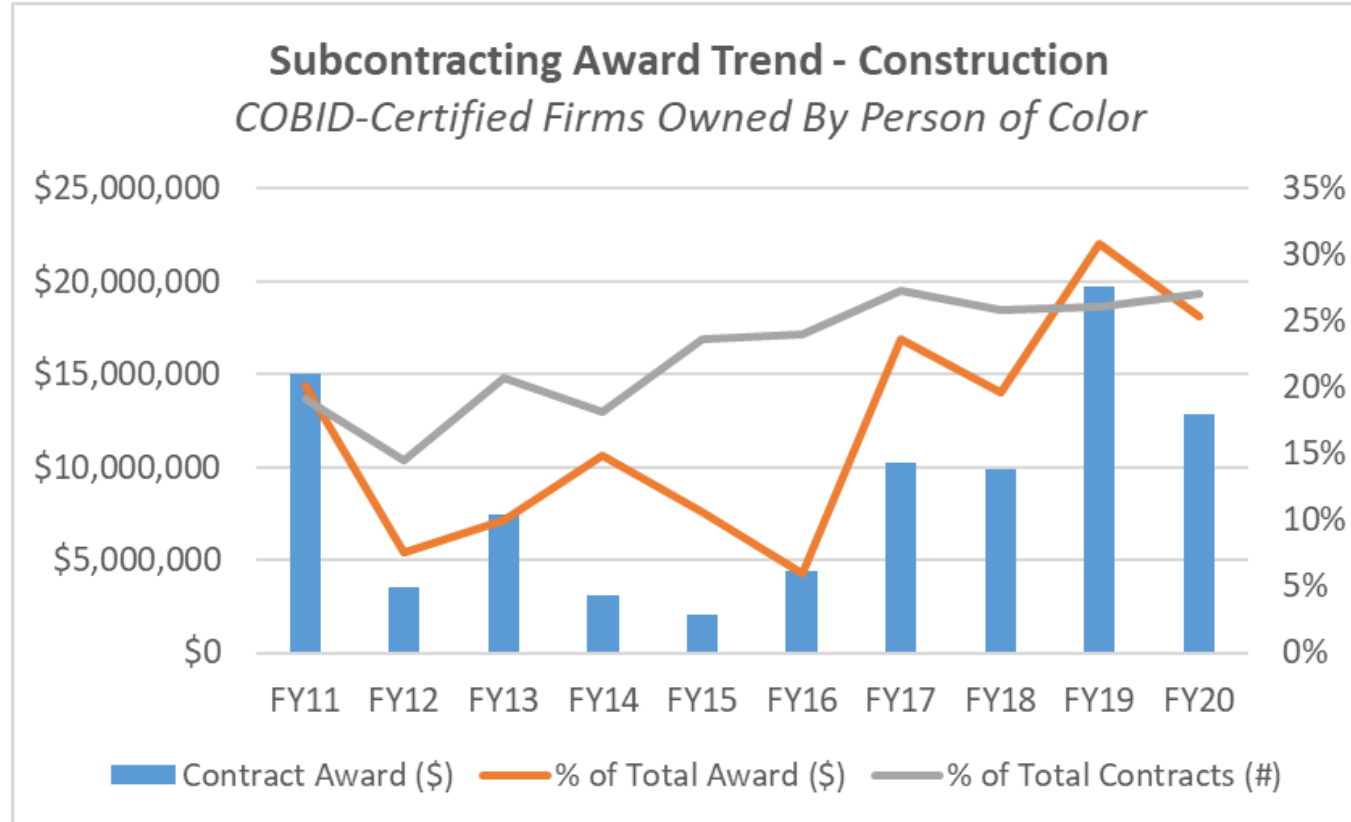
- Prime professional services contract awards to COBID-certified firms owned by white women have increased over the past decade (based on dollars awarded, % of dollars awarded and % of contracts awarded.)
- COBID-certified firms owned by white women have seen a steadily increasing share of professional services contract awards (i.e., contracts, not contracted dollars) over the past decade.
- 61% of the \$28.9M awarded over the past three years was made under “on call services” price agreement contracts.

Ten-Year Trends – Prime Contracts



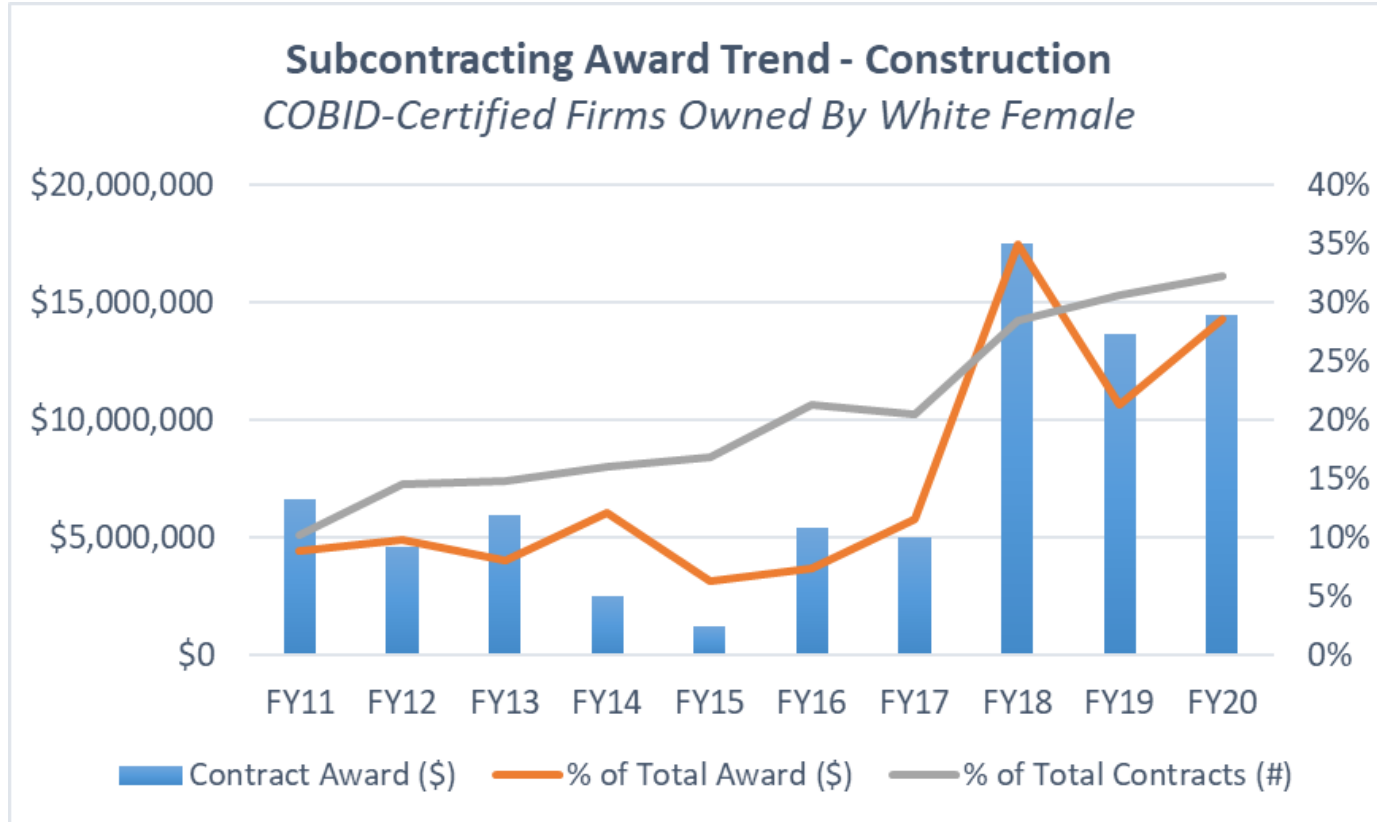
- Data is available for Goods + Services contracts only going back five years. Also, the demographics of COBID-certified firms is only available in the aggregate.
- Indicators of utilization of COBID-certified firms owned by people of color and women for Goods and Services have not followed the steady increasing trend seen in Construction and Professional Services over past five years.
- FY20 saw \$604M in contracts awarded, with a single contract (i.e., Moda Healthcare – not a COBID-certified firm) accounting for two-thirds of the total.

Ten-Year Trends – Subcontracts



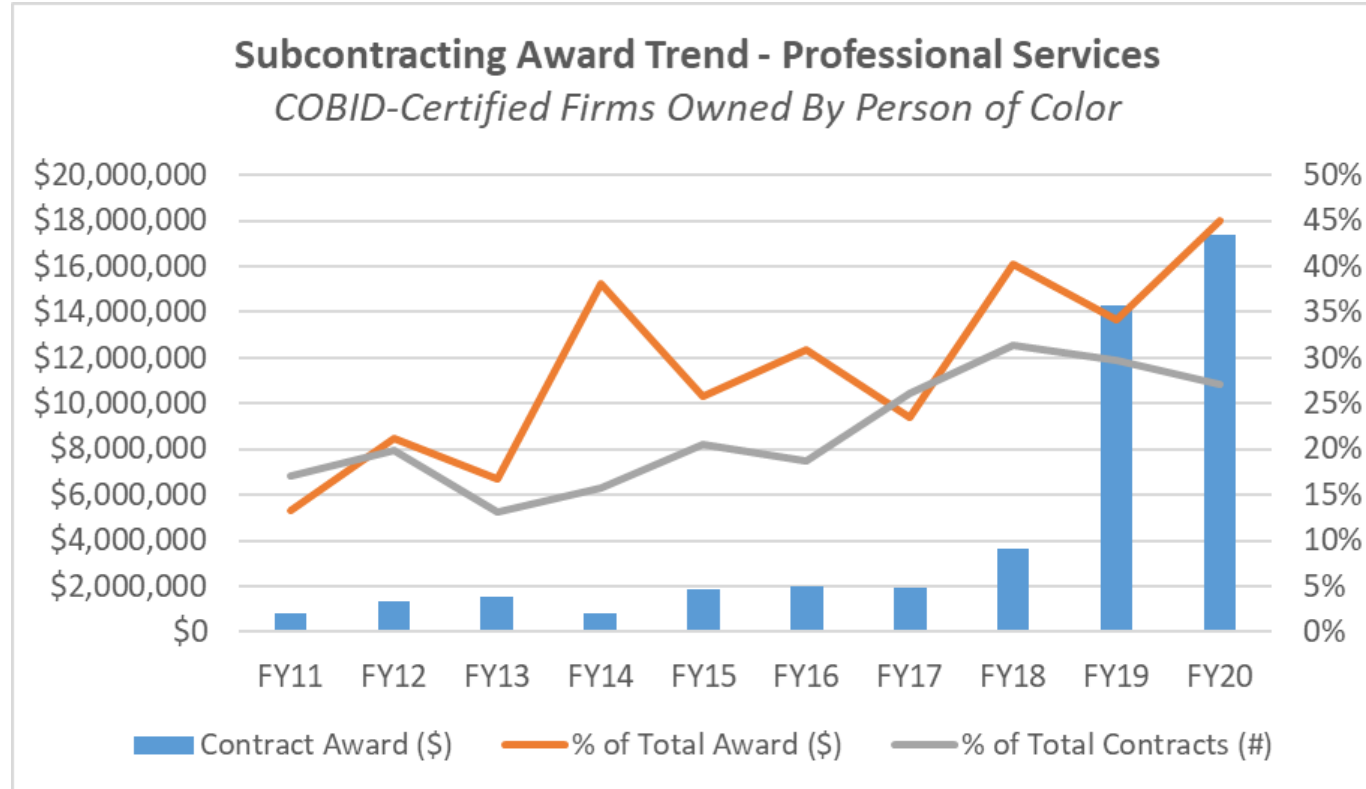
- Construction subcontract awards to COBID-certified firms owned by people of color have generally increased over the past ten years across these three indicators.
- Despite the overall ten-year trend, from FY12 through FY16 the contract dollars awarded and percentage of dollars awarded dipped significantly.
- Half of the awarded subcontract value in FY19 was made to two different subcontractors on the Bureau of Environmental Services' Willamette River Crossing and Taggart Outfall projects.

Ten-Year Trends – Subcontracts



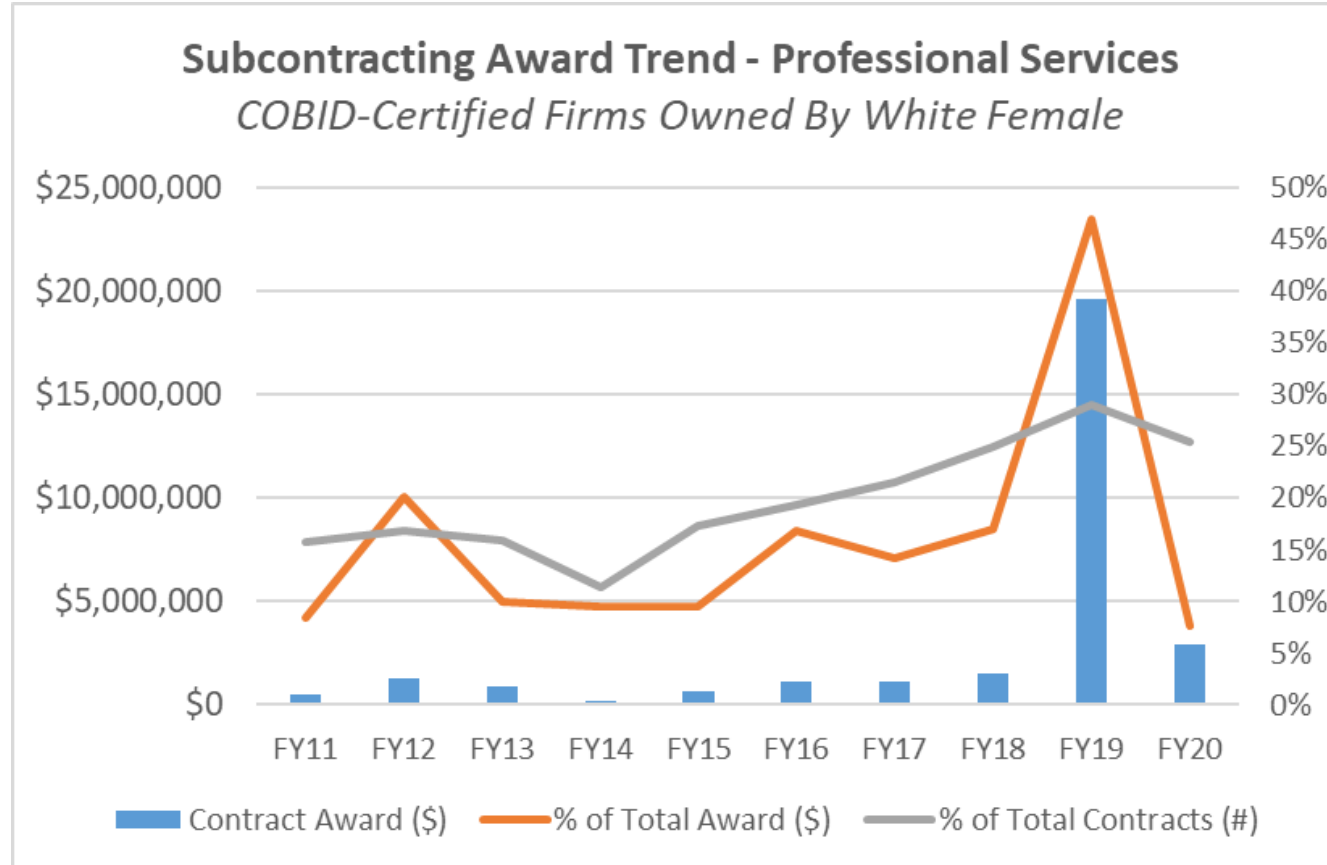
- Construction subcontract awards to COBID-certified firms owned by white women have generally increased over the past ten years, but the awarded dollars and percent of total award trend was relatively flat for the first seven years of that period.
- Although there were several subcontracts awarded between FY18 and Fy20 that exceeded \$1M, this three-year period saw a large proportion of five- and six-figure subcontract awards.

Ten-Year Trends – Subcontracts



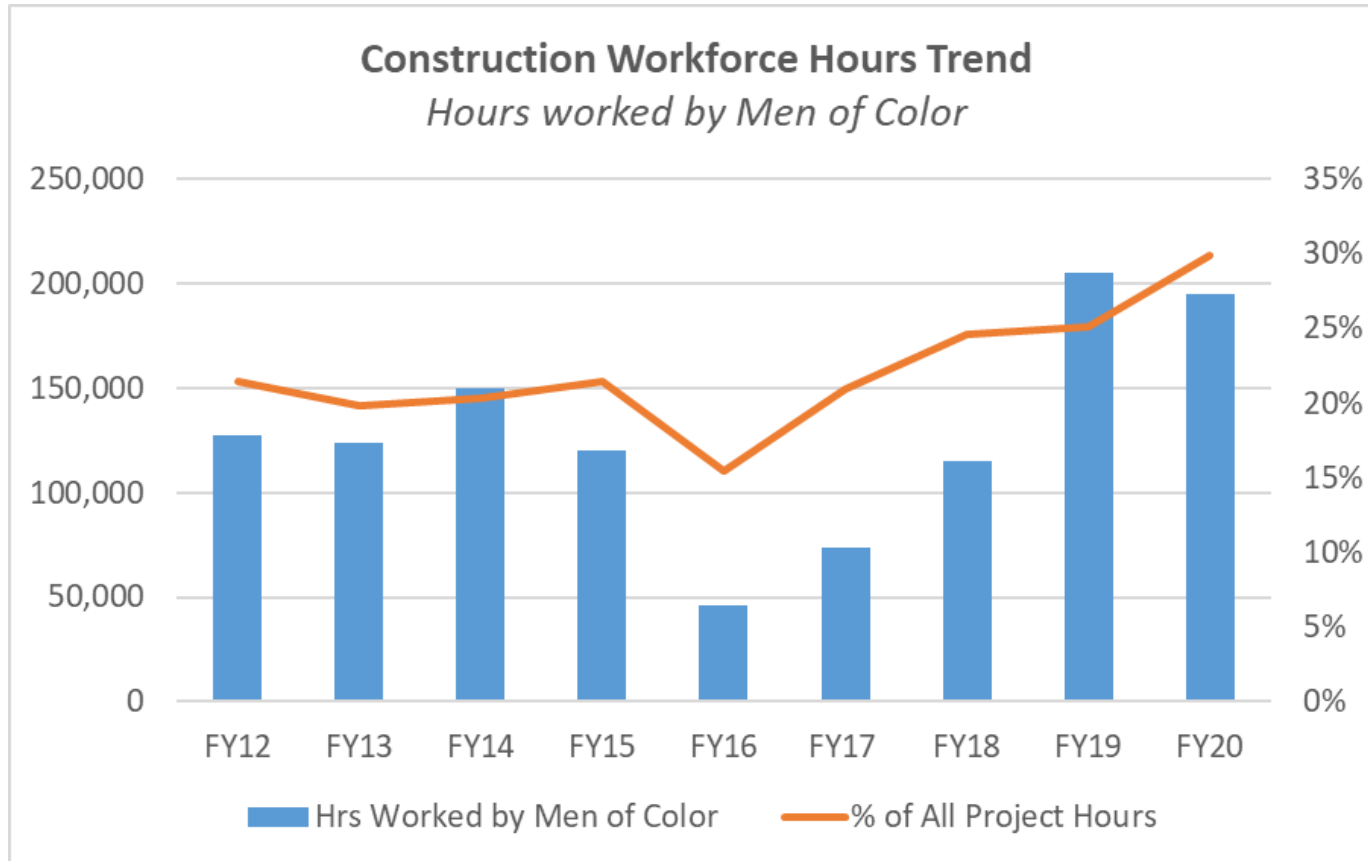
- Construction subcontract awards to COBID-certified firms owned by people of color have generally increased over the past ten years across these three indicators.
- The dramatic increase in dollars awarded in FY19 and Fy20 is largely due to \$23.5M awarded across 30 subcontracts associated with the Bull Run Filtration project and several Columbia Blvd Wastewater Treatment Plant projects

Ten-Year Trends – Subcontracts



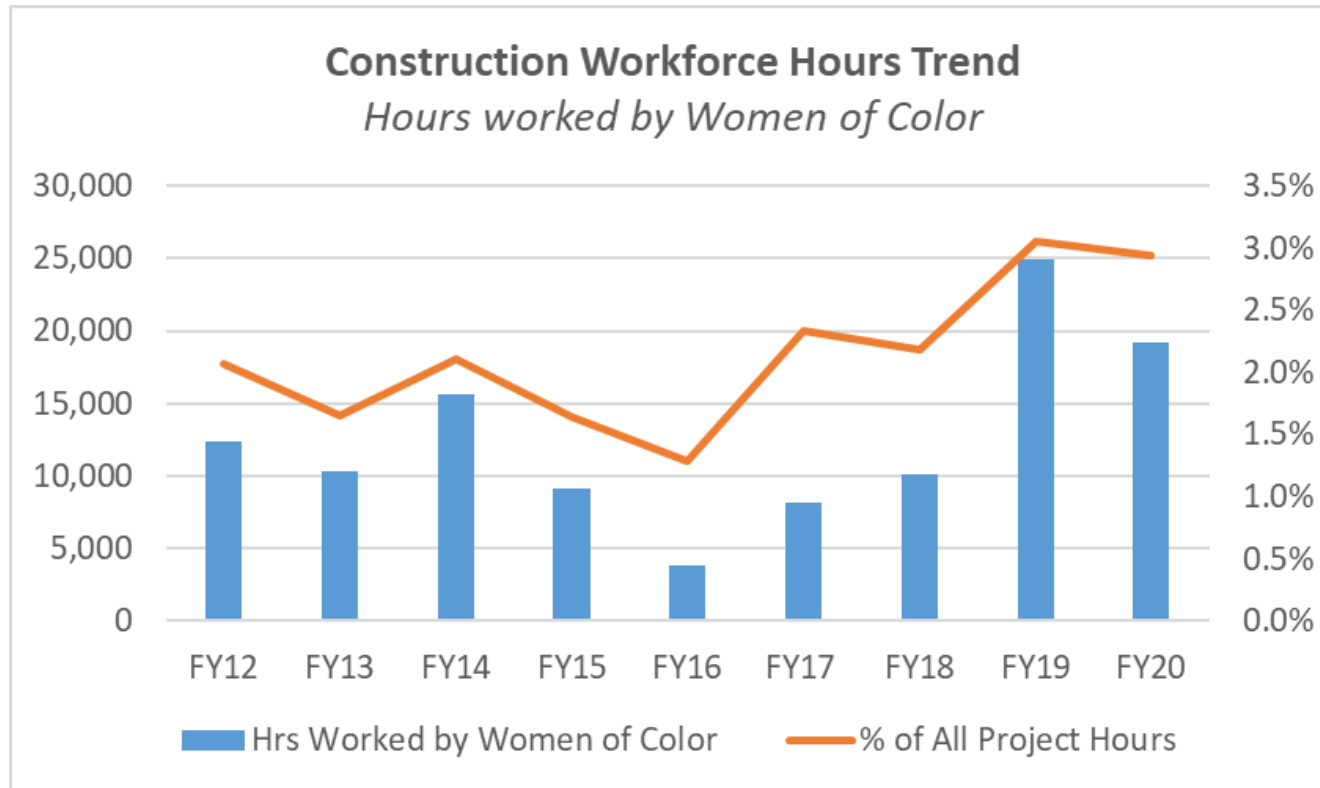
- Construction subcontract awards to COBID-certified firms owned by white women have increased modestly over the past ten years on a percentage basis, although FY20 saw a significant decline in proportion of overall subcontract dollars awarded.
- The dramatic increase in dollars awarded in FY19 is due to \$18M awarded across 23 subcontracts associated with the Bull Run Filtration project, several Columbia Blvd Wastewater Treatment Plant projects, and the BES Wastewater Treatment Expansion Support Services contract.

Ten-Year Trends – Construction Workforce



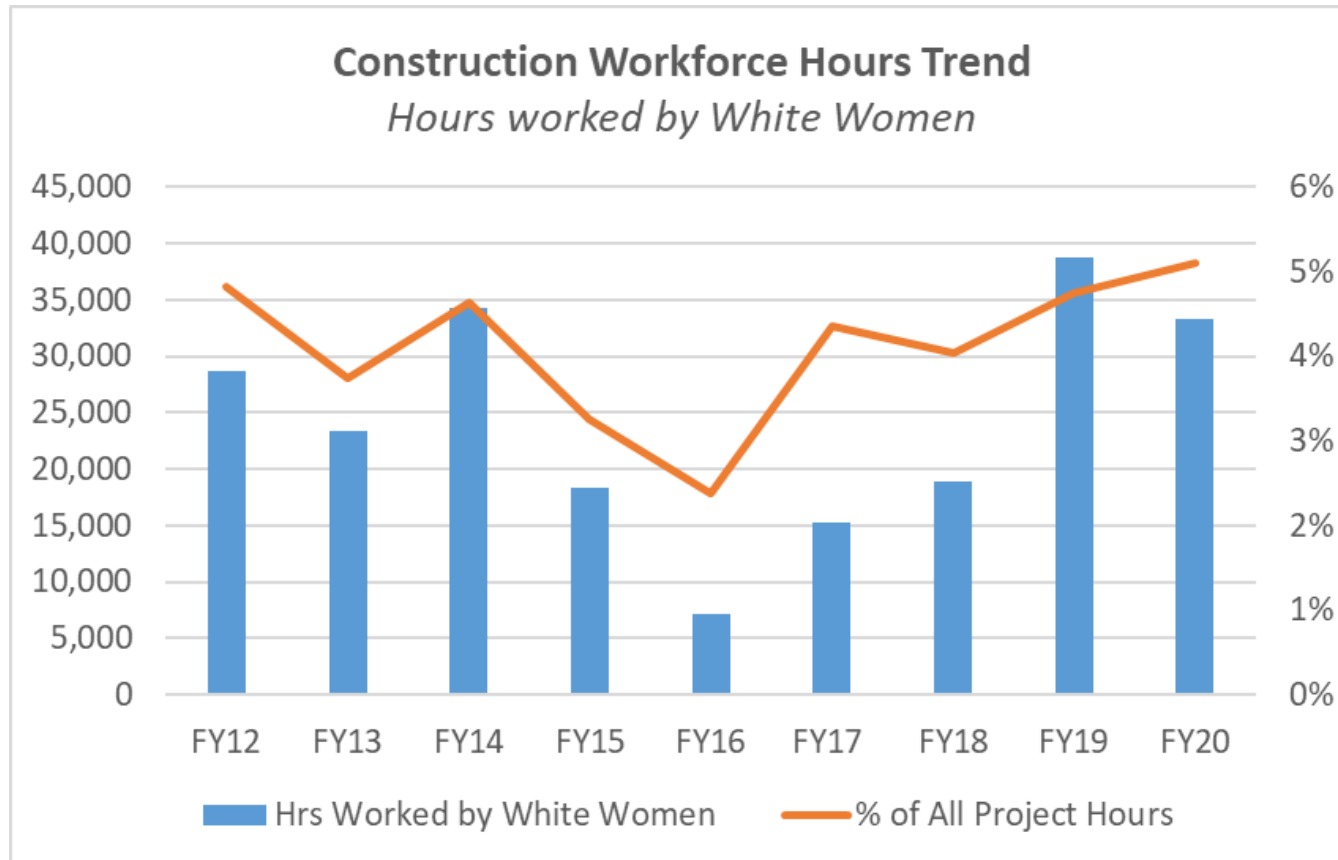
- Disaggregated data unavailable for FY11.
- The overall ten-year trend for men of color in the workforce on City construction projects is increasing, although the trend from FY12 through FY17 was rather flat at around 20% through that period -- with a dip to 16% in Fy16.

Ten-Year Trends – Construction Workforce



- Disaggregated data unavailable for FY11.
- The overall ten-year trend for women of color in the workforce on City construction projects is generally increasing, although the trend from FY12 through FY16 was fairly stable at around 1.5% to 2.0%.
- An increase from 2% early in the decade to 3% at the end is notable – since it represents a 50% increase – but the number of hours this represents is still small as compared to the overall project hours worked.

Ten-Year Trends – Construction Workforce



- Disaggregated data unavailable for FY11.
- The overall ten-year trend for white women in the workforce on City construction projects has not appreciably increased over the past decade. Utilization of white women workers dipped in the middle of the decade. FY18 through FY20 saw utilization return to the rates seen at the beginning of this period.



Performance Against Established Goals

Performance Against Goals

Did We Meet Our Goals?

The Subcontractor Equity Program requires 20% of hard construction costs in a city owned or sponsored project go towards COBID-certified subcontractors and that 14% of that goal go to DMWBE subcontractors.



Goal: 14% of construction costs go to minority and/or women owned subcontractors.

Payments Made on Completed Projects

FY 2019-20	\$8,897,267	13.5%
FY 2018-19	\$4,515,158	11.6%

Subcontract Agreements on Active Projects

FY 2019-20	\$16,333,714	13.8%
FY 2018-19	\$21,698,299	15.7%



Goal: 20% of construction costs go to COBID-certified subcontractors.

Payments Made on Completed Projects

FY 2019-20	\$10,420,098	15.8%
FY 2018-19	\$5,154,210	13.3%

Subcontract Agreements on Active Projects

FY 2019-20	\$26,490,868	19.2%
FY 2018-19	\$20,155,549	17%

Performance Against Goals

Did We Meet Our Goals?

The Workforce Training & Hiring Program seeks to increase minority and female participation in City projects. These goals are based on total hours worked on the project.



18%
minority
participation goal

Goal
Met

FY 2019-20
32% minority
participation

Goal
Met

FY 2018-19
27% minority
participation

Goal
Met

FY 2017-18
22% minority
participation



9%
female
participation goal

Did
Not Meet
Goal

FY 2019-20
8% female
participation

Did
Not Meet
Goal

FY 2018-19
7% female
participation

Did
Not Meet
Goal

FY 2017-18
6% female
participation



20%
apprentice
participation goal

Goal
Met

FY 2019-20
20% apprentice
participation

Goal
Met

FY 2018-19
22% apprentice
participation

Did
Not Meet
Goal

FY 2017-18
16% apprentice
participation



Comparison to Other Jurisdictions

Selected Comparison to Other Jurisdictions

Utilization Comparison – Prime + Subcontract Payments

		<u>City of Austin</u>		<u>City of Seattle</u>		<u>City of Portland</u>	
Construction	Total	\$367,759,146		\$129,837,428		\$121,552,104	
	POC-Owned	\$36,725,467	10%	\$11,460,655	9%	\$13,416,677	11%
	White Female	\$2,063,434	1%	\$8,686,885	7%	\$23,912,690	20%
	Total M/WBE	\$38,788,901	11%	\$20,147,540	16%	\$37,329,367	31%
Professional Services	Total	\$101,684,729		\$172,649,862		\$41,270,055	
	POC-Owned	\$3,804,879	4%	\$16,477,023	10%	\$5,583,020	14%
	White Female	\$4,988,335	5%	\$31,674,242	18%	\$6,941,990	17%
	Total M/WBE	\$8,793,214	9%	\$48,151,265	28%	\$12,525,010	30%

- Seattle, WA and Austin, TX both reported 2019 spending data in a fashion that facilitates comparison to Portland.
- In construction and professional services spending under prime & subcontracts with firms owned by people of color and white women, Portland's percentage of total spending was either comparable or exceeded the other two jurisdictions' percentage of total spending in 2019.

Selected Comparison to Other Jurisdictions

Program Comparison – Construction Workforce Demographics

	City of Seattle Priority Hire Program <i>(Projects > \$5M)</i>	City of Portland Workforce Training & Hiring <i>(Projects > \$150,000)</i>
African American	8%	4%
Asian	3%	2%
Latino	17%	19%
Native American	2%	1%
Other Non-White	2%	1%
White	67%	73%
All People of Color	33%	27%
All Women	11%	8%

- Seattle’s Priority Hire program applies to projects \$5M and over, while Portland’s Workforce Training & Hiring Program applies to projects over \$150,000.
- Seattle’s program sees more utilization amongst people of color and white women than Portland’s program does. Seattle is also a more racially diverse City than Portland. But regional workforce availability data (not available for this briefing report) is another important and informative benchmark.
- This analysis is based on 2019 published reports.

Selected Comparison to Other Jurisdictions

Project Comparison – Contract Awards by Contractor Type

	Multnomah County Courthouse		Portland Building Project	
MBE	\$23,958,906	11%	\$16,649,529	10%
WBE	\$40,765,873	20%	\$20,933,303	12%
ESB	\$4,554,040	2%	\$2,849,421	2%
SDV	\$3,727,285	2%	\$265,010	0%
Non-	\$135,582,765	65%	\$130,011,270	76%
Total	\$208,588,869		\$170,708,533	

- The Multnomah County Courthouse (MCC) project and The Portland Building (TPB) project are both large, recent and high-profile governments for the County and the City. The projects, however, are different in nature – the MCC project being new construction and the TPB project being a renovation – and require different skills from contractors.
- The MCC project’s rates of utilization of COBID-certified firms significantly exceed that of the TPB project. Both projects, however, saw comparable rates of utilization of firms owned by people of color. The variance between the two projects is primarily isolated to utilization of firms owned by white women.
- This analysis is based upon published reports as of August 2020.

Note: the goals established and tracked with between the City and the prime contractor on the Portland Building project were based on “Hard Construction Costs” and not on total contract spending. The former excludes some categories of cost. Therefore, some of the published figures regarding utilization goals for that project differ from the figures here.

Selected Comparison to Other Jurisdictions

Project Comparison – Workforce Utilization Demographics

	Multnomah County Courthouse		Portland Building Project	
Total People of Color Hours	508,541	27%	176,732	30%
Total Women Hours	166,083	9%	73,301	12%
Total Apprentice Hours	446,693	30%	158,472	27%
Men of Color - Journey Hours	315,262	29%	105,250	24%
Men of Color - Apprentice Hours	128,326	29%	44,479	28%
Women - Journey Hours	71,959	7%	45,763	10%
Women - Apprentice Hours	90,413	20%	27,536	17%

- The Multnomah County Courthouse (MCC) project and The Portland Building (TPB) project both achieved strong performance in utilization of workers of color and women workers. The MCC project saw higher utilization of men of color and women at the apprentice level. The TPB project saw higher utilization of workers of color overall and women journey-level workers.
- This analysis is based upon published reports as of August 2020.
- Note: the publicly published data for the MCC project used for this comparison did not allow disaggregation of data for women of color.



Selected Targeted Analysis

Selected Targeted Analysis

Prime + Subcontractor Payments by Firm Demographics, FY19 & FY20

		Construction		Professional Services	
Woman of Color Owned	Asian-Pacific American	\$2,778,280	1.7%	\$3,579,720	1.7%
	Black American	\$663,610	0.4%	\$1,000,867	0.7%
	Hispanic American	\$1,073,524	0.6%	\$1,348,722	0.6%
	Native American	\$5,880	0.0%	\$5,880	0.0%
	Other Minority	\$0	0.0%	\$222,790	0.5%
	Subcontinent Asian American	\$0	0.0%	\$1,064	0.0%
	<i>Subtotal Woman Of Color Owned</i>	<i>\$4,521,293</i>	<i>2.7%</i>	<i>\$6,159,044</i>	<i>3.4%</i>
Man of Color Owned	Asian-Pacific American	\$1,988,797	1.2%	\$2,942,808	2.0%
	Black American	\$8,947,146	5.4%	\$10,036,450	2.3%
	Hispanic American	\$3,638,816	2.2%	\$4,006,676	0.8%
	Native American	\$3,731,939	2.3%	\$3,980,072	0.5%
	Other Minority	\$46,106	0.0%	\$152,656	0.2%
	Subcontinent Asian American	\$140,233	0.1%	\$2,297,094	4.5%
	<i>Subtotal Man Of Color Owned</i>	<i>\$18,493,036</i>	<i>11.2%</i>	<i>\$23,415,756</i>	<i>10.3%</i>
White Female Owned	<i>Caucasian</i>	<i>\$29,179,823</i>	<i>17.6%</i>	<i>\$37,493,965</i>	<i>17.4%</i>
White Male Owned	<i>Caucasian</i>	<i>\$113,620,784</i>	<i>68.5%</i>	<i>\$146,554,323</i>	<i>68.9%</i>
		<i>\$165,814,936</i>		<i>\$213,623,087</i>	

Selected Targeted Analysis

Prime + Subcontractor Payments by Bureau & Industry, FY19 & FY20

		CONSTRUCTION				PROFESSIONAL SERVICES				
		Man of Color Owned	Woman of Color Owned	White Female Owned	White Male Owned	Man of Color Owned	Woman of Color Owned	White Female Owned	White Male Owned	
Environmental Services	\$161,492,325	4%	1%	21%	74%	\$30,058,209	16%	2%	11%	71%
Facilities Services	\$165,600,859	9%	1%	14%	76%	\$6,125,909	12%	4%	23%	61%
Transportation	\$95,225,616	19%	5%	13%	63%	\$30,408,106	9%	9%	12%	70%
Water Bureau	\$26,163,062	11%	0%	6%	83%	\$32,014,575	15%	2%	16%	67%
Parks and Recreation	\$34,726,961	24%	1%	28%	47%	\$10,416,421	7%	1%	19%	73%

- Variances exist amongst the City's five infrastructure bureaus in the rates of utilization of firms owned by people of color and by white women.
- This bureau-level analysis indicates that, on a percentage basis across demographics and industries, there are places where each infrastructure bureau is outperforming its peers **AND** places where each is underperforming relative to its peers.

Selected Targeted Analysis

Construction Workforce, Demographics of Top 15 Crafts, FY19 & FY20

Craft	Hours Worked	Average Wage	Men of Color	Women of Color	White Women	White Men
LABORER	517,630	\$31.40	33%	4%	5%	58%
POWER EQUIPMENT OPERATOR	358,221	\$39.52	14%	1%	1%	83%
CARPENTER	249,996	\$38.57	30%	1%	9%	60%
ELECTRICIAN	157,142	\$40.06	14%	4%	12%	71%
CEMENT MASON	82,019	\$34.67	51%	2%	2%	45%
IRONWORKER	66,213	\$38.30	40%	0%	3%	57%
PLUMBER/PIPEFITTER/STEAMFITTER	65,611	\$48.36	23%	0%	1%	76%
SUPERVISOR	58,366	\$46.75	3%	0%	0%	96%
SHEET METAL WORKER	50,138	\$47.60	4%	3%	5%	87%
GLAZIER	33,966	\$43.53	23%	2%	1%	74%
PAINTER	29,505	\$23.68	44%	6%	6%	44%
BRICKLAYER/STONEMASON	24,697	\$37.24	14%	1%	2%	84%
FLAGGER	22,368	\$26.83	16%	6%	49%	29%
TILE TERRAZO	20,920	\$28.46	42%	0%	1%	56%
DRYWALL	20,621	\$36.31	46%	0%	7%	46%

- Laborer & Power Equipment Operator hours represent nearly half the hours on City projects over this period. The Carpenter and Electrician trades represent another 22% of total hours.
- Among these top four crafts, **Laborer** sees the highest utilization across the program's target demographics (i.e., people of color and white women). **Carpenter** sees high utilization as well, but with lower utilization of women of color. **Electrician** shows high utilization of women, but not men of color. **Power Equipment Operators** have comparatively lower utilization across all three of the program's target demographics.

Note: the wages reported to the City by contractors in the Workforce Training & Hiring Program are not subject to compliance and data quality reviews. This is because the established goals and requirements of the programs apply to hours, not wages. This data is presented simply to provide a general sense of the hourly wage earned relative to other crafts.

Selected Targeted Analysis

Construction Workforce Demographics, Apprentice vs. Journey, FY19 & FY20

		Apprentice	Journey
Men of Color	African American	7.5%	2.1%
	Asian	1.9%	1.1%
	Hispanic	18.5%	20.7%
	Native American	0.5%	1.6%
	Person Of Color, Unspecified	2.8%	1.1%
Women of Color	African American	2.3%	0.7%
	Asian	0.1%	0.0%
	Hispanic	1.6%	0.7%
	Native American	0.1%	0.6%
	Person Of Color, Unspecified	0.3%	0.1%
White Male	Caucasian	55.0%	66.9%
White Female	Caucasian	9.5%	4.4%
Total Hours		310,654	1,424,740

- The purpose of the City's Workforce Training & Hiring Program is to increase the participation of women and people of color in the construction trades through apprenticeship opportunities on City construction projects.
- Through that lens, it is a positive indicator that the majority of the target populations are present at higher proportions at the apprentice level.
- That said, retention of those apprentices is key to ensuring journey level participation improves for people of color and women.