

BE/BDI Committee

Meeting Notes 7/19/2023

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Committee Members: (17 positions, 8 = Quorum)

- | | |
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| X Lekha Fernandes, OMWBE, Chair | X Santosh Kuruvilla, Exeltech, Co-Chair |
| X Irene Reyes, Excel Supply Company, Co-Chair | X Young Sang Song, Song Consulting |
| Jackie Bayne, WSDOT OEO | Cheryl Stewart, Inland Northwest AGC |
| Stephanie Caldwell, Absher Construction | X Chip Tull, Hoffman Construction |
| X Shelly Henderson, Mukilteo School Dist. | X Charles Wilson, DES |
| Aleanna Kondelis, Hill International | Linda Womack, MBDA |
| X Keith Michel, Forma Construction | X Olivia Yang, WA State University |
| X Brenda Nnambi, Sound Transit | Janice Zahn, Port of Seattle |
| X Cathy Robinson, University of WA | |

Guests & Stakeholders:

- | | |
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| X Monica Acevedo-Soto, DES | X Cindy Magruder, University of WA |
| X Talia Baker, DES | X Edwina Martin-Arnold, City of Seattle |
| X Patricia Collins, Maul Foster & Alongi, Inc. | X Monique Martinez, DES |
| X Maja Sutton Huff, WA State University | X Scott Middleton, MCAWW |
| X Josh Kilka, MRSC | X Kara Skinner, Integrity Surety |

Meeting started at 1:37 p.m.

Discussion Highlights:

Stakeholder and Members Discussion

Member Requirements

Brenda Nnambi inquired about the continuity of current members on the committee. Talia Baker clarified that members remain until indicating otherwise. Brenda mentioned Aleanna Kondelis' interest in joining. Co-Chair Irene Reyes mentioned Frank Boykin's willingness to replace Linda Womack. Talia explained that new members are added in September at the CPARB meeting and encouraged stakeholder participation. Talia said she would consult the Board Development Committee about the timing of Frank's replacement. Lekha Fernandes cautioned that expanding the committee would impact quorum requirements.

Member Representation

Co-Chair Reyes emphasized the committee's representation from school districts and higher ed, highlighting the need for county and city representatives. Cathy Robinson, formerly the city representative, now at the University of Washington, expressed interest in transitioning from member to stakeholder. Talia addressed the ambiguity of appointment criteria: individual or position-based regardless of job title. This clarity is lacking, and specific appointments may occur for certain organizations. Co-Chair Reyes cited an example of Bill Dobyns, who retained a board role despite changing jobs. Talia elaborated on Bill's case, involving support from the AGC. Co-Chair Reyes suggested the Board Development Committee address this issue in their next meeting.

Approve Agenda & Minutes from 6/21/2023 Meeting

Co-Chair Santosh Kuruvilla moved for agenda approval, seconded by Irene, resulting in unanimous approval through a voice vote. Irene proposed meeting minutes approval, seconded by Olivia Yang, leading to unanimous approval through a voice vote.

Welcome & Introductions

Brenda suggested that the committee begin with introductions. The committee agreed.

Olivia read through the list of attendees, and they introduced themselves.

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- Maja Sutton Huff and Olivia Yang, WSU in Whitman County
- Cathy Robinson, University of Washington, formerly from the City of Lynnwood
- Santosh Kuruvilla, Exeltech Consulting
- Keith Michel, Forma Construction representing general contractors
- Cindy Magruder, University of Washington
- Lekha Fernandes, OMWBE
- Shelly Henderson, Mukilteo School District representing K–12 schools
- Irene Reyes, CEO and President of Excel Supply Company, Founder and Chair of the Association of Women and Minority Business
- Josh Kilka, MRSC
- Kara Skinner, Integrity Surety
- Edwina Martin-Arnold, City of Seattle Inclusion Advisor
- Monique Martinez, DES
- Monica Acevedo-Soto, Director for Facilities Procurement Business Diversity at the University of Washington
- Brenda Nnambi, Sound Transit, Director of Equity and Contracting
- Patricia Collins, Maul Foster & Alongi, Inc., taking minutes
- Scott Middleton, MCAWW
- Charles Wilson, DES

Leadership Elections

Nomination

Olivia put forth Lekha's nomination as Chair and suggested retaining acting Co-Chairs Santosh Kuruvilla and Irene Reyes. Co-Chair Kuruvilla initiated a discussion, and Co-Chair Reyes sought Lekha's opinion on the nomination. Lekha, with multiple committee commitments, stressed the necessity of robust co-chairs. She highlighted the synergy between the BE/DBI report and the disparity study, noting shared concerns. Lekha envisioned her role as coordinating efforts and requiring strong co-chairs for communication and quorum management.

Discussion

Co-Chair Kuruvilla noted Maja Sutton Huff's significant role in previous committee efforts, which boosted enthusiasm alongside Olivia and himself, with support from Cathy Ridley. He proposed replicating this dynamic under Lekha's leadership and committed to involving Cathy from Exeltech. This arrangement would require Maja and Cathy to be committee members to ensure quorum. Olivia echoed Co-Chair Kuruvilla's sentiment, emphasizing the importance of behind-the-scenes assistance. She stressed the need for a chair and co-chairs with prior experience, expressing readiness to contribute opinions as required.

Co-Chair Reyes expressed satisfaction with two capable individuals for chairing and co-chairing, reaffirming her willingness to serve. She emphasized the necessity of administrative support. Lekha clarified her need to recruit two administrative professionals, currently lacking such support for the committee. Talia mentioned Monique Martinez's assistance in managing committee duties. She requested Maja, Cathy, or Lekha to designate someone for scheduling meetings, and Patricia Collins to continue to help with minutes as required.

Olivia inquired if there were any objections to the proposed candidates. With no objections raised, Olivia proceeded to call for a vote on Lekha as chair, and Co-Chair Reyes and Kuruvilla as co-chairs. Brenda seconded the motion, and it gained unanimous approval through a voice vote. Going forward, these minutes will refer to Lekha as Chair Fernandes.

Revise Mission

Chair Fernandes asked the committee what they wanted to accomplish. She reviewed the current mission of the BE/DBI Committee:

Focus efforts around the following:

- Comprehensive review of 39.10 with lens of equity (include RCW 39.04 and 39.80).
- Create consistency in language.
- Evaluate and bring forth effective strategies and opportunities for firms to compete.

Chair Fernandes asked the committee their thoughts about the committee's current mission.

Talia confirmed this was the proposed mission when the committee was getting its guidelines together. The guidelines became the BE/DBI report that was submitted to the legislature. She encouraged the committee to identify necessary updates to the mission.

Biennium and Committee Work

Olivia proposed a different approach to viewing the biennium. She recommended initiating a legislative drafting effort a year prior to the regular legislative session, followed by a year of practice, guideline, and strategy development. Emphasizing the current supplemental session, Olivia advised focusing on strategies. If strategies prove promising but require more support, the committee can ascertain the need for legislation. She cited Washington State University (WSU) using BE/DBI report bullet points in their Design-Build RFP/RPQ process. WSU's experience with contractors highlighted areas like prompt payment and mentorship. Olivia suggested starting with a voluntary approach for ownership, and if unsuccessful, considering law updates to help small diverse businesses.

Creating Strategies

Chair Fernandes highlighted the committee's purpose of formulating strategies. She recommended adopting a comprehensive approach that encompasses all aspects of the BE/DBI report, contrasting with the previous narrower focus. Olivia's broad-scope view involves strategy implementation, data collection, and effectiveness evaluation. Olivia proposed a three-bucket approach to aid organization and potential subdivision into smaller workgroups.

Chair Fernandes sought committee input on workgroups and strategy development. She invited feedback from Keith Michel and his group. Keith expressed support from general contractors for mission definition and topic prioritization.

Mission Driven by BE/DBI Report

Chair Fernandes sought additional input, and Brenda concurred with Olivia's idea of approaching the mission by examining each chapter of the report and designating individuals for specific focus areas. Chair Fernandes summarized Brenda and Olivia's suggestions, outlining the committee's role in scrutinizing the BE/DBI report, analyzing sections, and crafting strategies to eliminate obstacles and enhance participation.

Co-Chair Kuruvilla proposed a fourth bullet point: strategies for potential legislative adjustments based on the BE/DBI report. He sought the committee's opinion, and Brenda expressed favor for the idea. She emphasized aligning with MRSC's efforts and avoiding redundancy. Josh Kilka expressed interest in partnership and learning about outcomes. He suggested mutual collaboration, with this committee offering feedback on MRSC's strategy. Co-Chair Reyes concurred with Co-Chair Kuruvilla and Olivia, underlining language consistency as a significant challenge for minority businesses in contracts and RCW.

Developing Strategies and Training

Chair Fernandes conveyed the committee's sentiment, indicating that the upcoming work would veer away from a comprehensive review of RCW 39.10, as the BE/DBI report had already covered that ground. Instead,

the focus would shift to crafting actionable strategies in three distinct areas, while also considering training and access. Chair Fernandes emphasized the need to adopt a different perspective, suggesting that training encompasses educating both businesses and public owners about contract language. She proposed viewing training from various angles, with the possibility of deriving legislative proposals from these strategies.

Co-Chair Reyes agreed with the importance of training but pointed out that training efforts are pervasive and often redundant for small business owners. She urged for concise and specific training language, highlighting the need to delve deeper into training concerns. Co-Chair Reyes suggested delegating training matters to other committees, emphasizing that this committee should prioritize more pertinent topics.

Language and Training

Co-Chair Reyes views the shift in language as a legislative concern. Chair Fernandes emphasized that examining contracting could involve multiple perspectives, mentioning Olivia's expertise as an illustration. Chair Fernandes pointed out that the committee lacks statutory authority to modify bill language. Co-Chair Reyes recommended establishing uniform language to minimize obstacles through legislative means and policy, urging the committee to explore both avenues.

Education Connections Committee's Role

Olivia mentioned that the Education Connections Committee is currently addressing training concerns. She noted that their initial focus is on compiling a comprehensive inventory of various training programs. These training efforts encompass public owners, contractors, subcontractors, and diverse businesses, with particular attention to small enterprises. Olivia stressed the importance of gaining a clear understanding of small businesses. Once the Education Connections Committee has made progress, the BE/DBI Committee can establish connections with stakeholders. The Education Connections Committee is presently evaluating the range of available trainings and exploring ways to enhance their visibility and accessibility for those in need. Concerning language, Olivia shared the sentiment of Co-Chair Reyes, advocating for consistent contract language. She suggested that if legal constraints hinder uniform language, the committee could explore whether the law should be modified or if alternative solutions exist.

Co-Chair Kuruvilla proposed an amendment, noticing that the third bullet encompasses two aspects. He recommended merging effective strategies and opportunities for competition under the first bullet. For the third bullet, he proposed "evaluate and identify opportunities for small firms to compete." He expressed uncertainty about the purpose of the third bullet, considering that the BE/DBI report already emphasizes access to opportunities.

Chair Fernandes acknowledged the edit and highlighted that the committee's mission should not overlap with that of the Education Connections Committee. She suggested that Charles Wilson reach out to the Education Connections Committee and collaborate with the Department of Commerce, which offers significant support for small business training. Co-Chair Reyes recommended involving Frank Boykin from the Minority Business Development Agency (MBDA), as the MBDA contributes to the Department of Commerce's efforts. Talia informed the committee that the Education Connections Committee convenes on the last Wednesday of each month.

Chair Fernandes invited input from other committee members who hadn't yet spoken.

Best Practices

Keith expressed his enthusiasm for the ongoing committee discussions. He recalled the June meeting where the committee deliberated on finding examples of best practices. He suggested that the committee focus on pinpointing instances of innovation among different owners, general contractors, and subcontractors, and subsequently share their effective methods. Keith emphasized that compiling such information would align well with the BE/DBI report. Chair Fernandes concurred, noting that legislators seek concrete examples, and if the

committee can furnish them, it lends greater credibility to the committee's recommendations. Presenting specific instances of successful strategies, she added, would be advantageous for all parties involved.

Advocacy

Co-Chair Kuruvilla remarked that the three outlined objectives appear to lack an advocacy component, prompting him to question whether it might be prudent to include a fourth bullet focusing on advocacy. Co-Chair Reyes built upon Co-Chair Kuruvilla's suggestion, proposing a streamlined version of the mission with three bullets. She proposed that the third bullet should read, "evaluating for advocacy to bring forth opportunities to compete" and questioned whether the term "evaluate" was essential. In response, Chair Fernandes indicated that "evaluate" is necessary since advocacy could promote opportunities that may not be effective. Chair Fernandes stressed the importance of not presenting strategies that prove ineffective, expressing a desire for the committee to endorse only proven approaches. She acknowledged that there may be strategies the committee has grown weary of, such as superficial training. She emphasized the committee's goal is to highlight universally effective strategies, hence the inclusion of "evaluate" in the bullet point.

Accountability

Brenda raised the question of whether accountability should be a part of the mission. She mentioned that the BE/DBI report highlighted the need for the committee to establish accountability measures, but the current mission lacks any mention of accountability. Chair Fernandes discussed accountability both for the committee members and for the stakeholders they represent. Brenda clarified that the term "ourselves" referred to collective accountability, encompassing prime contractors, public agencies, and others. Olivia expressed her thoughts on the top bullet point, interpreting it as an effort to test and apply the best practices and strategies outlined in the BE/DBI report, which would subsequently inform potential legislative adjustments. She proposed revising the language to read, "Strategies from the BE/DBI report that inform potential legislative changes".

Successful Diverse Firms

Olivia emphasized the importance of striking a balance by equally emphasizing the success and competitiveness of diverse firms. This shift aims to encourage others to actively seek out and integrate these firms into their teams, not just to meet a quota. She suggested adding this focus to the committee's agenda. Chair Fernandes succinctly summarized that the goal is not solely for firms to compete, but for them to succeed and thrive. Olivia concurred, noting that if an agency requires a particular skill or trade, they should approach a contractor based on their expertise, regardless of size or diversity status. She acknowledged that this shift would take time, with a primary focus on nurturing and mentoring small businesses, ensuring their financial stability throughout projects.

Outcomes

Co-Chair Kuruvilla inquired whether Olivia was proposing the inclusion of language concerning outcomes. Olivia responded that a heavy emphasis on outcomes could potentially lead to concerns about metrics. She recommended that the committee's language focus on best practices, strategies, and suggested contract terms. She also pointed out that one possible outcome is the availability of tailored training for diverse firms. Olivia cited the example of changes made by WSU to the RFQ/RFP process. While acknowledging CPARB's emphasis on training and capital access, she stressed the importance of ensuring that small diverse businesses not only have opportunities but also successfully compete and secure contracts based on their merit as skilled contractors.

Chair Fernandes raised the question of whether it was time for the committee to take action on revising the mission.

Co-Chair Reyes concurred, indicating that the committee was prepared to move forward and take action. Responding to Brenda's earlier point about accountability, Co-Chair Reyes proposed that the committee establish accountability metrics for both owners and contractors. She suggested that the third bullet read as

follows: "evaluate and advocate to bring forth opportunities for firms to successfully compete and build capacity."

Chair Fernandes inquired whether further discussion was desired on this topic. Co-Chair Kuruvilla initiated a motion to focus the BE/DBI committee's efforts on the outlined core bullets. Co-Chair Reyes seconded the motion, and it was approved through a voice vote.

The BE/DBI Committee will focus their efforts on the following:

- Utilize strategies from the BE/DBI report to inform potential legislative changes.
- Create consistency in contract language to reduce barriers in policy and eventually statute.
- Evaluate and advocate to bring forth opportunities for firms to successfully compete and build capacity.
- Identify metrics for measuring accountability.

Identify Additional Stakeholders

Chair Fernandes inquired of the committee who else should be included to effectively carry out the mission. She proposed that the committee should encompass representation from cities, counties, and various communities to ensure comprehensive inclusivity. Her vision was to align the representation with the committee's objectives. Brenda, recalling a prior meeting, echoed the importance of statewide representation. She mentioned her outreach to the Washington State Department of Transportation (WSDOT), given their extensive statewide contracting. Curious about membership thresholds, Brenda questioned Chair Fernandes. In response, Chair Fernandes clarified that while no strict numerical threshold exists, excessive membership can pose quorum challenges. Talia explained that quorum requires more than 50 percent of official committee members to be present, which means a larger committee would necessitate a larger quorum. While member attendance is crucial, the stakeholder list can be expanded as needed. Stakeholders hold significance in this context. Chair Fernandes proposed a solution: capping the committee at a specific number and concurrently establishing an extensive stakeholder list, inviting them to meetings to ensure their voices are incorporated. Brenda expressed her agreement with Chair Fernandes's suggestion.

Stakeholders, Members, and Proxies

Co-Chair Reyes proposed substituting Edwina Martin-Arnold for Rebecca Keith, considering Rebecca's disengagement from committee activities. Keith shared his view that delineating or replacing stakeholders doesn't require extensive deliberation. He emphasized stakeholders as a broad category, welcoming their participation in any meeting due to their valuable input. Keith identified an actionable step: current attending committee members should assess the membership roster and contact any absentees to gauge their continued interest. He mentioned the option for absent committee members to appoint proxies, often drawn from stakeholders, to represent them. This proxy approach aids in maintaining quorum, especially when conflicts arise. He cited his communication with Stephanie Caldwell as an example. Chair Fernandes concurred, acknowledging the significance of this approach.

General Contractors

Chair Fernandes raised the topic of representation among the voting members, emphasizing the need for general contractors and inquiring about any other notable omissions. She questioned whether the committee might exhibit an overrepresentation of certain entities. Chair Fernandes highlighted the absence of city representation on the list of committee members. Chair Fernandes asked Scott Middleton how he saw his role when attending as a stakeholder. He said that general contractors are represented, and he would prefer to attend as a guest. He has talked with Olivia offline about a member who might appear from time-to-time depending on the agenda.

WSDOT Members

Co-Chair Kuruvilla acknowledged the historical challenge of securing active participation from WSDOT, mentioning Jackie Bayne's previous efforts. He proposed a solution by suggesting that Jackie could appoint Bobby Forch as a proxy. Bobby often represents the owners' side in numerous WSDOT progressive Design-

Build projects. Co-Chair Kuruvilla believed that with Bobby as a proxy, ensuring quorum wouldn't be an issue. Chair Fernandes added that Lena Jones from WSDOT could also be a potential candidate for committee membership. Brenda confirmed having already contacted Lena. Chair Fernandes took an action item to reach out to WSDOT to find representation for this committee.

Stakeholders Becoming Members

Talia informed the committee that stakeholders interested in becoming members should notify Chair Fernandes and herself. This would allow the committee to include the matter on the agenda for the September 14, 2023, CPARB meeting. CPARB holds the authority to appoint members to the committee, underscoring the significance of identifying any potential gaps in representation. The committee can present the roster of new members when reporting to the board, and the board will subsequently determine whether to proceed with their appointments.

Small Diverse Firms

Charles encouraged the committee to recognize the importance of including both small diverse construction firms and small diverse A&E (architecture and engineering) firms in their considerations. Brenda voiced her agreement with Charles, prompting Chair Fernandes to inquire which committee members would take the initiative to gather information about these types of firms. Co-Chair Reyes volunteered for this task, highlighting Co-Chair Kuruvilla's presence as an engineer and questioning whether assistance was needed in identifying an architectural firm. Charles suggested that additional representation could be beneficial and offered to aid in identifying potential individuals.

Chair Fernandes turned to Young Sang Song, asking if he would collaborate with Olivia in recruiting construction firms, to which he agreed. Olivia mentioning that Bruce Hayashi, the CPARB representative for architects, might be approached to gauge his interest in joining the BE/DBI Committee.

County Representative

Talia shared that CPARB introduced a new county representative, Ramiro Chavez from Thurston County, who has yet to be assigned to any committees. She recommended that a CPARB member connect with him and propose his participation in this committee. Co-Chair Reyes offered to reach out to him.

Areas Represented

Chair Fernandes indicated that the aforementioned names would encompass new additions to the committee, including representatives from counties, cities, architects, and a diverse construction company. Co-Chair Reyes emphasized the inclusion of a diverse construction company. She raised a point about current committee members representing private industries and inquired about their continued commitment to the committee. Chair Fernandes mentioned her intention to contact Janice Zahn and Jackie regarding their ongoing involvement. She urged other members to reach out to absent individuals to gauge their interest. Keith informed that he had contacted Stephanie but awaited a response. Chair Fernandes requested assistance in contacting Cheryl Stewart, with Olivia volunteering for the task.

Chair Fernandes outlined her plan for the upcoming CPARB board meeting, which entails current members reaching out to absent committee members to ascertain their continued interest in serving. This outreach would also encompass current stakeholders potentially transitioning to committee members. Once this information is collected, the committee can include the item on the CPARB agenda. Chair Fernandes highlighted Edwina's expressed interest, securing her place among potential new committee members.

South-Central and Eastern Washington Representation

Co-Chair Kuruvilla raised the question of potentially including representation from south-central and eastern Washington due to increased spending in those areas. He suggested exploring connections through the Spokane Chamber group, which meets monthly. Chair Fernandes proposed reaching out to construction professionals and suggested connecting with Francis Adewale, AHANA's board chair, and Martin Valadez, the

Executive Director of the Tri-Cities Hispanic Chamber. She also mentioned Anthony Peterson, CEO of OIC in Yakima, who could provide valuable contacts. Chair Fernandes expressed her willingness to support these efforts and mentioned the possibility of reaching out to the ports if Janice does not continue to serve.

Chair Fernandes reiterated the following action items and encouraged individuals to inform both Talia and herself of the interest of current stakeholders or any potential new members to join the committee.

Co-Chair Reyes inquired about a potential limit on committee membership. Chair Fernandes explained that there are currently 17 members, with the potential addition or change of four individuals. She acknowledged that the committee might become sizable. Keith proposed considering the number of committee members as an agenda item for the next meeting, and Chair Fernandes estimated that the committee would have around 20 members.

Forward Planning and Next Meeting Agenda

Talia highlighted that the upcoming meeting was scheduled for August 16, 2023. Chair Fernandes proposed that the committee meet on the third Wednesday of each month, from 1:30 to 3:00 p.m., a suggestion that the committee agreed upon.

Chair Fernandes inquired about the agenda for the next meeting. Co-Chair Kuruvilla suggested examining the recommendations from the BE/BDI report. Chair Fernandes confirmed that she could share a PowerPoint on the topic and asked if the committee wished to begin creating focus areas or making decisions on areas of concentration. Co-Chair Reyes proposed focusing on the four mission items and establishing work groups with leaders to address those tasks.

Chair Fernandes noted that accomplishing these three objectives would make for an exceptionally productive meeting, adding that the discussion on these topics would occupy a significant portion of the 90-minute meeting.

Chair Fernandes asked the committee what they would like to address in the final ten minutes. Co-Chair Kuruvilla expressed his appreciation for Chair Fernandes's leadership and commended her as the committee leader. Co-Chair Reyes echoed the sentiment and thanked Chair Fernandes for taking on the role of chair.

Young inquired about Chair Fernandes's expectations for the committee. Chair Fernandes encouraged committee members to actively participate in meetings and bring any concerns directly to her or raise them during the meetings. She emphasized the importance of open dialogue, sharing opinions, and perspectives, as she valued all viewpoints. She urged members to communicate openly and indicated her willingness to address any issues brought forward. She highlighted the committee's goal of achieving collective accomplishments aligned with members' interests, a sentiment that Olivia and Co-Chair Reyes concurred with.

Talia reminded members to provide contact information for stakeholders who need to be added to the committee's records. She indicated that she already had current contact information for the individuals listed on the agenda.

With no further questions, Chair Fernandes concluded the meeting.

Meeting was adjourned at 2:53

Next Meeting: Wednesday, August 16, 2023, 1:30–3:00

Action items:

1. Chair Fernandes will contact current members Janice Zahn and Jackie Bayne to see if they are still interested in serving on the committee. She will reach out to WSDOT, her construction contacts in eastern and south-central Washington, and the ports to find out if they are interested in joining the committee.

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2. Co-Chair Reyes will identify and contact diverse construction firms and Ramiro Chavez.
3. Charles will identify and contact diverse A&E firms.
4. Young will contact construction firms about committee membership.
5. Olivia will ask Bruce Hayashi if he is interested in joining the committee and will check with Cheryl Stewart to see if she is still interested in becoming a committee member.
6. Co-Chair Reyes, Charles, Young, and Olivia will communicate to Chair Fernandes and Talia if people are interested in joining the committee.