

# Port of Portland Small Business Program FY15

June 22, 2016

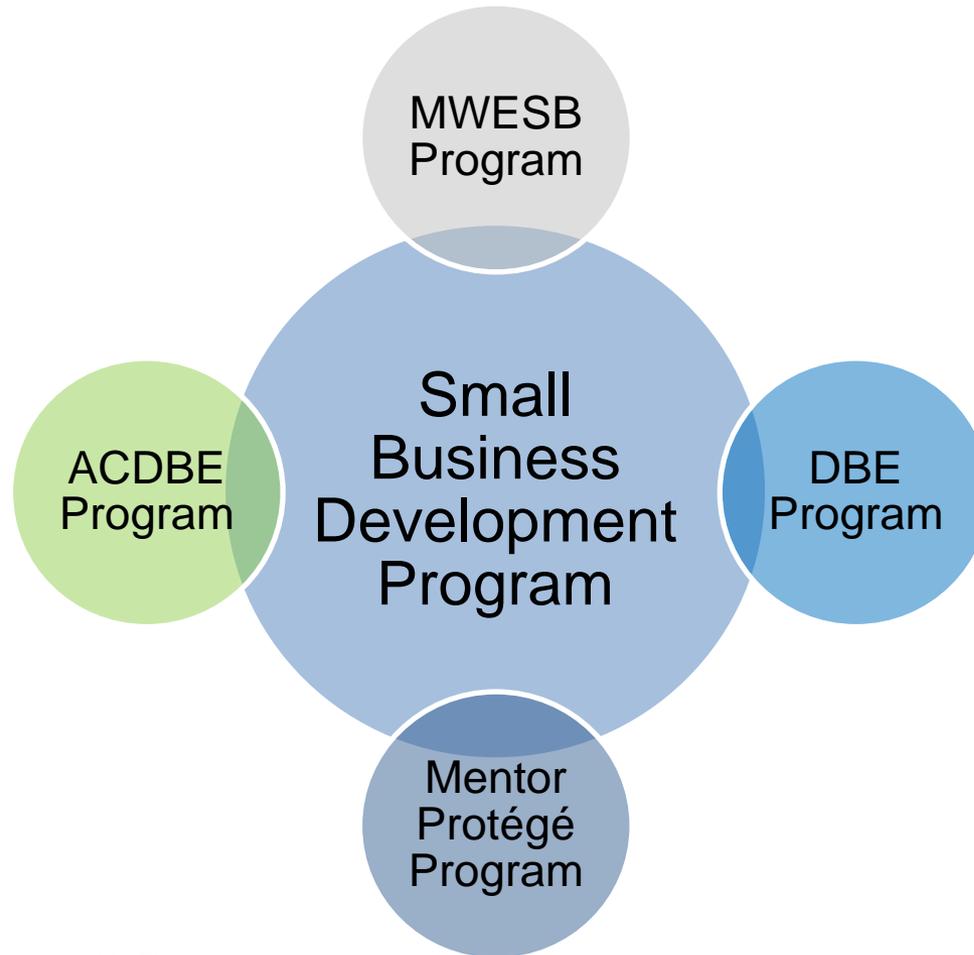
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Small Business Development Program Manager



**PDX COMMUNITY ADVISORY COMMITTEE**

CHARTING A COURSE FOR PDX

# Small Business Development Program



## Purpose

- The purpose of the Ports Small Business Development Program is to enhance opportunities for small businesses in our region to successfully compete for and participate in the performance of Port contract opportunities.
  - To ensure nondiscrimination in the award and administration of Port contracts
  - To create a level playing field on which small businesses can compete fairly for Port opportunities.
  - To help remove barriers to the participation of small businesses in Port opportunities
  - To assist the development of firms that can compete successfully in the marketplace outside the Port's Small Business Development Program.

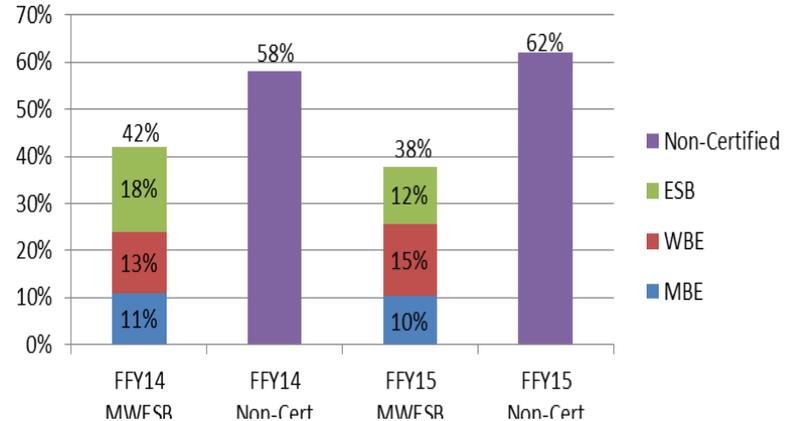


# Minority, Women and Emerging Small Business (MWESB)

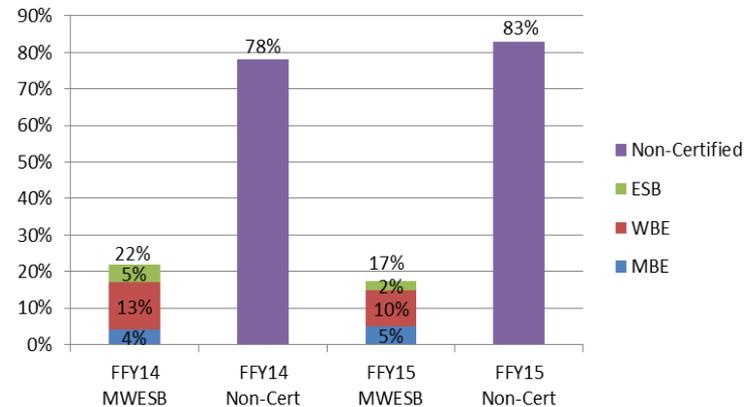
**MWESB Goals are set on non-federally funded procurements over \$500,000**

- During FY15 the Port awarded 40 prime contracts totaling \$162M. These contracts resulted in 298 subcontract awards, of which 128 were awarded to MWESB firms totaling \$28.2M.
- Notable Awards:
  - PDX Economy Lot Bus Route Rehab (\$4.2M) – Kodiak Construction/WBE
  - PDX Mt. GA West Redevelopment Phase 1 (\$4.1M). Kodiak Construction/WBE
  - T4 Entrance Road Rehab Phase 2 (\$1m) – Kodiak Construction/WBE
  - Carleton Hart Architecture/MBE awarded a \$3.6M design contract

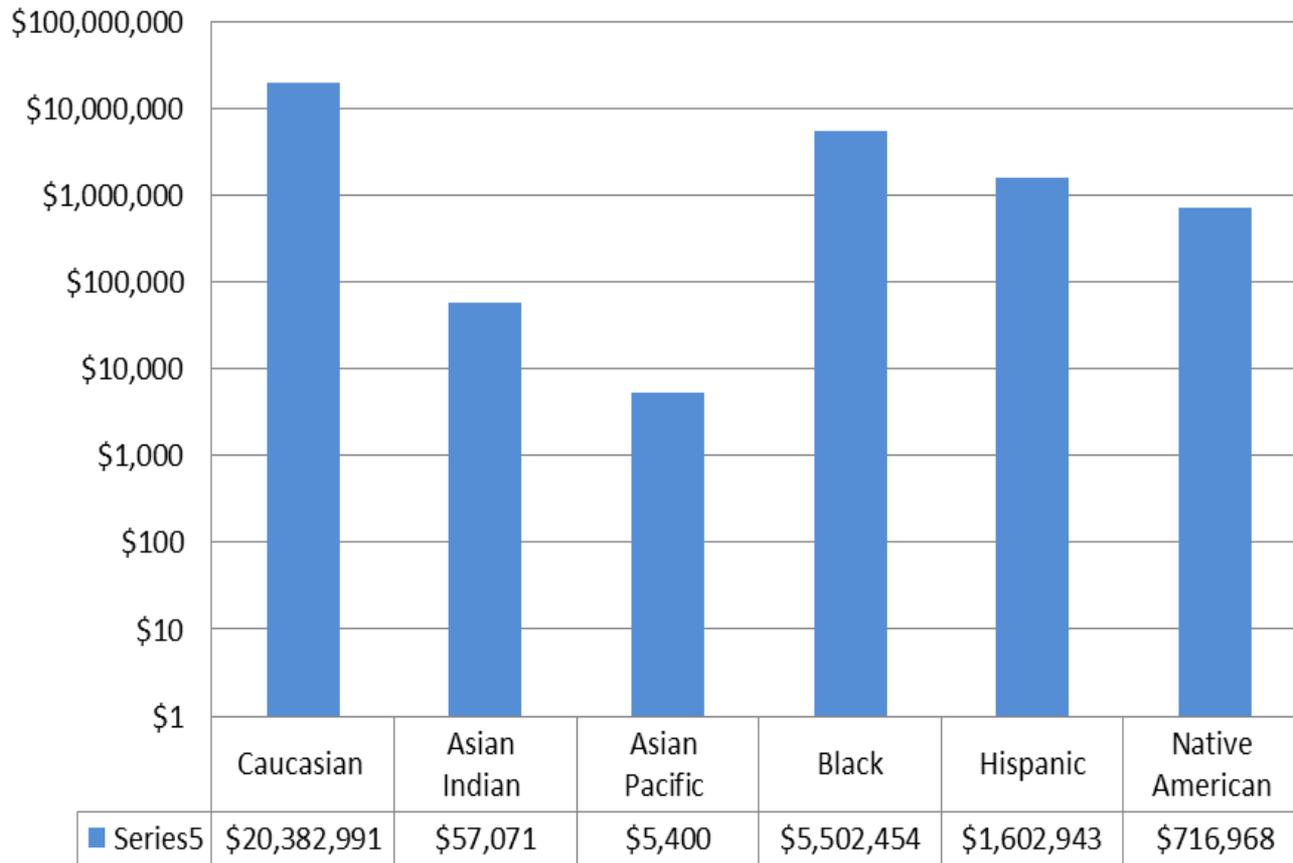
Small Business Achievement by Number of Awards  
FFY15 Goal 30% - Achieved 38%



Small Business Achievement by Dollar FFY15  
Goal 16% - Achieved 17%



## MWESB Total Dollar Award by Ethnicity



## Disadvantaged Business Enterprise Program Update

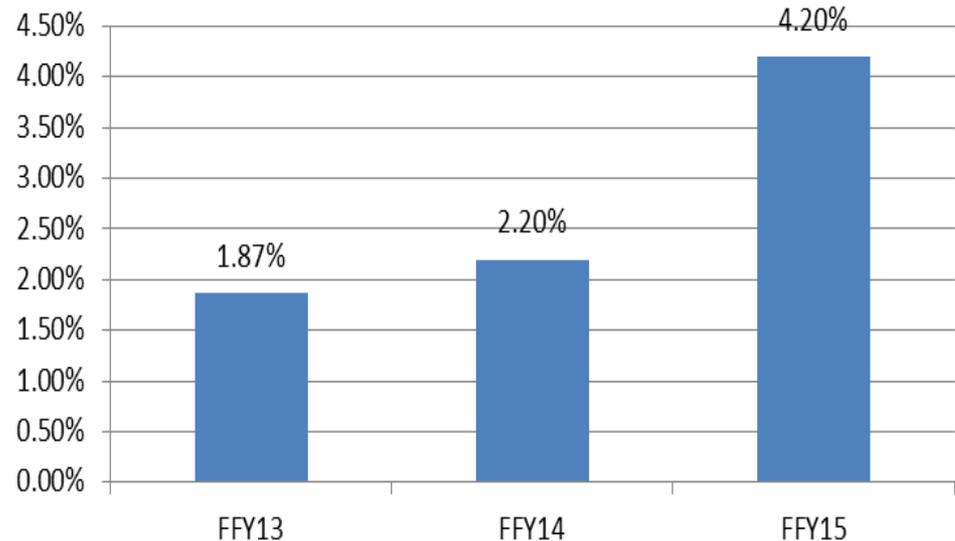
### DBE Goals are set on USDOT funded procurements\*

- During FY15 two FAA funded contract were awarded totaling \$16M resulting in 8 subcontract totaling \$675,717 awarded to DBE firms.

#### Shortfall Analysis:

- One of the two projects awarded this period is a CMGC project. At the time of federal reporting to the FAA, the DBE firms working under this contract had yet to be identified, thus we were unable to report them. However the prime contractor has committed to a 10% DBE goal and we are on track to meet this target.
- One of the two projects awarded is an airport runway improvement project which had limited DBE availability due to the specialty nature of this work. We placed a DBE goal of 2.8% on this project and achieved 3.62%.

### DBE Participation FFY14-16 Goal 5.36%



\*FFY11-13 DBE goal was 8%



## Airport Concession Disadvantaged Business Enterprise Program Update

The ACDBE program applies to Concession and Rental Car opportunities at PDX. Both are tracked and reported separately.

Food and retail concession revenue generated \$104.7M in gross sales with \$24.8M going to ACDBE firms exceeding the Port goal of 12.9%

- **New ACDBE's:** ACDBE Hissho Sushi signed a lease at PDX during this reporting period.

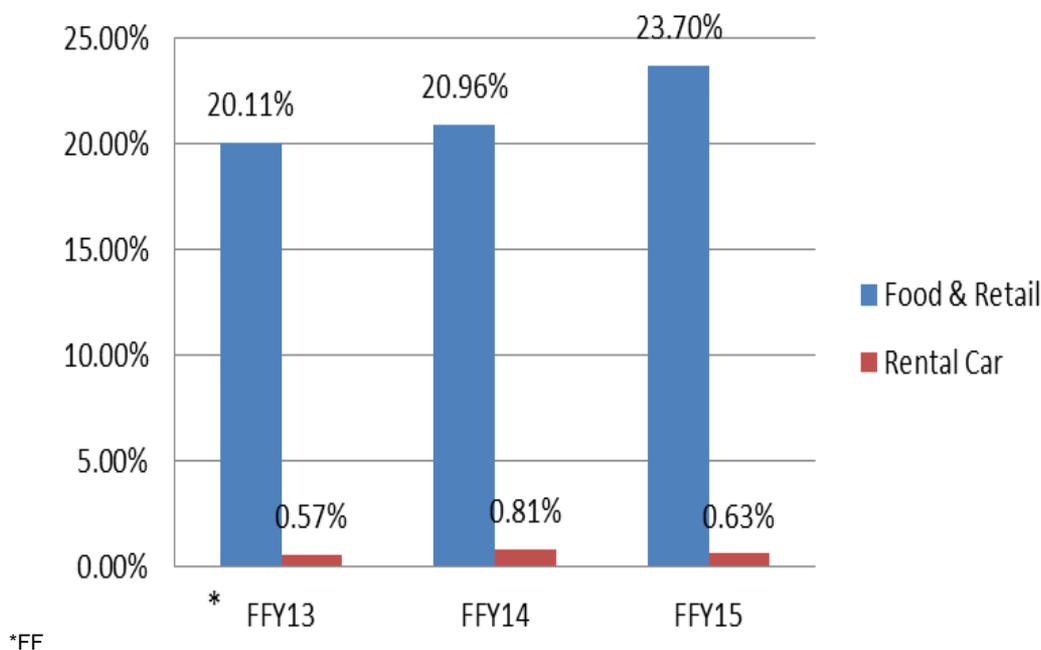
Rental car revenue generated \$238M with \$1.5M going to ACDBE certified firms as goods and/or service providers falling short of the Port goal of 1.3%

### Shortfall Analysis:

A shortfall analysis determined that many of our rental car operators were utilizing ACDBE firms certified as goods and/or service providers outside of Oregon or Washington, making them ineligible to be counted by the Port. The Port has reached out to these firms requesting they seek certification in Oregon.



**ACDBE Achievement**  
FFY14-16 Goal 12.9% Food & Retail/ 1.3% Rental Car



## Program Overview

- In place since 1995
- Pairs two mentors with a protégé firm who work on developing business strategies over a three year period.
- 103 firms have graduated to date
- Business plan, Safety plan, HR Manual and Marketing plan and materials are developed and in place by graduation.

## FY 15 -17 Cohort

- 10 Protégé firms
- 39% increase in gross revenue (all firms) \*
- 46% increase in bonding capacity (construction firms)
- 9 full time jobs created (all firms)
- 6 part time jobs created (all firms)

## Mentor-Protégé Program Update



### Notable success stories:

MBE trucking firm participating in the program saw a substantial 146% increase in gross revenue while in the program. Additionally this firm was recently awarded a large trucking job directly with a prime contractor. This is their first time working directly with the prime as opposed to participating as a 2nd or 3rd tier subcontractor on a project.

MBE traffic engineering firm participating in the program saw a substantial increase of 91% gross revenue and they leased their first office and hired a part time employee to help manage the work flow.



## Program Initiatives for FY2016

- The Port will begin work on a new disparity study beginning late 2016 and concluding in 2017. A disparity study examines whether there are disparities between the contracting dollars the Port awarded to DMWESB firms and the amount they might be expected to receive based on the number of such businesses available to perform the work among the total of pool of eligible contractors. This analysis will allow the Port to continue to set race conscious goals on our construction contracts.
- The Port will host an open house for subcontractors to meet Port project managers and large prime contractors that generally do Port work. The goal is to provide DMWESB firms the opportunities to meet decision makers and develop new relationships.
- Update the Port's Mentor-Protégé program by expanding the program to the ACDBE concessionaires.

