


**Equity in Contracting Program Regulations +  
Revisions to TMC 1.07**

City of Tacoma | Community & Economic Development Department

**Council Study Session  
December 5, 2023**

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**AGENDA**

- Background/Overview
- How We Got Here
- Key Elements – Regulations
- Proposed Code Revisions
- Next Steps – Program & Policy

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## OVERVIEW


- EIC Ordinance 28625 approved in November 2019
- Replaced Small Business Enterprise Program in TMC 1.07
- Created race/gender conscious tools

Program offers

- Access to contracting opportunities
- Guidance and technical assistance to historically underutilized businesses

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## 2023 PROGRAM OUTCOMES

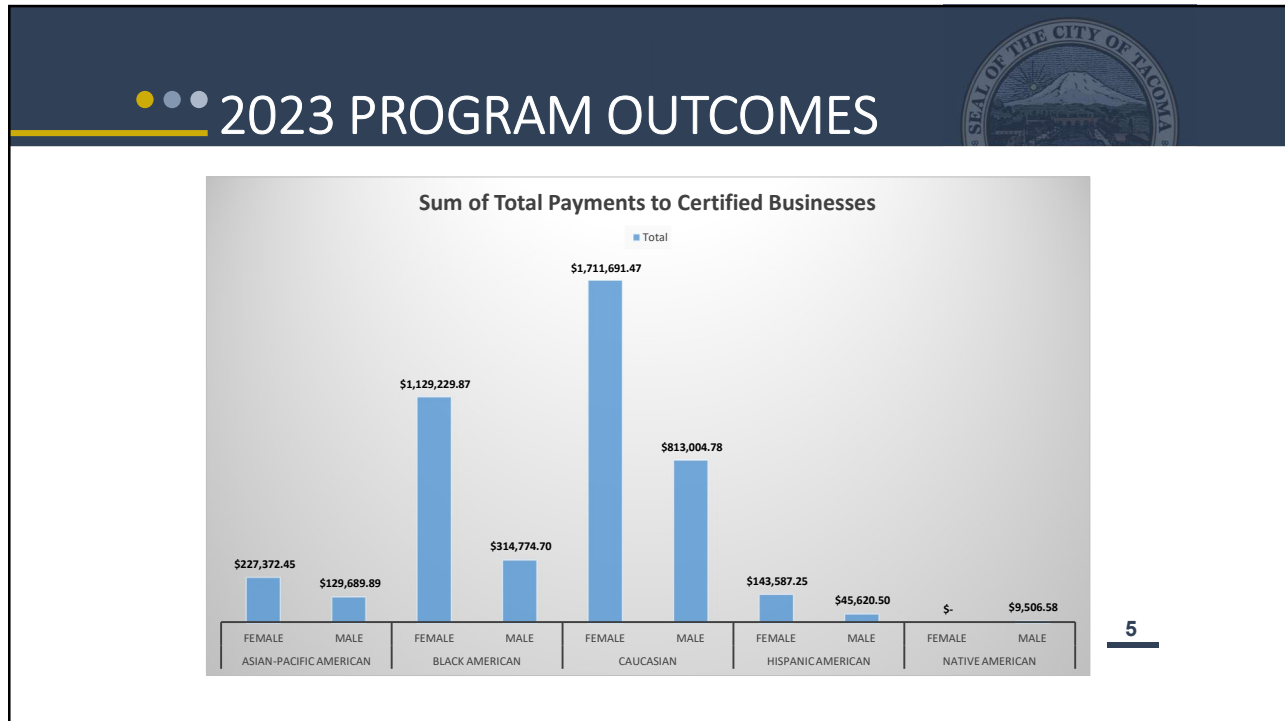
- **Result:**
  - 40% (+15) increase in the number of awards
  - 28% (-\$1.8M) decrease in amounts awarded to Tacoma’s small, minority, and woman owned businesses

	# Awards to Certified Firms	Total Payments to Certified Firms
2020	22	\$5,581,227
2021	35	\$9,446,155
2022	34	\$6,350,081
2023	49	\$4,524,477

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*2023 totals are through November 7, 2023*

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- ## OVERVIEW - REGULATIONS
- TMC 1.07.040 authorizes CEDD Director to adopt administrative EIC Program Regulations
  - Intended to aid and guide City staff, Certified Firms, Contractors and Suppliers
  - Ensures clear and consistent implementation of program
  - Encourage, facilitate and assist participation of Certified Firms in City projects
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## HOW WE GOT HERE

### 2022 EIC REGULATIONS PROGRAM

- 1) EIC Requirements applied to all Public Works Contracts
- 2) Exception Process Pre-Bid
- 3) Waiver Process Post Bid, Pre-Award
- 4) Thorough Bid Review Process
- 5) B2GNow Project Monitoring

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## KEY ELEMENTS

### RECOMMENDATIONS FROM:

- Legal
- Purchasing
- Public Works
- Environmental Services
- Tacoma Water
- Tacoma Public Utilities
- Other City of Tacoma Business Units
- EIC Advisory Committee

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## KEY ELEMENTS


### EIC PROGRAM REGULATIONS HIGHLIGHT

#### EIC Non-Compliance Penalties

- Publish notice of the contractor's noncompliance
- Cancel, terminate, or suspend the contractor's contract, or portion thereof
- Withhold funds due contractor until compliance is achieved; and/or
- Disqualification of eligibility for future contract awards by the City (debarment) per Section 1.06.279 TMC

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## PROPOSED CODE REVISIONS

### Categories

1. Replace outdated elements of SBE Program
  - a) Approval of a Certified Business
  - b) Reference of "Goals"
  - c) Brokers, Fronts, or Similar Pass-Through Arrangements
2. Review of Program
  - a) Remain in effect until requirements no longer necessary

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## NEXT STEPS - PROGRAMMATIC

Disparity Study Implementation


- October 2023: Study Kickoff
- September 2024: Anticipated Completion

Program Performance Dashboard

- Public facing to communicate program impact

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## NEXT STEPS - POLICY

Program Regulations


- Adoption of Program Regulations by CED Director

Tacoma Municipal Code (TMC) 1.07

- December 5: Council Study Session
- December 19: 1st reading
- January 9: 2nd reading
- Council adoption of amendments to TMC 1.07

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