



**Winston-Salem**

**Office of Business Inclusion & Advancement**

**M/WBE Division**



# Key Work Item #1



## Task

Reinstitute and expand vendor rotation on contracts estimated to cost less than \$20,00. This may include rehabilitation, construction, and service contracts

## Implementation

- Updated Goods and Services List
- Created a vendor rotation template and manual which was distributed to all city departments
- Collaborated with I.S. to implement a revised departmental spending report
- 2015 and 2017 M/WBE Mixer
- Proposed pre-qualified panel of M/WBE firms for contracts valued below \$20,000



# Key Work Item #2



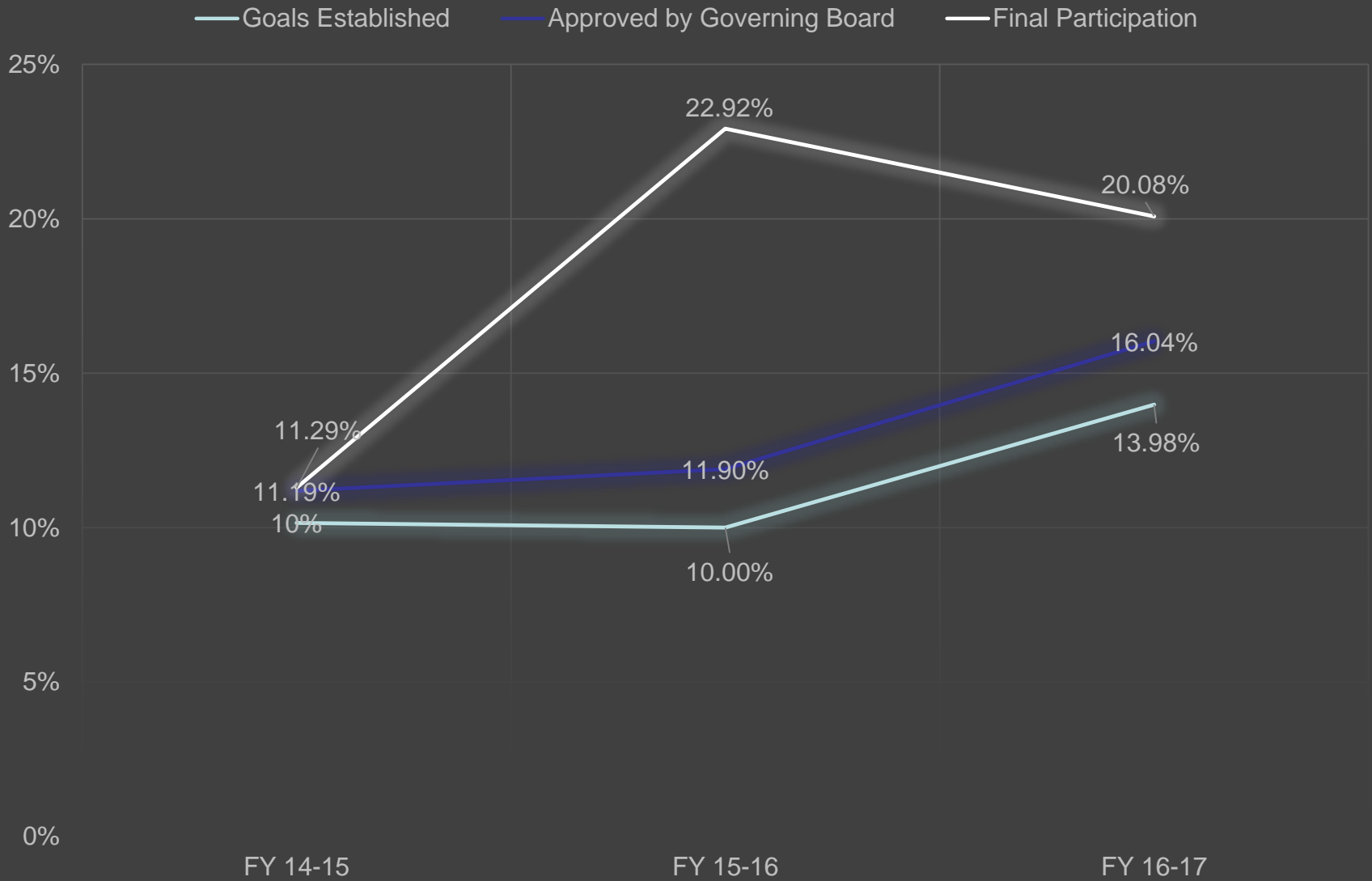
## Work Item

As opportunities arise, continue to set goals higher than 10% based upon the scope of work, historical participation, and availability of M/WBE firms.

## Implementation

- Newly implemented goal setting process that incorporates M/WBE availability relative to subcontracting opportunities.
- 30 projects set with goals above 10%\*
- 20 contracts awarded with goals over 10% \*
- FY 16-17 20% M/WBE participation on formal construction

# Formal Construction M/WBE Participation





# Key Work Item #3



## Task

Enhance outreach and education to M/WBE firms regarding support that is already available to them such as quick-pay agreements, bonding and insurance assistance, and joint-ventures.

## Implementation

- Bond Project Orientation Sessions
- Bid Orientation Sessions
- Technical Assistance with HUB Certification
- M/WBE Coordinators Network Meeting
- The M/WBE Mixer's
- Bidding and Estimating 101 Seminar
- Is Your Good Faith Effort Good Enough Workshop
- NC HUB Contractor's College
- One-on-one information sessions



# Key Work Item #4



## Task

Continue to explore ways to ensure employee accountability regarding commitment to the city's procurement guidelines

## Implementation

- Vendor rotation model and guide
- Revised M/WBE spending report (P-card, purchase orders, and request for checks)
- Updated goods and services list
- New vendor notifications
- M/WBE Made Easy
- M/WBE webpage on the Employee Center
- Employee Evaluations



# Key Work Item #5



## Task

Develop and/or enhance partnerships with other organizations to identify potential mentoring firms and to connect them with interested M/WBE firms.

## Implementation

- The Black Chamber
- Forsyth Tech Small Business Center
- The Winston-Salem Chamber
- The N.C. Institute for Minority Economic Development
- Winston-Salem/Forsyth County Schools
- NC Coordinator's Network
- The State of N.C. Office for Historically Underutilized Businesses
- Construction Industry Council
- Small Business Division
- The Enterprise Center



# Key Work Item #6



## Task

Regularly evaluate general contractors regarding their payment history to subcontractors. If a negative pattern exists regarding poor payment history, then steps should be taken regarding corrective actions.

## Implementation

- Increased project site visits (4 per month)
- Creation of project summary reports
- Synchronized submission of monthly payment forms
- Implemented a tiered remedial action system for general contractors and who violate program policies.
- Increased assistance with payment resolutions





# Key Work Item #7



## Task

Evaluate the city's current retainage policy and consider ways to release funding based upon the completion of a particular task or activity contingent upon City approval that the work has been satisfactory completed.

## Implementation

- Enforcement of General Statute 22C-2
- Retainage required to be paid to M/WBE subcontractors before final payment is released to the prime contractor from the City.
- Enforcement of General Statute 143-134.1

# General Statutes

## **G.S. 143-134.1**

Within seven days of receipt by the prime contractor of each periodic or final payment, the prime contractor shall pay the subcontractor based on work completed or service provided under the subcontract. If any periodic or final payment to the subcontractor is delayed by more than seven days after receipt of periodic or final payment by the prime contractor, the prime contractor shall pay the subcontractor interest, beginning on the eighth day, at the rate of one percent (1%) per month or fraction thereof on the unpaid balance as may be due.

## **§ G.S. 22C-2**

Performance by a subcontractor in accordance with the provisions of its contract shall entitle it to payment from the party with whom it contracts. Payment by the owner to a contractor is not a condition precedent for payment to a subcontractor and payment by a contractor to a subcontractor is not a condition precedent for payment to any other subcontractor, and an agreement to the contrary is unenforceable. (1987 (Reg. Sess., 1988), c. 946; 1991, c. 620.)



# Key Work Item #8



## Task

Develop and initiate a marketing and outreach campaign to better market the M/WBE Program

## Implementation

- Creation of M/WBE logo
- Creation of M/WBE tag line
- Updates to M/WBE webpage
- Improved outreach efforts
- Increase of direct calling (pre-bids, upcoming projects, etc.)
- New and improved M/WBE database to be included in Information System's 17-18 Work Plan



# M/WBE Program Next Steps



- Implementation of M/WBE policy and procedures for professional service contracts
- Revised M/WBE Program Policy
- Formal construction threshold lowered to \$100,000 to increase M/WBE subcontracting opportunities
- Continue to reinstitute and expand vendor rotation through enhanced M/WBE reconciliation reports for all city departments.
- City of Winston Salem Opportunity Loan Program
- Increase site visits, especially to projects where the contractor elected to use Affidavit B, “Intent to Perform Contract with Own Workforces”
  - Supporting documentation for previous projects with a similar scope of work will be requested
- Continue to implement the following measures which were created to regularly evaluate general contractors and their payment history to M/WBE subcontractors, while also tracking the participation and treatment of M/WBE’s:
  - M/WBE Replacement Request Form
  - Subcontractor Quote Comparison Form
  - Project Summary Report