

# MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISE PROGRAM



Saint Louis  
**COUNTY**

2021

**ANNUAL  
REPORT**

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DIRECTOR OF PROCUREMENT

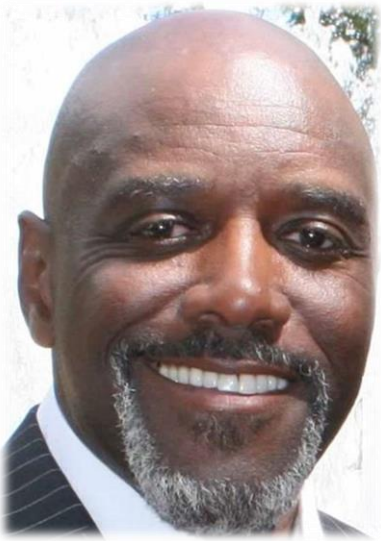


## 2021 MINORITY & WOMEN-OWNED BUSINESS ENTERPRISE PROGRAM ANNUAL REPORT

Department of Administration  
Procurement Division

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## LETTER FROM THE DIRECTOR

The Minority and Women-Owned Business Enterprise (M/WBE) Program is dedicated to enhancing opportunities for small, disadvantaged, and minority and women business enterprises in St. Louis County. We are dedicated to administering a stellar program for St. Louis County that is a standout in the region, as well as assisting companies develop relationships with St. Louis County. While the COVID-19 pandemic continued to hamper outreach, several in-person sessions were held and were supplemented by virtual sessions when necessary.

The M/WBE Program Office held virtual information sessions on program rules and regulations and contract document submission and review. Additionally, the Office hosted two in-person networking events for prime and subcontractors to encourage relationship building within the contracting community. All sessions were attended by County personnel as well as contractors.

During 2021, the M/WBE Program Office was fully staffed. We now have a Contract Compliance Manager, three Contract Compliance Specialists, and an Administrative Assistant. The Office was successful in the passage of legislation adopting Program rules. Some important changes include M/WBE Utilization Plans must be submitted at time of bid, prompt payments to subcontractors will be strictly enforced, and reporting in the Diversity Management Reporting System (DMRS, B2GNow) will be strictly enforced.

As the Director of Minority Business Development and Compliance, I am committed to making the M/WBE Program the most successful in the area. We will continue to model our program after the federal Disadvantaged Business (DBE) Program because it has withstood court challenges and is familiar to most contractors.

I will do everything in my power to foster more buy-in from both the contracting world as well as those in the County who work with the M/WBE Program. I will work with departments to affect reporting and rule compliance. This includes ensuring that prime contractors are using the certified firms that they are contractually obligated to use, reporting payments, and meeting other contractual requirements within the required timeframes.

I am currently scheduling online educational opportunities on fostering small business programs. Our Winter Workshop Series will offer ideas on enhancing and growing M/WBE businesses. I am committed to ensuring that the program maintains the highest level of integrity while fostering an inclusive and competent program. Supporting diverse businesses is a priority for me and St. Louis County.

We have made strides towards our goals for the program and the future of the M/WBE Program remains bright.

A handwritten signature in black ink that reads "Nathaniel Adams". The signature is fluid and cursive, written over a light grey background.

# GOALS AND OBJECTIVES

- ❖ Establish a culture of inclusiveness in St. Louis County contracting and procurement.
- ❖ Develop a Minority and Woman-Owned Business Enterprise Program that maximizes participation by a diverse group of contractors.
- ❖ Build a sustainable community of certified minority and woman-owned businesses in St. Louis County.

# MISSION

The Minority and Women-Owned Business Enterprise Program in St. Louis County is committed to promoting fair and open competition for Minority and Women-owned Business Enterprises (M/WBE) and enhancing their economic opportunities.



# VISION

Our vision is consistent with our Mission – to promote fair and open competition and create a level playing field in St. Louis County in which small, disadvantaged, minority and women-owned business enterprises have an opportunity to participate on County contracts.

- ❖ Increase the number of minority and woman-owned businesses participating in solicitations for County contracts in all aspects of procurement including supplies and commodities, construction, professional services, and general services.
- ❖ Meet and surpass the MBE and WBE participation goals established by ordinance.
- ❖ Meet all applicable state, federal, and local diversity regulations and guidelines.

# M/WBE PROGRAM TEAM

## **Nathaniel Adams, Director**

Nathaniel Adams was promoted to the Director of Minority Business Development and Compliance in February 2021 after spending 2020 as a Contract Compliance Specialist. He has spent nearly 40 years in D/M/WBE programs in both the public and private sectors. He began his career in 1981 with MOKAN and came to St. Louis County after 25 years at the Illinois Department of Transportation (IDOT).

He has worked as a field representative and a compliance monitor, as well as a supportive services consultant. Mr. Adams also served as the Project Director of IDOT's Supportive Services Program and the Bonding, Finance, and Insurance Program in IDOT districts 7, 8, and 9. He has assisted with drafting and implementing policies geared to assist D/M/WBE and small businesses with the growth of their firms. He has developed and taught courses that are essential to capacity building for D/M/WBE firms.

Mr. Adams was born and raised in St. Louis and worked most of his young life in a family-owned minority business. He is very aware of the struggles and challenges of small D/M/WBE firms and is committed to making a difference



## **Gina Montgomery, Contract Compliance Manager**

Gina Montgomery, a native of San Diego, brings over twenty years of experience and working knowledge of D/M/WBE programs. In her current role, she is responsible for oversight of the Contract Compliance Specialist team which ensures M/WBE participation is obtained on County and federal projects.

Prior to the County, Gina served as a Civil Rights Specialist for the Missouri Department of Transportation (MoDOT), where she certified minority- and woman-owned businesses for DBE status, developed new initiatives and programs to assist certified DBEs with capacity building,

and fostered relationships with prime contractors, MoDOT personnel, and community organizations. Prior to MoDOT, Gina was responsible for diversity and Equal Employment Opportunity (EEO) training for the Missouri Commission on Human Rights. Her office investigated the discrimination complaints for housing, employment, and public accommodations for the state. Gina is a passionately strong advocate for small businesses, a proud Mom of four, and a distinguished member of Alpha Kappa Alpha Sorority, Inc.

## **Treinnea Russell, Contract Compliance Specialist**

Treinnea Russell, a native St. Louisan, brings 26 years of experience in construction that includes work in carpentry, low-voltage installations, project management, bidding and estimating, contract compliance, engineering, inspections, property management, subcontracting, business development, and general contracting.

She has comprehensive contract experience with scheduling review, formal notifications, maintaining and inputting project data, commercially-useful function (CUF) reviews, preliminary analysis, onsite verification and interviews, exit conferences, and compliance determination.

Treinnea is responsible for day-to-day operations regarding compliance. As the lead Specialist, she manages the program to increase the utilization of M/WBE firms on projects and provides public outreach to the M/WBE community. Treinnea knows all too well the hard work and dedication of running a business, having owned the minority and woman-owned disadvantaged enterprise, Section 3, union construction company (Local 42) IDD Inc., as well as holding a position as president of Positive Options for Prosperity, Inc. (501(c)(3)).



## **Kim Hitchens, Contract Compliance Specialist**

Kim Hitchens is a native of St. Louis, with over 24 years of experience working in diversity inclusion programs for the City of Boston, MA. Her experience in Boston included managing construction contracts to ensure compliance with the Executive Order on M/WBE Development and the ordinance promoting M/WBE programming. At the City of Boston, she managed construction project workforce goals to ensure compliance with the Boston Residents Jobs Policy Ordinance for construction projects (over 100,000 sq ft.) After retiring in 2016, she returned home to St. Louis, where she worked

for the St. Louis County Public Works Department's Residential Water Service Line and Sewer Lateral Repair Program. In June 2021, she continued her efforts in the fight for minority and woman-owned businesses by joining the M/WBE Program. Kim brings with her a committed passion and desire to see minority and woman-owned businesses excel.





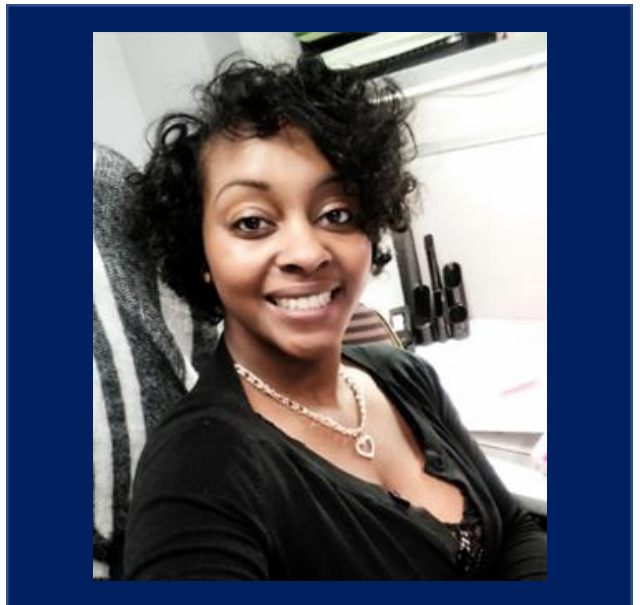
## **Nikki Thompson, Contract Compliance Specialist**

A native of St. Louis, Nikki Thompson has been with the County for 15 years before joining the M/WBE Program Office this year. Most recently she served in the Office of Community Development (OCD) in the Department of Human Services (previously in the Planning Department). While with the OCD, she was fortunate to work with the Community Development Block Grant Program. She assisted countless low-to-moderate income residents via several programs and activities, most notably the Accessible Modification Program, Section 108 loan program, 24:1

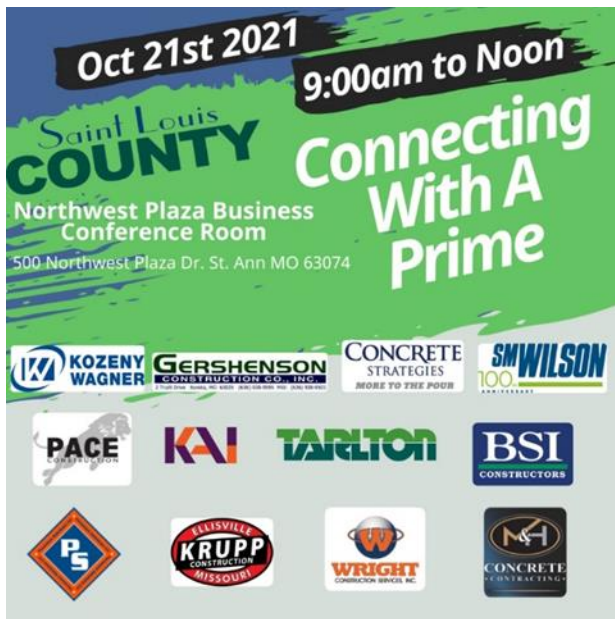
Pooled Demolition, and the St. Louis Alliance for Homeownership Preservation Program. Prior to joining the County, Nikki worked with nonprofit organizations and grant-dependent programs. Her work also had her intricately involved with labor unions. She is proud to continue to serve the disadvantaged and under-represented citizens of our community.

## **Samone Riney, Administrative Assistant**

Samone Riney is a native of Jefferson County, MO, who brings 6 years of D/M/WBE experience to St. Louis County. Prior to joining the M/WBE Program, Samone held the position of Senior Administrative Technician for the External Civil Rights Department of MoDOT. In her role, Samone assisted in coordinating the department's DBE and diversity outreach events, and reviewed initial certification documents, project compliance information, and workforce documents submitted, ensuring workforce goal compliance. Samone has worked with many small businesses throughout the metropolitan area as a virtual assistant. Samone loves working out, playing sand volleyball, and spending time with her two children.



# COMMUNITY



## Outreach

The M/WBE Program furthers its mission and goals through various forms of community outreach. These include:

- ❖ Disseminating information to the DBE and M/WBE community
- ❖ Collaborating with the St. Louis Lambert International Airport Business Diversity Development Office to host informative seminars on M/WBE certification

- ❖ Encouraging D/M/WBE businesses to register as vendors with St. Louis County in order to receive electronic notification of solicitations
- ❖ Organizing networking events to connect the D/M/WBE communities with prime contractors and St. Louis County departments

**Saint Louis COUNTY MISSOURI**

In Partnership With

**SLC3**  
ST. LOUIS COUNCIL OF CONSTRUCTION COREVALUES

**Live DISCUSSION**

Friday July 9 | 9:00 am

**Meeting Topics:**

- >> Introduction of M/WBE Program Office Staff
- >> M/WBE Program Office Rules and Regulation Changes
- >> Q & A

✉ sriney@stlouiscountymo.gov

Join Via Zoom  
https://us06web.zoom.us/j/84177570646?pwd=ZlczTXh2aGlrRHFHfHZ2VjJd0l4bDNQZz09  
Meeting ID: 841 7757 0646  
Passcode: STLCounty



**Welcome to Vendor Self Service!**

<https://stlouiscountymovendors.munisselfservice.com/>



# 2021 Business Advisory Council

**Janice Harris**

**St. Louis County Human Relations Commission**

**Dottie Koch**

**National Association of Women in Construction**

**Vacant**

**Associated General Contractors of Missouri**

**Kelly Reid Jackson**

**St. Louis Council of Construction Consumers**

**Michael Newton**

**Coalition of Black Trade Unionists**

**Ronny Griffin**

**National Association for the Advancement of Colored People**

**Nguyen Violette**

**Asian American Chamber of Commerce**

**John Stiffler**

**St. Louis Building and Construction Trade Council**

**Yaphett El-Amin**

**MOKAN St. Louis Minority Contractors Association**

**Alejandro Santiago**

**Hispanic Chamber of Commerce**

## Community Partners

The M/WBE Program furthers its mission and goals through collaboration with community partners. The Program works with the City of St. Louis Lambert International Airport, the Business Diversity Development Office, the Metropolitan Sewer District, the St. Louis Development Corporation, and MoDOT. The organizations work together to review upcoming projects, examine best practices in diversity and inclusion, discuss inclusion issues or concerns regarding attaining goals, examine industry standards and updates train compliance officers/specialists, and receive certification updates.

Currently the M/WBE Program is a member of the St. Louis Council of Construction Consumers, participating on the Board of Directors and the diversity and awards committees. The Program is a member of the Hispanic Chamber of Commerce of Metropolitan St. Louis, MOKAN, and the Missouri Department of Transportation Regional Diversity Council.

## Certification

Both the Missouri Department of Transportation (MoDOT) and the St. Louis Lambert Airport have been designated as certifying agencies for the purposes of the M/WBE Program. MoDOT's certification program, administered by the Missouri Regional Certification Committee, closely aligns with the goals and initiatives of the County program and is integral to the success of M/WBE Programs statewide. The St. Louis Lambert International Airport certification program serves as a good local program for certification of businesses in the St. Louis metropolitan area.

# HOW TO READ THIS REPORT

## Timeline

The following pages outline minority and women-owned business enterprise subcontractor participation. In order to calculate figures, the M/WBE Program reports on construction and architectural and engineering (A&E) professional service projects that were awarded in 2021. This report does not include information on projects that were awarded in prior years, and it does not take into consideration the lifecycle of a project, but rather reports activity from January 1 to December 31 on 2021 awarded projects.

## Participation

St. Louis County measures subcontractor participation when payment to subcontractors and subconsultants is rendered. This action is reported to the County when the prime contractor or consultant uploads canceled checks or canceled lien waivers to the Diversity Management Reporting System (DMRS). Incorrect reporting or lack of reporting negatively affects the calculation of participation. The following data is pulled from DMRS and may not represent actual payments made to subcontractors/subconsultants.

Payments made to minority or women-owned *prime* contractors/consultants does not count towards MBE or WBE participation. The M/WBE ordinance establishes construction subcontract goals of 24% for minority-owned business enterprises and 9.5% for women-owned business enterprises available for construction. It also establishes a 16% minority-owned business enterprises goal and 15% women-owned business enterprises goal for architecture and engineering projects.

It further states that the “subcontract goal is the goal that shall be met by utilization of minority and women-owned construction subcontractors.”

## Disadvantaged Business Enterprise Program (DBE)

St. Louis County does not have a DBE program. As a sub-recipient of federal funds from the United States Department of Transportation, through the Missouri Department of Transportation (MoDOT), many of the County’s road projects contain DBE goals. DBE participation on these projects is administered by MoDOT with the M/WBE Program assisting with compliance through site and contractor visits. The M/WBE Program reports all compliance issues to the County’s Department of Transportation and Public Works and MoDOT. Data regarding payments and participation for federally-funded road projects are recorded and reported by MoDOT.

# CONSTRUCTION PARTICIPATION

**\$7,685,048**

Total reported payments made to prime contractors for contracts let in 2021

**\$1,413,457**

Reported payments made to MBE subcontractors on construction services contracts let in 2021

**\$650,474**

Reported payments made to WBE subcontractors on construction services contracts let in 2021

**MBE: 18.4%**  
**WBE: 8.5%**

## Payments By Department

	Construction Payments Made to Primes & Non-M/WBE Subcontractors	Construction Payments Made to MBE Subcontractors	Construction Payments Made to WBE Subcontractors
Parks & Recreation Department	\$1,846,246	\$109,851	\$103,538
Transportation Department (TPW)	\$5,576,376	\$1,134,721	\$523,726
Public Works Department (TPW)	\$174,401	\$144,717	\$0
Spirit Airport	\$88,025	\$24,168	\$23,210
<b>Totals</b>	<b>\$7,685,048</b>	<b>\$1,413,457</b>	<b>\$650,474</b>
<b>Percent of Total</b>		<b>18.4%</b>	<b>8.5%</b>

# PROGRAM ACCOMPLISHMENTS

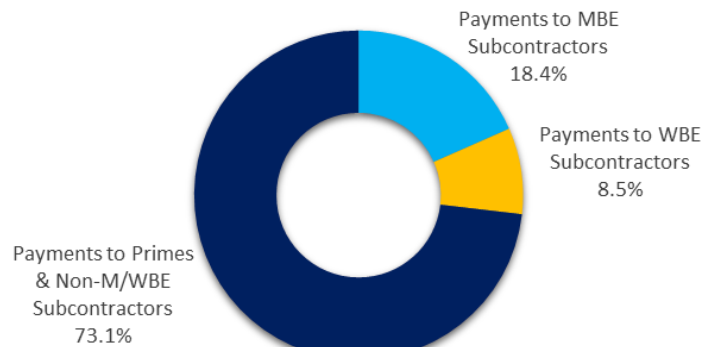
Payments made in 2021 on construction services to prime contractors totaled \$7,685,048. Of this amount, \$1,413,457 (18.4%) was paid to MBE subcontractors and \$650,474 (8.5%) was paid to WBE subcontractors.

There were no payments made on A&E contracts and only one contract awarded in 2021. The contract did not have M/WBE subcontractor participation.

## Awards By Department

	Amount of Construction Contracts Awarded	Construction Commitments to MBE Subcontractors	Construction Commitment to WBE Subcontractors
Parks & Recreation Department	\$9,753,029	\$2,577,907	\$859,522
Transportation Department (TPW)	\$15,869,960	\$3,028,622	\$1,243,041
Public Works Department (TPW)	\$193,779	\$173,297	\$0
Spirit Airport	\$88,205	\$40,280	\$34,349
<b>Totals</b>	<b>\$25,904,973</b>	<b>\$5,820,106</b>	<b>\$2,136,912</b>
<b>Percent of Total</b>		<b>22.5%</b>	<b>8.2%</b>

## M/WBE Subcontracting Activity By Vendor Ownership



# AREAS OF OPPORTUNITY

The difference between the St. Louis County participation goals and the actual goal attainment is defined as the “participation shortfall.” Overall, the County has a participation shortfall in construction for minorities and women. Program shortfalls can be attributed to several factors.

The M/WBE Program Rules adopted mid-year are based on federal rules in which participation is counted only for work actually performed by the subcontractor. Work contracted to lower-tier subcontractors is only counted if those lower-tier subcontractors are, themselves, certified M/WBEs. This programmatic change contributes to the difference in participation from previous years.

The M/WBE Program was fully staffed for the latter part of the year. This allowed for regular visits to job sites to verify the presence of M/WBEs, and more importantly, verify whether M/WBEs were performing commercially useful functions.

The timing of payments can be reflected in participation shortfall. Prime payments at the end of the year may not be recorded by subcontractors until the next fiscal year.

In addition, the types of jobs awarded will differ from year to year, and meeting goals depends on the work involved. Fixed goals cannot take that into account because the data captures only payments and does not capture good faith efforts.

The point of the M/WBE Program is not simply to meet static numeric goals, it is to provide opportunities for M/WBEs to prosper and grow as genuine contenders in a competitive environment. That can only happen if the firms are providing commercially useful functions in a very real sense. To ensure that this objective can be met, the M/WBE Program intends to hold several workshops for potential contractors in the coming year. The workshops will provide opportunities for the contracting community to ask questions, offer suggestions, and leave with a better understanding of the Program and its requirements.

## **Capturing Participation at Bid/Proposal Submission**

Capturing participation accurately at bid time is critical. Documents previously used did not accurately capture M/WBE participation on construction projects through all tiers. The M/WBE Program has revised the County’s bid package and it now includes all required M/WBE forms that must be submitted at time of bid. The new forms capture all participation, regardless of tier.



## Good Faith Efforts – Pre-Award and Post-Award

An integral component of all M/WBE Programs is the concept of good faith efforts (GFE). A few of the County's contractors have indicated that they did not understand GFE nor the County's expectations of its bidders. As a result, the Program reached out to various organizations to explain the County's GFE requirements and expectations.

Additionally, clarifying language is included in the County's bid specifications and in the new M/WBE Rules and Regulations. Attendance at construction pre-bid conferences are now mandatory. These conferences allow an additional opportunity to discuss GFE requirements and expectations.

Despite this, bidders' efforts to provide GFE continue to fall short. This year the County failed to award three large projects due to bidders' inability to effectively show good faith efforts.



## Lower-Tier Subcontracting

A reoccurring issue is D/M/WBE subcontractors subcontracting all, or a significant portion, of their contract work to non-D/M/WBEs. Each D/M/WBE scheduled to work on a construction project must execute a "Note of Intent to Perform" document at bid. In executing this form, the D/M/WBE is required to disclose any contemplated lower tier subcontracting. Work performed by non-D/M/WBE firms do not count towards D/M/WBE goal attainment.

In a few instances it appears that the D/M/WBE overcommitted resources and simply were not able to fulfill their commitment to the project. In other instances, it appears that D/M/WBEs were listed on submitted forms, but work ended up going to non-D/M/WBE firms. The Program will be working closely with County departments to schedule progress meetings with prime contractors to address issues or concerns early and assist in finding workable solutions that maintains and maximizes participation.

## Subcontractor Prompt Payment & Diversity Management Reporting System (DMRS or B2GNow)



Review of several projects indicated that M/WBE subcontractors were not paid in accordance with Missouri Prompt Payment requirements. Failure to pay small businesses timely and/or in accordance with Missouri prompt payment requirements adversely affects small business operations. The M/WBE Program Office reviews all invoicing and/or pay estimates to ensure work was performed and eligible for payment and subsequently tracks

payments to prime contractors and consultants. It is incumbent on the prime to pay subcontractors for work approved and paid.

The DMRS (also called B2GNow) assists the M/WBE Program with monitoring prompt payment and return of retainage. Use of the system by prime contractors and consultants is mandatory. When subcontractors are not paid in the required time period, County staff is notified. And it is important to note, contractual M/WBE participation is not obtained until payment has been made.

### Workforce Goals

In an effort to develop and maintain a highly skilled, employment-ready workforce that supports and enhances the economic health of the County and its local business communities, interim workforce participation goals apply to construction projects in which the estimated base value of the contract is one million dollars or more.

The workforce goal is a cumulative effort and is applicable to all contractors, regardless of tier. Prime contractors are required to submit payroll records for each subcontractor, regardless of tier, weekly for review. No-work payrolls are required to be submitted in accordance with the same requirements as work-week payrolls.

The County has purchased LCPtracker to assist contractors with reporting payroll. The workforce software collects and stores payroll information, ensuring the prevailing wage requirement is met. This is facilitated by the County's Prevailing Wage Enforcement Coordinator.

