# Facilities Design \& Construction 

## MEMORANDUM

TO: Johnna Rogers<br>Wake County Chief Operating Officer<br>FROM: $\quad$ Mark Forestieri $\quad$ Wake County Facilities Design \& Construction Director

DATE: $\quad$ November 2, 2020

## SUBJECT: Minority Business Participation on County Building Construction Projects

During the 1989 Session of the General Assembly of North Carolina, Senate Bill 308 was ratified. This Bill required that the State, each City, County or other public body adopt an appropriate verifiable percentage goal for participation by minority owned businesses on public building construction projects.

On February 19, 1990, after a public hearing, the Board of Commissioners adopted Resolution R-90-13, which established a goal of ten percent for participation by minority owned businesses in County building construction contracts, pursuant to NCGS § 143-128. The Resolution adopted by the Commissioners also outlined general responsibilities of the County and contractors to encourage minority participation.

In December 2001 Senate Bill 914 was ratified. This Bill modified public bidding laws and required the State and Local Governments to adopt updated procedures to encourage Minority Business Enterprise (MBE) participation in public construction projects. In 2002, the Board of Commissioners adopted Resolution R-0252, which updated Wake County MBE policies and procedures as required by the new legislation.

The attached tabulation identifies the percentage of minority owned business participation reported to us on building construction contracts awarded by Wake County government on an annual basis for the past 5 years. The dollar amount of work shown represents construction contracts that have been completed. Similar information is included for Wake County Public Schools and Wake Technical Community College projects.

Note that while the County's five year average participation is somewhat lower than that of the other two entities, the vast majority of the County's projects are "hard bid", whereas the School System and Wake Tech utilize the CMAR delivery method in the majority of their projects. CMARs are required by statute to submit a plan that demonstrates recruitment and selection of small business entities. That delivery method generally has much higher MBE participation than hard bid projects. The County's five year total still exceeds the goal.

Beginning in Fiscal Year 2016, the Wake County Board of Commissioners requested that the percentage of minority participation for each Wake County public entity be further broken down into minority subcategories, so this additional breakdown is now shown for every fiscal year starting with Fiscal Year 2016.

Overall Total MBE Participation

| Five Year Reporting Period | Wake County <br> Government <br> Percent MBE <br> Participation | Wake County Public <br> School System <br> Percent MBE <br> Participation | Wake Technical <br> Community College <br> Percent MBE <br> Participation |
| :--- | :---: | :---: | :---: |
| FY 2016 - FY 2020 | $14.53 \%$ | $27.28 \%$ | $19.19 \%$ |

Overall Fiscal Year Report for Past Five Years
Goal-10\%

| Reporting Period | Wake County <br> Government <br> Percent MBE <br> Participation | Wake County Public <br> School System <br> Percent MBE <br> Participation | Wake Technical <br> Community College <br> Percent MBE <br> Participation |
| :--- | :---: | :---: | :---: |
| FY 2020 | $13.79 \%$ | $21.70 \%$ | $13.13 \%$ |
| FY 2019 | $17.56 \%$ | $29.95 \%$ | $7.67 \%$ |
| FY 2018 | $23.49 \%$ | $25.10 \%$ | $21.33 \%$ |
| FY 2017 | $12.91 \%$ | $28.76 \%$ | $15.90 \%$ |
| FY 2016 | $13.56 \%$ | $29.13 \%$ | $25.32 \%$ |

Detailed Fiscal Year Report for Past Five Years
Goal-10\%

| Reporting Period | Wake County Government Percent MBE Participation | Wake County <br> Public School <br> System <br> Percent MBE <br> Participation | Wake Technical Community College <br> Percent MBE <br> Participation |
| :---: | :---: | :---: | :---: |
| FY 2020 <br> Broken out by minority groups as: | 13.79\% | 21.70\% | 13.13\% |
| Asian American | 1.05\% | 2.69\% |  |
| African American | 0.92\% | 4.98\% | 2.25\% |
| Female | 6.88\% | 8.35\% | 10.21\% |
| Hispanic | 4.94\% | 5.68\% | 0.63\% |
| American Indian |  |  | 0.04\% |
| FY 2019 <br> Broken out by minority groups as: | 17.56\% | 29.95\% | 7.67\% |
| Asian American | 0.32\% | 3.09\% | 0.76\% |
| African American | 1.47\% | 6.56\% | 1.58\% |
| Disabled |  | 0.23\% |  |
| African American, Socially \& Economically Disadvantaged, \& Female | 2.40\% |  |  |
| African American \& Female | 0.03\% |  |  |
| Female | 12.60\% | 14.86\% | 1.45\% |
| Hispanic | 0.73\% | 4.92\% | 3.87\% |
| American Indian |  | 0.29\% |  |
| FY 2018 <br> Broken out by minority groups as: | 23.49\% | 25.10\% | 21.33\% |
| Asian American |  | 1.06\% | 2.26\% |
| African American | 9.15\% | 8.17\% | 2.20\% |
| Disabled |  | 0.01\% |  |
| Female | 14.34\% | 7.61\% | 13.35\% |
| Hispanic |  | 8.25\% | 3.28\% |
| American Indian |  |  | 0.24\% |


| Reporting Period | Wake County Government Percent MBE Participation | Wake County Public School System <br> Percent MBE <br> Participation | Wake Technical Community College <br> Percent MBE Participation |
| :---: | :---: | :---: | :---: |
| FY 2017 <br> Broken out by minority groups as: | 12.91\% | 28.76\% | 15.90\% |
| Asian American |  | 1.15\% | 2.38\% |
| African American | 2.66\% | 8.39\% | 2.85\% |
| African American \& Female | 0.02\% |  |  |
| Economically Disadvantaged | 1.69\% |  | 0.03\% |
| Female | 6.99\% | 13.53\% | 7.69\% |
| Hispanic | 1.55\% | 5.04\% | 2.27\% |
| American Indian |  | 0.65\% | 0.68\% |
| FY 2016 | 13.56\% | 29.13\% | 25.32\% |
| Asian American | 1.65\% | 0.32\% |  |
| African American | 0.48\% | 9.65\% | 3.12\% |
| African American \& Female | 0.09\% |  |  |
| Economically Disadvantaged | 0.06\% | 0.91\% |  |
| Female | 8.21\% | 13.12\% | 14.02\% |
| Hispanic | 1.85\% | 4.46\% | 6.23\% |
| Hispanic \& Female | 1.20\% |  |  |
| American Indian | 0.01\% | 0.67\% | 1.94\% |

