



## Legislation Details (With Text)

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**File created:**      **In control:** Government Accountability and Oversight Committee

**On agenda:**      **Final action:** 9/7/2021

**Enactment date:** 9/21/2021      **Enactment #:** 19326

**Title:** AN ORDINANCE related to the contracting opportunities program and allowing for modifications to the eligibility criteria for small contractors and suppliers certification; and amending Ordinance 13983, Section 3, as amended, and K.C.C. 2.97.030.

**Sponsors:** Pete von Reichbauer, Rod Dembowski, Claudia Balducci

**Indexes:** Contracts

**Code sections:** 2.97.030 - ., 2.97.060 - .

**Attachments:** 1. Ordinance 19326, 2. 2021-0213 transmittal letter, 3. 2021-0213 fiscal note, 4. 2021-0213 Legislative Review Form, 5. 2021-0213\_SR\_SCS\_EligibilityCriteria, 6. 2021-0213\_ATT2\_Striking\_Amendment\_S1 bar, 7. 2021-0213\_ATT3\_\_Title\_Amendment\_T1, 8. 2021-0213\_RevisedSR\_SCS\_EligibilityCriteria

Date	Ver.	Action By	Action	Result
9/7/2021	2	Metropolitan King County Council	Passed	Pass
8/25/2021	1	Government Accountability and Oversight Committee	Recommended Do Pass Substitute Consent	Pass
6/15/2021	1	Metropolitan King County Council	Introduced and Referred	

AN ORDINANCE related to the contracting opportunities program and allowing for modifications to the eligibility criteria for small contractors and suppliers certification; and amending Ordinance 13983, Section 3, as amended, and K.C.C. 2.97.030.

### STATEMENT OF FACTS:

1. The county's contracting opportunities program promotes the use of small contractors and suppliers ("small businesses") as prime contractors, subcontractors and suppliers on county contracts by applying contract requirements, incentives and equity strategies to solicitations for goods and services, consulting and construction services to give small businesses a competitive advantage in winning county contracts.

2. The state's Office of Minority and Women's Business Enterprises certifies small businesses owned and controlled by minority, women and socially and economically disadvantaged persons to increase contracting opportunities for those businesses with state and local governments.
3. King County and the state of Washington Office of Minority and Women's Business Enterprises have different eligibility size standards for small business certification.
4. King County's size standards are set at fifty percent of the U.S. Small Business Administration size standards. The state's Office of Minority and Women's Business Enterprises size standards are equal to one hundred percent of the U.S. Small Business Administration size standards.
5. A reciprocal certification process would allow any small businesses owned and controlled by minority, women and socially and economically disadvantaged persons currently state certified with the state's Office of Minority and Women's Business Enterprises to automatically be certified as a small contractor and supplier with the county.
6. To implement a reciprocal certification process requires that the county amend the contracting opportunities program ordinance to match the state's Office of Minority and Women's Business Enterprises size standards.
7. Benefits of a reciprocal certification process include expanding the number of diverse businesses in the county's outreach efforts and eliminating the redundancy in certification processes that have overlapping eligibility criteria and allowing applicant business owners to have their small contractor and supplier certification eligibility approved either by the county or the state's Office of Minority and Women's Business Enterprises to receive the benefits afforded to these businesses in the competitive public procurement process.
8. For additional efficiency, the county is considering the option to recognize the state's Office of Minority and Women's Business Enterprises as its certification entity or contracting with the

state's Office of Minority and Women's Business Enterprises for all certification and renewal services.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 13983, Section 3, as amended, and K.C.C. 2.97.030 are hereby amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

A. "Commercially useful function" means the performance of real and actual services in the discharge of any contractual endeavor, rather than being an uninvolved participant in a transaction, contract or project through which funds are passed to obtain the appearance of small contractor and supplier participation. The small contractor and supplier must be responsible for the execution of the work of the contract or subcontract, as applicable, and carry out its responsibilities by actually performing, managing and supervising the work. To perform a "commercially useful function," the small contractor and supplier must also be responsible for materials and supplies used on the contract or subcontract, as applicable, for negotiating price, determining quality and quantity, ordering the material, installing, if applicable, and paying for the material.

B. "Manager" means manager of the finance and business operations division in the department of executive services.

C. "The program" means the King County contracting opportunities program.

D. "Small business accelerator" means a competitive procurement program that allows certified small contractors and suppliers to compete against other certified small contractors and suppliers on selected county contracts.

E. "Small contractor and supplier" means a business certified by the county that is in a financial condition that puts the business at a substantial disadvantage in attempting to compete for public contracts. In assessing the financial condition of the business, including the net worth of the person or persons who own and

control it, the manager shall substantially adopt the approach used by the federal Small Business Administration ((, but)) and may further adopt any modifications of this approach used by the Washington State Office of Minority and Women's Business Enterprises; the manager ((shall)) may adjust the Small Business Administration's maximum revenue standards for various standard business classifications and levels for owners' personal net worth to account for local market conditions. However, the maximum revenue standard for standard business classifications may not be more than ((fifty)) one hundred percent of the Small Business Administration's thresholds, as now existing or hereafter amended.