

COLUMBIA RIVER ECONOMIC DEVELOPMENT COUNCIL

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High-Level Takeaways from **CREDC's "Let's Build a Bridge"** February 22, 2023

Sponsored by David Evans & Associates Venue sponsor Vancouver Innovation Center

Guest Speakers:

Frank Green, Assistant Administrator, Interstate Bridge Replacement (IBR) Project Shivani Dubey, Director, U.S. Small Business Administration Phoenix Office Joe Smetak, Business Opportunities Specialist, U.S. Small Business Administration OR & SW WA Joe Schneider, SVP, Skanska USA Moderator: Jen Baker, Columbia River Economic Development Council

Summary:

This CREDC-hosted event highlighted considerations for companies interested in providing services in the eventual build-out of the Interstate Bridge Replacement. IBR presented project timeline updates, and early-phase workforce projections base on the ongoing Economic Impact Analysis. SBA partners shared more about public contracting vehicles and business designations that would help a company be optimally competitive. Skanska senior leadership shared detailed experiences/reflections of the joint venture formed between Skanska and Hoffman Construction for the <u>PDX Terminal Core Redevelopment</u> project.

Takeaways:

- The Economic Impact Analysis facilitated by the IBR will continue to evolve as design elements come into focus.
- WSDOT and ODOT will be the principal agencies letting contracts, in phases, to support the
 project—with acknowledgement of C-TRAN and TriMet roles discussed. Current work on
 contracting philosophy is taking place among IBR project leaders/partners, seeking to
 streamline unintended barriers of bi-state project contracting mechanisms. Updates on the
 project timelines and dynamic EIA can be tracked at the <u>IBR site</u>, where meeting materials are
 posted regularly for the Executive Sponsors Group, Community Advisory Group, and the Equity
 Advisory Group.
 - Part of the contracting philosophy will involve an inclusivity component that explains expectations for contract opportunities for underrepresented community-owned and emerging small businesses.
- Since federal funding is anticipated to be a significant in the overall project budget drafts, certain rules and priorities will carry over to the state-specific funding agencies; however,

procurement guidelines for U.S. Dept. of Transportation projects often deviate from traditional guidelines for procurment administered by federal agencies, in general.

- Small Business Administration partners shared about tools that could find more small, local businesses participating and competing to provide services for the project.
 - Resource for a <u>Defining Small Business</u> entity
 - Forming a <u>Mentor-Protégé</u> relationship
 A mentor-protégé arrangement can be a good alternative to a joint venture agreement between small business and a big business, so that the small business does not risk losing its small business designation (as a result of teaming with a big business, and thus competing as a big business for a contract award)
 - Forming a Joint Venture creates a unique legal entity that enables more than one company to pair up to bid on and implement a contract. Advantages to a forming a JV include:
 - Specialization of team members with complementary skill sets between companies' team members
 - Risk mitigation from a cashflow, team resources, and project management standpoint
 - Potential for increased bonding capacity
 - Ability to serve a project greater in scope than a standalone company is capable or strategically positioned or eager to serve
 - For small businesses, updating and keeping current with any small business certifications that are state administered is important. Visit the state certification website <u>here</u>.
 - The lead up to a big project is the perfect time to be vetting potential partners for teaming arrangements.
 - If you have typically been a prime contractor, would you consider being a subcontractor?
 - If you have typically been a prime contractor, would forming a joint venture be the right strategic move, and enhance your competitive advantage?
 - If you have operated in a subcontractor role, would a mentor-protégé arrangement help you build capacity and the scope of your capabilities?
 - With what companies would you consider teaming in a joint venture or mentorprotégé arrangement? Have you worked with any of these prospective partners before?
 - If you are a designated small business in responding to public contract opportunities, which partnerships ensure that you will be able to sustain that small business designation and competitive advantage?
 - When is the right time to be discussing teaming opportunities? Now!
 - Who can I speak with more about preparing myself to be a strong contender for major public infrastructure investments? Our speaker panel featured at this event and CREDC staff are happy to facilitate conversations and introduce resources.

- What makes a Joint Venture arrangement successful? Reflections from Skanska on the Skanska and Hoffman Construction Joint Venture Agreement for Terminal Core Redevelopment
 - Grounding the JV entity with clear expectations and role definition out of the gates.
 - Creating a culture around the joint venture entity's project-driven mission
 - It was referenced that onsite, there is a culture of recognizing the project team—rather than isolating or affiliating team members with their home firm's identity. All project members elevate the goal of the project first and foremost.
 - Predicting and seeking to get ahead of integration challenges from a technology and team standpoint.
 - Something seemingly inherent to business functioning, like cell phone communications across different providers or cybersecurity alignment to create access for a unified team/project platform require dedicated attention and support.
 - Facilitating a culture that engages and garners strong employee retention is particularly important in an environment with workforce shortages across many career skills and levels.
 - Partners at our local workforce board, Workforce Southwest Washington and the Columbia-Willamette Workforce collaborative have established <u>Quality Jobs Initiative toolkits</u> that can help a company reinforce its culture to attract and engage with employees.
 - We have amazing professional experts and partners across the region, who are accessible to help build skills and relationship that fortify the network of local providers eligible and capable of serving major infrastructure opportunities to come.