



**EXHIBIT A-7
EAST COUNTY COURTS
SUBCONTRACTING PLAN**

ISSUE DATE: 12/06/10

A. OBJECTIVE

Howard S. Wright Constructors (HSW) and Multnomah County jointly seek to encourage participation in the construction of the East County Courts project by minority, women, emerging and disadvantaged, small businesses (MWEDSB) in order to address historical underutilization.

It is the intent of this document to fulfill HSW's obligations under Article 2 Paragraph 2.2.19, 2.2.20 and 2.2.21 of the Agreement. The Workforce Training and Hiring Plan outlined in Article 2.2.22 of the Agreement shall be a separate document.

It is the intent of this document to fulfill the requirements of Article 10 of the Agreement to the greatest extent possible. In case of conflict between this Plan and Article 10 of the Agreement this plan shall govern.

B. ASPIRATIONAL TARGET PLAN

Howard S. Wright Constructors shall aspire to gain the utilization of **20%** of the contract value (~**25%** of available subcontracting opportunities) of firms certified by the State of Oregon or the Federal Government (Small Business) as minority, women, emerging or disadvantaged small business (MWEDSB) enterprises. Firms may be subcontractors or suppliers of any tier.

C. IDENTIFYING OPPORTUNITIES

In order to maximize the participation of MWEDSB firm's opportunities will be packaged into the following categories:

Category #1 – Those scopes of work with a pre-bid estimated value of less than \$25,000. Work in Category #1 shall be subject to a Direct Solicitation as defined in Paragraph E below.

Category #2 – Those scopes of work with an pre-bid estimated value of less than \$150,000 where market analysis shows the availability of five (5) or more certified firms in the area of the project. Work in Category #2 shall be subject to a Limited Solicitation as defined in Paragraph E below.

Category #3 – Those scopes of work with a pre-bid estimated value of less than \$150,000 where market analysis shows there is not the availability of five (5) or more certified firms in the area of the project. Work in Category #3 shall be subject to an Open Solicitation as defined in Paragraph E below.

Category #4 – Those scopes of work with a pre-bid estimated value of greater than \$150,000. Work in Category #4 shall be subject to an Open Solicitation as defined in Paragraph E below.

D. CONTRACT PACKAGING

For those packages which may be too large for smaller firms, HSW will work to "unbundle" certain portions of work into smaller Economically Feasible Units. By breaking large packages into smaller units HSW will provide additional opportunities for MWEDSB firms.

By packaging work into Economically Feasible Units, it is believed that the maximum number of firms will be afforded the opportunity to participate in the Project. While the size of the package promotes involvement, Howard S. Wright Constructors will remain focused on providing the most cost-effective solution which may involve larger packages to recognize the economies of scale.

HSW will foster second tier opportunities by encouraging first tier subcontractors to utilize MWEDSB firms. All Subcontractors will be expected to solicit and provide opportunities for MWEDSB firms. See Basis of Award below

HSW's solicitation for Direct and Limited Solicitations will be labeled bid package No.1. HSW's Open Solicitation will be labeled Bid Package No.2.

E. PROCUREMENT

Procurement will be completed in a stepped approach based on the categories of work found in Paragraph C above.

Category	Value	Procurement
1	\$0 - \$25,000	Direct Procurement
2	\$25,000 - \$150,000	Limited Solicitation
3	\$25,000 - \$150,000	Open Solicitation
4	Over \$150,000	Open Solicitation

Direct Procurement

This procurement method may be used for construction services (subcontracts, supplies, services) with an estimated value of \$25,000 and less. These small procurements afford the opportunity to contract directly with a single source designated MWEDSB firm. The advantage of this procurement method is that defined scopes of work can be directed to the MWEDSB market for expedited procurement and involvement on the project.

In order to ensure that direct procurements are competitive a "reasonable cost" estimated value will be determined by Howard S. Wright Constructors. If a designated firm provides a bid within a range of the reasonable cost, the work will be immediately awarded to that firm. If the bid is outside the reasonable range, Howard S. Wright Constructors has the option to contact another firm or expand the procurement to multiple firms.

Direct procurements will be based on lump sum or unit price agreements. It is possible however that time and materials contracts with a threshold of \$25,000 can be used for Direct Procurements. Values final agreements may exceed \$25,000 with the addition of change orders.

Limited Solicitation

This Procurement Method will be used for construction services with an estimated value between \$25,000 and \$150,000, when adequate MWEDSB firms are available. On these Limited Solicitation packages, the work may not be formally advertised and will be initially solicited directly to qualified MWEDSB firms.

After proposals are received, contract award will be based on the firm's price, responsiveness, and qualifications. Price will be the major evaluation factor in award consideration. In the majority of instances, Limited Solicitations will be based on lump sum or unit price agreements. Consistent with the overall intent of this Plan, Howard S. Wright Constructor will require all bidders to perform outreach and utilize Sub-Tier MWEDSB firms under Limited Solicitation procurements.

Open Solicitation

This Procurement Method will be used for construction services on larger scopes of work. This Package will be used for those solicitations valued in excess of \$150,000 and at lower levels when MWEDSB firms are not available.

A bidder's commitment to diversity in subcontracting (including supplies and services) will be a selection factor in contract award. Bidders will be required to submit the scopes of work and value that will be performed by MWEDSB firms. In addition, bidders will be required to complete the Subcontractor and Self-performed Work List (Form 1), MWEDSB Contract Log (Form 3), and List of all MWEDSB Bids Rejected (Form 4) as part of its bid documents. These Forms will be used to determine the firm's level of effort and commitment to the use of MWEDSB firms. Howard S. Wright Constructors will include the specific requirements that each bidder will be expected to perform as part of its commitment to using MWEDSB firms.

F. OUTREACH

Pre-Construction Outreach Forum

Howard S. Wright Constructors will attend meetings of minority organizations in August to informally notify members of the upcoming bid.

In September HSW will attend meetings of minority organizations for a second time to formally give details of the project. Opportunities will be presented including scopes of work, quantities, estimated value, and solicitation dates. It will be the intent of the forum to cover both First-Tier and Sub-Tier subcontract, supplier, and service opportunities. Participants will be informed of bidding requirements, assistance to be provided and afforded the opportunity to network with County and Howard S. Wright Constructors' project personnel.

Outreach – Limited Solicitation

A Bid Fax will be sent to MWEDSB firms identified as being qualified to perform the work. The fax will request a response stating whether or not the firm is interested in bidding on the work identified. All responses will be retained as documentation to monitor the firm's interest in the project and to demonstrate the level of commitment in providing opportunities to MWESB firms.

If less than five (5) MWESB firms in the area of the project respond as having interest in the scope of work solicited, Howard S. Wright Constructors will contact other MWESB firms through an additional Bid Fax. If less than five (5) MWESB firms are identified as likely bidders, an Open Solicitation will be utilized.

Outreach – Open Solicitations

Howard S. Wright Constructors will advertise this work as part of its outreach program. For certain procurements that are deemed to require special expertise, Howard S. Wright Constructors may directly contact those firms in lieu of a formal advertisement to determine their interest in the work.

Work will be advertised at least 7 calendar days in advance of the bid due date. Advertisement will include details associated with the scope of work, bidding information, availability or project documents, and points of contact with Howard S. Wright Constructors.

A variety of existing sources will be used to advertise the work including:

- Daily Journal of Commerce (Submit 09.21 10:00 am, Publish 09.22 through 10.08)
- Contracts & Careers (Submit 09.21 5:00 pm, Publish 09.22, 09.29, 10.06)
- Oregon Association of Minority Entrepreneurs
- El Hispanic News, (Submit 09.21 5:00 pm, Publish 09.22, 09.29, 10.06)
- Skanner News, (Submit 09.20 12:00 noon, Publish 09.29)
- Portland Observer, (Submit 09.17 5:00 pm, Publish 09.22, 09.29, 10.06)
- Asian Reporter, (Submit 09.17 5:00 pm, Publish 09.23, 09.30, 10.07)
- Multnomah County Web page
- Howard S. Wright Constructors Web page

Howard S. Wright Constructors will also use the services of community organizations, contractor groups, state and federal business assistance office and other organizations identified by the Office of Minority, Women and Emerging Small Business that provide assistance in the recruitment and placement of minority and women business enterprises.

Howard S. Wright Constructors will follow up initial solicitations by contacting the MWEDSB firms to determine with certainty whether the firms were interested in such subcontracting, material supply or other opportunities.

Howard S. Wright Constructors will provide interested firms with adequate information about the plans, specifications and requirements for the selected subcontracting material supply, or other work.

When applicable Howard S. Wright Constructors will advise and make efforts to assist MWEDSB firms in obtaining bonding, lines of credit or insurance required by the contracting agency or contractor.

All outreach efforts will be documented including a list of all MWEDSB firms that have been notified along with the name, addresses and telephone numbers of the firms that are contacted.

Outreach Meetings

OAME - First Notice Aug 13, 2010
Second Notice Sept 10, 2010

NAMC - First Notice Aug 10, 2010
Second Notice Sept 14, 2010

Public - Open House at Site Sept 30, 2010

Bid Fax - First Notice Aug 20, 2010
Second Notice Sept 27, 2010

Publication Date – Sept 22 through Oct 8.
East County Courts Subcontracting Plan

G. BASIS OF AWARD

Award of subcontracted work shall be to the lowest responsible responsive bidder based on a combination of qualifications, price, and MWEDSB participation. All subcontractors shall be required to fill out and gain Howard S. Wright Constructors Subcontractor Prequalification Form. Approval prior to submitting subcontractor's bid is preferred but not mandatory. For those approved subcontractors, award shall be based on the following formula.

$$\text{Plus } \frac{(\text{Low Value/Bidders Value}) * 90 \text{ Points (maximum 90 pts)}}{\text{Bidders Score}} + \frac{(\text{Bidder MWEDSB \% /20\%}) * 10 \text{ Points (maximum 10 pts)}}{\text{(maximum 100 pts)}}$$

Should the value of any scope of work exceed HSW's previous estimate, HSW shall have the option to award the work to the lowest responsive responsible bidder, re-bid the work in an Open Solicitation, or negotiate the value with any or all bidders.

H. TECHNICAL ASSISTANCE

Technical Assistance Prior to Bid Solicitation

During procurement, Howard S. Wright Constructors will provide the necessary technical assistance to firms without compromising the integrity of the competitive process. On a case-by-case basis, information provided in response to a specific request will be evaluated as to if the information should be provided to all proposers. However, in general the following technical assistance will be provided prior to bid submissions:

- Estimated value of the package and schedule requirements
- Listing of potential MWEDSB Sub-Tier opportunities including a sample list of certified firms per the identified divisions of work, and where to find a complete list.
- Assistance in insurance, bonding, contractual issues, procurement requirements and referral to other services.

Notwithstanding any other requirements of the Agreement, HSW may waive any insurance requirements for Subcontractor with written approval from the Owner.

Technical Assistance Following Bid Solicitation

As required, Howard S. Wright Constructors will offer post-award assistance to MWEDSB firms regarding financial issues and implementation of project programs including safety, quality control and diversity.

The primary focus of financial assistance will be prompt payment, Howard S. Wright Constructors and all Subcontractors – including first and Sub-Tiers – performing work on the Project will be subject to the requirement of General Conditions and retainage. In addition, First-Tier Subcontractors will receive payment within seven (7) calendar days from the date payment is sent by the Owner and will be required to pay Sub-Tier Subcontractors within seven (7) days of receiving payment from Howard S. Wright Constructors.

Howard S. Wright Constructors may offer an advance on regular monthly progress payments consistent with the Owner's accelerated payment provisions. If necessary, Howard S. Wright Constructors may offer advance payment to MWEDSB firms prior to receipt of the County payment; however, only upon a detailed review of the invoice submitted. Joint checks may be executed between MWEDSB firms and their subcontractors/suppliers to ensure prompt payment.

As part of typical construction monitoring, Howard S. Wright Constructors will involve each MWEDSB firm in project schedule meetings, safety meetings, and other coordination functions at the site. As required, this may also extend to specific jobsite training programs including, safety, quality, and equipment operations.

If any issues arise with the performance of an MWEDSB firm on the project, Howard S. Wright Constructors will first attempt resolution directly with the firm. If the matter continues, Howard S. Wright Constructors will contact the County to provide assistance and advice on the issue.

Contacts:

Multnomah County

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OAME

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State of Oregon Office of MWESB

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Hispanic Metro Chamber

Gale Catillo - President
Jane Nevarez – Admin Assist
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NAMC

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ONABEN

Eric Jordan – Deputy Director
503.968.1500 x 4

I. SUBMISSION OF REQUIRED DOCUMENTATION

1. Subcontractor and Self-Perform Work List – Form 1 (See Attachment No.1)

HSW shall complete and submit Form 1 with award of each subcontract as Supporting Documentation. HSW shall update the form monthly and submit with it pay application.

In addition each Subcontractor shall complete and submit Form 1 with its monthly pay application.

2. MWEDSB Contact / Bids received Log – Form 2 (See Attachment No.2)

HSW shall track contacts and award of work as outlined in Form No. 2. Form No. 2 shall be submitted no later than the completion of awarding work to Subcontractors/Suppliers.

3. Subcontractor Tracking Form - Form 3 (See Attachment No. 3)

HSW shall track payment to MWEDSB Subcontractors on a monthly basis as outlined in Form 3.

J. ATTACHMENTS

- Attachment No. 1 – Subcontractor and Self-performed Work List (Form 1)
- Attachment No. 2.– Bids Received tracking Log (Form 2)
- Attachment No. 3 – Subcontractor Tracking Form (Form 3)
- Attachment No. 4 – Categorized Scope of Work
- Attachment No. 5 – Sample list of MWEDSB Contractors

SUBCONTRACTOR and SELF-PERFORMED WORK LIST (FORM 1)

NOTE: IF THE BIDDER IS NOT USING ANY SUBCONTRACTORS ON THIS PROJECT,
WRITE THE WORDS "SELF PERFORMING ALL WORK" ON THE FORM.

Bidder Name: _____ Total Bid Amount: _____

Bid Number: _____ Project Name: _____

DIVISIONS OF WORK – BIDDER WILL SELF-PERFORM	DIVISIONS OF WORK – TO BE SUBCONTRACTED

LIST BELOW THOSE MWEDSB SUBCONTRACTORS THAT YOU INTEND TO USE ON THE PROJECT.. For each subcontractor, include the address, telephone #, CCB #, Fax #, the type of work to be done and the dollar amount of the subcontract/agreement.

DIVISIONS OF WORK BIDDER WILL SUBCONTRACT						
MWEDSB SUBCONTRACTORS (Please Print) Please use <i>correct legal name</i> of subcontractor	DIVISION OF WORK (Painting, electrical, landscaping, etc.)	DOLLAR AMOUNT OF SUBCONTRACT	Certified Subcontractor MBE/WBE/ESB			
			Check box <input checked="" type="checkbox"/>	MBE	WBE	ESB
Name Address City/St/Zip Phone# CCB# Fax#						
Name Address City/St/Zip Phone# CCB# Fax#						
Name Address City/St/Zip Phone# CCB# Fax #						
Name Address City/St/Zip Phone# CCB# Fax #						

M/W/ESB CONTACT / BIDS RECEIVED LOG

Bidder Name: _____ Bid Number: _____

(FORM 2)

Bidders shall record their contacts with MBE/WBE/ESB Subcontractors through use of this log. All columns must be completed. Additional forms may be copied if needed.

NAME OF M/W/ESB SUBCONTRACTOR	Divisions of Work <small>Use list provided for areas of subcontracting. DO NOT USE the Technical Section DOW's.</small>	DATE SOLICITATION LETTER / FAX SENT		PHONE CONTACT		BID ACTIVITY <small>Indicate Y-Yes or N-No</small>			REJECTED BIDS <small>(if bid received & not used)</small>		Notes	
		Date of Call	Person Receiving Call	Will Bid	Bid Received	Bid Used	Bid Amount	Reason Not Used <small>if other, explain in Notes >></small>				