

COMMITTEE FOR CITY AND AIRPORT FAIRNESS



December 23, 2020

Dear Members of City Council:

Subject: DEN Flagship Janitorial Contract

As you are all aware the DEN Flagship contract will come before council for approval on January 4, 2021. The Committee for City and Airport Fairness (CCAF) and the Colorado Latino Forum (CLF) is questioning why there are no significant Latino or women owned local business being considered for this \$188 million dollar contract. One Latino MWBE firm is being considered for a pittance of 3% despite having a presence at DEN for the last seven years.

1. The RFP specifies that 38% of the contract will be awarded to a MWBE firm, which was then awarded to Wayne Enterprises. This 38% has a value of \$68 million dollars. However, only 3% is valued at \$5 million dollars, per the committee discussion.
2. DEN has selected a Black owned Texas firm, and they will be helping to grow at least one MWBE's through mentor protégé program. However, there are many unanswered questions about the Flagship contract, which equates to 51% of the terminal going to a company from Texas with no known presence in Colorado. First, it will not be known for several months who will be selected for the mentorship program, nor the process for doing so. Second, there is no information about how this firm will be inclusive in partnering with more than one local MWBE. Third, who served on the RFP selection committee? Fourth, how were companies vetted as responsible contractors, including the criteria used to determine good standing with other government agencies?
3. During the rewrite of the MWBE ordinance, the minority participants from our community were promised that the City would unbundle large contracts to allow the opportunity for more local MWBE certified firms to be considered for work, including Denver International Airport. Other local MWBE's should benefit from this contract, not just one. The biggest issue in this Flagship contract is that an out of state firm was brought in and no local Latino and women owned businesses in our own community were considered. There are local MWBE business that have the capacity to be at the table who should have been considered to be part of the entirety in a more meaningful way than just the 3% in a joint venture.

4. DEN executives implied that there will be other contracts that will be forthcoming for the minority community to bid on. Unfortunately, none of those contracts will come close to the size and value of this contract, which has grossly missed the mark in being inclusive of the broader community.

Finally, we were very optimistic in April when City Council unanimously passed the ordinance brought forward by the Division of Small Business Opportunity (DSBO) within Denver Economic Development & Opportunity (DEDO) which codified economic opportunity mechanisms to create a stronger local presence at DEN. Specifically, Council voted to reauthorize Denver's program to bolster contracting opportunities, prevent discrimination, and ensure equity for small minority- and women-owned firms on public contracts. Further, commitments were made to improve outreach and technical assistance; increase certifications for small firms across size, gender, and race-defined categories; establish project-specific goals for the participation of certified firms on each project; and monitor contract activities throughout the life of projects to ensure compliance pursuant to Chapter 2, Article IV, D.R.M.C. and § 28-33 of Chapter 28, Article III, Division 1, D.R.M.C.

However, this major contracting opportunity with an out-of-state firm falls short of the ordinance promise. Denver's Local MWBE's should be benefiting from our tax dollar to economically drive our City and its diverse community, especially now during this time when so many local businesses have been impacted by COVID. There was absolutely no reason to go outside of Denver for this contract. The workforce will be local so why not give the contract to a local firm? This inequity is unconscionable when there are more than enough indigenous local firms to handle this contract. It begs the question again about the city's commitment economic diversity. In light of these facts, we urge City Council to vote no on this contract.

Sincerely,

Veronica Barela
Committee for City and Airport Fairness (CCAF)

Xochitl Gayton and Ean Tafoya (Co-Chairs)
Colorado Latino Forum

cc. La Voz Media
El Semanario
Telemundo
Entravision
Denverite Media
Denver Post