EQUITY IN INFRASTRUCTURE PROJECT



Photo courtesy of the Port of Long Beach

Procurement for Prosperity: A Playbook

Building Opportunities for Small Businesses Through Public Infrastructure Delivery

Contents

I. Introduction 3

Foreword from the EIP Chairs 3

The Pledge 4

What's at Stake 4

II. Playbook for Practitioners: Core Strategies 7

Expanding Access and Competition 7

SBE Certifications 9

Direct Outreach and Engagement 12

Procurement Process Improvements 13

Forecasting and Opportunity Pipelines 13

Evaluation of Responses 16

Prompt Payment to Primes and Subcontractors 17

Capacity Building and Finance 18

Technical Assistance 18

Insurance and Bonding 19

III. Playbook for Executives: Enabling Success 21

Leadership Commitments and Champions 21

Building the Team 23

Creating a Culture of Risk Acceptance 24

Data and Monitoring Infrastructure 25

IV. Conclusion 26

V. Appendix 27

Metrics Guide for EIP Goals 27

Additional Resources 28

Resources from EIP Agencies 28

Resources from Partners for Public Good 29

Methodology and Acknowledgements 29

About Partners for Public Good 30

Photo by Shivendu Shukla on Unsplash

I. Introduction

Foreword from the EIP Chairs

In anticipation of the massive infusion of funds into our communities through the historic federal infrastructure law (Infrastructure Investment and Jobs Act), the Equity in Infrastructure Project (EIP) launched with five first mover signatory agencies: Chicago Transit Authority, Denver International Airport, Port of Long Beach, Metropolitan Water District of Southern California, and Southeastern Pennsylvania Transportation Authority. Together we recognized that creating more competition for public contracts by growing Historically Underutilized Businesses would be critical to delivering better value through this historic, bipartisan investment. We came together around the fundamental idea that more competition results in better projects, taxpayer savings, and more companies and workers having access to economic opportunities.

EIP has grown from those first five agencies to 93 signatories: public, NGO, and private sector leaders committed to our voluntary, CEO-level pledge. Weathering changes in policy, funding, and leadership, our coalition continues to build reciprocity agreements, strengthen regional collaboration, and measure success, delivering more value through improved procurement and contracting.

We developed this playbook in the same manner we do all our work: by engaging our signatories to surface what is working and where there are unmet needs. The EIP community's unique talent pool draws on experience and expertise in all aspects of public infrastructure delivery. The strategies, tools, resources, and examples shared in this practical playbook are a menu of proven, durable options that public agency, NGO, and private-sector leaders can use to improve procurement and contracting, even in a changing environment. Crucially, all the strategies in this playbook have worked in race- and gender-neutral contracting environments, as part of long-term investments in removing contracting barriers.

> "Our industry's long-term success depends on building a workforce that reflects the communities we serve and ensuring that all companies have equitable access to opportunities to help build the infrastructure our nation needs. Our participation signals our commitment to expanding access and opportunities for people and businesses, and to fostering an environment where all people in the workplace are treated with respect and dignity."
>
> **PETER DAVOREN,** CHAIRMAN AND CEO, TURNER CONSTRUCTION COMPANY

Liji Thomas, Diversity, Equity, and Inclusion Officer at Metropolitan Water District of Southern California, shares that "complexity is the enemy of equity." The solutions needed today must facilitate access and opportunity for small- and first-time contractors by eliminating bureaucracy and reducing barriers to entry.

As EIP enters our fourth year, we need strong leadership more than ever. We hope that all reading this Playbook, including public agency leaders, technical assistance providers, and contractors, find inspiration from its stories and direct use from its tools. Thank you for your support and engagement as we continue our collective work.

Phillip A. Washington
Co-Chair

John D. Porcari
Co-Chair

Dorval R. Carter, Jr.
Co-Chair

Rick Jacobs
Co-Chair

The Pledge

EIP's voluntary pledge, first signed in 2021 and shared below, frames the objectives and strategies of this playbook. Each section of this playbook links to core pledge goals.

> The Equity in Infrastructure Project (EIP) exists to create more competition for public contracts to save taxpayer dollars and deliver better value for infrastructure investments by growing Historically Underutilized Businesses (HUBs). The EIP Pledge is a voluntary commitment to work to increase the number, size, and percentage of Historically Underutilized Businesses growing to prime contractors, participating in joint ventures or as equity participants by:
>
> - Increasing the number, size, and proportion of contracting opportunities going to small businesses;
> - Increasing the number, size, and proportion of contracting opportunities going to first-time prime contractors;
> - Streamlining the administration of contracting with centralized qualifications, improved payment time, and standardized transparent data collection;
> - Increasing the amount and type of financing available to small businesses aiming to meet infrastructure contracts by working with private and public partners; and
> - Expanding the number of signatories to this Pledge.

HUBs are defined by EIP signatories based on local context and organizational goals and may include small businesses, local businesses, and minority- and women-owned businesses, among others.

What's at Stake

The United States is at a pivotal moment for public infrastructure. In recent years, federal and state governments sent historic amounts of federal and state dollars to local communities through highway, transit, airport, port, water, and energy projects to support economic growth and maintain America's global economic leadership. Yet costs are rising fast: real spending per mile on Interstate highway construction has more than tripled since the 1960s, with the National Highway Construction Cost Index growing 66 percent from 2020 to 2023.

Meanwhile, the construction industry is consolidating as large firms absorb smaller contractors and suppliers. The trend is reducing competition in the market for public construction contracts and contributing to rising infrastructure costs in the U.S. This lack of competition leads to higher bidding costs at a time when federal funding cuts are straining local budgets.

What is needed is more competition. Increasing opportunities for HUBs can save taxpayers money while strengthening local businesses, investing in regional economies, and meeting unprecedented demand needs. Unfortunately, these firms continue to face structural barriers to participation in public contracting, and those barriers are growing.

The policy environment around supplier diversity programs—core tools to increase competition—is shifting quickly. In October 2025, the Department of Transportation restructured the Disadvantaged Business Enterprise (DBE) program, comprised primarily of minority- and women- owned firms. Public agencies nationwide have begun to shift away from race- and gender-conscious contracting programs.

As race- and gender-conscious approaches face new challenges, public agencies will need to turn their attention to strategies to attract and support HUBs that can succeed in a new landscape. This playbook features stories and perspectives from EIP member agencies, all top leaders in their field, that have succeeded in race- and gender-neutral environments such as California and Washington, as well as cross-cutting strategies to improve processes and build leadership in all environments.

This playbook offers practical paths forward for public and private sector leaders to:

- Increase access, competition, and quality in public works delivery;
- Improve the procurement process to reduce burdens on firms and free up staff capacity;
- Expand the capable supplier base, especially of small and emerging firms; and
- Create the organizational conditions necessary for success.

Key Recommendations for Executives

1. **Commit to and provide resources for equity in contracting,** especially in a shifting policy environment. For these initiatives to succeed, businesses, internal stakeholders, and the public need clear messaging and implementation support. There is no substitute for CEO leadership to drive organizational collaboration on this commitment.

2. **Foster a culture of risk acceptance.** Strengthen relationships between legal, procurement, and delivery teams to assess real organizational risks of new strategies. Recognize the tradeoffs of both action and inaction and set policy accordingly.

3. **Build a great team.** When resources are limited, agencies need the right team to deliver on priorities. Leverage existing roles or create new ones that elevate the importance of equity in contracting and foster strong communication practices across your organization.

4. **Invest in data and monitoring.** Document progress towards the EIP goals with short- and long-term metrics, along with smart use of technology. Revisit these progress markers in strategy sessions to make data-informed decisions and drive success.

Key Recommendations for Practitioners

1. **Focus on strategies that have succeeded in race- and gender-neutral environments** including small business certification programs, targeted outreach, and broader engagement.
2. **Make the procurement process more inviting for firms** by forecasting upcoming opportunities, improving evaluation processes, and paying primes and subcontractors on time.
3. **Strengthen the ability of HUBs to do business** through capacity building and finance programs.

From Recommendation to Action: To operationalize these recommendations, please see the Appendix for ready-to-use resources from EIP members and procurement experts designed to help leaders and practitioners make meaningful progress on expanding opportunities for small businesses and first-time contractors.

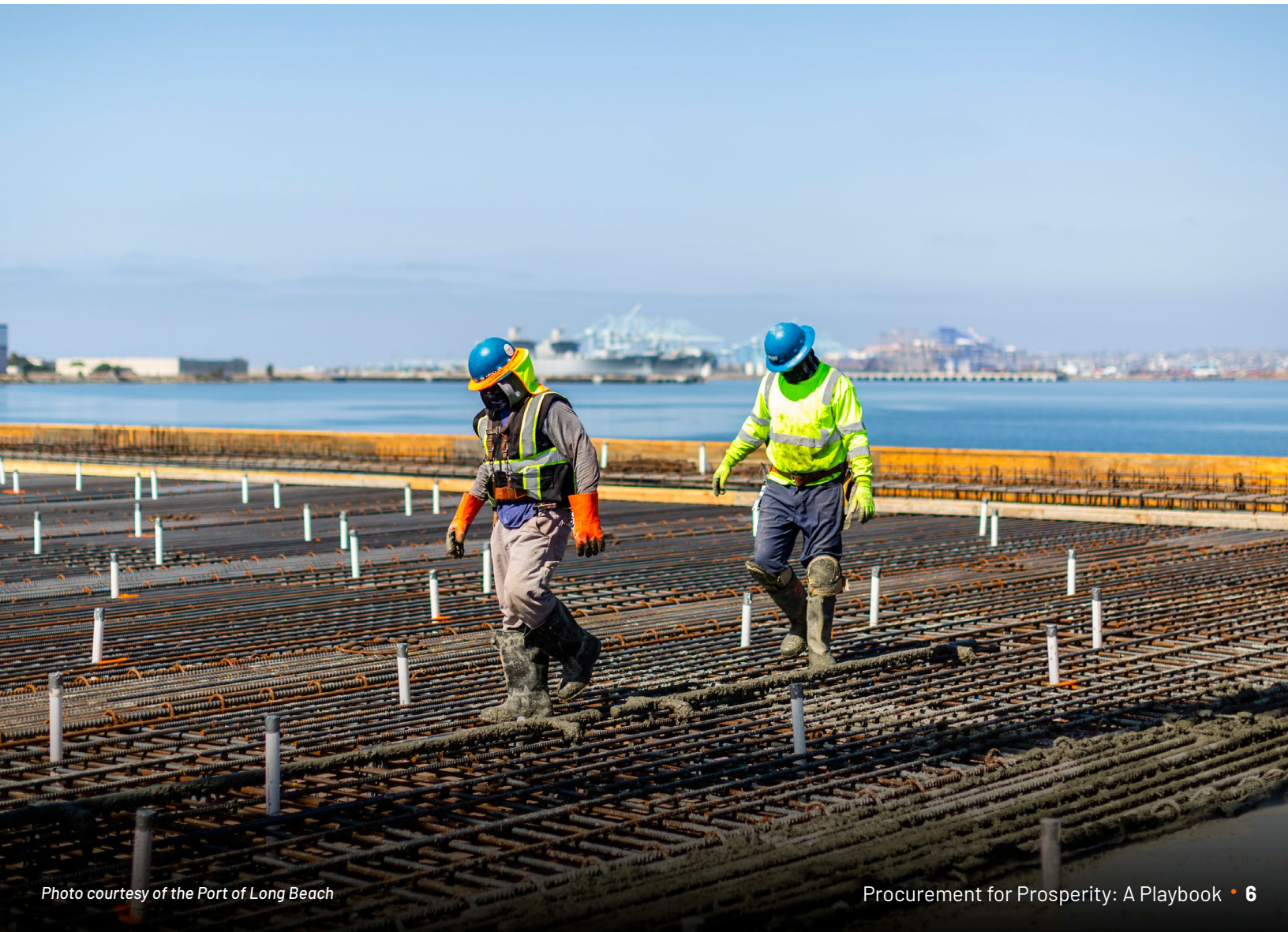


Photo courtesy of the Port of Long Beach

II. Playbook for Practitioners: Core Strategies

Some of the most effective strategies to expand opportunities for HUBs are operational, driven by individual project managers, procurement officers, and supplier diversity leads. This section aims to spark inspiration from fellow practitioners by synthesizing the work of EIP member agencies into a menu of race- and gender-neutral approaches to increase competition, streamline processes, and invest in capacity building and finance.

Expanding Access and Competition

EIP PLEDGE GOALS

- Increasing the number, size, and proportion of contracting opportunities going to small businesses
- Increasing the number, size, and proportion of contracting opportunities going to first-time prime contractors



Photo courtesy of Metropolitan Water District of Southern California

Lessons Learned from California's Proposition 209

In 1996, California voters passed Proposition 209, which amended the state's constitution to prohibit the consideration of race, sex, and ethnicity in public contracting, employment, and education. Preference programs for minority- and women-owned businesses shuttered and shifted. Yet over the three decades that followed, state and public agency leaders strengthened race- and gender-neutral contracting strategies, increasing the share of contracts going to small businesses over time. Some of these approaches include:

- **Engaging in outreach to all business types.** The City of Los Angeles' Business Inclusion Program certifies in multiple categories, including minority-, women-, and small-business enterprises. All uncertified businesses are considered "Other Business Enterprises (OBE)." Using the city's vendor registry, prime contractors must conduct outreach to all business types—including OBEs—creating opportunity across certification categories.

- **Setting ambitious goals for small business participation.** The Metropolitan Water District of Southern California has established a 25% contracting goal for small, regional, and disabled veteran-owned businesses. In addition, large construction contracts are required to use small and/or disabled veteran business enterprises as a percentage of subcontracting, no longer relying on the contractors' good faith effort documentation when unsuccessful in meeting small business participation goals.

- **Strengthening outreach, data collection, and small business programs through legislative action.** State leaders passed legislation and executive orders to strengthen outreach to diverse communities and establish small business participation goals, recently codifying participation goals and increasing voluntary data collection, thus growing transparency and allowing state agencies to measure the participation of minority- and women- owned businesses.

Photo courtesy of Metropolitan Water District of Southern California



Photos courtesy of Metropolitan Water District of Southern California





SBE Certifications

Reducing Burdens through Reciprocal Certification in King County, Washington

There is no need for duplicative paperwork is the guiding principle behind King County's approach to certifying small businesses for public contracting purposes.

A smart combination of reciprocal certifications and contracting set-asides for small firms can increase contracting opportunities for HUBs. The State's Office of Minority Women Business Enterprise (OMWBE) certifies several business types, including women-, minority-, minority women-, combination-, and socially and economically disadvantaged-business enterprises (MBE, WBE, MWBE, CBE, and SEDBE). These certified businesses are automatically eligible for King County's Small Contractors and Suppliers (SCS) certification without needing to complete an additional application. Certified SCS firms are awarded points in solicitation evaluations and are eligible to compete in specific small works set-aside projects up to $1,000,000 in Professional Services and Architecture and Engineering.

This reciprocity has many advantages; for one, the state's larger certification team can take the bulk of the certification burden off a smaller agency, and businesses are spared redundant paperwork. As of late 2024, nearly 90% of all county SCS firms were certified via the MWBE fast-track program. The King County Council is updating county code to reflect reciprocal certification as a program criterion and remove training requirements for certification.

These efforts are part of a broader strategy in King County, which includes a cash flow improvement initiative and an Equity and Social Justice (ESJ) Innovation Plan that is bearing fruit. A 2024 disparity study showed that MWBE firms were at parity with non-MWBE firms, and contracting and consulting spend surpassed goals from 2022-2024.

Small Business Enterprise Certification (SBE) programs have long been a staple in public contracting as a race- and gender-neutral approach towards values-based spending. The State of California, for instance, has found that every dollar spent with small businesses creates $1.96 in local economic impact from new jobs and spending. In 2025, some public agencies had already suspended existing MWBE programs while launching new SBE certifications. As rules around the federal DBE program change, state certifying agencies may seek to strengthen their SBE programs to provide alternative contracting pathways. As agencies establish new programs or bolster existing ones, they should keep these best practices in mind:

- **Make the benefits of participation real.** Create genuine benefit for firms that become certified. Communicate clearly what certification offers, whether set-aside opportunities, preference points in solicitation evaluation, or inclusion in SBE contracting requirements.
- **Practice reciprocity.** To reduce barriers for contractors, recognize peer certifications and practice reciprocity with like agencies. When possible, allow the largest agency (likely the State) to anchor the certification. For example, King County and Sound Transit honor State of Washington certifications. In California, Los Angeles County Metro and Bay Area Rapid Transit participate in reciprocal SBE certification.
- **Reduce unnecessary burdens.** Make it easier for firms to obtain certifications by avoiding overly prescriptive requirements and verifications. Agencies may consider changing their size thresholds to reflect state or federal definitions or making certifications automatic when certain requirements are met—only checking credentials once necessary at the contracting stage. As in many states, certified DBE firms in Pennsylvania are automatically eligible to participate in the Pennsylvania Department of Transportation's SBE program.
- **Create categories for micro-businesses.** SBA size standards include businesses with up to 1,500 employees or $47 million in revenue, but micro-businesses are often much smaller and struggle to compete. Agencies can create opportunities for all firms by creating microbusiness certifications and using tiered awards.
- **Plan ahead.** If planning a new SBE program, start early when possible, before MWBE or other certifications sunset; these programs may take time to establish. In Orange County, Florida, the Board of County Commissioners suspended the County's MWBE program and approved an SBE Ordinance in July 2025, tasking staff to develop parameters for the brand-new program. The proposed program, anticipated to launch in May 2026, will set SBE participation goals on future contracts. As new programs are established, an intentional and well-sequenced transition timeline is necessary to ensure continuity of participation opportunities and minimize gaps for small businesses.

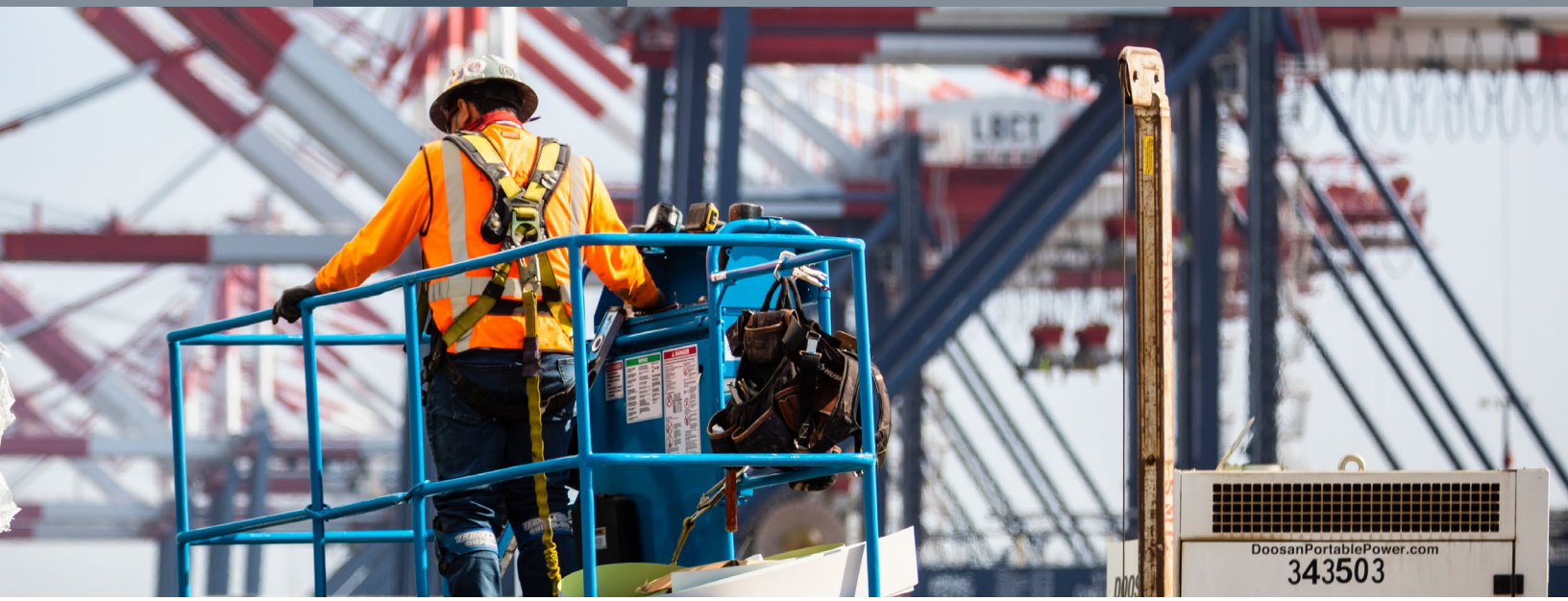


Photo courtesy of the Port of Long Beach

Creating Continuity for DBE Firms following the Interim Final Rule

In October 2025, USDOT's Interim Final Rule (IFR) fundamentally changed the DBE program by removing the long-standing presumptions of social disadvantage based on race and gender and requiring individual narratives of disadvantage for DBE certification. While the IFR did not eliminate the DBE program, it significantly changed how agencies certify firms and created uncertainty for certified firms.

In the months that have followed, state certifying agencies (Departments of Transportation and Unified Certification Programs) have crafted plans for compliance with the IFR and thought strategically about how to continue to engage DBE firms. Emerging approaches include the following:

- **Setting SBE contract goals on federally-funded projects.** The Ohio Department of Transportation (ODOT) sought and received approval from the Federal Highway Administration in August 2025 to set SBE participation goals on construction and consultant service projects, with DBE firms automatically evaluated for SBE eligibility. While ODOT paused DBE goals during recertification, the agency was able to proceed with SBE contract goals.
- **Broadening existing SBE programs.** Michigan DOT had an existing, race-neutral Small Business Program prior to the IFR, but in November 2025, the agency launched its Small Business Participation goal-setting pilot. This pilot applied mandatory small business participation goals to select contracts and, beginning in January 2026, required bidders to submit small business utilization goals with their bids.
- **Offering support to DBEs seeking recertification.** Many agencies offered clear guidance to DBEs, with Georgia DOT and Illinois DOT providing prompting language for personal narratives, webinars and town halls explaining the IFR and the agency's planned response, and individualized support via supportive services programs.

Direct Outreach and Engagement

When surveyed, nearly all EIP signatories shared that their organizations perform outreach and consider it critical to bring in new firms and spread awareness of contracting opportunities. There are several strategies organizations can use to make outreach particularly effective:

- **Target firms strategically.** Use both proprietary and external business registries to identify businesses. Using commodity code data, identify possible solicitations with high contractor availability but lower than desired participation. The Port of Long Beach sought to diversify its vendor pool and secure new caterers by engaging with technical resource assistance organizations. This expanded outreach successfully yielded four contracts with catering businesses that had never worked with the Port before.
- **Build the front door.** Offering easy entry points for contractors to seek support builds trust and alleviates concerns early. Sound Transit hosts office hours for small businesses and offers a direct contact line. The Metropolitan Water District of Southern California frequently leads large events connecting prime contractors, subcontractors, and building and construction trades to upcoming business opportunities.
- **Get savvy with data.** The State of California's CalSAT tool overlays the state's small business and disabled veteran business enterprise (SB/DVBE) directory with core procurement information and statewide disadvantaged communities to illustrate availability and outreach opportunities.



Photo courtesy of the Port of Long Beach

Procurement Process Improvements

EIP PLEDGE GOALS

- Streamlining the administration of contracting with centralized qualifications, improved payment time, and standardized transparent data collection

Forecasting and Opportunity Pipelines

Promoting Future Opportunities at Denver International Airport

Being able to plan for future contracting opportunities is critical for small businesses and HUBs. They need time to build teams, secure certifications, and prepare competitive bids. Denver International Airport responds to this need by publishing an 18-month forecast of future opportunities and promoting it widely to potential bidders. It is one of the most effective outreach and forecasting systems among major airports.

A signature effort is Taking Flight at DEN, a 90-minute virtual outreach series held monthly. Each session highlights upcoming opportunities and project timelines and features a live Q&A with project teams. Airport leaders also host bimonthly Meet the Primes events to connect small businesses with existing and potential prime airport contractors. The events are broadly promoted through partners such as the Airport Minority Advisory Council (AMAC), local chambers of commerce, and industry associations to help businesses see what is coming, understand how to engage, and build the relationships needed to compete.

Notably, a small but meaningful legal adjustment unlocked this practice: the addition of a simple disclaimer noting that forecasted opportunities are "subject to change." That clarification eased internal legal concerns and allowed the airport to release information far earlier without risking over-commitment. It is a reminder that legal hesitation can often be addressed with precise language rather than withholding information.

DEN's Business Development Training Academy gives small businesses the information and skills they need to win contracts, expanding the airport's capable supplier base.









Photos courtesy of Denver International Airport

Forecasting and publicizing upcoming contracting opportunities are relatively easy interventions that can strengthen competition and expand opportunities for HUBs. A well-built forecast maximizes competition while giving firms advance notice to staff up, form partnerships, and gather capital. Public agencies that excel at forecasting use buying plans to provide potential vendors with a forward-looking list of procurements with clear timelines, scopes, and points of contact.

When forecasts are centralized, consistently updated, and paired with active vendor engagement, they dramatically improve vendor readiness and reduce last-minute procurement fire drills. To be successful, consider:

Aiming for long lead times with clear, accessible procurement plans:

- **Maintain and publish an 18- to 36-month rolling forecast** with project descriptions, estimated release dates, contract types, projected values, commodity codes, and a named point of contact.
- **Keep the format simple.** Organizations do not need sophisticated software to communicate effectively; for instance, the Port of Long Beach publishes its forecasts as easy-to-scan PDFs. Include key information such as the expected release date or quarter, dollar value or range, project description, and if the project will have set-asides for small businesses.

- **Update forecasts frequently and transparently.** Publicly post changes to scope, budget, or timeline in real time and schedule overhauls quarterly (at a minimum). Vendors report that timely updates build trust and prevent them from wasting time preparing for opportunities that have changed.

Strengthening internal coordination:

- **Consolidate departmental procurement plans** into a single, enterprise-wide plan. Accuracy improves over time as departments build a regular habit of forecasting.
- **Share forecasting insights with leadership,** including regular updates on bidder turnout.

Pairing forecasting with targeted support for HUBs:

- **Flag small-business-friendly opportunities** by color-coding or tagging scopes that are well-suited for HUBs (such as set-asides, low-risk projects, or sectors where there is known HUB availability).
- **Institutionalize early engagement** through vendor office hours, industry days, or Requests for Information tied to the forecast. Log attendance, track questions, and follow up with firms that have attended to build vendor readiness and strengthen communications channels.

Division	Project Name	Project Description	Anticipated BidNet Advertisement Date	Key Scopes	Anticipated Contract Value
Sustainability	Waste Valet Service For DEN Concessions	The Waste Valet Team Will Work With DEN Concessions To Transport Their Recyclables And Compostables To The Correct Disposal Areas, And Educate Staff On Waste Sortation. This Project Has Been Taking Place On The B Concourse Since Spring 2024, And Will Now Be Expanded To Include The A And C Concourses.	Feb-2026	Expertise In Waste Diversion Programs (Recycling, Composting, Education, Training). Experience Working With F&B.	$2M To $4.99M
Design, Engineering And Construction (DEC)	VALE EGSE Concourse Charging Stations	Install 12-15 MVS 400 Posi-Charge Stations And Secondary Units Along Various Gates At Concourse A And Concourse C, To Support Current And Future Electrification Of Electric Ground Service Equipment (EGSE). The Charging Stations Will Be Connected To A Power Share Unit Which Will Be Connected To The Passenger Loading Bridge GPU.	Apr-2026	Electrical	$500K To $1.99M
Maintenance	Underground Piping Repair & Response Services (URPPS)	DEN Seeks A Contractor For Maintenance, Repair, And Replacement Of Sanitary Sewer, Stormwater, And Deice Water Systems, Including Underground Pipe Repairs, Excavation, Safety Compliance, And Minimal Impact On Airport Operations.	Mar-2025	GPR (Ground-Penetrating Radar), Traffic Control, Power Equipment Operators, Welding, Plumbing, Pipe Assessment Management, Landscaping, Trenching & Excavation, Permitting	< $10M

Denver International Airport Upcoming Opportunities

Evaluation of Responses

Increasing Inclusivity through Evaluation at Los Angeles World Airports

Los Angeles World Airports (LAWA), the authority overseeing LAX, is building at a rapid pace: modernizing terminals, improving roadways, and most notably, constructing a people-mover to reduce congestion and link passengers to public transit. As Los Angeles readies for the 2028 Olympics, it's small and local businesses who are preparing the city for this global event.

At LAWA, most qualifications-based solicitations are subject to its inclusivity policy. This policy awards a percentage of available points—typically at least 10%—to a proposer's inclusivity plan, evaluating company policy, past subcontractor utilization, workforce participation, and planned recruitment and monitoring, among other components. **Amber Meshack, Director of Business, Jobs, and Social Responsibility at LAWA**, shares: "To make progress, we need incentives, not just teeth. Firms don't want to risk losing a big project over 10% of a score."

LAWA continues to include small, local, and disabled veteran-owned businesses, along with other HUBs, in its projects. It does so by monitoring participation and breaking down upcoming work for different-sized businesses, including in its multiple award task order contracts (MATOC). These contracts build on earlier efforts to award prime contracts to HUBs, as in the LAX Landside Access Modernization Program (LAMP). By incentivizing inclusivity and targeting contract opportunities, LAWA strengthens competition and creates additional opportunities for small businesses.

The structure of procurements, including how they are evaluated, drastically impacts which types of contractors will win awards. By aligning evaluation criteria to organizational values, public agencies can ensure the right contractor fit while creating stronger projects for their communities. To create transparent and impactful solicitations and evaluations:

- **Take full advantage of best value procurement.** As alternative design methods (such as design-build, progressive design-build, construction manager at risk, and others) grow in popularity and more states explicitly allow for them, construction projects are increasingly awarded via methods other than low-cost bidding. Best value procurements weigh total project value, not just project price. Community benefit agreements, project labor agreements, job training, construction mitigation, and more, may factor into best value calculation, even in the absence of SBE or DBE goals.
- **Develop explicit evaluation criteria** that give weight to inclusivity, including past performance and proposed approach. King County's Equity and Social Justice (ESJ) Innovation Plan establishes evaluation criteria for procurements that focus on capital improvement projects. The plan requires bidders to propose strategies for maximizing MWBE participation, implement a mentor-protégé program, and identify other ways they will promote racial and social justice.
- **Use multiphase evaluation to spur innovation and reduce burden.** At the federal level, agencies are increasingly using multiphase down-select evaluation techniques in which vendors first submit a short concept paper or white paper, and only the most promising proposals advance to a full submission. Unsuccessful proposers do not have to invest further resources than needed, making it easier for smaller firms to participate.

When considering reforms to evaluation processes:

- **Create a standard, agency-wide evaluation policy** that applies across all projects. This policy can define inclusive evaluation criteria and ensure consistent application across the organization.
- **Use transparent scoring sheets** and include them in the solicitation, ensuring all firms understand how their proposal will be evaluated.
- **Guarantee a debrief to every proposer,** with a clear explanation of how evaluation criteria were applied. Debriefs promote learning and increase future competition.
- **Train evaluation panels on bias,** inclusive scoring, and structured decision-making, and build in internal debriefs so lessons from one solicitation strengthen the next.

Prompt Payment to Primes and Subcontractors

Even established firms struggle when payments lag, but delayed cash flow to small and newer firms can be catastrophic. Small construction firms hold an average of 20 days of cash buffer before needing to turn to credit or delaying critical payments. In establishing prompt payment requirements in the DBE program, USDOT found that DBE firms are disproportionately affected by late payments, creating a significant barrier to contracting. When public agencies fail to pay prime contractors on time, they can incur interest or other financial penalties.

To operationalize prompt payment:

- **Monitor and track payment performance** for both prime and subcontractors. By tracking when invoices are received, approved, and paid, organizations can closely monitor adherence to prompt payment obligations and quickly resolve issues as they arise.
- **Establish and enforce clear prime-sub payment obligations,** including in formal contract language or in state code. This includes requiring primes to pay subs within a set number of days after receiving payment and enforcing this by tying compliance to contract actions. Realistic goals should be based on actual invoice-to-payment cycle times, though 15-day prompt payment is a strong initial goal.
- **Tie payment performance to renewals** and future contract eligibility as part of broader vendor performance evaluation.
- **Remove contract barriers to prompt payment.** King County found its standard 30-day contract terms created cash flow issues for MWBE and SCS businesses. The county changed supplier terms to "Net Due Upon Receipt" to facilitate swift payment to these firms, typically within two to three business days, dismantling the artificial barrier of delayed payments, alleviating financial strains on MWBE/SCS firms, and fostering a more inclusive procurement environment.

Capacity Building and Finance

EIP PLEDGE GOALS

- Increasing the amount and type of financing available to small businesses aiming to meet infrastructure contracts by working with private and public partners

Technical Assistance

To build small and first-time contractors' ability to compete and become future prime contractors, public agencies can partner with prime contractors and supplier support organizations to:

- **Provide support at the beginning of the supplier pipeline,** when many businesses need support in management, finance, and strategy. Partnerships with early-stage ecosystem builders, mentor-protégé programs, and cohort-based technical assistance can bridge some of these gaps.
- **Build capacity of firms to respond to proposals effectively.** Once suppliers are aware of opportunities, many need support with writing and responding to proposals effectively. The Small Business Support Services division at Bay Area Rapid Transit (BART) leads comprehensive pre-award support services for firms, with topics ranging from setting up a portal profile to understanding alternative delivery methods.
- **Build compliance, reporting, and monitoring capacity.** Support for small and first-time firms once awarded can lead to better project delivery and greater compliance. BART's post-award services offer firms guidance in understanding their contract, completing successful pre-construction planning, managing invoices and change orders, and closing out their projects.



Photo courtesy of San Francisco International Airport

Insurance and Bonding

Overcoming Bonding Barriers at LA Metro

Public-sector agencies require businesses who bid on jobs to be bonded and insured to protect taxpayers from risks like shoddy work or the contractor going out of business before finishing a job. However, this also poses a major obstacle for small businesses and HUBs. Bonds are financial guarantee instruments that businesses must qualify for, requiring a proven track record of successfully completing bonded work, thus creating a chicken-and-egg problem. Businesses also struggle to increase their bonding capacity to support larger project sizes or multiple contracts concurrently, inhibiting their ability to build capacity.

Los Angeles Metro developed a solution. Through the Contractor Development and Bonding Assistance Program (CDBAP), qualifying small businesses can obtain bond guarantees of up to $250,000. They also get training and technical assistance to support them through contract completion, which also mitigates the risk of the bond guarantee, triggered by bond default or nonpayment of contract obligations. There's no cost for the small businesses, who gain procurement, bidding, and estimating experience while building their bonding capacity to bid on future work. Metro benefits by having more viable bidders and better pricing on its contracts. For example, Metro awarded a contract to a participant in its Small Business Prime Program (where small businesses compete with their peers) who secured bonding through CDBAP and was the lowest bid by $4.4 million.

The program is administered by Merriwether & Williams Insurance Services, which runs similar programs for several jurisdictions in California, including Los Angeles and San Francisco. According to Merriwether & Williams, these programs have facilitated more than $1 billion in bonding on behalf of small businesses, with a miniscule loss ratio of less than one-tenth of 1 percent. Collectively, agency sponsors across similar programs have saved $22 million through successful low bids of participating contractors.

Insurance, bonding, and finance remain significant hurdles for contractors establishing themselves in the field and those with insufficient credit. Bonding and insurance programs, such as Metro's or the State of New York's Surety Bond Assistance Program, can level the playing field.

To reduce insurance and bonding barriers, agencies can:

- **Tier bond and insurance requirements by risk.** Appropriately evaluate risk and insurance or bonding needs for different types of projects to establish standard policy and language. State "Little Miller Act" bonding thresholds vary widely, from as low as $1,000 to as high as $500,000, with some states differentiating between project types. Reevaluate at regular intervals.
- **Refer businesses to third-party bonding or surety programs.** Even if an agency is unable to offer direct support, there may be ecosystem partners who can. Agencies can also maintain lists of recommended insurers who have been vetted.
- **Only require posting of bond and insurance after task orders are awarded** on job order contracts or IDIQs. Firms shouldn't have to tie up capital on bench contracts when award of task orders is uncertain.

How Prime Contractors Can Build the Ecosystem

Prime contractors are vital partners in building capacity and creating opportunities for smaller firms. These firms can:

- **Strengthen internal supplier diversity programs,** which can build subcontractor capacity independently of agency policy or resources.
- **Participate in mentor-protégé programs** to help public agencies develop viable partners for future projects.
- **Offer bonding and insurance capacity to sub-contractors when feasible,** directly reducing financial barriers to entry for those firms.



Photo of Global Electric team, courtesy of Merriwether & Williams Insurance Services

III. Playbook for Executives: Enabling Success

The strategies shared above are only possible when senior executives create an enabling environment for their successful implementation and directly engage their chief procurement officers. In interviews, EIP members shared that having strong leadership commitments, the right team, a culture of risk acceptance, and tools for data monitoring were the most important factors in a project's success, regardless of the tactics chosen.

EIP PLEDGE GOALS

- Save taxpayer dollars and deliver better value for infrastructure investment
- Expanding the number of signatories to this Pledge

Leadership Commitments and Champions

Setting the Tone at the Chicago Transit Authority

The Chicago Transit Authority is a national leader in maximizing contract opportunities for small and disadvantaged business participation, including for HUBs. CTA leadership has played a key role instilling a culture that looks for ways to both maximize opportunities and participation for small businesses and to support their growth and success.

In 2015, the culture shift began when Dorval R. Carter became President of the CTA. He made small business and HUBs a strategic priority – one that benefits the small and disadvantaged business community, CTA projects, and the health of the broader construction industry and economy. When small and local businesses thrive, they help create jobs that lift economically disadvantaged communities.

Since then, CTA staff have been encouraged to identify barriers businesses face and try new things to address those barriers. CTA has invested in programs and resources dedicated to increasing small business opportunities and participation, including dedicated outreach and workforce development efforts, business training and mentorship programs, and programs to boost small businesses' access to capital.





Photos courtesy of Equity in Infrastructure Project

Meaningfully increasing opportunities for small businesses—and realizing the benefits that come with stronger competition—is difficult without committed leadership. Leaders influence what gets attention, what gets funded, and what gets measured. When they elevate HUBs and endorse the policies and tools that support their participation in public contracting, the rest of the organization follows and the message is clear: inclusion is a core operational function.

To operationalize this approach, leaders can:

- **Formally support core reform efforts.** Leaders can affirm that prompt payment is a priority, endorse evaluation criteria that consider past performance on inclusion, authorize bonding and insurance solutions when those barriers block participation by small firms, or validate any of the process changes named above. These actions give staff and vendors confidence in the system.
- **Prioritize commitments to small businesses, even when budgets are tight.** Leaders can continue to focus on supplier diversity and small business participation, encouraging greater communication between departments, and using technology smartly to free up staff time for strategy.
- **Set goals and measure progress.** Meaningful goal-setting and regular tracking are essential for internal accountability. Mandating regular reporting and integrating it into organizational planning create regular opportunities to assess impact and reform strategies.
- **Shore up staffing when budgets are flush.** When resources are available, intentional investments in staffing for equity and procurement modernization make clear that inclusion is a core operational function.
- **Be transparent with vendors.** In times of uncertainty, public transparency and communication with firms on agency priorities is key. In its public response to the IFR, the California State Transportation Agency (CalSTA) affirmed its stance: "Our state's economy is intrinsically tied to the success of our small businesses … we strongly support the DBE program's goal of ensuring that socially and economically disadvantaged individuals are provided opportunities in federally assisted transportation programs."

Building the Team

Building the Right Team at Sound Transit

While knowing how to increase opportunities for small and local businesses is necessary, implementation is a greater challenge. A legacy of success at Sound Transit in Washington State shows what's possible when a well-staffed, well-resourced team has a mandate to lead. The Office of Civil Rights Equity and Inclusion's Economic Development Division (CREI-EDD) supports SBEs and DBEs at every stage of the contract lifecycle—operating not as a compliance unit, but as a coordinated system of experts working toward shared outcomes.

The work begins long before firms enter the procurement process. The Outreach and Engagement team disseminates contracting opportunities, including an 18–24-month procurement pipeline, giving small contractors visibility into opportunities well ahead of solicitation. With this early support, firms can plan staffing, identify partners, and complete pre-qualification steps to make their bids more competitive.

To translate access into capability, Sound Transit then relies on CREI-EDD's deep technical and business-development expertise. These team members offer financial and technical assistance and partner with the Washington Department of Transportation to deliver a mentor-protégé program, guiding firms on business operations, pricing, proposal development, change orders, and project management. After contract award, CREI-EDD compliance staff monitor contract awards and participation commitments directly, enforce prompt payment, and offer businesses ongoing support.

Outreach and Engagement staff and Economic Development Specialists host outreach events, onboarding sessions, and in-person off-site office hours, where vendors can meet with CREI-EDD team members to resolve contracting issues. These efforts allow for SBEs and DBEs to make meaningful connections with agency decision-makers and potential prime partners, closing communication gaps that have historically limited small business success.

The result is a true resource ecosystem: firms are supported during forecasting, bidding, evaluation, capital access, execution, and performance monitoring. Sound Transit demonstrates that when equity initiatives are properly staffed and resourced, they drive progress.

In Federal Fiscal Year (FFY) 2024, DBE firms received $20.8 million (21% DBE attainment), exceeding the agency's 18.2% annual goal. Sound Transit will continue to mobilize its dedicated team, strengthen its mentor-protégé program, increase technical assistance, and launch a low-interest loan program to reduce barriers to capital.

Without a strong, committed team in place, even the best ideas to increase opportunities for HUBs can struggle to get off the ground. EIP agencies at the forefront of this work have built teams that see small business participation as a shared responsibility across the organization, rather than a task siloed in a single office. These staff sit in procurement offices, civil rights offices, and in some cases, in central leadership.

To succeed, these teams can:

- **Elevate the role of the small business advocate.** The state of California's Office of the Small Business Advocate designates small business advocates and liaisons across agencies statewide. At Caltrans, for instance, this senior-level role has visibility into upcoming projects, budget decisions, and internal processes. With this access, small business advocates can help procurement teams and user departments make decisions that expand opportunities for small businesses and identify potential barriers before solicitations are released.
- **Communicate across the organization.** Agencies with strong teams also create regular, interdepartmental touchpoints to break down communication silos. A monthly pipeline review, sponsored by the chief executive and attended by procurement, project management, legal, finance, and outreach staff, for example, can align critical stakeholders. These meetings make it easier to resolve bottlenecks, adjust scopes, and clarify what support vendors need.
- **Prioritize investments in staffing across key functions.** From growing procurement teams that can reduce backlogs to hiring outreach specialists who can meet firms where they are, successful agencies identify needs and resource them accordingly when possible.

Creating a Culture of Risk Acceptance

Trying new initiatives—or even maintaining existing ones in times of change—will often prompt an organizational risk assessment. Many of the strategies recommended in this playbook may carry risk, whether reputational, financial, or legal. A healthy culture of risk acceptance weighs actions against organizational priorities, allows for innovation and sufficient controls, and encourages honest collaboration between legal and programmatic staff.

To build this culture, leaders can:

- **Accurately assess the risks of action and inaction.** In "Risks of Retreat" by the nonprofit Catalyst and the Meltzer Center for Diversity, Equity, and Inclusion, the authors ask organizations to consider the risks of both expanding and contracting their approach to programs like supplier diversity. Today's actions to roll back contractor engagement programs, for instance, could have long-term consequences for HUBs' ability to retain government contracts.
- **Strengthen relationships between legal and programmatic staff.** Effective partnership between legal, procurement, and contracting teams is needed to effectively craft new strategy. These roles often work together only during standard approval processes or in solving an immediate crisis. Strong cross-functional teams proactively meet, work to understand each other's risk tolerances and preferences, and decide together on a path forward.

- **Differentiate low-risk procurements from complex projects.** High insurance or bonding requirements can place certain projects out of reach for small businesses and are sometimes applied per standard policy on relatively low-risk projects. Consider tiering project risk and differentiating requirements accordingly.

Data and Monitoring Infrastructure

Successful agencies use data effectively to monitor progress toward their goals. For instance, many agencies monitor subsets of bidder and contractor participation, even without explicit goals, and use larger disparity studies or annual reviews to assess progress and need. Savvy organizations frequently return to data, using it to inform strategy.

In California, though public agencies do not set MWBE contracting goals, state agencies can voluntarily collect firm ownership data. This allows firms to share this data in the State's e-procurement platform and the State to monitor participation over time.

Although making improvements to or investing in new enterprise or contract compliance software is often challenging, agencies should align larger digital transformation projects with core goals and metrics. Sometimes the most useful tool is something simple: a spreadsheet, form, or external tracker that offers a snapshot of current needs.

The Appendix features core metrics that can be tracked on procurement, contracting, and vendor perception for each EIP goal. Leaders should review metrics such as these at a regular cadence, using them as a dashboard of sorts to inform strategic decision-making.

5 Core Procurement Metrics to Track:

1. **Overall bidders and awardees,** compared with small businesses and other HUBs
2. **Total dollars spent** with small businesses and HUBs
3. **Length of the procurement process,** from drafting to award
4. **Percentage of contractors meeting prompt payment deadlines**
5. **Former subcontractors who have become prime contractors**

IV. Conclusion

The strategies and examples shared in this playbook are not meant to be a one-size-fits-all solution. Pick and choose the pieces that work best, dig into individual resources, and reach out to innovative agencies.

Leaders can set the table with clear messaging, resourcing, and direction. At every level, public agencies and private sector contractors can look to improve processes, policies, and activities to remove barriers to contracting and increase opportunities for small businesses and first-time prime contractors. Meeting the goals of the EIP Pledge will require a willingness to experiment, take risks, learn, and share back what works—and what doesn't. EIP will support the implementation of these strategies, bringing together signatory agencies to strengthen this theory of change. The playbook serves as a first step, but certainly not the last.



Photo by Joe Holland on Unsplash

V. Appendix

Metrics Guide for EIP Goals

To meet EIP's overall goal to "create more competition for public contracts to save taxpayer dollars and deliver better value for infrastructure investments by growing Historically Underutilized Businesses," agencies can focus on measuring the following core metrics of competition, efficiency, and performance. This data is likely to come from internal records, ERP, e-procurement, contract monitoring systems, and vendor surveys.

EIP Pledge Goal	Metrics

Increasing the number, size, and proportion of contracting opportunities going to small businesses
 	
Increasing the number, size, and proportion of contracting opportunities going to first-time prime contractors
	Competition Metrics
	• Number and percentage of small or first-time prime contractors at key milestones:
	  • Receiving outreach on solicitations
	  • Bidding
	  • Awarded
	• Dollar value and percentage of dollars awarded to small prime contractors
	• Dollar value and percentage of dollars awarded to small subcontractors
	• Dollar value and percentage of dollars spent with small subcontractors
	• Percentage of solicitations rebid due to low competition
	• Percentage of solicitations receiving 2+ responses

Streamlining the administration of contracting with centralized qualifications, improved payment time, and standardized transparent data collection	**Process Metrics** • Procurement cycle time (days per stage) • Average days to payment for primes and subs • Percentage of projects advertised in advance • Number of staff trained on procurement and contracting best practices **Survey Metrics** • Percentage of bidders who are satisfied with the process • Percentage of vendors who would recommend working with the agency **Impact Metrics** • Percentage of projects completed on time and within budget

Adapted from Essential Procurement Metrics to Track Regularly

EIP Pledge Goal	Metrics
Increasing the amount and type of financing available to small businesses aiming to meet infrastructure contracts by working with private and public partners	**Technical Assistance and Finance Metrics** • Number of participants in pre- and post- award programs • Percentage of bidders who have received technical assistance • Percentage of awardees who have received technical assistance • Percentage of loans or bonds in default • Dollar value of contracts awarded to participants • Former subcontractors who have become prime contractors
Expanding the number of signatories to this Pledge	**Participation and Engagement Metrics (EIP)** • Total signatories • Percentage of signatories actively participating in coalition projects • Percentage of signatories measuring and reporting on above goals

Additional Resources

Resources from EIP Agencies

EIP agencies use a variety of tools and resources to help operationalize the strategies outlined in this playbook. The resources and policies below are shared voluntarily by EIP members as examples only and are subject to change at the discretion of the agency.

Access and Competition

- Prompt Payment Contract Language (Sound Transit)
- Pre- and Post-Award Informational Videos (Bay Area Rapid Transit)
- California SB/DVBE Atlas Tool (California Department of General Services)

Procurement Process Improvements

- Quarterly Forecast Example (Denver International Airport)
- Inclusive Evaluation Criteria (Los Angeles World Airports)
- Vendor Debriefs: Template and Orientation Guidelines (Port of Long Beach)

Leadership Commitments

- Interim Final Rule Responses (Equity in Infrastructure Project)

Resources from Partners for Public Good

Infrastructure for Public Good: free hands-on support to help local governments transform procurement systems and better deliver priority infrastructure projects

The Procurement Excellence Network (PEN): a free, online community for public sector leaders seeking to transform their jurisdiction's procurement practices. It offers virtual trainings, tools, templates, and coaching, while building peer connections for leaders as they launch efforts to make procurement more strategic, fair, and innovative. Selected resources that EIP signatories may find relevant include:

- Using Data to Improve Procurement Operations and Outcomes
- Strategies for Improving Vendor Certification Programs
- Get in Focus: Using Stakeholder Focus Groups to Improve Your Procurement Process
- Why Reforms Encounter Resistance: How to Overcome Immunity to Change
- Optimizing Pre-Qualification Approaches for Fairness, Speed, and Results
- Unbundling Large Contracts to Expand Your Vendor Pool

Methodology and Acknowledgements

Partners for Public Good (PPG), through collaboration with the Equity in Infrastructure Project, led the development of this Playbook. 19 signatory agencies participated in 15 workshops and additional interviews to inform content and design. PPG independently researched additional best practices in the field. The Playbook was co-authored by Laura Merryfield, Zach Wehrli, and Christopher Swope.

We would like to offer a special thanks to participants in subcommittees and focus groups:

Tanya Adams, WSP

Mića Anderson, Denver International Airport

John Arena, Metropolitan Water District of Southern California

Tricia Carey, Port of Los Angeles

Kato (Gato) Cooks, Los Angeles County Internal Service Department

David De Luz, Caltrans

Anda Draghici, California Department of General Services

Emily Gallo, HNTB

Sandy Hanks, King County

Tanisha Herr, Port of Los Angeles

Christina Hong, Port of Long Beach

Briana Jimenez, Port of Long Beach

Brittney Johnson, Chicago Transit Agency

Queena Lu, San Francisco International Airport

Tamra Malone, Port of Long Beach

Qiana McKoy, HNTB

Diana Mendes, HNTB

Amber Meshack, Los Angeles World Airports

Dr. Rita Ohaya, San Francisco International Airport

Paul Pendergast, BuildIT

Dr. Megan Peterson, Pennsylvania Department of Transportation

JuanPablo Prieto, Chicago Transit Agency

John Reamer, City of Los Angeles

Arun Sambataro, King County

Tashai Smith, Los Angeles County Metropolitan Transportation Authority

Doreen Taveras, AECOM

Liji Thomas, Metropolitan Water District of Southern California

Eboni Wimbush, Airport Minority Advisory Council

Edson Zavala, Sound Transit

About Partners for Public Good

Partners for Public Good (PPG) is a non-partisan, not-for-profit team of doers, coaches, and advisors focused on making government more responsive to the people it serves. Working hand in hand with public servants, we help state and local governments across the country transform their core operational levers – including budgeting, procurement, technology, and staffing – to more effectively deliver the public goods that residents rely on, from clean water and smooth roads to vibrant parks and fast emergency response services.

© Copyright 2026 Partners for Public Good



Photo by Jakob Rosen on Unsplash