



Approved 10/4/2011

**MBE/WBE and Small Business Advisory Committee
Minutes**

**Regular Meeting
Tuesday September 6, 2011**

The MBE/WBE and Small Business Advisory Committee convened in a regular meeting on Tuesday, September 6, 2011 at 301 W. 2nd Street Room 1101 in Austin, Texas.

Acting Chair Ed Lowenberg called the Board Meeting to order at 5:43 p.m.

Board Members in Attendance:

Ed Lowenberg, Anne Harutunian, Brian Walters and Barbara Boeta

1. APPROVAL OF MINUTES

The committee approved the August 2, 2011 minutes on a motion by Mr. Walters and second by Ms. Harutunian with a 4-0 vote. Mr. Lowenberg requested information regarding rules for approving minutes when a member is absent or in this case has retired. The approval of the July 12, 2011 meeting minutes are postponed until the next meeting.

2. CITIZEN COMMUNICATION

Carol Hadnot, Austin Black Contractors Association (ABCA) inquired about the status of new Committee member, Regina Adams and when she will begin serving.

3. OLD BUSINESS

Item 4a. Update from Austin Energy regarding the Austin Energy Weatherization project.

Fred Yebra, Austin Energy (AE) gave a brief statement of the reporting to Council Subcommittee and Weatherization meeting and stated that the subcontractors report submitted by Jan Lawson would not be available until October 4th meeting.

Item 4b. Briefing from the Third Party Resolution Working Group and possible action regarding recommended changes to the Third Party Resolution.

Veronica Briseño Lara, Director Small & Minority Business Resources (SMBR), presented packet to include a revised draft and summary of remaining proposed Third Party amendments discussed by this Committee and with Council Subcommittee but not been adopted into the draft resolution. She also stated that The Third Party Resolution Working Group has met, reviewed and added suggested language to address the three outstanding issues. The only issue pending is in regards to infrastructure.

Lino Mendiola, Outside Council, Andrews & Kurth provided an update, discussed and reviewed the proposed changes to the resolution with the committee as follows:

- In regards to when the City provides a financial investment specifically related to infrastructure to a portion of the Third Party Resolution has not yet been addressed. Seeking guidance from Austin Energy and Austin Water Utility to provide scenarios in this regard and if it is an extension of benefits.

- Language for the Third Party to hire employees from the local area has been added, specifically stating to impose an obligation “to recruit” as opposed “to hire”.
- Inclusion of MBE/WBE Program Sanctions and requirements to refund monies paid to the Third Party if the resolution is not adhered to has also been included.

Mr. Walters raised a concern regarding the use of the term “to recruit” versus “to hire” as the use of the term can create a loop hole.

Mr. Lowenberg requested information on Economic Growth & Redevelopment Services Office (EGRSO) recruitment matrix and its outreach procedure as stated in current Chapter 380 Agreement to comply with the Third Party Resolution.

Ms. Boeta requested clarification regarding recruitment and what it entails.

Mr. Mendiola, Outside Counsel suggested that the Committee consider implementation of the Agreement and then address operational language thereafter.

Citizen Communication is summarized below:

Carol Hadnot, ABCA questioned negative commercial clause in regards to usage of term “to hire” as it relates directly to Ft. Worth’s Third Party Agreement. She also stated that the review of agreements be made by Advisory Committee not EGRSO as also stated in Ft. Worth model.

Paul Saldana, USHCA suggests following the Ft. Worth model as it relates to City evaluation criteria. He also requested Committee not take action until the Working Group meets with all stakeholders regarding infrastructure and as well as when the 3rd Party Agreement will kick in.

Committee requested a 3rd Party Resolution Working Group meeting with Legal, EGRSO, Austin Energy, SMBR and Service Providers.

Item 4c. Reporting of procurement opportunities on the Circuit of Americas (COTA) project.

Ms. Anne Hartunian recused herself from Item 4c. discussions due to possible contracts for professional services and removed herself from the dais during this discussion.

Veronica Briseño Lara, Director (SMBR) presented the report provided by Cloteal Haynes of Haynes Eaglin Waters, LLP regarding the COTA project MBE/WBE participation.

Citizen communication;

Alayne Johnson, ABCA stated to the Committee that the report reflects her company All Points Inspection is erroneously listed as a subcontractor. She expressed concerns regarding meeting participation goals on the project.

Carol Hadnot, ABCA stated report is misleading because it’s based on \$78 million current solicitations and not \$250 million of entire project and requests to see overall dollars on the project.

Committee requested information regarding Formula One sanctions if goals are not met and update on the City’s portion of Formula One wastewater extension.

Item 4d. Possible creation of a Subcommittee that addresses Mentor-Protégé initiatives and the City’s solicitation process.

Anne Hartunian returned to the Dais.

Chair, Mr. Lowenberg requested to postpone this item until the next meeting. Mr. Ramirez who requested the topic was not in attendance.

Ms. Lara requested clarification regarding Committee's intent to create a Subcommittee versus a Working Group.

Committee agreed to create a Working Group not a Subcommittee at this time.

4. STAFF REPORTS

Item 5a. Monthly update and report from Small & Minority Business Resources (SMBR) on Small Business Construction Program (SBCP)

Chair, Mr. Lowenberg requested SMBR to provide bid tabulations regarding the Small Business Construction Program

Citizen communication;

Carol Hadnot, ABCA expressed concerns regarding the SBCP size standards and its need to have them reduced.

Item 5b. Request for Changes (RFC) and Council Awards.

Ms. Lara provided an update on the current programs and reviewed reports for SMBR.

5. AGENDA ITEMS

- Officer Elections
- Briefing from the Third Party Resolution Working Group and possible action regarding recommended changes to the Third Party Resolution.
- 3rd Party Agreement sanctions update by SMBR.
- Weatherization Assistance Program report update from Austin Energy.
- Update and reporting of procurement opportunities on the Formula One (Circuit of the Americas-COTA) project.
- Possible creation of a Working Group that addresses the Mentor Protégé initiatives and the City's solicitation process.
- SBCP update reports regarding projects.

6. ADJOURNMENT

The meeting was adjourned at 7:33 p.m. on a motion by Ms. Boeta and seconded by Mr. Walters.