



**MBE/WBE and Small Business Council Subcommittee
Minutes**

**Regular Meeting
Tuesday August 9, 2011**

The MBE/WBE and Small Business Council Subcommittee convened in a regular meeting on Tuesday, August 9, 2011 at 301 W. 2nd Street Room 1101 in Austin, Texas.

Committee Members in Attendance:

Council Member Martinez, Mayor Pro Tem Cole, Council Member Tovo

1. CALL TO ORDER

Council Member Martinez called the meeting to order at 3:07 p.m. with Council Member Tovo temporarily off the dais.

2. APPROVAL OF MINUTES

Minutes from the April 12, 2011 regular meeting were approved on 2-0 vote from a motion by Mayor Pro Tem Cole, seconded by Council Member Martinez.

3. CITIZEN COMMUNICATION

There were no citizens signed up to speak.

4. MBE/WBE ADVISORY COMMITTEE REPORT

Monthly report from the Minority-Owned and Women-Owned Business Enterprise (MBE/WBE) and Small Business Advisory Committee regarding its activities and minority-owned and women-owned business enterprise issues

Brian Walters presented an update on the August 2, 2011 regular meeting of the Advisory Committee. Council Member Tovo joined the dais.

The committee requested that Austin Energy bring a report to the next meeting illustrating the number of primes self-performing work or hiring other primes to work for them on the Weatherization Project.

CITIZEN COMMUNICATION

Adrian Neely, Triad Building Maintenance, said that primes hiring primes on the Weatherization Project was an issue that came up initially and it seemed to have been cleared up at the beginning, but more emphasis should be placed on monitoring the program so that this type of incident does not continue to occur.

Alayne Johnson, Austin Area Black Contractors Association, said that she was one of thirty subcontractors trained, but since the primes are on each other's teams and the subs are not working on this project. She asked for the committee to look into this problem.

Carol Hadnot, Austin Area Black Contractors Association, spoke regarding the Austin Energy Control Center project. She served as the outreach coordinator on the project and reported that the goals in every ethnic group were exceeded due to extensive outreach efforts and a strong commitment from DPR. She

also spoke on the Weatherization Project and said that it should be audited to find the problem areas and fix them in terms of participation.

Andy Ramirez, MBE/WBE & Small Business Advisory member, also spoke regarding the Weatherization Project. He said that the issues with this project should not be directed at SMBR, but rather a higher level because there was not a serious commitment from Austin Energy to increase minority participation.

Jessica Rodriguez, JJR Construction, said that she would like to see the outreach efforts made by Ms. Hadnot and DPR duplicated on other projects and by other general contractors so that smaller subcontractors such as her own business can have more opportunities.

Paul Saldaña, US Hispanic Contractors Association, said that there is an existing manual to be applied on all rotation list contracts, and this manual is not being used on the Weatherization Project.

Thomas Cisneros, US Hispanic Contractors Association, said that there have been other programs that have failed because they were not followed as they were established just like the Weatherization Program. The programs continue to produce low or no participation and we need to make sure that the advocates and outreach coordinators are making extra efforts to achieve participation.

5. NEW BUSINESS

a. Aviation presentation regarding MBE/WBE participation from Airport Concessionaires

David Arthur, Assistant Director and Chief Financial Officer, Aviation Department, discussed the concessionaire program.

Council Member Martinez asked what processes are in place to ensure that there is minority and women-owned business participation among the individual concessionaires. Council Member Martinez requested for Mr. Arthur to come back to the September meeting and discuss the actual RFQ process and requirements, he also specifically asked for information related to the minority participation and outreach requirements on the RFQ.

b. Discussion and possible action regarding Third Party Resolution amendments

Veronica Briseño Lara, Director SMBR discussed the draft resolution and proposed amendments.

CITIZEN COMMUNICATION

Paul Saldaña, US Hispanic Contractor's Association, had 15 minutes of donated time. He reviewed the process thus far to revise the Third Party Agreement Resolution with the Austin Area Black Contractors Association and City Staff and reviewed the amendments not supported by Staff.

Thomas Cisneros, US Hispanic Contractors Association, said that the further along the F1 project got, the more he realized the project was already bought out. If F1 is asking for services or taxes at a reduced rate, the City is only asking for a share of that back through opportunities and contracts.

Adrian Neely, Triad Building Maintenance, said that if a company comes into the City of Fort Worth, wanting reduced rates or waivers, the City of Fort Worth in turn requires them to meet goals and hire local, minority and women-owned businesses.

Alayne Johnson, Austin Area Black Contractors Association said that staff and the community need to be on the same page regarding this issue and a way to do so is by looking at the unemployment rate and to look at the people that are not working which are the African Americans and Hispanics.

Council Member Cole requested examples of projects in which the Third Party Agreement was applied and wants to see what was done and what the results were.

Council Member Cole made a motion to adopt the current recommendations that were agreed upon by the community and staff, and that we continue to work on those not yet recommended. Council Member Tovo seconded the motion. Council Member Martinez made an amendment to bring all items not agreed upon at the next meeting in September. The motion passed on a vote of 3-0.

6. OLD BUSINESS

Update from the Small & Minority Business Resources (SMBR) and Contract and Land Management (CLMD) departments regarding the Small Business Construction Program (SBCP)

Veronica Briseño Lara, Director, SMBR and Rosie Truelove, Director, CLMD discussed the SBCP program and the projects that have already gone out for bid.

CITIZEN COMMUNICATION

Carol Hadnot, Austin Area Black Contractors Association, said that she is concerned about the SBE program and does not want it to supplant the MBE/WBE program as it has in other places. She said these projects will not increase anyone's capacity to bid large projects, but that she still hopes for success.

Council Member Martinez left the dais.

7. STAFF REPORT

Monthly report from the Small & Minority Business Resources (SMBR) department regarding request for changes

Veronica Brisenno Lara, Director- SMBR, presented the request for change report.

8. AGENDA ITEMS

Aviation presentation regarding MBE/WBE participation and the RFQ process from Airport Concessionaires
Update from Austin Energy regarding the Weatherization Project
Update regarding the Third Party Resolution Amendments

8. ADJOURNMENT

Council Member Cole adjourned the meeting at 4:49 p.m.