



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

**Regular Meeting
Tuesday, January 10, 2012**

The MBE/WBE and Small Business Council Committee convened in a regular meeting on Tuesday, January 10, 2012 at 301 W. 2nd Street Room 1101 in Austin, Texas.

Committee Members in Attendance:

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

1. CALL TO ORDER

Council Member Martinez called the meeting to order at 3:03 p.m

2. APPROVAL OF MINUTES

Minutes from the December 13, 2011 regular meeting were approved on a 3-0 vote from a motion by Mayor Pro Tem Cole, seconded by Council Member Tovo.

3. CITIZEN COMMUNICATION

Felix Batchassi, IT Solutions On Demand, discussed an issue regarding a contract he was working on as a subcontractor. He presented the committee with a handout discussing why two more violations should have been issued to the prime contractor.

Paul Saldaña, US Hispanic Contractor's Association, spoke on behalf of the USHCA and the Austin Area Black Contractor's Association regarding the weatherization items on the Council Agenda this week. He said that of the \$900,000 contract, 90% of the money awarded is for HVAC work for multi family units and that there is a list of proposed assignments for the Primes, but not the Subcontractors on the project which has been the main point of contention and that only half of the 15 recommendations made a year ago have been implemented.

Carol Hadnot, Austin Area Black Contractors Association, spoke on behalf of the ABCA and the USHCA, she thanked staff for the memo regarding the recommendation on the Weatherization project. She also said that even though the subcontractors who were trained to participate in the program are not working, the organizations do support the program because people need the weatherization services.

Larry Weis, General Manager, Austin Energy – explained that this is a second extension on an existing contract. He also explained that the timeline is what is driving the project.

Byron Johnson, Purchasing Officer - also explained that these are amendments to the existing contracts in order to meet the timeline on the project and that there are no further extensions planned.

Rolando Osorio, GG Construction, said that as a subcontractor on the weatherization program he feels cheated because some of the Primes on the contract did not have the required certification

and had he known it wasn't necessary, the company would have bid as a Prime as well. He also said that he has invoices from the project dating back to 2010 that are still not paid and that he has not worked on this project in the last eight months.

Carol Hadnot, Austin Area Black Contractors Association, said that after reading the scope of work on the Weatherization project it was clear that each firm had to have the required certification, not a member of the team. The procurement regulations were violated with no consequences and someone should be held accountable for this.

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

Ed Lowenberg, MBE/WBE Advisory Committee Chair, presented the report from the last regular meeting of the MBE/WBE and Small Business Advisory Committee.

5. OLD BUSINESS

Update on Formula One project participation (HAND-OUT)

Cloteal Davis Haynes, MBE/WBE Outreach Coordinator on the project discussed current MBE/WBE project participation thus far.

Council Member Martinez asked Ms. Haynes about the Water and Wastewater project her firm Haynes, Eaglin, Waters was awarded. She explained that she was engaged by the Circuit of the Americas (CoTA) as the MBE/WBE outreach coordinator not by Austin Commercial. In regards to any conflict of interest, she also explained that her firm is supplying materials to a contractor that bid to Austin Commercial, she did not directly bid to Austin Commercial and is not involved in any decision making, and does not review bids or have input on who the contracts are awarded to.

CITIZEN COMMUNICATION

Paul Saldaña, on behalf of the US Hispanic Contractor's Association and the Austin Area Black Contractors Association, would like to determine the good faith efforts process on this project to ensure that outreach is being done. He also said that according to the agreement, there should be regular reporting on a monthly basis, and would like to reignite the meetings between the USHCA and Formula One.

6. STAFF REPORT

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

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

Council Member Martinez requested a tally of all request for changes submitted and the number of violations issued in the 2011 calendar year.

7. AGENDA ITEMS

Include the Formula One Update in Ms. Lara's standing monthly report.

8. ADJOURNMENT

Council Member Martinez adjourned the meeting at 4:35 p.m.