



The MBE/WBE and Small Business Enterprise Procurement Program Advisory Committee convened in a regular meeting on Thursday, November 5, 2020 via videoconference at 5:39 pm.

Board Members in Attendance:

Eliza May, Lena Banks, Daniel Berner, Usha Boddapu, Barbra Boeta, Schiller Liao, Ahmed Moledina

CITIZEN COMMUNICATION: GENERAL

There were no speakers.

1. APPROVAL OF MINUTES

The minutes for the regular meeting of October 6, 2020 were considered for approval. The minutes were approved on a motion by Committee Member Schiller Liao and seconded by Committee Member Barbara Boeta. Minutes approved on an 7-0 vote.

2. NEW BUSINESS

For discussion and possible action on recommendations to City Council (City Code § 2-1-163(B)) regarding the following:

- a. Director's Updates and Announcements with discussion and possible action**
 - Edward Campos, SMBR Interim Director gave the update.
 - Moved the Contractor's and Consultant's Appreciation virtual event to December 9th.
- b. Discussion and appropriate action regarding the 2016 Mobility Bond and Corridor Improvements Program**
 - Susan Daniels, Deputy Director of the Corridor Program Office gave a presentation (posted on the Advisory Committee website) focused on the Corridor Mobility portion of the program.
 - There are three different areas within our regional mobility program, which is dedicated to primarily TxDOT partnership projects and a couple of local ones. We have local mobility programs, which are our sidewalks, bikeways, urban trails, Safe Routes to School and others, and then the Corridor Mobility Program all totaling \$720 million. There are over 300 projects.
 - Nine different corridors eligible for construction funding. These 50 miles of roadway in Austin reaches many of the people who are using our roadway network throughout the days/week, therefore the focus is improving these 50 miles.
 - A very large project out is out to bid right now. 2021 will be a big year for the Corridor Program. About 25 projects are scheduled to move through the design process over this next year. There are about 10 different projects completed as well as some that are in process right now. Spent \$58 million thus far.

- We have continued stakeholder input and engagement with business owners, property owners, and the general community, ensuring that we are doing the right improvements. Ensuring that the public understands upcoming work that will be done and any potential impact that they will have on the roadway system and any properties along the way.
 - Working on other Vision Zero safety improvement projects on Riverside Drive, working to upgrade our signal technology up and down the corridors to provide traffic congestion relief. Adding a lot of sidewalks, shared use paths, bikeways, to ensure that we have a complete connected system up and down the corridors. Working to connect to those facilities off corridors, transit improvements, discussing bus stop locations with Capital Metro, and many other projects as well to be transit supportive.
 - There are a variety of different projects coming up; intersection and signal improvement, and bigger roadway projects.
 - A list of what is anticipated to go out for bid in the first half of the year is listed in the presentation. Working on a lot of the \$1 and \$2 million projects. Moving on to the larger \$5 million plus projects this year. Planned for 2021-2024 to be a big construction period.
 - There are a couple of things that we have done differently with this program. One is ensuring that staff is looking at how can we best support the minority businesses that are currently or potentially working on our corridors. The other thing that we are doing differently based on City Council's contract with voters is looking at how the program can best support the communities who live and work in all these different corridors (those passing through and those that actually live there). It is called the Corridors for Complete Communities Initiative.
 - One of the keys to success is how we have organized our office and the coordination we are able to do. Created an integrated program management office – we have other departments, consultant staff cohabitating the office with us. The immediate access allows us to work on any issues that arise much faster than if we were in two separate environments. It has really helped us create that culture of that one team, one goal approach.
- c. Discussion and appropriate action regarding quarterly update on participation levels of MBEs and WBEs on the 2016 Mobility and Corridor Improvement projects
- Tamela Saldaña, SMBR Compliance Officer gave the update.
 - Update will be given on a quarterly basis as the participation levels on the 2016 mobility bond are tracked.
 - Presented a basic overview of participation information regarding the variety of projects that have been solicited and awarded. Collaborated with the Capital Construction Office (CCO) and the Corridor Mobility office on these various projects. Goals were established for these projects.
 - SMBR Interim Director, Edward Campos, stated that overall, there were no issues related to firms not being utilized and SMBR Compliance team are closely monitoring these projects.

Discussion:

Committee Member Barbara Boeta asks if this is the project that Cloteal came to discuss with them previously?

SMBR Interim Director, Edward Campos responds that is partially correct. In 2016, we had the 2016 Mobility Bond Project out of that bond project, we specifically carved out nine corridors (this is how the Corridor Program Office was developed). Susan Daniels is also on the agenda to discuss these nine corridors We hired HDR Engineering to serve as our consultant. Haynes-Eaglin-Waters

(HEW) which is their subconsultant, is our MBE/WBE outreach consultant that has helped us develop the outreach plan. Cloteal Haynes of HEW is here to discuss this agenda item.

Committee Member Barbara Boeta asks if these awards are at different stages of completions?

SMBR Compliance Officer, Tamela Saldaña responds that some of our MBE/WBE subs may not have mobilized yet. But all these projects are at different stages.

SMBR Interim Director, Edward Campos adds that the department takes the reporting very seriously. This information will be reported to the Committee members as well as the Executive team which includes the Assistant City Manager over Transportation, Gina Fiandaca. The Executive team looks at the report at a higher level they are very interested in these reports.

d. Discussion and appropriate action regarding an update on the MBE/WBE Outreach Plan in support of the Corridor Mobility Bond Program. (20 minutes)

- Cloteal Davis-Haynes of Haynes Eaglin Waters (HEW) and SMBR Interim Director, Edward Campos presented the update (presentation posted on the Advisory Committee website). This update is in conjunction with Susan Daniel's presentation.
 - Edward introduced Cloteal who has worked with SMBR, Corridor Program Office and the Capital Contracting Office to develop our MBE/WBE Outreach Plan specifically for the nine corridors that Susan Daniels addressed. Developed a plan, identified areas for potential obstacles for our integrated community, and action items that we can take in order to overcome those perceived and real obstacles.
 - Held regular meetings beginning in 2017 with community/minority stakeholders to gather their input on the Outreach Plan. There has been continuous conversation with these stakeholders.
 - Before the official solicitation is issued by the City, we will give every certified, minority, and women firm on the availability list (that perform those types of work, a heads up with a bid alert. The bid alert shares information about what the solicitation. These bid alerts and addresses the complaints by firms about receiving too many communications that may not apply to their firm. Each notification is followed up with a phone call.
 - On June 23, 2020, we held a virtual event announcing the kickoff of the construction phase of the Corridor program.
 - We applied the Good Faith Efforts Pilot Program project to four projects that were issued last summer and early fall of 2019. Shared the results with the Committee last month. Will be implementing that program to the invitation for bid projects out of the Corridor Program Office This initiative was a result of discussions with our stakeholders, both from the prime and sub levels.
 - Cloteal states that 25% of the entire database focuses on horizontal construction. There was a lot of effort to make sure firms are aware of the importance of these commodity codes. We also use social media as a notification tool. Our stakeholders informed us that there are several HUB certified firms that are not certified by the City of Austin, that perform horizontal scopes of work or horizontal construction. There has been a targeted effort to try to identify those HUB firms to encourage them to get certified with the City. We will continue to work to identify those firms to build the City's database for horizontal construction.
 - Edward stated that some revisions were made to the certification process based on the feedback from the community. Council removed the annual update requirement for certification. Extended the certification period from a 3-year to 4-year period. Implemented a rapid renewal/rapid certification process. Rapid renewal (launched December 2018) is for firms that are currently

certified and are up for renewal. We are averaging about 10 business days shorter on getting these firms to renew their certification. For the firms that stated that they do work in the scopes of work that will be needed in the mobility projects and Corridor program, we are making sure that we are rapidly renewing their certifications (certifying them within 30 days, our typical process is 90 days). We are focusing on those firms that do work within the corridor program and the mobility projects.

- Cloteal discusses financial enhancement programs. The City works with the minority contractor association lead by Carol Hadnot of the Black Contractors Association to identify methodologies that would specifically help our small, minority, women-owned firms to better manage the financing on a City project. Now we have programs in place that are designed to make it much easier for small contractors to pursue City projects and get their retainage sooner.
- The Corridor preparation course was held September through October 2019. The idea was to identify firms that wanted to know more about the program and those that needed additional help in some areas to prepare to pursue this work.
- We wanted to hold several networking sessions for Primes and Subcontractors to help build relations between the likely prime contractors that do this type of work and certified firms. Due to COVID the idea is on hold. Also, there has been conversation regarding smaller size bid packages. So SMBR, the Corridor Office and Capital Contracting are working together to continue to identify opportunities for smaller size bid packages in a variety of different bid packages.
- Regarding participation, there has been three solicitations that we are focused on. A pedestrian and bicycle improvement IDIQ were awarded on July 29, 2020 to MA Smith Contracting, not to exceed \$10 million. GC has committed to those goals. There also was a traffic signal improvement IDIQ that was awarded on September 17, 2020 to Mastek for \$10 million. They have also committed to meeting the goals. The next one is for improvement on South Lamar. The scopes of work that are involved in that solicitation of the bids will be turned into bid date is November the 19th. This projected is estimated between \$4 million to \$6 million. We had the virtual prime sub networking session on October 27, 2020.

Discussion:

Committee Member Barbara Boeta asks Cloteal to explain what is meant by commitment to the goals? How does that differ from what is expected?

SMBR Interim Director, Edward Campos responds that when we issue a solicitation, we review the solicitation for MBE/WBE subcontracting opportunities. The vendors who submit a bid on those projects must submit a compliance plan. The vendors must show in their compliance plans whether or not they met the goals established for that particular project. If the goals were met, they would show what firms are going to be used at what dollar value and for what scopes. SMBR then takes that documentation to Council for award. That commitment is what is coming out of that compliance plan that they submitted as part of their bid. We monitor that commitment/compliance plan moving forward once it becomes an executed contract. Tamela Saldaña and her team, monitor participation levels. Her team contacts firms to discuss why certain goals they committed to were not met.

Committee Member Usha Boddapu asked if there a reason why the Native American/Asian goals are less than 1%.

SMBR Interim Director, Edward Campos responds that the number of Asian and Native American firms are very small in the construction trade area. We don't have a significant number of firms certified as Native American/Asian American in the horizontal space so that goal on construction

are typically small.

Committee Member Barbara Boeta asks with everything that we're learning and the innovative stuff that we're doing with the Corridor Program, are we looking at the results of the disparity study and are we pulling everything together to look at improvements to the ordinance?

SMBR Interim Director, Edward Campos responds, so the short answer is 'Yes'. I think at last count there were 35 individual initiatives from the "Corridor Outreach Plan". When we started this process, the actual outreach plan identified 8 key issues from the community. Very important to note that. We went back, put our heads together and identified 35 initiatives that we could do to help alleviate those 8 key issues that we were hearing from the community were barriers for full participation. Some of those initiatives were ordinance revisions, the majority of them, though, are administrative items that don't require ordinance revisions such as virtual networking or like doing the Corridor prep course. Those things that we did were things that we just had to work together, either from the Capital Contracting side or with Public Works. I must say, and it bears repeating, the level of work and coordination that has gone on the last couple years is unprecedented. We've never had this level of coordination not only from city departments, but from a fully engaged consultant who is working with us hand in hand to try to get this project done right. Making sure that it's done right, is maximizing the MBE/WBE participation as much as we can. We can't make people bid that's a given but we can make sure that we are allowing them that space to bid and making sure that we are removing any barriers that are self-imposed by the City that we're not aware of try to remove them as best as possible or lessen them if they cannot be removed.

- e. Discussion and appropriate action regarding a report the MBE/WBE Participation levels and efforts for the Austin FC Soccer Stadium.
 - Cloteal Davis-Haynes of HEW along with Mike Rock of CAA ICON, and Jonathan Emmett of Gensler, Matthew Wilson of Austin Commercial gave a presentation on the soccer stadium.
 - Mike Rock of CAA ICON presents that construction on the Austin FC Stadium located at 10414 McKalla Place is about 70% complete and will be completed in March 2021. The entire project cost is about \$257 million. That estimated cost includes hard and soft costs of construction and design costs. The project is 100% privately financed. There are no public monies, costs, or revenue loss for the City for this project.
 - There has been an ongoing discussion with Foundation Communities There may be opportunities 2-5 years after opening about the possibility of affordable housing. Mike responds to Committee Member Eliza May's question about the location of the affordable housing. A 130-unit family affordable housing site has been identified. On top of the structured parking lot would be 4-5 levels to accommodate the 130 units.
 - Hoping for the future CapMetro rail line to be located near the stadium. Had meetings with the City departments that are working on that project to make sure that connectivity through these 24 acres is very smooth and easy to connect to both.

Discussion:

Committee Member Schiller Liao asks if they will be relying heavily on the public transportation because he did not see enough parking for a stadium with 20,500 seats?

Mike Rock of CAA ICON responds that they are relying heavily on public transportation. There are

over 10,000 parking spaces available that will be coordinated by a company called Pavement which has a parking application. Parking will be tied into every ticket purchase which will have designated lots. There are 800 spaces to accommodate players, coaching staff, suite and club occupants. To the north near the Domain, there are many structured parking lots.

- Jonathan Emmett of Gensler presents. He is the Principal and Lead Designer for the project. There were 266 firms that were solicited at the beginning of the process. Held a pre-proposal meeting in 2018 and about 85 firms attended. Received a total of 42 proposals (2 WBE, 0 African American, 4 Hispanic, 2 Native American/Asian out of those proposals).
- Great participation and collaboration with all the firms that were involved. It has been a successful design process. More information about the specific firms can be provided upon request.

Discussion:

Committee Member Lena Banks asks why do you think there is trouble with African American participation? Often sees the goals are much lower than the others but often see the goals for AA are not met.

Jonathan Emmett responds that this stadium design is very specialized. So, in terms of the number of firms within the architecture, engineering communities in Austin who have experience with this building/project time, is a relatively limited number.

Committee Member Eliza May asks if these numbers are reflective of the size of the African American community in general?

SMBR Interim Director, Edward Campos comments that he can't say that for sure. SMBR is responsible for making sure that we provide the opportunities in different projects. We need to follow up to find out why a firm didn't bid.

Cloteal Haynes adds that this has been a challenge for the past 30 years. The African American community continue to be disappointed with not only the number of AA certified firms in the City but the number who respond to the various opportunities. In the 1980s there were only two certified architects that were African American. In 2020, there are still only two African American architecture firms.

Committee Member Daniel Berner asks if professional services firms that might have for architecture firms with partnerships similar to law firms would be allowed to participate? The ownership would be more dispersed in which several partners have an equal partnership stake. Where a certain amount of credit is given to the fact that there are African American partners who are working on or who are handling the account, even though the firm itself is not more than 50%, African American-owned.

SMBR Interim Director Edward Campos, responds that the way certification process is administered is that firm must have a qualifying applicant. That qualifying applicant can be made up of one person or more persons, but it is required that 51% ownership is by a designated group. These are discussions we can have moving forward on how to make it easier when firms are owned by multiple minority group members.

Committee Member Daniel responds that there is a huge opportunity worth pursuing. When a partner brings in or is handling an account, the revenues from that account disproportionately flow to you, even though you are a member of a large partnership. There is a big incentive in the private bar and general counsel's offices of making sure that the law firms they are retaining, do have minority representation and that minority counsel are working on and/or leading their cases or deals. Unless there are federal legal obstacles to working in to changing the ordinances to consider the way one can incentivize these, minority partners in these professional firms from participating. He would like to explore this matter further.

SMBR Interim Director, Edward Campos states that we have an opportunity to look at certification. It will be one of the big areas that review as we work towards improvements to the program so it is something we can discuss.

Mike Rock of CAA ICON presents that the miscellaneous design includes four categories – Geotech survey, transportation, impact analysis, and building commissioning. We sent 103 certified firms the RFP in one of these four categories. We only received 1 response from the certified firms and 23 from the non-certified firms. We strongly encouraged firms that were not certified to partner with certified firms and we were successful in that area.

- Joe Thompson, Project Manager and Matt Wilson, Assistant Project Manager for Austin Commercial share their progress made towards meeting the MWBE goals on several construction projects. Sent out a total of 6 bid packages. Held several community outreach events. Attempted to keep these outreach events as centrally located and accessible as possible for each of these bid packages.
- Bid package 1 which was specifically for mechanical, electrical and plumbing contractors. Solicited a total of 30 different firms within those scopes of work (a majority were sent out pre-COVID). Even though the market has been booming in Austin we struggled to get responses from the entire contractor community, not just certified firms. Received 0 from certified firms and 3 proposals total overall.
- Bid package 2 was for various categories. Solicited a total of 83 certified firms and received only 2 proposals from certified firms. Only 16 proposals received for the entire construction market. Worked with our partners to locate participation through sub-tiers to our prime subs.
- Bid package 3 that was for site utilities, concrete, and steels structure (canopies, trusses, etc.). Solicited a total of 71 firms. Received zero proposals from certified firms and 8 total from this market.
- Bid package 4 this is all the enclosure and elements on the buildings seen from the outside (Skin/Drywall/Fire Protection/Finishes). With more of the long lead items solicited 77 firms and received 3 from certified firms. Received 47 total proposals from this market overall.
- Bid package 5 was a large package for site retaining walls, fences, gates, kitchen equipment, low voltage telecom, and audio visual. Solicited 78 firms. Received 2 from certified firms and 42 proposals overall from the entire market.
- Bid package 6 was for site improvements, landscaping site, concrete (sidewalks and flat work), paint, and interior finishes. Solicited 121 firms. Received 7 from certified firms and 67 proposals

overall from the entire market. A lot of the work is just now starting really ramping up as we get into the finish stage on the project. We have not completed any landscaping or hardscape yet. We think we have good opportunities through partnerships and the work we're doing there to improve these numbers as we go forward.

Discussion:

Committee Member Barbara Boeta asks why the responses for construction were so low?

Cloteal Haynes of HEW states that her group will respond to Barbara's question via email. She states that if firms do not bid then it makes it difficult to meet the goals for construction.

Committee Member Schiller Liao comments that he is looking forward to more participation from design side especially from Asians.

SMBR Interim Director, Edward Campos responds that more details will be provided to Schiller via email.

- f. Discussion and appropriate action regarding the MBE/WBE Advisory Committee Regular Meeting Schedule for 2021 (15 minutes)
 - SMBR Interim Director, Edward Campos ask the Committee to review and vote on the schedule.
 - The adoption of the 2021 schedule was approved on a motion by Committee Member Eliza May and seconded by Committee Member Barbara Boeta. Minutes approved on an 7-0 vote.

3. OLD BUSINESS

For discussion and possible action on recommendations to City Council (City Code § 2-1-163(B)) regarding the following:

- a. Council Resolution on Inclusive Procurement Working Group
 - SMBR Interim Director, Edward Campos reports that a memo was released to Mayor and Council, identifying the individuals that would serve on the Inclusive Procurement Working Group that Council requested the City Manager form. More details will be discussed at a future meeting.
- b. Quarterly update from SMBR regarding the Good Faith Effort Pilot Program project participation
 - This item was postponed to the next meeting.
- c. Update on the Disparity Study with discussion and appropriate action
 - This item was postponed to the next meeting.
- d. Monthly update on the 1) Council Awards; 2) Third Party Project; 3) Request for Change (RFC); and 4) Certification Roll.
 - These items were postponed to the next meeting.

4. FUTURE AGENDA ITEMS

- No future agenda items discussed.

ADJOURN

Meeting adjourned at 7:55pm