

SOLID WASTE AUTHORITY

OF

PALM BEACH COUNTY

- - -

SMALL/LOCAL/MINORITY/WOMEN BUSINESS ENTERPRISE

STAKEHOLDER GROUP MEETING

DATE TAKEN: APRIL 24, 2018
TIME: 9:00 A.M. - 12:45 P.M.
PLACE: ADMINISTRATION BUILDING AUDITORIUM
7501 NORTH JOG ROAD
WEST PALM BEACH, FL 33412

This cause came to be heard at the time and place aforesaid, when and where the following proceedings were reported by:

RAQUEL ROBINSON, REGISTERED PROFESSIONAL REPORTER
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PO BOX 19248
WEST PALM BEACH, FL 33416

1 MR. JOHNSON: Good morning, everyone. Thank
2 you all for being here again on this great Tuesday
3 morning. We will call our April 24th meeting of the
4 Solid Waste Authority Stakeholder Work Group to order.
5 I believe, before we do roll call, I do want to make
6 note of the fact that one of our work group members,
7 Tina White, has resigned. So that leaves us now with
8 ten members of the work group, where we still need six
9 for a quorum, and today we do have a quorum. I just
10 want to make that note, so that as roll call is made,
11 we'll know that we're closer, we're more than a
12 quorum. All right. Roll call.

13 MS. ROBBS: Kumar Allady.

14 MR. ALLADY: Present.

15 MS. ROBBS: Maria Antuna. Carol Bowen. She
16 is stuck in traffic. She did notify me, so she's on
17 her way. Michelle Depotter.

18 MS. DEPOTTER: Present.

19 MS. ROBBS: Lia Gaines.

20 MS. GAINES: Present.

21 MS. ROBBS: Brian Johnson.

22 MR. JOHNSON: Present.

23 MS. ROBBS: Bruce Lewis.

24 MR. LEWIS: Present.

25 MS. ROBBS: Marie Sanches.

1 MS. SANCHES: Present.

2 MS. ROBBS: Selena Smith.

3 MS. SMITH: Present.

4 MS. ROBBS: Nifretta Thomas.

5 MS. THOMAS: Present.

6 MR. JOHNSON: Thank you all so much. I do see
7 that the next item is to adopt the agenda as written.
8 I just want to state real quickly, the way in which
9 we're going to try to get today to move smoothly, we
10 will start off with a continuation of the last
11 meeting's discussion, where we are just going to
12 highlight or discuss those items that we identified as
13 desiring some detail discussion on, from the last
14 meeting, for construction. Hopefully, we can finish
15 construction early this morning and move on to the
16 next group of items.

17 But other than that, I'm suggesting for the
18 work group's consideration that the way in which we go
19 through it from, like, this point on is that we allow
20 Mr. Lee to just cover all of the items, then we have
21 public comment, and then we have work group comments.

22 That way, and again, work group comments, as
23 he goes through the items, at least, identify which
24 ones you need to have or you desire to have detail
25 conversation on, and we will only discuss those items.

1 Okay? Is there a consensus? Any suggestion of change
2 to that process?

3 MR. LEWIS: Move the agenda.

4 MR. JOHNSON: Okay. It's properly moved. Is
5 there a second?

6 MS. DEPOTTER: Second.

7 MR. JOHNSON: Properly moved and seconded. We
8 adopt the agenda as written. All those in favor?

9 GROUP ANSWER: Ay.

10 MR. JOHNSON: Anybody opposed? All right.
11 Also, on the minutes, you were e-mailed the minutes.
12 And for the public's consumption, the minutes are
13 online, for your review, of the last meeting. Shall I
14 entertain a motion to approve the minutes? Is there a
15 motion?

16 MS. GAINES: So moved.

17 MR. JOHNSON: So moved by Ms. Gaines. Is
18 there a second?

19 MR. ALLADY: Second.

20 MR. JOHNSON: All right. Seconded by Mr.
21 Allady. All those in favor?

22 GROUP ANSWER: Ay.

23 MR. JOHNSON: Anybody opposed? All right, Ms.
24 Robbs.

25 MS. ROBBS: At this time, through the Chair,

1 we will recognize any public officials, commissioners.
2 I don't see any present, so we'll move to introducing
3 our executive staff: Mark Hammond, Executive
4 Director. Dan Pellowitz, Managing Director. Mark
5 Eyeington, Chief Operating Officer. Paul Dumars,
6 Chief Financial Officer. Ramana Kari, Chief Engineer.
7 Howard Falcon, SWA General Counsel.

8 Also in the audience to my left we have SWA
9 directors and designees that are available if you have
10 questions, if the public has questions. Also, the
11 role of the SWA staff is to provide input in the
12 stakeholder discussions related to their respective
13 departments.

14 All guests are required to sign in. If you
15 have not signed in, please do so. Public comments are
16 welcome during deliberation. The Chair will recognize
17 the public. At that time, please make your way to the
18 podium to give your name and company or organization
19 before speaking. Thank you.

20 MR. JOHNSON: So now Mr. Lee will begin with a
21 continuation of the last discussion only on the items
22 that we identified for discussion, before going into
23 the option matrix for professional services. Mr.
24 Lee...

25 MR. LEE: Good morning, everyone. Welcome

1 once again. Thank you for, again, taking the time out
2 of your busy schedules to participate in this
3 important process.

4 What we're going to proceed with, with your
5 permission, is a substantive discussion on several of
6 the proposed construction policy options or
7 affirmative procurement initiatives that appear in
8 table 2-B. Starting off with, we'll start off with
9 construction industry specific program R/C-5, which is
10 Annual Aspirational Goals. We will also talk and
11 speak to R/C-6, which is M/WBE Subcontracting Goals.
12 We will then have substantive discussions on R/C-8,
13 which is M/WBE Joint Venture Incentive. And I think
14 we covered mentor-protege programs. So that should,
15 that's all that we've indicated for additional
16 construction items that we'll take time to do
17 substantive discussion on at this point.

18 And I'll check again at the end to see if
19 there's anything else that any of the stakeholders
20 want to address. But that's what we've planned on,
21 based on our discussions at the last meeting.

22 So let's turn to R/C-5, which is Annual
23 Aspirational Goals. Again, the annual aspirational
24 goal is intended to be a reflection of the overall
25 participation for minority women-owned businesses that

1 ought to be achieved at the prime contract/subcontract
2 levels over the course of an entire year. And it's
3 intended to serve only as a benchmark. It's not to be
4 applied on specific contracts. But it's an
5 industry-specific goal. It will be set at the prime
6 contract level and the subcontract level based on
7 relative availability of minority women-owned firms in
8 the construction industry, starting out, based upon
9 findings in the disparity study. Over time, we will
10 refine those measurements using the Centralized Bidder
11 Registration System that the Authority is in the
12 process of moving forward on.

13 This benchmark goal is intended to also
14 serve as a way for measuring the effectiveness of the
15 program over the course of the year. And to inform
16 judgments about how, whether we need to become more
17 aggressive or less aggressive or stay the course in
18 terms of the mix of race-and-gender-conscious and
19 race-and-gender-neutral remedies and the kinds of
20 procurement initiatives that we're applying to
21 specific contracts.

22 It is also intended to assist, to some
23 extent, in providing an up-to-date measure of
24 availability by overall industry -- in this case, the
25 construction industry -- that can be useful for

1 outreach purposes. So, with that, I'll open up the
2 floor for discussion from stakeholder members. Are
3 there any that have any additional comments or want to
4 raise any questions or concerns regarding this
5 affirmative procurement initiative, Annual
6 Aspirational Goals?

7 MR. JOHNSON: Mr. Lewis.

8 MR. LEWIS: Just curious and wanted to
9 understand how we would establish that very first
10 benchmark of value percentage as a starting point.

11 MR. LEE: Yes, what's proposed is that the
12 base goal will start at 27 percent MBE and 13 percent
13 WBE for construction prime contract dollars. And 24
14 percent MBE, and 12 percent WBE participation for
15 subcontract dollars, with some adjustment as
16 warranted, you know, based upon the CBR registration
17 over time. But starting out, those numbers came from
18 pages 8-3 and 8-4 in the MTA disparity study.

19 MR. JOHNSON: Ms. Sanches.

20 MS. SANCHES: Would this be, or could this be
21 reviewed on a quarterly basis? Because if we wait
22 till the end of the year, you know, we can't make any
23 adjustments if we're not meeting those numbers. So
24 would you be reviewing it quarterly?

25 MR. LEE: The reason it's done on an annual

1 basis is because from year to year things can vary in
2 terms of what kind of contracts are let out.
3 Generally, budgets are done on an annual basis.
4 Projects may be scheduled out over the course of a
5 year. If you just look at in on a quarterly -- if you
6 adjust the annual goal on a quarterly basis, so you
7 have a quarterly goal, it makes it very, very,
8 difficult to see, to even look at the different types
9 of construction contracts.

10 MS. SANCHES: That's not what I meant. Yes,
11 you've stated that there will be an annual goal. So
12 we won't know if we're missing the mark until the very
13 end of the year.

14 MR. LEE: No, no. There are actually other
15 features that we will be building into the policy for
16 constant monitoring, actually. One of the reasons why
17 we recommended the Centralized Bidder Registration
18 System is because on any given day you can take a look
19 and see where you stand in terms of dollars that are
20 being awarded and spent at the prime contract level
21 and the subcontract level. That system is designed to
22 track all of those things on a daily basis, actually.
23 And so it makes it a lot simpler for the equal
24 business opportunity office to do reports on a monthly
25 basis, a quarterly basis, semiannual and annual.

1 MS. SANCHES: Okay. Thanks for the
2 clarification.

3 MR. JOHNSON: Let me say one other thing. So
4 Mr. Lee, in regards to what Ms. Sanches has asked, and
5 I'll come back to Mr. Allady. The advisory board will
6 meet on a monthly basis, right? There's an advisory
7 board set up for this particular process that will
8 continue the community input year round after the
9 stakeholder group, right?

10 MR. LEE: Yes, there's a proposal for a small
11 business advisory committee. And I don't recall
12 whether we specified how frequently it has to meet,
13 but that's something that's certainly up for
14 discussion.

15 MR. JOHNSON: But to Ms. Sanches' point, could
16 we include in their process a review of the progress
17 made towards the aspirational goals? So technically,
18 they would review it every time they meet, if it's
19 monthly, bimonthly. Every time they meet, just like
20 in Broward, where we have the oversight committee
21 receiving a report on our status of minority progress,
22 this advisory counsel could receive a report from
23 staff on how we're doing whenever they meet. So if
24 they see a need to adjust, they can make those
25 adjustments in their meeting.

1 MR. LEE: Yes, the SBAC, or the Small Business
2 Advisory Committee or council, as the Chair has
3 identified, has the responsibility of actually
4 constantly reviewing the effectiveness and the
5 progress of the program and making recommendations to
6 staff as to what things they think might be done
7 differently. So that's an ongoing process. And that
8 small business advisory committee is going to be made
9 up of stakeholders, like yourselves, that will meet on
10 a regular basis.

11 MR. JOHNSON: Mr. Allady.

12 MR. ALLADY: Yes, if I read in that particular
13 column, it talks about evaluate the effectiveness of
14 the SBE and M/WBE programs. But the goal setting is
15 only for MBE and WBE. So that SBE should be struck
16 off that, or -- my question is, that SBE should not be
17 over there, or is there a separate goal for SBE, under
18 C-5? If you go to page 33.

19 MR. LEE: Yeah, okay. Well, keep in mind what
20 we are proposing is a hybrid program that includes
21 both small business and minority women business
22 program elements. Part of what we can do through the
23 Centralized Bidder Registration System is not only
24 measure the availability of minority women-owned
25 firms, but also small business enterprises, as well.

1 If you would like, we could even set an
2 annual aspirational goal for small businesses,
3 although, there is not the same legal requirement for
4 narrowly tailoring the application of remedies for
5 small business program elements, because they're race
6 and gender neutral.

7 The annual aspirational goal was set up as a
8 benchmark to make sure that we have some justification
9 for how we're applying the race conscious remedies
10 more so than the race neutral ones. But, again, the
11 small business advisory committee will also have the
12 responsibility for looking at the effectiveness of
13 those SBE program elements, and recommending
14 improvements as necessary.

15 So I think, to answer your question, I would
16 leave it in here, because it is a hybrid program. We
17 are looking at the effectiveness of all elements in
18 the program. The small business program elements, as
19 well as the minority business program elements.

20 MR. JOHNSON: Two questions. One, just as a
21 clarification. And I think we started off by alluding
22 to it. Do we want to add an SBE goal? Because we
23 have a clearly defined MBE goal and a clearly defined
24 WBE goal. So just so that we have a benchmark for
25 measuring SBE success, should we set a goal for that?

1 MR. LEE: Let me just point out, we don't
2 have, through the disparity study at least, we don't
3 have clear availability measures for small businesses,
4 because that was not their task in undertaking the
5 study. But yesterday the board approved some
6 amendments that we proposed to the current small
7 business program to increase their small business
8 default goal from fifteen percent up to twenty
9 percent. So I would imagine we would start at twenty
10 percent until we got the bidder registration system up
11 and running and could get a better feel and measure
12 for availability of small businesses by each industry.

13 MR. JOHNSON: Well, then, let me ask the Chair
14 to entertain a motion that we add an SBE goal at
15 twenty percent rate.

16 MR. LEWIS: So moved.

17 MR. JOHNSON: Okay. Anybody second?

18 MR. ALLADY: Second.

19 MR. JOHNSON: Okay. All those in favor?

20 GROUP ANSWER: Ay.

21 MR. JOHNSON: Anybody opposed? Point of
22 order, we want to acknowledge that stakeholder work
23 group member, Carol Bowen has arrived. Any other
24 comments on this? Ms. Depotter.

25 MS. DEPOTTER: I just wanted to confirm

1 whether or not you will be tailoring the SBE advisory
2 board to Palm Beach County's advisory board and how
3 that operates perhaps. Would you be modelling it
4 after that?

5 MR. LEE: Possibly, it's intended to be,
6 basically, a mix of business owners and trade
7 association representatives.

8 MS. DEPOTTER: It meets monthly and perhaps
9 can make recommendations to the SWA Board through the
10 staff, although it may not perhaps be binding, the
11 recommendations could be made directly to the SWA
12 Board. Would that be correct?

13 MR. LEE: Yes, there would be a role for the
14 SBAC committee to report also to the Board. We've
15 told the Board we want to have the EBO office also
16 report to the Board, but in addition, the SBAC
17 committee would also, as independent, you know,
18 stakeholders, report their recommendations for changes
19 to the policy at the Board level, as well.

20 MR. JOHNSON: One last statement I want to
21 make before we move on. So I have a note here, so
22 that when we write the policy and procedure, we can
23 imply that these are floors, which means that the
24 minimum would be 27, 20, and 13, so that we don't give
25 the false impression that they are the maximum. Can

1 we make sure the policy says at least 27 percent, so
2 that if there's an opportunity to go higher than that,
3 we can go higher than that?

4 MR. LEE: Well, the definition is spelled out
5 in the policy that this is just an aspirational goal.
6 It can be exceeded and it may be exceeded, or not, on
7 any individual contract. And if you go above the
8 annual aspirational goal, that may inform judgment
9 about how aggressive you need to be with the mix of
10 remedies. But there is certainly no prohibition
11 against -- in fact, I don't even know how you can
12 possibly hit the goal exactly without using unlawful
13 rigid numerical quotas. And we certainly wouldn't be
14 proposing that. So the definition of, we'll make
15 clear that the annual aspirational goal is neither a
16 floor nor a ceiling. It's just a benchmark for where
17 we think we are currently in terms of availability.
18 And it's a rough estimate of what we might expect to
19 see in terms of participation of small, minority
20 women-owned businesses over the course of a year.

21 MR. JOHNSON: Okay. Any others? Mr. Lee.

22 MR. LEE: All right. Are we ready do move on?
23 R/C-6, M/WBE Subcontracting Goals. This is the
24 affirmative initiative that requires prime bidders to
25 exercise good faith efforts to meet an M/WBE

1 subcontract participation goal. And this would be
2 applied to firms owned by African-Americans,
3 Asian-Americans, Hispanic-Americans, Native-Americans.
4 And the subcontracting goals should also contain
5 waiver provisions for those instances where
6 sufficient, ready, willing, and able Minority Women
7 Business subcontractors are not available.

8 That was a recommendation that came out of
9 the disparity study page 12-8. We would also indicate
10 that contract-specific subcontracting goals should be
11 weighted to the availability of M/WBE firms and
12 require subspecialties.

13 So you would look at the overall contract,
14 take a look at what trades are being used in that
15 particular contract and look at the relative
16 availability of M/WBEs in each trade, and then weigh
17 those dollars accordingly. Look at the availability
18 of those M/WBE bidders for those specific trades. And
19 the project-specific goals would vary project by
20 project based upon a realistic measurement of the
21 available M/WBE firms for that particular project.
22 Documented excessive prices or poor performance by
23 M/WBE subcontractors would also be recognized as a
24 basis for exclusion from the bid. And the Equal
25 Business Opportunity office would undertake analysis

1 to set up subcontracting goals on a project-by-project
2 basis.

3 The justification for this was a number of
4 different findings in the study that are cited under
5 the relevant findings column. There was very little
6 M/WBE utilization also in private-sector construction
7 contracts, even after controlling for capacity and
8 other race-neutral variables.

9 And there was also a threshold analysis that
10 was done in the disparity study, whereby MTA looked at
11 contracts under certain dollar threshold like a
12 hundred and seventy-five thousand or six hundred
13 thousand dollars. And looked to see if there was
14 disparity even in those smaller contracts.

15 So that would tend to explain away capacity
16 as a possible explanation, or lack of capacity as a
17 possible explanation for the identified disparities.
18 Are there any comments on this specific affirmative
19 procurement initiative? Ms. Bowen.

20 MS. BOWEN: Good morning, everybody. And I
21 apologize for my delay, like Mr. Johnson last week, he
22 hit that accident and was stuck 'cause of it. So
23 thank you for having me again. Question about R/C-6
24 or maybe an option moving forward, I know our overall
25 goal and effort is to identify opportunities to

1 introduce more companies into SWA construction
2 projects and certainly at the county level, as well.
3 And I know we do the disparity study, roughly, every
4 five years. My thought is that we also should include
5 an end look or end period, a look back before the next
6 study to identify how many companies come in through
7 these good faith efforts to ensure that we're not just
8 creating opportunity for one or two companies. If the
9 end goal is to expose it to the masses, let's make
10 sure the masses are having an opportunity and not just
11 creating an opportunity where the same one or two are
12 getting all the contracts.

13 MR. LEE: Yes, a couple of other features that
14 we would have in this policy that would address
15 exactly your concern, are the Equal Business
16 Opportunity office has to do reports to the Board and
17 try to identify modifications or changes to the mix.
18 We're also spelling out, in some detail, what elements
19 need to be included in those reports. What kind of
20 questions we want to try to address as we get better
21 data and we can look at, longitudinally, what happens
22 to firms that come into the program today. What's
23 their growth rate, as opposed to firms that have been
24 there for a longer period of time.

25 We may ask questions or try to answer

1 questions about each tool that we're using: How
2 effective is it? Are we expanding the list of
3 potential bidders? Are we getting more bidders in the
4 process? Those are things that we should be seeing if
5 the program is working properly. We also have, again,
6 the SBAC committee, the Small Business Advisory
7 Committee, that can serve a similar function. And
8 stakeholders will certainly have that avenue for
9 making suggestions for changing a program as well.
10 And looking at issues that you've raised, as to
11 whether all the contracts are just going to a couple
12 of firms. What can we do to spread the work around
13 more, that sort of thing.

14 MR. JOHNSON: And I want to add to the point
15 that Ms. Bowen made, so that as we move forward in the
16 way in which we implement these policies, that calls
17 for the expansion of the definition of outreach.
18 Where it's not just a matter of having workshops and
19 learning what it is that we want to do, but it's also
20 engagement, and how many new people can we bring to
21 the table. And how can we increase the inventory of
22 capable and ready firms who want to do business with
23 the Authority. So I think that's best where -- the
24 point that Ms. Bowen brings in, that we're not just
25 catering to the current or whatever the inventory is,

1 but that somehow we're measuring the movement of that
2 inventory, hopefully increasing significantly with
3 these efforts. Any other on this? I do have one more
4 comment, but I'll go last.

5 So I did want to take the moment on this,
6 because there was a comment made when we addressed
7 this one before about the possibility that this focus
8 on M/WBE subcontractors may allow for what one person
9 termed as nonqualified or under-qualified
10 subcontractors coming into the pool. And I just want
11 to make sure I'm clear for the record, there's nothing
12 about this policy option, Mr. Lee, if you can confirm
13 or deny for me, that changes the typical practice of
14 the primes pre-qualifying their subs, right? We're
15 not saying don't do that. So they'll still be able to
16 do that during this process.

17 MR. LEE: That is true. It's every prime's
18 right and perhaps their responsibility to do their own
19 due diligence with the subcontractors that they
20 select. There's nothing in the policy that requires
21 anyone to use a subcontractor that's not licensed or
22 not qualified for the work. In fact, there's
23 provisions that will be built into the policy that
24 it's noncompliance with the policy if a prime lists a
25 sub to do work that they're clearly not qualified to

1 do, they don't have the credentials to do the work.
2 So you can't say you're going to subcontract to an MBE
3 plumber, if there's no plumbing work on a project, for
4 example.

5 MR. JOHNSON: Right. And you can't give a
6 plumber general contracting work.

7 MR. LEE: Correct.

8 MR. JOHNSON: I just want to make sure of
9 that, for the record, because there should be no
10 presumption that we're inviting a bunch of
11 nonqualified subs to this process. That there will
12 still be the typical industry practice of
13 pre-qualifying subs amongst the primes. That's it for
14 me. Any others? Yes, Ms. Bowen.

15 MS. BOWEN: In the additional options column
16 where we talk about documenting excessive prices or
17 poor performance, that was a concern I had raised last
18 week at our meeting. That, how again, on the back
19 end, how are we ensuring that folks coming in through
20 this EBO opportunity aren't abusing the opportunity.
21 So I want to see that not just as an option, but
22 something that we put through as a requirement. So
23 thank you for that.

24 MR. LEE: All right. Any further discussion
25 on M/WBE subcontracting goals? Okay. Let's move on.

1 MR. JOHNSON: I'm sorry, Ms. Gaines.

2 MS. GAINES: Are you seeking a motion to
3 approve this one?

4 MR. JOHNSON: No, we're not, we're just going
5 through the substantive discussion and we will come
6 back and recommend later. Thank you.

7 MS. GAINES: Okay.

8 MR. LEE: We already had discussion on the
9 variation of that, Segmented Subcontracting Goals. So
10 now we're moving on to construction R/C-8 on page 38,
11 which is M/WBE Joint Venture Incentive.

12 What's proposed here and subject to
13 discussion is that for contracts that are greater than
14 or equal to six hundred thousand dollars, we establish
15 a joint venture policy, similar to the City of
16 Atlanta's, which promotes establishment of joint
17 ventures between diverse partners on projects.

18 And as relatively few construction projects
19 may exceed six hundred thousand dollars, we could
20 reserve some larger prime contracts valued at a
21 million dollars or greater for competition by joint
22 ventures between non-M/WBE and M/WBE firms.
23 Another variation on this option could be to consider
24 evaluation preferences for joint ventures between two
25 or more certified M/WBE firms as a way to try to boost

1 capacity of M/WBE primes. That would only make sense
2 in the event that you had a contract that was a
3 best-value contract and not lowest-responsible bidder
4 contract. By that I mean, factors other than price
5 could properly be considered in the awarding of the
6 contracts.

7 We would also, alternatively, look at the
8 dollar threshold for contracts where application of
9 this remedy may need to be adjusted. Our
10 understanding is that usually most construction
11 contracts that the Authority issues are on the smaller
12 side. It's only when they have a major project, like
13 building a new renewable energy plant or something
14 like that, where you're getting into a whole lot of
15 capital, a whole lot of construction activity.

16 So that's something that we need to have
17 some discussion on and probably need to get more input
18 from staff on that, as well. But on best value
19 construction prime contracts where the price is not
20 the only factor, we could provide a sliding scale of
21 evaluation preference points based upon the percentage
22 of ownership in the joint venture that the M/WBE
23 joint-venture partner has in the project. So is there
24 any discussion regarding this specific procurement
25 initiative?

1 MR. JOHNSON: Seeing none, I just want to
2 state for the record that, and you will hear me do
3 this as much as I can, that the whole point of this
4 endeavor is not to create a zero sum game or pigeon
5 loses and winners, where one group wins and another
6 group loses. And this is one of those areas where a
7 larger nonminority non-woman firm can participate in
8 this process by joint venturing with an M/WBE.

9 So I just want to put that for the record,
10 that there are several options available for the
11 larger firms to participate and benefit. And this is
12 especially one of them. Any others? Okay.

13 MR. LEE: Before we move on, I did want to
14 share one comment that I heard regarding the joint
15 venture incentive in another jurisdiction. Actually,
16 I think it was Miami-Dade. They made some remark that
17 nobody ever took advantage of the joint venture
18 incentive because, as a practical matter, the joint
19 venture could not be pre-qualified under their rules
20 as a construction firm because it hadn't done any
21 work. So, I don't know if those same rules apply to
22 the Authority here, but that may be something we may
23 need to look into.

24 MR. JOHNSON: So are we suggesting that we
25 review the qualification process for WBEs.

1 MR. LEE: Yes, we probably need to do some
2 research to see if the Authority is in some way
3 restrained by those same requirements. I don't know
4 if Ms. Depotter may know what the pre-qualification
5 requirements are for primes for the Authority versus
6 the School Board, I don't know if they're different or
7 not. Please make a note --

8 MS. DEPOTTER: I'm afraid I would have to go
9 back and check that.

10 MR. JOHNSON: Okay. So we will make a note to
11 go back and check that to make sure it's not an
12 impediment. Thank you.

13 MR. LEE: All right. We've addressed the
14 mentor-protege program.

15 MR. JOHNSON: I do have a comment.

16 MR. LEE: Okay.

17 MR. JOHNSON: So that for the mentor-protege
18 program, I do want to make a point that the incentives
19 within the mentor-protege program should be sensitive
20 to the size of the work that the M/WBE has in the
21 mentor-protege, so that we don't give substantial
22 incentives in some sort of a competitive advantage to
23 a mentor-protege where the M/WBE has sort of minor
24 participation on a project. That as we provide
25 incentives, that those incentives and the amount of

1 incentives be sensitive to the amount of work the
2 minority firm is going to have on the project. Does
3 that make sense? Okay.

4 MR. LEE: And the last one, we did have an
5 indication someone wanted to speak on this. But it's
6 R/C-10, M/WBE Evaluation Preference for Best Value
7 RFPs. Currently, the Authority is not doing a whole
8 lot of design build or construction management type
9 contracts, but in those instances where you have an
10 RFP method of delivery for the contract, those best
11 value contracts, the RFP process, under the RFP
12 process, we would be looking to something other than
13 just the lowest responsible bidder. We would include
14 language in the RFP to encourage M/WBE participation
15 on bidder's teams as one element in the selection
16 criteria.

17 What's proposed is that that option would
18 assign evaluation point preferences up to fifteen
19 percent of the total available evaluation points on a
20 sliding scale, based upon the level of M/WBE
21 participation at that prime contract level, to any
22 firms bidding on construction management or prime
23 construction design build projects. Currently, the
24 Equal Business Opportunity office will maximize
25 evaluation preference points at ten percent in general

1 of the total available points. So we're recommending
2 expanding that from ten percent up to fifteen percent.
3 And evaluation preference points would be assigned to
4 the team based upon a percentage of the dollar value
5 of the contract that would be performed by team
6 members that are M/WBE firms. Is there any
7 substantive discussion from stakeholders on that?

8 MR. JOHNSON: Ms. Bowen.

9 MS. BOWEN: Thank you, for this and the last
10 couple items where we talk about options and goals and
11 opportunities, since these are aspirational, the only
12 thing I would caution or maybe ask for an example is
13 how the language of the goals are written. Because
14 we've seen instances where goals are written as a
15 mandate. So you have to be very careful in how it's
16 worded, it's an opportunity, it's a goal it's an area
17 to increase by making points, but just to, I guess, a
18 cautionary note in how the language is written so that
19 it doesn't appear as if it's a mandate, because then
20 it eliminates all of this.

21 MR. LEE: Yes, that gets into the bid
22 specifications and bid solicitations and how you
23 define the particular affirmative procurement
24 initiative that's applied to the contract or to the
25 bid. And the evaluation preference, the language will

1 be spelled out pretty clearly that it's an incentive,
2 that there's no requirement that you have to have a
3 certain level of M/WBE participation. But if you
4 achieve a certain level of team participation, you can
5 get up to fifteen out of a hundred points.
6 If you reach that level of, defined level of
7 participation for M/WBEs on that team. So that's how
8 we perceive it would operate. And it would be spelled
9 out clearly.

10 In addition, part of implementation phase of
11 whatever policy we develop here is to do outreach and
12 to do education of the community as to what each of
13 these tools means and how they operate. So that you
14 have to kind of roll these programs out and make sure
15 everybody understands what the rules are and how
16 things operate. That will also be done, obviously, at
17 pre-bid conferences, as well.

18 MR. JOHNSON: So that will be the end of the
19 construction policy option matrix. I feel like we
20 need a Gatorade bag for that. Because that's a major
21 accomplishment, two and half meetings on just
22 construction.

23 Again, just to repeat the rules of procedure
24 for today, we will go right into, now, professional
25 services for those members of the public who are here.

1 For those options, we are asking you, as a matter of
2 procedure, to allow Mr. Lee to go through each of the
3 options. By comparison, construction had
4 twenty-eight. We have only ten here in professional
5 services. After he's done. That will allow the
6 public to come up and provide whatever comments they
7 have on those last few construction and professional.

8 And then we, as a work group, deliberate, so
9 that we'll have the advantage of considering the
10 public comments in our deliberations. Any recommended
11 change to that process? Again, Mr. Lee goes through
12 the options, we have public comments, and then we
13 deliberate. All right. Mr. Lee.

14 MR. LEE: All right. We're now turning to
15 table 3/A, which is Race-and-Gender-Neutral
16 Professional Services Industry Policy Options for
17 SWA's Equal Business Opportunity program.

18 I think there's five race-and-gender-neutral options
19 we have here, and also five race-and-gender-conscious
20 ones. So I'm just going to go through these, and if
21 you have a question regarding clarification on
22 something, I will pause after each one and ask if
23 there's any questions, only as to clarification, to
24 understand what's being proposed. We will have the
25 substantive discussion after we go through the entire

1 list of all ten of these policy options.

2 The professional services, the first one is
3 R/N-19, Race Neutral-19, which is SBE Vendor Rotation.
4 There's two options as to how this could be done.
5 Option one is the selective use of a vendor rotation,
6 a pre-qualified panel of SBE professional services
7 firms for smaller Authority contracts that are valued
8 at less than fifty thousand dollars.

9 That would be, if it's below fifty thousand
10 dollars, those would be contracts that don't have to
11 be put out to formal bid to everyone. There's an
12 assignment of work task that's rotated among a
13 pre-qualified panel of small business enterprise
14 professional services firms.

15 So, for example, let's say you had an audit
16 function and you wanted to have particular issues
17 reviewed on an ad hoc basis by auditors, you could
18 pre-qualify a panel of small business enterprises that
19 were CPAs or auditing firms. And those assignment
20 work tasks would generally be fifty thousand dollars
21 or less in value. The assignment of the work task
22 would be rotated among that pre-qualified panel. And,
23 periodically, the SBE vendor rotation list would be
24 re-ordered from least dollars received, based on their
25 rotation, to the most dollars received, based upon the

1 cumulative dollars and work task each firm had
2 received in the past year. That's one way you can
3 keep spreading the work around and building your base
4 of firms that the Authority can draw upon in the
5 future for larger items.

6 The justification for this came from the
7 disparity study, pages 8-27 and 12-3 and 12-4, also
8 pages 9-6, 9-7 and 9-11. And the PUMS Regression
9 Analysis that reflected significant disparities
10 adversely affecting business ownership rates, firm
11 earnings, and loan access for M/WBE professional
12 services firms.

13 But there was significant underutilization,
14 with the exception of Native-American firms, in
15 professional services. So that would be option one
16 that we propose under professional services, SBE
17 Vendor Rotation. Are there any questions for
18 clarification on that?

19 MR. JOHNSON: We're going to hold off.

20 MR. LEE: Hold off? Okay. Option two: To
21 ensure that there's price competition for those
22 professional services contracts valued at fifty
23 thousand dollars or less, where a price may be a
24 factor in selection, price quotations that are taken
25 from the firms must be solicited from the next three

1 pre-qualified SBE vendors in rotation.

2 So what that means is, in those instances
3 where the Authority is required to get three quotes,
4 we could reserve those three quotes to come from the
5 SBE pre-qualified panel of firms. So the list would
6 rotate three at a time, and whichever one came up with
7 the lowest price, that's the one that would win the
8 work. So those are two options that we have available
9 under this SBE vendor rotation.

10 The next one, R/N-20 is Evaluation
11 Preferences for New SBE Prime Bidders. This is a
12 slight twist on the evaluation preferences that we've
13 discussed before under construction. Some of the
14 findings were that, from the study, were that the same
15 firms in certain areas were being used over and over
16 and over again. And that there may have been some
17 bias on the part, built-in bias through the process to
18 keep selecting the same firms, because the more work
19 they got, the higher they would score in terms of
20 experience requirements and being evaluated for those
21 services.

22 So this is a tool that could be used to make
23 sure we get some fresh blood into the system, some
24 fresh talent into the system, by giving extra points
25 in the evaluation process to firms that have never

1 done work with the Authority before.

2 The evaluation point preference would permit
3 that we could award up to fifteen percent of available
4 evaluation points to SBE firms bidding as first time
5 professional services prime consultants, once the SBE
6 professional service firm is awarded a contract on
7 that basis, they would no longer be eligible for such
8 evaluation preferences in the future.

9 So that's one version of the evaluation
10 preference for professional services. The next API is
11 professional services R/N-21 on page 6 of table 3.
12 And this is SBE Reserve for Contracts Up to Five
13 Thousand Dollars, and Require SBE Quotations or Formal
14 Solicitations Up to Fifty Thousand Dollars.

15 Under this policy element, we would reserve
16 some smaller professional services contracts, that are
17 valued at less than five thousand, for competition
18 among SBE professional services firms. That's the
19 easiest point of entry for firms that haven't done
20 work with the Authority before.

21 And so there's a lot of discretion that the
22 Authority has for contracts of that size, less than
23 five thousand dollars. And we're saying that "Let's
24 just make sure we give as much work to small
25 businesses as we can through those contracts."

1 For larger and formal professional services
2 contracts valued at up to fifty thousand dollars, we
3 would require quotations from at least two or perhaps
4 three of the professional services firms. You could
5 either decide to get the three quotations all from
6 small businesses, or two out of the three, and make
7 sure you have competition, perhaps, with some firms
8 that are a little more well established. Pretty much
9 the same factual justification from this study also
10 applies to this policy element.

11 And moving on to R/N-22, Professional
12 Services. This is an SBE Evaluation Preference for
13 Prime Bidders. The previous evaluation preference was
14 for new SBE firms. This one is unlimited in that
15 fashion, but it will provide for evaluation point
16 preferences and award up to fifteen percent of the
17 total available evaluation points to any SBE firms
18 bidding as professional services prime consultants on
19 contracts that are valued at less than five hundred
20 thousand dollars.

21 One variation on this theme or one
22 alternative would be to restrict this API to
23 professional services small business prime consultant
24 bidders that have not previously won a professional
25 services prime contract with the SWA. That's similar

1 to what we proposed a little earlier in R/N-20.

2 Then a second alternative might be to have a
3 sliding scale for award of up to fifteen SBE
4 evaluation preference points awarded based upon the
5 relative dollar value, from ten percent up to a
6 hundred percent of the bidder's team total SBE
7 participation. So what we're saying there is: You
8 evaluate each team that bids, professional services
9 firm that bids or submits a proposal, and rank them in
10 terms of their level of SBE participation. And the
11 one that has the highest level or gets up to a hundred
12 percent SBE participation, for example, then they
13 would be entitled to all fifteen of those points.
14 If you only had ten percent SBE participation, then
15 maybe you would only get one of those fifteen points,
16 something along those lines. But it would be a
17 gradient on which those evaluation preference points
18 would be awarded.

19 That brings us to the next professional
20 services affirmative procurement initiative, R/N-23,
21 which is SBE Subcontracting Goals for Professional
22 Services. This is very similar to the other
23 subcontracting goal tools that we talked about for
24 construction, race and gender neutral, race and gender
25 conscious. This is an SBE subcontracting goal. The

1 only difference is, based upon at least the Board's
2 approval yesterday, and it's subject to modification
3 in the new policy that we're developing, but what the
4 Board has agreed to yesterday is that we would
5 increase the current fifteen percent small business
6 goal up to twenty percent small business goal, with an
7 opportunity for good faith waivers or reductions on
8 that goal, based upon documentation of inadequate
9 availability of small business enterprise
10 subcontractors.

11 That twenty percent will be the default
12 subcontracting goal for all small business goals.
13 That's different from the M/WBE subcontracting goals,
14 which have to be weighted and set on a contract
15 specific basis. It may vary. Some may be higher and
16 some may be lower than your annual aspirational goal.
17 But with the subcontracting goals, to make the program
18 more easy to administer, and because there's no legal
19 requirement that the goals have to be as narrowly
20 tailored, because they're race and gender neutral,
21 we're starting out with a twenty percent goal and
22 working our way down from there if its warranted,
23 based upon lack of availability.

24 As with all of these subcontracting goals,
25 whether they're race and gender conscious or race and

1 gender neutral, you need to understand they're not
2 considered to be a ceiling on participation. It just
3 means that the primes have to reach that minimum in
4 order to be considered a qualified bidder. But if
5 there is more availability and more participation,
6 that's all to the good. And there is no barrier or no
7 prohibition against exceeding these subcontracting
8 goals.

9 As we discussed also, with the other
10 subcontracting goals, the document excessive prices or
11 poor performance by an SBE subcontractor would also be
12 recognized as a basis for disqualification from
13 bidding. And the EBO office should undertake analysis
14 to set subcontracting goals and granting waivers under
15 this provision when that happens.

16 Alternatively, one variation that we might
17 consider is to limit the availability of the policy
18 option to larger professional services contracts that
19 are greater than a hundred and seventy-five thousand
20 dollars in value. The rationale for that might be,
21 there may not be any commercially useful function
22 subcontract in smaller professional services firms,
23 particularly where there's just one task being
24 performed and it's not easily subdivided between
25 multiple firms. So that's something to take into

1 consideration, whether there's a need to have some
2 kind of a dollar threshold above which these
3 subcontracting goals would be applied. Or we could
4 just, the alternative is just say, "Well, we're going
5 to apply these goals to every contract. And if
6 there's nothing to subcontract, then we would expect
7 the primes to seek a waiver on that basis.

8 Okay. That takes us through all of the
9 race-neutral policy options for professional services.
10 Now I'm going to turn to table 3-B, which is
11 Race-and-Gender Conscious Professional Services
12 Industry Policy Options for SWA's Equal Business
13 Opportunity Program. This is on page ten of that
14 chart.

15 The first race-conscious policy option is
16 professional services, R/C-11. This is an Annual
17 Aspirational M/WBE Goal, but for professional
18 services. Same rational and same kind of a scenario
19 as we discussed with the construction industry.

20 We would establish the annual aspirational
21 goal for M/WBE participation and professional services
22 contracts starting, again, with the data that we have
23 in the disparity study, and then modifying that as we
24 get better data over time through the Centralized
25 Bidder Registration System. So we would start out,

1 based on the study data, at twenty-seven percent MBE
2 and nineteen percent WBE annual aspirational goals for
3 professional services prime contract dollars, and
4 twenty-six percent MBE and nineteen percent WBE annual
5 aspirational goals for subcontract dollars over the
6 course of a year. With some adjustment on an annual
7 basis as necessary as warranted based on the
8 centralized bidder registration data.

9 Again, it's just a flexible benchmark that
10 we use to evaluate the effectiveness of the program
11 over the course of a year and to make adjustments to
12 following years in terms of the mix form and
13 aggressiveness of the remedies that are being applied
14 to those contracts.

15 The next policy option would be professional
16 services R/C-12. Page 12. M/WBE Evaluation
17 Preferences for Professional Services. Once again, a
18 similar tool that we've discussed previously. As MTA
19 recommended, professional services contracts that are
20 best value contracts where selection is through an RFP
21 process instead of lowest responsible bidder, the
22 invitation to bid, it would include language in the
23 RFP to encourage M/WBE participation on a bidder's
24 team as one element in the selection criteria. That
25 option assigned evaluation point preferences of

1 awarding up to fifteen percent of the total available
2 evaluation points on a sliding scale basis, based upon
3 the level of M/WBE participation to any firms that are
4 bidding.

5 Currently, the SWA maximizes evaluation
6 preference points at ten percent. Under this proposed
7 policy option, you would increase that up to fifteen
8 percent for M/WBE firms. Evaluation preference points
9 would be assigned to the team based upon the
10 percentage dollar value of the contract, that's the
11 total contract value that would be performed by team
12 members that are M/WBE firms.

13 There is significant evidence in the
14 disparity study to justify this kind of a remedy. As
15 we discussed before under utilization data, with the
16 exception of Native-American firms and professional
17 services, prime contracts and subcontracts of various
18 sizes, the threshold analysis that was done shows the
19 capacity really isn't an explanation for the
20 disparities that were identified.

21 In the regression analysis that reflects in
22 the private sector and overall marketplace, you've got
23 significant disparities adversely affecting business
24 ownership rates, firm earnings and loan access for
25 M/WBE professional services firms.

1 Then that brings us up to professional
2 services R/C-13, which is an M/WBE Subcontracting Goal
3 for Professional Services. Again, as these
4 subcontracting goals operate, we would require prime
5 bidders to exercise good faith efforts to meet an
6 M/WBE subcontract participation goal, in this case,
7 professional service firms owned by African-Americans
8 and women. The subcontracting goals would also
9 contain waiver provisions for those instances where
10 sufficient ready, willing and able M/WBE
11 subcontractors are not available.

12 I also believe that there should be an
13 opportunity for good faith waivers or reductions in
14 subcontracting goals that are based upon documentation
15 of inadequate M/WBE availability. Contract specific
16 subcontracting goals, again, should be weighted to the
17 availability of M/WBE firms in those required
18 specialties for the professional services that are
19 being purchased.

20 That provision should be limited in this
21 application to M/WBE prime bidders which are
22 significantly underutilized by M/WBE prime firms
23 themselves. They should be permitted to self perform
24 such subcontracting goals based on disparity study
25 evidence that shows disparity at the prime contract

1 level for M/WBE professional services firms. And the
2 MTA study concluded there was significant disparity in
3 M/WBE prime contract participation and SWA
4 professional services contracts. You can find that
5 evidence summarized at page 12-4 of that study.
6 And there was also significant disparity in
7 subcontract utilization of M/WBE professional services
8 contracts for African-American women-owned
9 subcontractors. And that evidence is summarized at
10 page 12-6.

11 There was also evidence of good-old-boy
12 networks providing a built-in advantage for incumbent
13 firms in SWA contracts. And you can see some of the
14 anecdotal evidence that was cited there. I'll also
15 point out, on this M/WBE subcontracting goal for
16 professional services, it too would include the
17 provisions regarding removal of M/WBE firms that have
18 been documented to have poor performance or excessive
19 prices for disqualification from bids. And it would
20 also permit to have waivers of this particular tool or
21 waivers of the subcontracting goal when there's
22 nothing to subcontract. There's no commercially
23 useful function to subcontract.

24 The definition of commercially useful
25 function is very important to all of this policy. And

1 it will be spelled out in great detail in the policy
2 itself. But, basically, what it means is you don't
3 want firms to subcontract things that normally
4 wouldn't be subcontracted in the real world outside
5 the application of any program. We've seen instances
6 where people, in order to try to meet a goal, they
7 will start trying to get credit for toilet paper that
8 they bought, you know, copy paper from a minority
9 vendor or something, when they're engaged in a
10 construction project. And there's no scope in the
11 construction project for toilet paper or office
12 supplies. So that's what we mean by commercially
13 useful function. You set the parameters of what can
14 be subcontracted from the prime contract's scope, from
15 the specifications in the scope. And look at those
16 things that are typically subcontracted in the
17 industry. So you have to look at the industry norms
18 to try to determine what a commercially useful
19 function is.

20 Okay. Let's move on to the next one,
21 R/C-14, M/WBE Vendor Rotation. This is similar to the
22 SBE vendor rotation options that we discussed earlier.
23 Only it would apply to minority women business
24 enterprise vendors. We use the vendor rotation,
25 again, you get a pre-qualified panel of M/WBE

1 professional services firms for those small Authority
2 contracts that are valued at less than fifty thousand
3 dollars. There's an assignment of work task that's
4 rotated among the pre-qualified panel of M/WBE
5 professional services firms. And, periodically, that
6 rotation of firms gets readjusted, reordered from
7 least cumulative dollars received to most cumulative
8 dollars received by each firm, based upon the work
9 tasks that have been assigned within the past year.
10 That's a good way of trying to spread the work out as
11 much as possible among those pre-qualified firms.

12 Then the second option for that vendor
13 rotation would be, in instances where you must get at
14 least three quotes for informal contracts, that you
15 get at least two or maybe three of those quotes from
16 M/WBE firms, and you rotate that list by groups of
17 three for those M/WBE firms being solicited under that
18 rotation. And whichever firm, of course, would submit
19 the lowest quote, would be the one that ultimately
20 would win.

21 I'd just point out that under the
22 Competitive Consultant Negotiations Act in Florida,
23 certain type of professional services, there's
24 prohibition against selecting firms on the basis of
25 price. They're supposed to be selected on the basis

1 of qualifications, and then you negotiate the price
2 with them. But for other professional services, we
3 could certainly follow this approach.

4 That brings us to the next affirmative
5 procurement initiative. And I think it's the last
6 one. Wow, we're moving right along. Professional
7 Services R/C-15, which is, Required M/WBE Quotations
8 for Informal Solicitations Up to Fifty Thousand
9 Dollars. Under this policy option for larger,
10 informal professional services contracts valued at up
11 to fifty thousand dollars, we would require quotations
12 from at least two or three MBE professional services
13 firms.

14 Again, the study reflected significant
15 underutilization of M/WBE firms, with the exception of
16 Native Americans, in professional services prime
17 contracts of various sizes. They did the threshold
18 analysis, again, and found that even in the smaller
19 contracts, you were seeing significant disparities.
20 The PUMS regression analysis, again, reflected
21 significant disparities adversely affecting business
22 ownership rates, firm earnings and loan access for
23 M/WBE professional services firms.

24 The idea is that the automated Centralized
25 Bidder Registration System, combined with the

1 pre-qualification process, will enable rotation of
2 M/WBE firms to get a fair chance to improve
3 capabilities on smaller projects and overcome bias
4 against unknown firms. It would also facilitate
5 building a track record at SWA to overcome experience
6 barriers that typically you find in RFP, in the RFP
7 selection process.

8 So that pretty much covers all of the
9 professional services tools that we have on the table
10 here to discuss in some detail. And I'll turn it over
11 to the Chair to see what he wants to do at this point.

12 MR. JOHNSON: So as mentioned earlier, work
13 group members, please make sure you've jotted down the
14 items you want to go back to and have substantial
15 conversations or discussions. We will now call for
16 members of the public to provide any public comments.

17 If, for the work group members, you would
18 like to have Mr. Lee re-read an item since we went
19 right through them, and perhaps you may not have heard
20 something clearly, you can ask for that clarification
21 in your comments. But we will ask first, are there
22 any members of the public who want to come provide any
23 comment on the final few construction and professional
24 services? Please remember to state your name and the
25 firm that you're representing. Thank you.

1 MR. SCHAFFER: Bob Schaffer, Ranger
2 Construction. There were, during the construction
3 portion there were comments about benchmark goals.
4 And I'm talking about the annual aspirational goals
5 and the subcontracting goals. The benchmark goal is
6 tied to the central bidder registration. And we
7 discussed, I think, in the first meeting, that there
8 was no vetting of that registration. The central
9 bidder registration does not equate to a willingness
10 to participate. And my concern is there was a comment
11 that the prime should still do their
12 pre-qualification. Pre-qualification includes the
13 ability to do the work, willingness to sign a
14 subcontract, or ability to sign a subcontract, getting
15 insurance, bonding, whatever, bonding may or may not
16 be required, but whatever those items are for prime
17 contractor pre-qualification.

18 If the benchmarking calculation is based
19 purely on the central bidder registration and primes
20 are able to pre-qualify, there's a contradiction in
21 those two numbers and I wanted somebody to speak to
22 that.

23 MR. LEE: Well, I can tell you that each
24 contract is different. The annual aspirational goal
25 applies to the industry as a whole. On any individual

1 contract, you may have different requirements and
2 maybe different trades involved. Like you said, there
3 may be bonding required in some cases and not in
4 others. So it's impossible to set an annual goal
5 based upon individual contract requirements, that's
6 just impossible.

7 MR. SCHAFFER: You're not understanding my
8 question. So let me restate my question. The central
9 bidder registration is the pool of all contractors
10 that register to participate. And the benchmark goal
11 is set on the number of central bidder registrations.
12 Correct?

13 MR. LEE: Eventually, yes.

14 MR. SCHAFFER: Yes, okay. But that central
15 bidder registration does not take into account who is
16 able to pre-qualify. Is that correct?

17 MR. LEE: Again, that's a contract-specific
18 analysis.

19 MR. SCHAFFER: Correct. But your benchmark
20 goal is not contract specific.

21 MR. LEE: All you're expressing when you
22 register into the Centralized Bidder Registration
23 System is you're providing information to allow people
24 to determine what the firm is qualified to do and what
25 they're interested in doing. It does show that you're

1 interested in doing business with the government,
2 otherwise you wouldn't take time registering. The
3 assumption is that you're going to have firms tell you
4 what kind of goods and services they supply. They
5 create a profile of themselves. If they want to
6 include, you know, their license numbers, there will
7 be a place for them to do that. If they want to
8 include whether they're bonded or not, they can do
9 that. Each prime will, then, have to determine
10 whether or not that firm is in the pool that they want
11 to solicit to try to meet that goal. But, the goal,
12 again, is not a rigid numerical quota. And there are
13 provisions built into the policy for waivers in the
14 event that in a specific contract, there's just not
15 sufficient availability to meet the goal.

16 MR. SCHAFFER: And can that goal also be,
17 again, based on the central bidder registration, but
18 is there any consideration for, within that central
19 bidder registration, who is actively participating and
20 not just registered? By actively participating, I
21 mean sending out quotes, participating in bids. Is
22 that being considered in the benchmark goal?

23 MR. LEE: How would you go about determining
24 that? How would you go about determining that?

25 MR. SCHAFFER: Well, if prime contractors have

1 to turn in who is in the current SBE program, if the
2 prime contractors are having to turn in who is used
3 for their SBE subcontracting goal, then I would think
4 that information is readily available of who is
5 turning in bids and who is not, who is actively
6 participating.

7 MR. LEE: Well, that's who is getting
8 selected, that's not who is capable and qualified and
9 ready, willing and able to participate.

10 MR. SCHAFFER: No, good faith efforts include
11 all quotes that we receive.

12 MS. BOWEN: If I understand, you're asking
13 that they also track who participates in bidding
14 opportunities, who sends responses, whether or not
15 it's just one firm responding or if it's multiple?

16 MR. SCHAFFER: Or if the benchmark goal is not
17 just tied to who is registered, but who is actively
18 participating, willing to participate in the program.

19 MR. LEE: Well, Let me point this out. And I
20 may not have gone into this level of detail about what
21 we hope the bidder registration system's functionality
22 will enable you to do. But in the best case scenario,
23 it will create a transparent world where all primes
24 can find all subs and all subs can find all primes.
25 And if a sub wants to express an interest to bid with

1 a prime, they will be able to do so through the
2 system. And the Authority will be able to see that
3 communication. Similarly, in terms of good faith
4 efforts, ultimately what we would like to see happen
5 is the prime be able to post their solicitation of
6 subs on the website. And the website can generate
7 e-mail alerts to all the firms that are registered
8 that fit the profile for that particular trade or
9 whatever. And then you can do your vetting, you know,
10 based on responses. I don't know why that wouldn't be
11 considered good faith efforts.

12 MR. SCHAFFER: That's what the primes do now.
13 I just want to make sure that I'm clear that the
14 benchmark goal is not tied to the participation of
15 those folks in the central bidder registration. It is
16 purely the number --

17 MR. LEE: Are you telling me bidders are
18 sending out e-mail alerts to everybody -- nobody is
19 registered with the Authority yet.

20 MR. SCHAFFER: I'm talking about the current
21 SBE program. That's what primes do now. That's good
22 faith efforts.

23 MR. LEE: So do you send out e-mail alerts to
24 all the subcontractors?

25 MR. SCHAFFER: Absolutely.

1 MR. LEE: Okay. And how do you know what
2 those subcontractors are doing? Can you tell from --
3 what is it? A directory that's used of SBE firms?

4 MR. SCHAFFER: It's the Palm Beach County SBE
5 program.

6 MR. LEE: So you're saying that's not a good
7 basis for identifying who is out there?

8 MR. SCHAFFER: No, no, no, again, that wasn't
9 my original question. My original question is: The
10 benchmark goal should be tied to those that are
11 registered in the central bidder registration, but are
12 actively participating. If you're setting a goal
13 purely on the number of people that are in the
14 registration, that goal is not accurate.

15 MR. LEE: One other -- well, if they don't
16 respond, then you can get a waiver. If you find that
17 ninety percent of the people that are certified don't
18 ever respond, then you can get a waiver. Unless
19 they're responding to other primes. But let me just
20 say this: One of the problems that we have had
21 historically with static directories of certified
22 firms is that the minute they're printed or posted,
23 they're out of date. Firms are constantly coming and
24 going in and out of business. The advantage of having
25 a registration system is that you can require every

1 firm -- to remain in that system, they're going to
2 have to re-register or at least go online and check a
3 box to say "nothing has changed on my profile
4 previously". Otherwise, they will come off
5 automatically off of the bidder registration system.
6 So at least it's more timely and more adequately
7 reflects those firms who say they are ready, willing
8 and able to participate.

9 I'm not sure I understand what your concern
10 is. You seem to think there's a whole bunch of firms
11 that are just going to waste their time going to
12 register and the other half have no intent of bidding
13 on anything.

14 MR. SCHAFFER: I see that now as a prime
15 contractor. I do see that now.

16 MR. LEE: Why do you think they're doing that?

17 MR. SCHAFFER: That's a good question. That
18 would be something I would hope you can answer.

19 MR. LEE: I've never heard of that.

20 MR. SCHAFFER: We see it every day.

21 MR. JOHNSON: Let me state this, Ms. Gaines.
22 First of all, clarification. If the perception is
23 that the universe from which a prime can select a
24 capable and qualified sub is exclusively tied to the
25 number of subs registered at any given time, I think

1 that perception is flawed, because you can add more
2 capable and qualified firms to that CBR at any given
3 time, including some, as a prime, that you're used to
4 doing business with who may not have registered, you
5 can encourage them to register and then you can get
6 credit for working with them.

7 The second point is that the annual
8 aspirational goal is an aspirational goal. So we set
9 this as an aspiration, and then we all do our due
10 diligence on how to meet it. So that if we don't have
11 enough capable and ready firms registered, then we go
12 out and find more. If you don't have one that you see
13 there, then you do your due diligence to make sure
14 your team has one. And you go out and find more. So
15 this is not an exercise that eliminates any of us from
16 having to do the work to achieve that goal. Ms.
17 Gaines.

18 MS. GAINES: Yes, Chair, and going forward,
19 the good faith efforts of other contractors will
20 dispute or discount someone saying that there is no
21 available SBE, as well. So, you know, I appreciate
22 the question. But I know that we're going to get
23 bogged down. We can take his individual perspective
24 on his company. But I don't think we need to get into
25 the weeds as to why that's happening with his company,

1 and we just need to move forward.

2 MR. SCHAFFER: Okay. But last comment, you
3 said the aspirational goal is a goal that was set.
4 But that wasn't the comment that was made initially.
5 It was that the benchmark goal was tied to the central
6 bidder registration. And that's my concern. Is that
7 that goal is not just some goal that's set. It's set
8 to the number of folks that are registered whether or
9 not they're participating in the bidding process,
10 that's my concern.

11 MR. JOHNSON: And I would also add that, in
12 its best functionality, the CBR serves as a basis by
13 which firms who have bid and not won can be debriefed.
14 So we talked about debriefing earlier with
15 construction. So that if a firm has been bidding and
16 not winning, then that firm has a right to go back and
17 be debriefed. That firm's activate participation in
18 that bidding will show up in the CBR. You can also
19 reflect, ask staff for assistance in identifying some
20 additional primes to be considered that will be
21 qualified. Because they would know who also has been
22 bidding with other teams. So there are other ways in
23 which we can do our due diligence to find capable and
24 ready subs.

25 MR. SCHAFFER: That's all public information.

1 That's known by the contractor.

2 MR. JOHNSON: Okay. Were there any other
3 public comments? Any other public comments, please
4 come forward. And then we will go right into the
5 stakeholder work group and do deliberations on
6 professional services options.

7 MS. SPOONER: Good morning, Miles Spooner from
8 SCS Engineers. SCS Engineers, we're very honored to
9 have several contracts with the Authority, including a
10 land-fill engineering contract. Our existing
11 contracts have existing SBE goals. And we're working
12 towards those, and fully intend to meet those
13 objectives. In addition, I certainly understand the
14 importance of everything that we're discussing today.

15 However, there are, I do have concerns over
16 some of the impacts of the proposed changes.
17 Basically, you know, adding elements in our increasing
18 goals can certainly create some interesting
19 challenges. Some of the services that are included in
20 what we provide to the Authority might be a little
21 easier to accommodate, such as surveying perhaps,
22 through technical firms and others. But others are
23 certainly much more difficult. We offer some
24 specialty engineering services that are not easy or
25 likely even possible to meet some of these to find

1 firms that are meeting the local M/WBE
2 classifications, specifically, licensed qualified
3 solid waste engineers. So meeting these goals could
4 be quite difficult.

5 The quality of the engineering services that
6 we provide to the county is of paramount concern. We
7 are dealing with public health and safety
8 environmental risks, and certainly ensuring that the
9 work is done by qualified firms and individuals is of
10 critical importance.

11 Therefore, you know, certainly it's
12 understood that concerns with additional restrictions
13 certainly can impact the quality of service to the
14 Authority. I understand that there are waivers,
15 certainly want to hear more about that. I'm curious
16 and hope that it's adequate to address a situation
17 such as this. And also concerned about or interested
18 to hear about how these changes go into effect for
19 existing contracts. Thank you.

20 MR. JOHNSON: Thank you, sir. Let me go back.
21 Mr. Schaffer, thank you for your comment. And thank
22 you, Mr. Miles for your comment. All right. Any
23 other public comments?

24 All right. Work group, if you can go back
25 to the beginning of table 3A, starting with the

1 race-neutral professional services options. Any of
2 those identified that you would like to have more
3 substantive discussion on? Anyone identify any of
4 those?

5 MS. BOWEN: Clarification, you just want us to
6 do like we did last time, and give you the numbers?

7 MR. JOHNSON: Yes, we will identify which ones
8 you have and then we will come back and address each
9 one. Thank you for the clarification. Ms. Sanches.

10 MS. SANCHES: Mr. Chairman, I believe it's
11 break time, as per our agenda.

12 MR. JOHNSON: Two minutes. So maybe if we
13 real quickly identify them, then after the break we
14 will get right to them.

15 MR. ALLADY: I would like to have R/N-19 and
16 R/C-15.

17 MR. JOHNSON: Okay. Any others?

18 MS. BOWEN: R/N-20.

19 MS. GAINES: R/C-14.

20 MR. JOHNSON: Okay. Any others? Going once.

21 MS. BOWEN: Hold on. R/C-12, R/C-13.

22 MR. JOHNSON: Okay. We can go through all of
23 them.

24 MS. BOWEN: Not necessarily opposed, just
25 asking questions.

1 MR. JOHNSON: Okay.

2 MS. GAINES: Did someone mention R/N-19?

3 MR. JOHNSON: Yes, it's there. By my count I
4 have R/C-13, R/C-12, R/C-14, R/N-19, R/C-15 and
5 R/N-20. Did we omit any for substantial discussion
6 after the break? All right. Hearing none? We will
7 take a break now for fifteen minutes and we will be
8 back at 10:45. Thank you.

9 (Brief recess.)

10 MR. JOHNSON: So we're ready to call our
11 meeting back to order for our final hour and a half.
12 And we'll resume with Mr. Lee addressing the items
13 that were pulled for substantive deliberation by the
14 work group, starting with R/N-19.

15 MR. LEE: All right. Welcome back. Once
16 again, R/N-19 for professional services is the SBE
17 Vendor Rotation. We're discussing two different
18 options for that. The first is selective use of
19 vendor rotation from a pre-qualified panel of SBE
20 professional services firms for small Authority
21 contracts valued at fifty thousand dollars or less.
22 And the assignments of work tasks on that SBE vendor
23 rotation, it would rotate among that panel of firms.
24 Periodically, the order of the firms in that rotation
25 would get readjusted or reordered, so that the firms

1 having received the least amount, in terms of dollar
2 value and work, are put at the top of the list. And
3 those having received the most, are put at the bottom
4 of the list.

5 Option two is situations where you've got
6 informal contracts where you've got to get at least
7 three quotes. This policy option number two, under
8 the SBE vendor rotation, would allow the Authority to
9 require that those three firms from which a price
10 quote is received are rotated in multiples of three
11 each time there's another contract or task order to be
12 awarded. So, do we have any substantive discussion
13 from stakeholders on this policy option?

14 MR. JOHNSON: Mr. Allady.

15 MR. ALLADY: Yeah, my specific question ties
16 both to R/N-19 and R/C-15, which is primarily with
17 respect to CCNA. I think, recognizing that this is
18 for professional services, but the general comment is,
19 I think, all of these things are a lot of tools in the
20 tool box, but I think it will be additional burden on
21 the staff in terms of planning. And I would like to
22 hear from the staff in terms of how these tools will
23 be used more, primarily with respect to mentor-protege
24 or joint ventures in terms of planning wise and how
25 the projects are allocated in terms of, just

1 wondering, because it's a lot of burden, it's a lot of
2 tools, but it's going to be a burden on the staff, I
3 feel, in terms of planning efforts, utilizing these
4 tools to meet the CCNA.

5 MR. PELLOWITZ: Ramana, can you address the
6 engineering issues?

7 MR. KARI: Thank you, I'm not clear on what
8 exactly you were asking. Is it like, you know, I
9 mean, during the implementation phase, looking at
10 tracking mechanisms, or what exactly are you concerned
11 about? We're going to expand this program through the
12 EBO office on how this program is going to work. And
13 I just want some clarification before I respond.

14 MR. ALLADY: I'm trying to say it's additional
15 burden on the staff with respect to a lot of these
16 tools on the tool box. So what kind of planning and
17 what kind of tools will the staff require to implement
18 this? Because you have joint ventures,
19 mentor-protege, with respect to the hands tied to the
20 staff, CCNA. So what would the staff require for
21 implementation of this? Like one of the public
22 comments, as mentioned, there are really specific
23 engineering services which are required. So I see
24 that it would be a burden on the staff in terms of
25 planning and requirements, so...

1 MR. KARI: Depends on the details. I mean,
2 right, R/N-19 looks at fifty thousand dollars and
3 less. Right, so, you know, we are planning to have,
4 one of the remedies is on a rotation basis, select
5 three firms and then see, you know, who gets it.
6 Obviously, there's a minimum threshold. CCNA requires
7 all the firms to be pre-qualified. And that's the
8 threshold they have to meet. And then, like I
9 mentioned, pricing is, you know, we don't compete on
10 price on CCNA, but you know, we can always have a pool
11 of consultants, pre-qualified, and select them.

12 MR. PELLOWITZ: Let me add, as well, I think,
13 that's a good distinction to make. On the smaller
14 ones, it would be our intent, you know, based on
15 stakeholder input, to establish, to do an RFQ, for
16 example, in the various engineering disciplines, and
17 to establish a rotation of firms within each
18 discipline that we could go to on those smaller, less
19 than fifty thousand dollar projects.

20 I think what you are going toward more is
21 team participation when you're doing larger projects.
22 We do that now with the SBE program we have. I think
23 the challenge has been to ensure that the firms, the
24 prime engineering firms are using the team members as
25 they indicated they would in their proposals. That's

1 one of the challenges. So I think from the staff
2 perspective, just keeping up with -- and that would be
3 engineering's responsibility -- keeping up with
4 reviewing the utilization of those partners of those
5 firms that are on the team to ensure that the prime
6 is, indeed, making use of those M/WBE and SBE subs.
7 So I think that's the challenge. But, otherwise, I
8 don't see too much of a staff burden with this. I
9 think it's more of a compliance issue than anything
10 else. I think the rotation is fairly easy to
11 administer. That shouldn't really be too much of an
12 issue for us. It's just the initial burden of putting
13 the RFQ out and getting all of those reviewed and then
14 getting them properly pre-qualified and into the list.

15 MR. LEE: I will also add that part of the
16 function of the Centralized Bidder Registration System
17 will be to track the utilization dollar for each firm.
18 So on a fiscal year basis, you would be able to
19 reorder that list of pre-qualified engineering firms,
20 for example. Based on who received the most amount of
21 money, they would go towards the bottom of the list
22 for the next year. And whoever received the least
23 amount of money would be at the top of the list for
24 the next year and ranked according to utilization
25 dollars.

1 MR. JOHNSON: Can I also add to that, just as
2 an overarching theme, right, so, one of the reasons we
3 celebrate the Authority for having the disparity study
4 and having this particular process is that they are
5 making a firm commitment to doing the same thing
6 they've always been doing, which is procurement of
7 public goods and services, but in a different way,
8 i.e., in a way that does not, intentionally or
9 unintentionally lead to passive or active
10 discrimination. And one of the ways in which we're
11 asking to do that is by adopting some of these
12 national-based practices, which is going to add some
13 additional effort by staff, which that's one of the
14 reasons they're here, right, so they can guide us to
15 what is doable and what is not. But in other cases
16 it's going to provide some built-in efficiencies
17 that's going to allow them to do their job quicker and
18 more accurately. So that will always be a balancing
19 act as we go along.

20 Again, as Mr. Pellowitz said, in many of
21 these cases, they're able to do these things without
22 additional burden. But certainly when we get to the
23 ranking and we talk about which one is our highest,
24 which one is our second, which ones is our third, the
25 only reason we do that is because we want to give

1 consideration to the fact that if staff, for whatever
2 legitimate reason feels like certain things may take a
3 little bit longer to do, we are identifying for them
4 in advance what we think are the most important things
5 that we want to get to now. So this process has that
6 consideration built in. Thank you, sir. Ms. Bowen.

7 MS. BOWEN: Thank you. So for the qualms on
8 this one, the main qualm is that it could increase
9 cost overall. And I think that bears on some of the
10 recommendations throughout here. Are we contemplating
11 building in a periodic analysis that the Board would
12 receive or the Board would give on where and how costs
13 may increase just as we go through this process?
14 Because I would hate to see us wait for the annual or
15 five-year and then look back and see what it did or
16 didn't do and the cost to public works.

17 MR. LEE: That's something that I think would
18 be very interesting to see. And we could probably
19 fold that element in the reporting requirements for
20 the EBO office to kind of track, to the extent that
21 you can. Sometimes you can't tell what cost you would
22 have gotten if you had done things differently. But
23 to try to see, if over time, it appears that costs are
24 coming down. If things are working properly and we're
25 actually expanding the supplier base, the supplier

1 chain that the Authority relies upon, you should have
2 more competition. You should get better quality. You
3 should get better prices. And we've seen that and
4 it's been documented in some of these M/WBE programs
5 along those lines.

6 It's possible to measure the average price
7 of a bid for a certain type of contract over time. So
8 from year to year, you may want to keep track of that.
9 And I think that could well be one of the elements we
10 build into the reporting requirements, to try to look
11 at data for similar types of contracts from year to
12 year and see what the cost is, once we've had this
13 program up and running for a while.

14 MR. JOHNSON: Mr. Lee, may I add to that,
15 though, that similarly to the, I guess, some people
16 might criticize the whole disparity study process.
17 Right? We're spending money on a process, on a study.
18 We're spending money, more money on certain staff,
19 increasing staff. And we're spending money and
20 resources to implement a program. So that cost itself
21 should not be looked at in isolation, it should be
22 looked at in a cost-benefit perspective. Because the
23 flip side of that is that we're spending that money to
24 receive a certain benefit where we should also look to
25 count that as well. So I would say, yes, we count

1 costs. We're not just looking at them in isolation,
2 but there are also some tangible benefits related to
3 them that we factor in.

4 MR. LEE: Yes, in fact, cost benefit analysis
5 will be built into the reporting requirements, as
6 well. The best practice for these studies is you look
7 at how many jobs are being created as a result of the
8 program, what are the tax revenues that result from
9 that. Those are factors you take into account, as
10 well. You also want to look at evaluating, you
11 actually monitor bidding activity too, over time, and
12 see if you're getting more bidders on contracts we
13 used to get.

14 I remember Mr. Pellowitz had commented at
15 one of the Board meetings, I think it was late
16 November early December last year, that certain
17 contracts, you know, they're not getting nearly as
18 many bids as they thought they should be getting. And
19 there was a question as to why that was. I can tell
20 you from experience with clients that I've had in
21 other jurisdictions that if there is a perception out
22 here in the marketplace that the same firms are just
23 automatically going to win, eventually people stop
24 bidding. And I guarantee you, when that happens, the
25 cost of goods and services goes up for the government.

1 I had a client that was trying to break into
2 the light bulb industry, just selling light bulbs to
3 the City of Baltimore. The same firm had held the
4 contract for the last twenty years. There was
5 specifications in the contract that required you to be
6 an authorized dealer of a manufacturer in order to
7 sell light bulbs or even bid the contract. And my
8 client had to get that waived in order to be able to
9 bid. And then he had to go all the way to New York to
10 find an authorized dealer that would share their price
11 book with them so they could bid it. They came back
12 and bid the contract, and they under bid the incumbent
13 firm by twenty percent on the light bulbs.

14 That's what happens when you restrict
15 competition, or you don't do all that you can to
16 enhance competition by making the marketplace as open
17 and vibrant as possible. So you definitely need to
18 take a look at the full range of costs and benefits
19 for these programs and these various policy options
20 and see what, so that everybody knows what the value
21 is. And I think the more buy-in you get, the more
22 successful the program will be for all concerned.

23 MR. JOHNSON: Yes, Ms. Bowen.

24 MS. BOWEN: Thank you. And I think that was
25 my point, whenever you're going to institute any form

1 of policy change, you can't be picking and choosing
2 which data we then choose to analyze later on. So I
3 don't disagree that cost only. I don't think anyone
4 in this is, are we saying that's a factor. But at the
5 end of the day, it's a piece of data that, as a public
6 entity, you know, being considerate of taxpayer
7 dollars, we need to look at. And if this works and
8 opens competition, fantastic, the price will reflect
9 it. If it doesn't and cost goes up, we need to
10 consider that moving forward. At the end of the day
11 it simply may not be reflective of the current market.
12 And so moving forward, my only request is we consider
13 all data as we look back and analyze it and see where
14 this does and doesn't work. Thank you.

15 MR. JOHNSON: Let me also ask, before we move
16 on to R/N-19, which will be similar to R/C-14, which
17 is the exact same process but different groups, there
18 are two options presented. An option number one and
19 an option number two. Is there any preference amongst
20 the work group of which option we would prefer? They
21 seem to be exactly the same options for different
22 groups. Have we had any consideration as to which of
23 those options we may choose over the other? Ms.
24 Gaines.

25 MR. GAINES: Mr. Chair, before we get to that,

1 I guess I have a question that I need some help with
2 understanding how it's going to work. I know we spoke
3 previously about, we need to take into account the
4 industry norms. And so when we set these values at
5 fifty thousand, for example, for the M/WBE, I'm just
6 thinking about the financial services sector. How
7 does this work with that? When you're talking about
8 financial advisors, brokers, insurance, valuers,
9 investment bankers, how are we going to be integrating
10 an MBE? An MBE rotational policy has been used at the
11 county in the past in those types of areas, so I was
12 wondering, would we be looking at something like that
13 here?

14 MR. LEE: Can you share more with me about
15 that? 'Cause I'm not aware of how that's working at
16 the county.

17 MS. GAINES: Yes, issuing bonds, financial
18 advisory services that the Authority may procure. And
19 in the issuance of going out to the market, for
20 example, there are opportunities for investment
21 bankers to bring in co-managers, co-seniors and, I
22 guess you would consider them subconsultants. So we
23 would not be looking at price in selection of those
24 types of professionals, but that's been a sector that
25 has historically excluded minorities and women

1 business enterprises.

2 MR. LEE: And there may be other tools other
3 than rotation. The reason these particular dollar
4 thresholds were selected was because of state law
5 primarily and/or the Authority's threshold for
6 informal bids. Most jurisdictions, they will have
7 some dollar threshold above which you will have to put
8 out a formal bid solicitation and allow anybody in the
9 public to come bid. These particular policy options
10 were designed for the more informal contracts where
11 the Authority has more discretion in awarding the
12 contract awards without open competition. The idea is
13 you're trying to build new capacity in the
14 marketplace. And you're going to your small business
15 community for that purpose, or enhancing opportunities
16 for your small business community for that purpose.

17 In terms of financial service remedies, what
18 I've seen done in other jurisdictions is evaluation
19 preferences. They will give more points to
20 minority-owned financial services firms or management
21 firms, investment management firms. I've seen that
22 with pension and fund managers, as well.

23 The State of Maryland had looked at trying
24 to develop a rubik by which we could select financial
25 institutions for state services, by that depository

1 service, by linking their performance with minority
2 business lending, for example, access to capital. One
3 of the ways we were trying to enhance access to
4 capital is to rate the banks on their performance in
5 terms of that part of commercial lending. And they
6 would get extra points if they did well in that arena,
7 trying to incentivize the market to be more open and
8 supportive of small and minority businesses. Those
9 are a few ideas that come to mind. But anything else
10 that you might suggest we certainly --

11 MS. GAINES: I think we need to look at
12 segmenting out maybe a policy for just that
13 specialization of professional services, because it's
14 always overlooked. And that's where the big bucks
15 are. And so I'd like for us to try to capture that as
16 well as looking -- my next question would be on the
17 M/WBE size standards, that would apply or would not
18 apply in those categories? I guess that's my
19 question. Because it's such a specialty niche that
20 size standards are not applicable.

21 MR. LEE: It's interesting, your Chair and I
22 were just having a conversation over the break about
23 the complexities of trying to come up with a
24 size-standard approach that works for every industry
25 segment. And we may have a hodgepodge of different

1 size standards, because the industry is so different
2 and every local market place is different, as well.

3 MS. GAINES: And maybe even not have a size
4 standard in that particular category.

5 MR. LEE: Yes. One of the things we propose
6 as administrative reform, we put that into the
7 purchasing manual already, the Board has approved to
8 create some work groups to focus on those specific
9 arenas. Access to capital and bonding are two of the
10 areas where we want to see what's feasible here at the
11 Authority to try to make a difference. Again, in my
12 home state of Maryland, we had a commission that the
13 government appointed to look at link deposits, various
14 variations of link deposit policy programs around the
15 country, where the government would tie its deposits,
16 CDs for tax revenues or whatever, to financial
17 institutions, on the condition that they would make
18 loans available under certain conditions for small and
19 minority businesses.

20 Charlotte, North Carolina, created a pool of
21 ten million dollars for revolving working capital fund
22 for its small and minority contractors, so that they
23 would have mobilization money, basically, when they
24 would start the contracts. And those financial
25 institutions would get CRA credit or other benefits

1 from participating in that pool.

2 But, yeah, that is an area that is, one of
3 the last frontiers, I guess, in terms of these
4 programs. And so I would love to see the Authority be
5 able to take some kind of steps in that direction.
6 Would you have any ideas, other than establishing a
7 work group, to focus on that? Or if you did form a
8 work group, what specific types of issues you would
9 like for that work group to look into and investigate?

10 MS. GAINES: There are other issues in terms
11 of barriers. Sometimes they are just artificial
12 qualifications for someone to enter a new market and
13 go into a new state, for example. This is a big,
14 they're pretty similar to the other barriers, but,
15 yes, I think a work group would be helpful if we could
16 take a look at and research what's being done other
17 places and make some recommendations to bring them
18 back here.

19 MR. LEE: Yes, we may end up deciding to do a
20 separate work group, or we may do it through the small
21 business advisory committee. Basically, a
22 subcommittee of the small business advisory committee
23 to work on that. Give them a six-month charge to go
24 out and find best practices, research best practices
25 around the country, and then report back with a

1 recommendation that can then go up through staff and
2 then to the Board. That's who we perceive --

3 MS. GAINES: And on the link deposit and
4 access to capital issues, that's definitely another
5 category that another work group can be looking at.

6 MR. LEE: Very good suggestion.

7 MR. JOHNSON: So, to Mr. Lee's point, our
8 discussion regarding the complexities of a size
9 standard is that since there are so many different
10 types of industries included under the professional
11 services, it gets very, very complicated when you're
12 trying to do a one-size-fits-all kind of approach.

13 For example, there are two different schools of
14 thought, at least the most predominant two different
15 schools of thought, either you count number of
16 employees or you do solid gross revenues. And when
17 you're doing gross revenues, typically there's a
18 tendency to take some proportion of the SBA standard,
19 and typically it's 25 percent of the SBA standard. So
20 if the SBA says, for example, for financial services
21 small business is considered 38.5 million dollars a
22 year for average gross revenue over three years. And
23 then that's like 9.625 percent of 25 percent, and we
24 may say "Okay, that's good." Engineering services is
25 15 million, 25 percent of that is 3.75. We may say

1 that's good. But architects is 7.5 million. 25
2 percent of that is like two. And we may say that's
3 not good. So it requires us to be really, really
4 sensitive to how we apply these standards to the
5 various industries. And then, to his point, it's
6 going to require extra work to make sure we don't
7 inadvertently restrict the capacity of certain members
8 of those groups.

9 MR. LEE: Yes, the great challenge with small
10 business programs is right sizing what is small by
11 industry segment. And there's usually not a whole lot
12 of data out there, but there's a general sense through
13 meetings like this and as we talk to competitors out
14 here: Who are they competing with? How big are they?
15 How many employees do they typically have? Who is
16 getting most of the work? How big are they? What are
17 their gross revenues? How many gross revenues per
18 employee would you expect in a particular industry
19 segment? It varies widely depending upon what kind of
20 business you're in. But the general idea is you want
21 to try to set your threshold for size so that the
22 small businesses, how you define small, is going to
23 include most of your minority women-owned business
24 with a few exceptions. But it's not going to be so
25 high that the firms that are already getting most of

1 the work are also benefitting from that small business
2 designation. And it's a fine line to, you know, to
3 draw those limits. So we're going to have to spend a
4 bit of time, I think, delving into that and coming up
5 with an approach.

6 It may be we have to do a combination. Part
7 of the size standard for small could be based on SBA
8 size standard. In others, we may have to come up with
9 our own unique size standard that nobody else has but
10 is right for this community, given the profile of the
11 size of the firms that you have here.

12 MR. JOHNSON: Yes, sir.

13 MR. ALLADY: What I would like to add as a
14 point is some of these problems have been already kind
15 of addressed. Like if you take the Federal ATA
16 Program, there's a sunset limit for eight years. And
17 in additional size standards, what is the intent? Are
18 we preventing the same firms getting the work over and
19 over again, or are we trying to create an environment
20 of competition within the small businesses. So that's
21 the intent that we have to recognize. So along with
22 the size standards, that's probably one of the things
23 that we maybe can look at in terms of this
24 certification period.

25 MR. LEE: Yes, we would refer to that as

1 graduation in the program. And that is typically an
2 element in these programs as well, for best practices.
3 Actually and SBE and an M/WBE provision.

4 We came up with an interesting approach in
5 Broward County Public Schools where we allowed some
6 flexibility in the graduation period for M/WBEs. The
7 history has shown, there was a US Senate committee
8 report on the 8A program, before it was reformed, this
9 was many years ago, I think back in the '80s. The 8A
10 program, for those who don't know, is a program where
11 federal agencies can actually, it used to be sole
12 source and purchase contracts directly from 8A firms,
13 negotiate contracts directly with 8A firms that were
14 certified as being economically and socially
15 disadvantaged.

16 And that program had a finite period in
17 which you could be in the program, like seven years.
18 And after that you had to graduate out. There was a
19 problem with certain firms, having been politically
20 well connected, just cleaning up, making ten, twenty
21 thirty, a hundred million dollars out of the program.
22 And a lot of other 8A firms were in the program for
23 seven years and never got a cent from a federal
24 agency. So that's when size standards began to be
25 introduced, and graduation provisions based on size,

1 where they had to wean themselves off of the 8A
2 program and compete for a certain amount of their
3 dollars under the 8A program once they reached a
4 certain size in terms of revenue.

5 So there are competing interests. On the
6 one hand you want your program to help firms to go
7 from being tiny and small to being competitively
8 viable where they don't need to participate in the
9 program anymore. And you don't want a firm just being
10 a hog sitting in the program forever getting fat and
11 happy while everybody else is starving.

12 So you have to kind of balance those
13 interests. And what we came up with in Broward County
14 Public Schools was -- oh, I lost my train of thought.
15 The US Senate did a study of 8A firms and found that
16 when they graduated from the program, within five
17 years, they couldn't find like 80 percent of them.
18 Like they just fell off the cliff and disappeared.
19 And they didn't want that to happen. The idea was to
20 get them to the point where they could be
21 competitively viable and then they wouldn't need the
22 program anymore.

23 And in Broward County what we came up with
24 was a basic, a claw back provision where the M/WBE
25 could graduate, and if within a two-year period their

1 revenues dropped a certain amount of level, they could
2 reapply to get back into the program.

3 Again, these are supposed to be remedial
4 programs to address the effects of marketplace
5 discrimination. And sometimes, if you wean people off
6 of the medicine too soon, they could become quite ill
7 and even die. And that's not what we're trying to
8 achieve here. By the same token, we have to make sure
9 that the same firms just don't sit and get all the
10 work forever and ever, that there is constantly new
11 blood coming into the program, and we're helping small
12 firms grow and become viable.

13 On the SBE side in Broward County Public
14 Schools, I think we came up with a threshold to allow
15 the firm to get certified at one dollar threshold, and
16 then when they grew to a certain level beyond that,
17 they would graduate out. And that's the same thing we
18 want to do with the M/WBE portion of the program in
19 terms of certification. The certification threshold
20 may be lower than the graduation threshold. But the
21 idea is: Where is that competitively viable point?
22 At what point is a firm too big to really need the
23 remedial assistance at that point?

24 MR. JOHNSON: I have a question. Any other
25 comments before I state mine?

1 So regarding vendor rotation, again, just
2 trying to consider the pros and cons of the two
3 options presented, let me first ask the Authority:
4 What frequency of contracts, just generally, are we
5 looking at at fifty thousand or less, are we talking
6 about a whole lot? And remember we're talking about
7 legal, accounting, consulting.

8 MR. PELLOWITZ: I'd have to look it up to give
9 you a real good answer. But, just in general, most of
10 our, the significant majority of our spending in
11 professional services is CCNA. CCNA, you have a lot
12 of smaller projects, smaller scopes. But when we do a
13 big one, its big. A land fill construction design,
14 designing for a land fill construction job could be in
15 the millions. But, you know, also within, you know,
16 there are smaller scopes that we do for general,
17 mostly we do a lot of underground utility-type work.
18 Not a lot of vertical construction, unless we build a
19 waste energy plant. We can come back to you with some
20 data on the fifty thousand and under. I think there
21 is some information in the disparity study on that in
22 terms of the number of contracts and the dollar
23 values. I'll put that in a list to bring back to you.

24 MR. JOHNSON: If you can also include what
25 percentage of those are multi-year contracts. Because

1 one of the concerns I would have with vendor rotation
2 is if it's not my turn yet, and my turn requires me to
3 wait until the person before me has a three or five
4 year contract before my time comes, then I may be less
5 enthusiastic about the prospect of receiving a
6 contract in this process. So I would want us to, at
7 least, consider the pros and cons of vendor rotation
8 over using multi-year contracts in these professional
9 services. Any other comments?

10 MR. LEWIS: Along with that request, I think
11 we anticipate some other professional service
12 opportunities in the way of IT software anticipated
13 for the central registration data base formation. And
14 so maybe we could add what anticipated contractual
15 arrangements we can see in the foreseeable future with
16 regards to the result of formulating this particular
17 program, as well.

18 MR. JOHNSON: Okay. Ms. Gaines.

19 MS. GAINES: I guess I would like to see some
20 evaluation and review of multi-year contracts versus
21 annual contracts to see really if they're necessary or
22 not. And if they're not, then just stop that practice
23 of multi-year contracts for some areas of professional
24 services. There may be some areas where you may need
25 some continuity from year to year for two or three

1 years, but I think we need to, at least, encourage
2 that kind of recommendation overall. Similar to what
3 we're doing in terms of looking at debundling of
4 contracts.

5 MR. JOHNSON: Ms. Bowen.

6 MS. BOWEN: Thank you. If what Mr. Pellowitz
7 said is that the majority of the professional
8 contracts require CCNA, to your question about whether
9 we have a preference, we may need to keep both options
10 open, because CCNA won't allow for the second option,
11 which is my preference, which is allow three to
12 compete and see who is best. So it may be that we
13 just have to accept that where CCNA is in place,
14 vendor rotation is required. And where it's not, then
15 we could allow for the competitive. But keep both
16 options there, because I don't think we can't.

17 MR. JOHNSON: And someone correct me if I'm
18 wrong, because that's one of my considerations too.
19 But I think there's a provision in CCNA where if the
20 construction value is three hundred thousand or less,
21 you can do option number two in design. It's based
22 upon the construction value. So you can actually
23 provide best value options like an option number two
24 under CCNA if the value of construction doesn't exceed
25 a certain threshold, and I believe that threshold is

1 three hundred thousand.

2 MS. BOWEN: I'm happy to double check, but if
3 we're discussing professional services, then I'm not
4 sure. I mean, we're talking about accounting and a
5 variety of other firms, and engineering, and so I
6 don't know.

7 MR. JOHNSON: I was thinking more design.

8 MS. BOWEN: So maybe we need to confirm that
9 for the next one.

10 MR. JOHNSON: Okay. Thank you. Any other
11 questions on R/N-19 before we move on? Okay. R/N-20.

12 MR. LEE: Okay. R/N-20, Professional Services
13 Evaluation Preferences for New SBE Prime Bidders.
14 This is the fifteen percent points, points being,
15 fifteen percent of evaluation points being available
16 for SBE prime bidders provided they are new, that
17 means they have not received a contract from the
18 Authority before. The rationale is that a number of
19 firms, during the disparity study, had complained that
20 they couldn't break in. That it seemed the same firms
21 were getting selected over and over again. And there
22 may be a natural bias for folks to select the firms
23 that they've been happy with for many years and have
24 done good work for them, and not consider or even rank
25 other firms fairly, based on their qualifications and

1 work they've performed elsewhere.

2 So this would give, again, an evaluation
3 preference of up to fifteen points out of a hundred to
4 SBE firms that are new to the Authority, that have not
5 received work previously. Once they receive work,
6 they would no longer be eligible for those kinds of
7 points. Do we have any discussion on this policy
8 option?

9 MS. SMITH: It's not so much a question, but
10 more of the fact that we talked about the mentoring
11 program with it. Is this the opportunity, then when
12 they would have that so that they can move out into
13 that and become more established?

14 MR. LEE: That's one way to look at it. There
15 are other types of valuation preferences. I think
16 it's R/N-22, is it, that aren't based on being a
17 nonincumbent firm, but just the status of whether
18 you're an SBE or in the race-conscious realm, an M/WBE
19 firm, based on the level of participation that you
20 have. But the key is, I think, is to try to get an
21 avenue, an opportunity for firms to get a track
22 record, develop a track record that's hopefully
23 positive with SWA and then we're expanding the pool of
24 talent upon which the Authority can select firms.

25 That would be, I guess, the goal. These two

1 things can exist simultaneously so that the Authority,
2 it's not an either/or thing. Either the Authority is
3 favoring SBE firms and ranking them, that haven't done
4 work with the Authority before, and/or they are also
5 enhancing opportunities for small businesses and
6 M/WBEs that have done work, but those categories are
7 being significantly underutilized.

8 One of the criteria that we use in any
9 race-and-gender-conscious element that's applied in
10 this program, such as the number of criteria that have
11 to be looked at to see whether it's appropriate to
12 consider the application of that race-conscious
13 remedy. And one of those things is whether there is
14 significant disparity in the utilization of M/WBE
15 firms. You can also do the same thing with SBEs. If
16 it's an area where you're getting plenty of SBE
17 participation, absent the evaluation preference, then
18 maybe you don't need to apply it in that instance.

19 MR. JOHNSON: Mr. Allady.

20 MR. ALLADY: Yes, what I would like to suggest
21 is if the intent is to break the barrier of entry then
22 this should have some kind of time limit. Because
23 then, so that the, already the RFQs already are
24 retaining some sort of qualification basis. So a
25 small business who has been in existence for the past

1 couple of years, they are already invested and it's
2 unfair to them. So if the intent is to break the
3 barrier of entry, you may want to limit to saying that
4 for one year or X number of contracts, so they can get
5 those particular entry points, so that they can prove
6 themselves. So that would be my suggestion in terms
7 of that. So is the intent to create qualification or
8 to break the barrier of entry?

9 MR. LEE: Well, it's actually both. As it's
10 proposed, once a firm benefits from this evaluation
11 preference, because it hasn't had contracts with the
12 Authority before, it wouldn't be eligible for those
13 points again in the future.

14 MR. ALLADY: When you're saying new SBE prime
15 bidders, is it for one contract?

16 MR. LEE: Yeah, assuming they win. Now, if
17 they're not successful, they are still eligible until
18 such time as they become successful in winning a
19 contract.

20 MR. ALLADY: So my suggestion would be to
21 clarify a little more. When we say new prime, is it
22 for one contract, or two contracts, or for one year,
23 whatever, so there's a lot of clarity for the staff?

24 MR. LEE: Well, let's have some discussion on
25 that. What do you think makes sense? Is a single

1 contract enough to make a difference, or would you
2 want them to be able to benefit for two or three
3 contracts before they're not eligible for it again?

4 MR. ALLADY: I would leave it to the staff.
5 Because at the end of the day, they have to deliver
6 the quality. And it could be one mentor-protege
7 program, one kind of this. And that's where I think
8 it's --

9 MR. PELLOWITZ: I just would add from the
10 standpoint of staff. You know, just providing the
11 benefit for one contract kind of makes it difficult,
12 would make it more difficult for us to achieve the SBE
13 participation goal, if we lose the ability to provide
14 those points on a more consistent basis. It would
15 depend on the size of the pool and how many SBEs are
16 available. But, you know, I wouldn't want to do
17 anything that overly restricts the ability of a small
18 firm to compete on Authority contracts. So I think
19 there's probably a balance there somewhere. I would
20 think one is probably too few.

21 MR. JOHNSON: Ms. Bowen, and then I'll go.

22 MS. BOWEN: Thank you. And I would say that
23 probably if you look at the additional options or
24 justifications, they're in conflict with some stories
25 we've heard. We're hearing that these firms are

1 saying that they can't break in. In order to break
2 in, they need evidence of a success rate with the SWA.
3 But under options we're talking about if they secured
4 one contract, then they're not eligible for the
5 fifteen percent bump. It doesn't mean they're not in
6 the project. So I would argue that there's some
7 conflict there. We're trying to give people access to
8 SWA to build experience so that they can graduate and
9 contract, and giving them a one-shot opportunity to be
10 on that contract where there's a fifteen percent bump.

11 MR. LEE: There is another way of looking at
12 it, though. Let's say you had twenty-five, just as a
13 hypothetical, twenty-five points available for SBEs.
14 The SBE that's never gotten any work before has access
15 to all twenty-five of those points. The other SBEs
16 have access to fifteen of those points. So it's
17 giving, that's basically giving out a larger dose of
18 medicine to the least, I'm sorry, to the most
19 underutilized SBEs. But it's still giving a dose of
20 medicine to those SBEs that are having difficulty,
21 they're underutilized, they are getting used a little
22 bit, but not very much.

23 MR. JOHNSON: So I was going to actually say
24 that, because one of the things that we learned in
25 Broward is that we intended to try to spread the work

1 and make sure that we're very aggressive in getting
2 new firms in. And to Ms. Bowen's point, you want to
3 also establish a track record with them. And if you
4 make the threshold too high for them to get repeat
5 work, then you sort of defeat the purpose at the end.
6 So you do give proportions of the points available to
7 the incumbent, while the new firms get the most amount
8 of those. That's the first one.

9 But then the second, I would ask: Wouldn't
10 the size of the contract they got matter? So let's
11 say, for example, they just happen to win a
12 fifty-thousand dollar contract, but then they are now
13 not able to get significant points on now this
14 one-million dollar contract, would that be fair too?
15 It looks like we also need to be sensitive to the size
16 of the contract.

17 MR. LEE: Well, that's worthy of some
18 discussion. I think the rationale is, once they get
19 some work and can demonstrate they can perform on this
20 little fifty-thousand-dollar job, that removes some of
21 the doubt and some of the risk aversion that actually
22 occurs with government entities sometimes in trying to
23 select small businesses, when they know if they use
24 this bigger firm that's worked for them for twenty
25 years nobody is going to complain. Even if they screw

1 up a job, nobody is going to say there was a bad
2 decision, because they've done some much good work
3 over the last twenty years.

4 So just getting in the door, just getting a
5 threshold where you can demonstrate, "Yeah I can
6 handle some work. I'm deserving of a bigger and
7 better chance next time." You're still going to need
8 some evaluation preference points, perhaps, to
9 overcome the natural tendency to hire the bigger firms
10 first. But, again, it's a balancing act. You're
11 trying to get new firms into the pipeline that haven't
12 been there at all. And once they get there, you want
13 to support them enough that they, at least, have a
14 competitive shot at winning additional contracts in
15 the future.

16 MR. JOHNSON: So I will make the point that
17 the same considerations for the next item on the list
18 which is R/C-12, which is the exact same option of
19 evaluation preferences for M/WBEs -- except for that
20 one says new. Let me see if this one is not new. Was
21 R/C-12 intended to be new or no? Page 12.

22 MR. LEE: No, I think R/C-12 was just a
23 straight M/WBE evaluation preference.

24 MR. JOHNSON: So is there a similar
25 sensitivity to ensuring that new M/WBEs could also

1 have access, the same way we're intentionally creating
2 opportunities for new SBEs?

3 MR. LEE: I think the way it would work,
4 M/WBEs are, the size standard is going to be that
5 they're automatically going to qualify as small
6 businesses, for the most part. It's something we
7 could certainly contemplate, whether we also need a
8 separate category for first-time M/WBE firms trying to
9 get a track record that might not be able to get it
10 through the SBE preference, the SBE first-time
11 preference. But yeah, if the size standards are
12 different, then there probably would be a need, I
13 would imagine, to have that kind of additional option
14 for evaluation preference for new M/WBEs.

15 MR. JOHNSON: Okay. That was my feedback on
16 R/C-12. Was there anyone else who had anything else?

17 MS. GAINES: Yes, my head is spinning a little
18 bit right now but, are there other preferences for
19 SBE, Attorney Lee?

20 MR. JOHNSON: In the professional services?

21 MS. GAINES: Yes, that would work similar to
22 this? Would this be in addition to any other
23 preferences that SBE would get the first time?

24 MR. LEE: Well, there are two types of
25 evaluation preferences for SBEs in professional

1 services. One is the new SBE that hasn't ever worked
2 with the Authority before, and the other one is for
3 all SBEs, whether they worked with the Authority or
4 not. It's evaluation preference points in both
5 instances, but the firm that has never had work gets
6 more points than the one that has gotten work
7 previously with the Authority.

8 MS. GAINES: Thank you. So this would be a
9 bonus in addition to those points?

10 MR. LEE: Yes.

11 MS. GAINES: Okay. Then, yes, I would
12 recommend that we also do the same thing for the M/WBE
13 first time bidders, as well.

14 MR. JOHNSON: Okay. All right. Staff.

15 MR. KARI: I had the same question as Ms.
16 Gaines. I was going to ask for clarification if these
17 first time points are in addition to the SBE points,
18 which you answered.

19 MR. JOHNSON: Just a point of clarification,
20 though, the other SBE points that I'm seeing under
21 professional services are R/N-22, and that's the
22 evaluation preference for prime bidders. Is that the
23 same as when you say, Mr. Lee, for all bidders? So
24 that if we have two of them -- because, remember there
25 are only five race neutral, which would be the SBE

1 program. And two are preferences, one is for new and
2 the other looks like it's for prime. Is that
3 consistent with the answer? So if I'm not new and I'm
4 not a prime, do I get an evaluation preference?

5 MR. LEE: If you're an SBE, you get an
6 evaluation preference under R/N-22, even if you're not
7 new.

8 MR. JOHNSON: Okay. So the word prime doesn't
9 limit the pool?

10 MR. LEE: No, no, well, in the sense that you
11 have to be a bidder. I mean, you have to submit a
12 proposal for professional services.

13 MR. JOHNSON: Right, because subs are not
14 submitting proposals.

15 MR. LEE: Right.

16 MR. JOHNSON: Okay. Got it, make sense. Yes.

17 MR. ALLADY: Again, we're talking about
18 R/N-20. So when you're talking about new SBE bidders,
19 the intent is to break the barrier of entry. So how
20 can the policy be easy to implement? What I'm
21 thinking is give the new SBE X number of contracts
22 one, two, three, whatever number of contracts, so that
23 they can pick and choose whatever it is, so they get
24 that additional fifteen points for barrier point of
25 entry or time limit. But putting a time limit becomes

1 difficult for implementation of the policy. How do
2 you do that? But it's easier by giving a new SBE X
3 number of contracts. So, therefore, it's easy to
4 implement the policy and for the staff too. That's
5 what I want to say.

6 MR. JOHNSON: So that we will make sure we
7 document that as a matter for further investigation,
8 because again, in addition to time, I think the size
9 of the contract may also be a fair consideration.

10 MR. ALLADY: That probably you can leave it to
11 the SBE, whether they want to pick and choose. If
12 they have X number of contracts, they can pick and
13 choose which ones they want to go after.

14 MR. JOHNSON: But then there's a flip side of
15 that. Right? So that if then we're allowing the
16 vendor to select which one of a group that they get,
17 if we're in a vendor rotation, then you don't have the
18 opportunity for anybody behind them to get a higher
19 value contract. So we have to figure out a way to
20 balance these out. Any other comments on R/C-12?

21 Now we will move on to R/C-13, Mr. Lee.

22 MR. LEE: Okay. R/C-13, page 14 of the chart
23 professional services. R/C-13 is M/WBE Subcontracting
24 Goals for Professional Services. It's pretty
25 straightforward. Subcontracting goals would be set

1 for M/WBE participation for firms owned by
2 African-Americans and women. Subcontracting goals
3 would also contain waiver provisions for instances
4 where sufficient, ready, willing and able M/WBE
5 subcontractors are not available.

6 Good faith waivers or reductions in the
7 subcontracting goals would be based upon a
8 documentation of inadequate availability and contract
9 specific. Some contracting goals should be weighted
10 based upon the particular commercially useful
11 functions that are available to be subcontracted or
12 subspecialties, as it were. Is there any substantive
13 discussion on this particular API?

14 MR. JOHNSON: Ms. Bowen.

15 MS. BOWEN: Yes, just a simple one. And I
16 raised it at the last meeting, I think, in another
17 sense. Will we look at these recommendations and when
18 we move forward in presenting to the Board in any
19 sense -- we have a lot of variety of terms. And I
20 would want to see official definitions applied to them
21 so that we're all speaking the language. So good
22 faith, we should have a definition section of how we
23 are collectively looking at it. Same with the
24 good-old-boy network. I've heard it applied to the
25 industry and I've heard it applied to government that

1 overly restricts construction. So if we're using it
2 in any derogatory sense, I want to make sure that
3 we're all being, I mean, I don't know, I probably have
4 a different definition of that than other folks. And
5 so if we're going to throw terms around like that,
6 let's define it.

7 MR. JOHNSON: Any others? I have a couple.
8 So one of the, this is certainly where, why many
9 people miss the presence of Ms. White, but she
10 certainly vamped on the table a few meetings back
11 about how we're going to define good faith effort.
12 And we need to make sure that we are explicitly
13 looking to prevent, discouraging, what I would call
14 participation parody, that is, those folks who grab
15 the qualifications of a sub, give the perception that
16 we're going to use them, submit them as a part of the
17 team, and then five, six months later, they never have
18 received a call and they're forty percent done with
19 the project.

20 So we want to make sure that we are, in our
21 definition of good faith effort, that we are looking
22 to document authentic efforts to identify qualified
23 subs, and include them on the project. Another
24 problem that happens, and I think it came up in the
25 anecdotal evidence, is you have these outreach

1 sessions right, these pre-bid conferences, meet the
2 prime. And not all, but it happens in this industry,
3 some primes say "Hey, I had sixty people come out.
4 Only fifteen submitted pre-qualification. I couldn't
5 find any one of them I liked." But when you look at
6 the pre-qualification process, going back to what I
7 said earlier, there are ways in which there can be
8 some subjective selection. So that they'll pass the
9 good faith effort bar, by saying, "I had this workshop
10 and look, I had them pre-qualify, but I never chose
11 them, so I should get credit for good faith effort".
12 If that selection was subjective, and it also reeked
13 of active or passive discrimination, do we still
14 consider that good faith?

15 MR. LEE: That's a very good question. I
16 would say the policy can go as far as certainly as
17 defining specific steps and documentation that has to
18 be presented to demonstrate good faith efforts. And
19 it can also place requirements on those outreach
20 efforts.

21 For example, one game that I've seen played
22 a lot is the prime will wait till 48 hours before the
23 bids are due and then call somebody and say "I need a
24 quote from you", like they're really going to get a
25 quote. Subs are not stupid, they know when they're

1 being played. And they won't bother dealing with
2 primes like that. They won't submit bids to primes
3 that are not genuine in trying to get their
4 participation.

5 There's language that we can certainly put
6 in the policy to address false reporting of SBE or
7 M/WBE participation. And there should be sanctions
8 imposed. In fact, we've built some of those into the
9 purchasing manual already for the SBE program. That
10 is the bane, I mean, that's devastating to the
11 integrity of any of these programs if you allow that
12 kind of fraud to take place. So false reporting is
13 fraud. We will define it as such in the policy.

14 Failing to make a good faith effort, we try to
15 make that as objective as possible in terms of
16 specific definitions of what steps have to be taken.
17 How much advance notice has to be given when you're
18 soliciting a sub in order for it to be considered a
19 really good faith effort in getting bids? As I
20 mentioned earlier today, to the extent we can require
21 prime contractors, or rather offer prime contractors
22 the opportunity to use the infrastructure of the
23 Authority to facilitate outreach to the entire
24 universe of SBE subs for the types of goods and
25 services that are being purchased or sought by the

1 primes, that can certainly become an element of good
2 faith efforts, as well.

3 MR. PELLOWITZ: If I can add just one more
4 thing, one other thing we've spoken about, we may have
5 brought it up here, is, one of the initiatives we're
6 talking about is requiring that the primes provide
7 executed contracts with the subs prior to the point
8 where the Authority would execute a contract with the
9 prime, just to ensure that they've, it's more than a
10 good-faith effort, that they've actually negotiated a
11 contract and they have executed it, so that we don't
12 end up signing a contract with a prime, and then they
13 turn around later and say "Well, we couldn't come to
14 terms with the sub." So that's, just throwing that
15 out there for additional conversation.

16 MR. LEE: Yes, I'll point out that's really
17 the reason why Ms. White, apparently, resigned from
18 the stakeholder group. Because of a situation that
19 she has stated has occurred here where she'd been
20 complaining for a couple of years that she was falsely
21 reported as being a subcontractor on a contract, and
22 not being used, no indication she was used. She never
23 offered a subcontract. And as a result, there has
24 been noncompliance with the policy. And there has
25 been no sanctions imposed to date, I believe that's

1 correct. So this is something that needs to be
2 addressed sooner than later.

3 There's one thing, you mentioned the
4 additional requirement that we're putting into the
5 purchasing manual that before there's a notice to
6 proceed with any contract and there's subcontracting
7 goals that are being met, that you have executed
8 subcontract agreements provided.

9 Sometimes primes play games with the
10 subcontracts too. If they offer a subcontract that's
11 got unreasonable terms in it, like, "We can terminate
12 you at will" not for just cause, you would be a fool,
13 if you subcontract, if you sign it. So they can't
14 just say "Well, nobody will sign a subcontract, so
15 therefore, I need a waiver of the goal." You have to
16 put provisions in the policy to prevent those kind of
17 games from being played, as well.

18 MR. JOHNSON: Mr. Lewis.

19 MR. LEWIS: Along those same lines, I think
20 it's more important or equally as important, there are
21 certain ways that you can find evidence of good faith
22 even prior to having a signed contract, executed
23 contract, before you get your notice to proceed. I
24 like the idea of subcontractors who are solicited who
25 do not get the bid, that some kind of validation of

1 the reasons why they weren't awarded that bid or why
2 that, your bid was not accepted by a perspective prime
3 contract. I think, some kind of writing that
4 validates, first of all, there was some dialogue,
5 there was negotiations, but some form that validates
6 or confirms the breakdown of such a solicitation or
7 bid being awarded to a particular subcontractor well
8 before a contract. So the two of those combined kind
9 of helps us to understand the dialogue on both sides
10 of the prime contractor and the subcontractor.

11 MR. LEE: Let me just, that's an excellent
12 point. The policy that I drafted for the city of San
13 Antonio contains provisions that, in terms of good
14 faith efforts, require that any negotiation has to be
15 documented. They've developed a form that the subs
16 have to fill out. If you're seeking a good faith
17 effort waiver and you're a prime and you say, "Well, I
18 contacted these subs and they say they're not
19 available", then you get something in writing from
20 those subs saying, "Yeah, I'm not available".
21 And at that juncture, if it turns out that there's
22 been fraud committed, that they said they contacted a
23 firm and, in fact, they didn't, or they offered them
24 something and told them "This is your price you have
25 to meet", which is a ridiculous price, it's below

1 cost, if you were to accept it, that becomes known and
2 you don't give points for good faith effort when that
3 kind of stuff takes place.

4 MR. JOHNSON: Ms. Bowen and then Ms. Sanches.

5 MS. BOWEN: Can I request then, because I know
6 part of this is requesting, maybe, examples or things
7 we can look at. We're talking in some instances maybe
8 in general conversation about what good faith may be,
9 but then we're also coming at this from the
10 presumption that we have a history of folks that are
11 bad actors. When we go to implement policy changes,
12 the way to avoid or easily identify those who are bad
13 actors is to just have a uniform and consistent
14 process. In other words, good faith, whatever we
15 determine it to be, should be good faith for
16 everything. It can't be a flat fee, it can't be a
17 half contract, it can't be a percentage, it can't be,
18 it can't be. Which means that our requirements need
19 to be general and, you know, as least confusing as
20 possible and transparent. And it can be very simple
21 as forms required, posting on websites, whatever it
22 may be.

23 And then, if they've done it, they've done
24 it. Because then we enter into a subjective analysis
25 of who is better at good faith than others. And

1 that's when, as a group, we start to lose our minds.
2 If there are requirements, make them uniform and
3 consistent. Either people are meeting them or they
4 aren't. We will start to be able to weed out bad
5 actors. And then it should not be a competition of
6 who is even better at good faith. Good faith is good
7 faith is good faith because it's a contract. We need
8 to make it clear, concise and uniform. Otherwise, we
9 are setting ourselves up for a lot of finger pointing
10 and confusion amongst firms that do get awards versus
11 those that don't, and then this thing unravels.

12 MR. JOHNSON: Thank you. Ms. Sanches.

13 MS. SANCHES: Actually, I was thinking about
14 the same thing. And also that we talked about
15 outreach in terms of the sub, you know, making sure
16 that they're aware of what's going on and everything
17 else. I think it's also important that -- while we're
18 sitting here pointing fingers and saying they did this
19 and they did that, whoever those people are probably
20 need to be in the room at some point and have that
21 kind of outreach to say "Hey, this is what we're going
22 to be doing now. And these are the things that I'm
23 looking for." Because, honestly, at the end of the
24 day, who is probably the most guilty would probably
25 say "I never do that". Because they never heard you

1 say, that "this is what is not acceptable". So I
2 think we should probably be doing outreach from both
3 sides at this point and not just one side.

4 MR. JOHNSON: So going back to the question
5 that Mr. Lewis asked or a point that he made: What
6 options would we have, Mr. Lee, to create an
7 additional feedback loop so that if the subs are
8 saying they're bidding and they're never getting
9 chosen -- we know that we have a debriefing here for
10 those who are trying to bid as primes. But I don't
11 think we've contemplated debriefing for subs. And
12 then, who does that burden fall on? Does that fall on
13 the Authority or on the prime? Or, alternatively, is
14 there another way to get the subs to identify their
15 opinion or perceived issues between now and the next
16 disparity study where they're given as anecdotal
17 evidence.

18 MR. LEE: There's a few different approaches
19 that you can take on that. And I think San Antonio
20 might be using all of them. But you start off with
21 having forms in place where you're getting feedback
22 from the subs immediately. Ultimately, you will have
23 a bidder registration system set up. Where, with the
24 bid solicitations that are put out there, primes can
25 also post their solicitations for subcontractors. And

1 subcontractors can post their interest in doing
2 business with primes. So that gives you a universe of
3 firms that you can audit, maybe periodic audits to
4 keep everybody honest. Either call up those subs or
5 approach them in some way and say, "Did you, in fact,
6 waive participation in this contract? Were you
7 contacted, and did you decide not to do this? Why did
8 you decide not to participate in this contract?
9 So if you did an audit, of, you know, ten percent of
10 all the food faith efforts documentation, that's one
11 way of doing it. You certainly have -- you close the
12 loop by getting feedback through forms on the
13 subcontractors that have waived a participation in a
14 contract. Same thing applies for substitutions, as
15 well.

16 But I wholeheartedly agree that you need to
17 have an objective standard for good faith efforts, and
18 I believe in objectivity. Either you produce this
19 particular documentation, you spell out specifically
20 what it is. And if you submit that documentation, and
21 you get those points and there's a passing score for
22 good faith efforts, if it adds up to eighty or
23 seventy-five, whatever the passing score is, then you
24 treat everybody the same in terms of whether that
25 satisfies good faith efforts.

1 I don't like the subjectivity where you just
2 kind of stick your finger in the air and figure which
3 way the wind is blowing. "Well, that's kind of good
4 faith, I think they're trying their best". No, you
5 can't have that kind of subjectivity in something like
6 this. People need to know clearly what the rules are,
7 what's required. And either they comply with those
8 requirements or they don't. If they don't comply with
9 them, then they're non-responsive bidders, it's as
10 simple as that.

11 MR. JOHNSON: Ms. Smith.

12 MS. SMITH: And just for a point of
13 clarification then, is that, you're saying, first of
14 all, with the organization, if somebody does submit a
15 proposal and they're not accepted, that there should
16 be somebody on the committee that they can then follow
17 up with afterwards and say, "Could you please take the
18 time so I know better for next time."

19 But the point of clarification that I wanted
20 was: Are you saying, then, that if a sub does not get
21 the contract from the primary, it is up to the
22 committee to then go to the primary and say: "Why did
23 you not select this sub?" Because now you're becoming
24 the big brother, the oversight committee for that.
25 And that could be something that could be addressed

1 when you then go to award a contract in the future.

2 "Wait a minute, there are subs that are having
3 complaints against you" at that point. So that's what
4 I wanted clarification on.

5 MR. LEE: Okay. If I understand your comment
6 correctly, there are certain good faith efforts
7 requirements that, for example, if a sub expressed
8 interest in quoting or bidding to a prime, that
9 there's good faith negotiations, good faith contact on
10 the part of the prime with the sub. You can spell out
11 in the policy what that looks like. You may even
12 produce a form that the prime and the sub sign off on,
13 or at least have the prime list all of those subs that
14 they've contacted, give you the, you know, you'll have
15 the contact information and you can follow up with
16 them just to confirm that they were, in fact,
17 contacted, or that that contact took place.

18 If a subcontractor starts the process but
19 doesn't finish it, for whatever reason, they were
20 solicited in a timely fashion by the prime, there was
21 some initial contact, but they never followed through
22 in submitting a quote or a bid, the prime can simply,
23 you know, probably state that on their form as to why
24 they need a waiver. If they can't find another sub to
25 meet that requirement, they are asked for a waiver.

1 And before that waiver is granted, the EBO office
2 would be expected to contact that sub and confirm that
3 they didn't submit a bid. "Where is the bid that you
4 submitted, if you did?"

5 So that's probably the fairest way to
6 approach that, I would think. And you want to try to
7 do it before the contract gets awarded, because it's
8 not fair to all the other bidders that did the right
9 thing and executed good faith efforts, that were
10 either able to achieve the goal or demonstrate fairly
11 that they were not able to meet the goal and sought a
12 waiver instead.

13 We've got to hold everybody to the same
14 standard as to what's required. And once the
15 contract, before the contract is awarded, every bidder
16 that's considered is a responsive bidder, and part of
17 being responsive means complying with all of the Equal
18 Business Opportunity program requirements.

19 MR. JOHNSON: Mr. Lewis, before you come up,
20 let me just follow that up, because it goes back to
21 the question asked by Ms. Smith, in terms of feedback
22 mechanism. For the prime, when they've submitted a
23 proposal, they get evaluated by the committee.
24 They're not selected. They have the option to come
25 back and be debriefed, which includes comments by the

1 evaluation committee as to where they thought they
2 were strong or weak. Subs don't have that
3 opportunity, because they're bidding to the prime,
4 after, many times, the selection has happened, and
5 they're just trying to make sure they have their team
6 in place. So the question, I think, we're asking
7 is -- I just want to make this point, because it also
8 goes back to what Ms. Bowen was saying.

9 It seems like, just as we've discussed so
10 far, we're taking two things under consideration that
11 we haven't said directly. A, that we're mostly
12 concerned about good faith efforts when a waiver is
13 being requested. Because it doesn't sound like we're
14 concerned about good faith efforts if a prime has
15 found sufficient amount of subs. Right? It's only
16 when they're going to be asking for a waiver that
17 we're concerned that: "Did you really exhaust all
18 available options?" That's the first thing.

19 The second thing that we seem to be
20 inferring is that within our definition of good faith
21 effort, there's a question about whether or not the
22 subs actually got fair consideration. So we want to
23 make sure that as we move forward, if we're going to
24 use fair consideration, and ask one of the
25 subcontracts of the definition of good faith effort,

1 then those are the ways in which we want to try to
2 figure out where fair is fair. And we may also want
3 to consider under that same idea, Miami-Dade Public
4 Schools had even explored the possibility of using a
5 standardized sub pre-qualification form.

6 So that if you are a prime working with the
7 Authority -- I'm assuming we may want to consider the
8 same thing -- we would encourage you as a prime to
9 pre-qualify your subs, going back to what Mr. Schaffer
10 said, in terms of how we're certain that we're
11 pre-qualifying folks. That we may identify a certain
12 standard that consistently applies to all primes in
13 the way in which they select their subs. And we ask
14 the primes to adopt that standardized
15 pre-qualification form for their solicitation of subs
16 on this particular project. There are pros and cons
17 to that, but that's something that I want to put out
18 there on the record.

19 MR. LEE: Yeah, and every prime may have their
20 different selection criteria.

21 MR. JOHNSON: And that can be one of the
22 problems.

23 MR. LEE: And the selection criteria may or
24 may not be valid depending upon the contract that
25 they're being awarded at any given time. So it's

1 very, very difficult, I think, to come up with a
2 one-size-fits-all approach to that. What I would say
3 is that part of what's integrated into this policy in
4 terms of administrative reforms is a commercial
5 non-discrimination policy which requires whatever
6 process they use, they have to use it the same way
7 with every firm, regardless of race or gender.
8 It would be unlawful for the Authority to engage with
9 any prime contractor that discriminates in their
10 solicitation, selection or treatment of their
11 subcontractors.

12 MR. JOHNSON: But I want to make sure that I
13 go back -- Ms. Smith and then Mr. Lewis. But there
14 are some pros and cons to incentivising the
15 qualification phase. The reason Miami-Dade Public
16 Schools considered it is we, Minority Builders, made
17 the case that we did our own little study. Right? So
18 we took the top six primes and we took a copy of their
19 prequalifications that they had on their website or
20 provided to a sub. And we laid them all out on the
21 table, and we identified what was common. Right? And
22 we found that about sixty percent of what was being
23 asked was about the same, prior work experience,
24 bonding capacity, what have you. But then there was
25 forty percent of highly subjective stuff that usually

1 catches the sub.

2 For example, one prime contractor requires
3 that you provide your original Articles of
4 Incorporation. Not the one that you can pull off the
5 website. But you have to give your original one. So
6 imagine if you've been in business for twenty-five
7 years and yet your pre-qualification document requires
8 you to attach your original Articles of Incorporation?
9 So, I'm saying, when you look at those across the
10 different primes, and you identify those trends, it
11 suggests that we might benefit from removing that
12 forty percent subjectivity, which could be used to
13 disqualify firms.

14 MR. LEE: And those of you who are in the
15 construction industry, I know that there are certain
16 standard-type forms in certain industries, like
17 architecture, for example, as to what should go in a
18 contract, or maybe what should go in
19 pre-qualification. Is there anything like that in
20 construction in terms of what's considered appropriate
21 in screening or reviewing potential subcontracts?

22 MR. JOHNSON: I'll tell you, and then Ms.
23 Bowen and Ms. Depotter could chime in on this. But
24 one of the feedbacks that we got in terms of a con in
25 using the standardized pre-qualification is that some

1 of the primes have a master bond that has differential
2 requirements of what they should accept from a sub.
3 So if you have a prime whose bonding company requires
4 certain things and a prime whose bonding company
5 doesn't, then how do you treat that differently?

6 MR. LEE: They don't have a choice.

7 MR. JOHNSON: Right. So that's one of the
8 things that came up as a glitch. But it's something
9 that we should consider. Let's go back to Ms. Smith
10 and Mr. Lewis.

11 MS. SMITH: Thank you. Just real quickly
12 along those same lines that you were talking about, I
13 think my concern was that I didn't want the committee
14 to be a mediator between a prime and their sub. And
15 where it would be, it would kind of be like it was
16 overlapping, where it's then the committee's job when
17 you're going through the vetting for the prime, to do
18 your due diligence to make sure that they're using the
19 good faith rules and that they're abiding by those as
20 opposed to not, to become a mediator between the
21 middle of a contract.

22 MR. JOHNSON: Mr. Lewis.

23 MR. LEWIS: It's real obvious that the burden
24 of proof of good faith is on the prime. Up until this
25 point, we have not considered any mechanism of

1 feedback, form or otherwise, that would lend itself to
2 the subcontractor providing any feedback, good, bad or
3 indifferent about the good faith efforts of the prime
4 contractor.

5 All I'm saying is, my comment is that I
6 think when we write the definition of good faith, that
7 there should be some provision for the subcontractor
8 to validate his experience, good, bad or indifferent
9 with that prime contractor, irrespective of the nature
10 of whether they accepted the bid or more importantly
11 why that bid was not accepted.

12 Now, Mr. Johnson, Chairman Johnson, you
13 usually speak solely of the construction industry, but
14 it prevails across the Board with professional
15 services, as well. And so that experience is a shared
16 experience, although the burden of proof is on the
17 prime contractor, it does involve and it does require
18 communication with your subcontractor. So to leave
19 them out of it, I think, is a mistake. And we need to
20 incorporate it somehow.

21 MR. JOHNSON: Ms. Bowen.

22 MS. BOWEN: I think there were a couple
23 questions asked. So to your point, Mr. Johnson, yes,
24 at some point when companies, as primes, bid public
25 works and look for their subs, there are going to be a

1 lot of specifics that are the same, because it's
2 public construction, and they have to meet a certain
3 threshold, so then their team does. So they're easier
4 to identify, that's great.

5 But then it's their insurance companies and
6 their bonding companies. And you can't tell them who
7 they must bond with or who they must hold insurance
8 with. And, in some instances, those companies are
9 going to dictate who they can contract with. That's
10 the nature of the protection that they have to have
11 for their companies. So there is always going to be
12 some level of things you can't control, based on the
13 coverage that they carry in order to maintain their
14 bonding requirements.

15 I think that we're, I understand the concern
16 on all levels, because I've shared it, of running into
17 that instance where someone is performing badly or
18 disingenuously or inappropriately. Then let's just
19 have a uniform receptacle to be able to report. The
20 prime should be able to report a bad acting sub,
21 disingenuous or fraudulent. Subs should be able to
22 report back on horrible experiences, tricky contract
23 language, whatever it might be. But if we so
24 specifically try to tailor everything we do to the bad
25 actor on both sides, we're forgetting to identify that

1 you have your protections built in here. These are
2 your additional point opportunities. These are your
3 first time, they get fifteen percent if they have a
4 first-time contractor. All of these incentive points
5 you've built in here, that's how you're going to
6 incentivize people to not be bad actors. And, again,
7 the process is going to bring the bad actors to light,
8 because they're not going to do it. They're going to
9 continue to behave in a certain pattern.

10 At the end of the day, my very specific
11 concern is that we're forgetting that when all is said
12 and done, a contract is more than a paper and the
13 ability to produce a project under the timeline and
14 the guidelines we dictate, we cannot forget that there
15 are personalities.

16 And so at the end of the day, teams have to
17 work together. And everybody can be wonderful human
18 beings, but if a prime and a sub just end up hating
19 each other, at the end of a job they should never have
20 to work with each other again. Because it's
21 disruptive to the entire process.

22 And if we're so specific to how we regulate,
23 then pick a prime and sub and put them together,
24 because then you can assure that nobody is doing
25 anything wrong, but you may not get the product you

1 want.

2 So I just want to caution that you have
3 protections built in. I understand bad actors. Ms.
4 Depotter and I don't represent bad actors. But if
5 we're so specific in tailoring policy only to
6 counteract their efforts, then we're neglecting the
7 good that's out there and we're neglecting the ability
8 to be uniform and consistent and clear and concise.
9 That's all.

10 MR. JOHNSON: Ms. Gaines.

11 MS. GAINES: Well, sometimes the bad actors
12 don't see themselves as bad actors. But anyway, I'd
13 like to just add that, in addition to the good faith
14 efforts, I'd like to see what San Antonio, you
15 mentioned, has in place regarding periodic audits of
16 the good faith efforts. Because, as you mentioned,
17 most of the time we're talking about waivers where
18 there's an issue. But there are also some issues of
19 substitution or, you know, other issues that could
20 come up. I think we need to make sure we have
21 something in place to monitor that from an independent
22 or more objective third party. It's not going to be
23 the committee, of course, but it will be some system
24 that we'll set up, some vehicle that we can do those
25 periodic audits.

1 MR. JOHNSON: Okay. Any other comments on
2 R/C-13?

3 MR. LEE: I just wanted to point out there is
4 a new provision we're adding to the purchasing manual
5 for the establishment of an Equal Business Opportunity
6 ombudsman position. It helps to mediate any disputes.
7 Not arbitrate, but mediate, in other words, try to get
8 primes and subs, if there are differences of opinions,
9 as to what needs to happen, try the get them on the
10 same page to get the job done. After that, they can
11 decide they don't want to work together anymore. But
12 the whole idea is to try to cut off problems before
13 they become contractual problems that we have to
14 impose sanctions on somebody. So if it's a
15 performance issue, we try to nip those in the bud and
16 get those identified before it reaches that stage.

17 MR. JOHNSON: R/C-14, which is pretty much the
18 same as are R/N-19, where some of the same discussion
19 elements took place. Are there any additional
20 substantive discussions for R/C-14, M/WBE Vendor
21 Rotation? Ms. Gaines.

22 MS. GAINES: Mr. Chair, just a reiteration of
23 the initiative that I brought up earlier, I'd like to
24 see a working group that looks at the financial
25 services industries on that.

1 MR. JOHNSON: And then we will note, just for
2 the record, that all the same considerations that were
3 stated for R/N-19 will also be applied to R/C-14. Any
4 others?

5 Okay. This is the last one, R/C-15.
6 Professional Services, W/WBE Quotations. Well, it was
7 pulled for discussion. Any additional comments or
8 further clarification on R/C-15? Going once, going
9 twice. Well, the good news is that if there are none,
10 then we will end now the discussion of the policy
11 option matrix for professional services.

12 Good people, we have two left. Those are
13 the commodities and other industries and trade
14 services. Not exactly sure how big those might be,
15 but if we went from twenty-eight administrative and
16 construction --

17 MR. LEE: I think we can wrap those up in one
18 more session. It's not going to be larger than
19 professional services.

20 MR. JOHNSON: So then we would be prepared at
21 the next meeting, which is Monday evening, to also do
22 our priority rankings of all of them, right?

23 MR. LEE: That's a possibility. If we get
24 through everything -- what we're doing is we're
25 lumping together commodities, other services, and

1 trades services, it's three groupings in the disparity
2 study. Because the remedies are all pretty much the
3 same. There's not a lot of subcontracting
4 opportunities in those three areas. And we have areas
5 where we need to try to develop new capacity. So
6 there's a couple of innovative remedies like
7 competitive business development, demonstration
8 projects that we're going to fold into that.

9 But if we get through all of that Monday --
10 I think Monday is going to be an evening session,
11 right?

12 MR. JOHNSON: Yes, it is.

13 MR. LEE: From five to eight. So, and happy
14 hour at the Embassy Suites. As long as we don't get
15 too tied up in happy hour, we should be able to get
16 through everything in good order. And what we're
17 going to do at the very end is go through the entire
18 list of every single policy option, try to get a sense
19 from the stakeholder group as to what you think is a
20 high priority, what's a moderate priority and what's a
21 low priority.

22 And any additional things that you might
23 want to add? For example, one of the things that I
24 made a note on here today is coming up with a work
25 group on financial services to look at some specific

1 types of remedies there. So any additional things
2 that you want to add? We're also going to try to get
3 a sense -- because my next task after we finish the
4 stakeholder process, hopefully, on the 30th, is to
5 revise this policy option matrix based on all the
6 feedback, excellent feedback that we've gotten here,
7 try to tighten up some things. And then re-circulate
8 that to you-all. That's going to go to staff and then
9 we're going to take that to the Board and have them
10 see the benefit of your work. And at that Board
11 meeting, we'll ask, you can decide, also, whether you
12 want representatives from your group to speak on
13 behalf of everyone, or whether each of you -- you're
14 certainly welcome as individual citizens to go speak
15 to the Board in the public comment period. But we're
16 going to try to arrange to have a spokes person or two
17 from the stakeholder group to give your feedback on
18 what's been proposed here to the Board.

19 MR. JOHNSON: So a couple of things for
20 consideration. So if it is our intent, first, to
21 leave here early today, but then, secondly, to wrap up
22 on the 30th, then the question regarding do we need a
23 May meeting, I guess we will deliberate that more in a
24 few minutes after public comment. But it seems like
25 we do. If there's that step of revising the policy

1 option, that we would want to review before it goes to
2 the Board. Right? Because, otherwise, after April
3 30th and we rank, we don't see it.

4 MR. LEE: Right, as a fail-safe mechanism, we
5 should probably schedule, come up with a date for May
6 just in case. Hopefully, we won't need it. I'd like
7 to throw out there, May the 3rd in the evening from
8 5:00 to 8:00 P.M. That would be at Embassy Suites, at
9 as well, on Belvedere Road. I think it's 1601
10 Belvedere Road. But all of that will be confirmed to
11 you in writing in terms of the location. Can we get a
12 sense from the group as to availability for May the
13 3rd in the evening from five to eight?

14 MR. JOHNSON: So before we take that poll from
15 the work group, we have to go back and finish up the
16 agenda with public comments. Is there anyone from the
17 public who has any additional input or any comments on
18 what you heard so far today?

19 I definitely will ask the public to please
20 help us out when we get into the commodities and other
21 industries. My experience is, in doing this the last
22 time with Broward Public Schools, that some of these
23 industries don't have their type of expertise
24 represented in these processes that often. So you
25 don't end up having a whole lot of people who can

1 actively engage in this process, commodities and
2 trades and what have you, but we need to have that
3 input. So if you know anybody who is a commodities
4 firm or trade firm, or who may fit any of those other
5 categories, we need them here to make sure that those
6 of who us who may not have that expertise could factor
7 that information in, that input in to our
8 deliberations.

9 I'll tell you one of the almost mistakes we
10 made at Broward Public Schools is we got almost to the
11 end before some of our commodities people showed up,
12 and they had excellent input that allowed for us to
13 add some additional policy options for commodities.
14 But since not many of us on the work group at the time
15 had a commodity background, we just thought that what
16 was presented was sufficient. And it's not until the
17 people who actually worked in those industries showed
18 up, who were able to help us evaluate that, that we
19 were able to improve on that. So if you-all know
20 anyone who would have some expertise in these other
21 industries, please make sure they're here on the 30th
22 to provide us some additional input.

23 MS. GAINES: Is there an opportunity for us to
24 maybe invite the National Association of Minority
25 Suppliers to come in, if they would share, if they

1 would have some, you know, particular expertise or
2 background --

3 MR. JOHNSON: So I would encourage, unless the
4 group feels differently -- obviously, having them in
5 the audience, hearing the presentation. Well, the
6 public will go first, before us, then we'll ask them
7 to come up again. But yeah, they can absolutely sit
8 with the public and provide input. That's exactly
9 what we want. But we just don't want to make the
10 mistake of having the summary of our recommendation be
11 limited to our expertise as a group. If there are
12 some other experts out there, we want to have them
13 included. Ms. Depotter.

14 MS. DEPOTTER: Thank you, Mr. Chair. I'm just
15 wondering what the time line is in going to the Board?
16 Will that be pushing it to June?

17 MR. JOHNSON: Can you repeat that time line,
18 Mr. Lee? So that if we proceed with April 30th, being
19 the ending of the review of the policy options and the
20 ranking, we know that the next step would be you
21 revising the options and even the policies with
22 redline.

23 MR. LEE: Yes, the policy option matrix will
24 be revised and presented to the Board in May, at a May
25 meeting. I forget what the date of it is. I don't

1 know why May 8th is sticking in my mind.

2 MR. PELLOWITZ: It wouldn't be May 8th.

3 MR. LEE: That goes to them. And then we get
4 feedback from them as to whether we're okay to proceed
5 in drafting the detailed actual policy.

6 MR. JOHNSON: You have May 15th --

7 MR. LEE: Yes, May 15th.

8 MR. JOHNSON: -- on your Phase Two time line
9 plans, SWA Board Workshop. Public Hearing on Policy
10 Options is May 15.

11 MR. PELLOWITZ: I just want to point out that
12 those meeting dates haven't been set. They're all
13 subject to change based on Board availability. So it
14 could be May. It could be June. It's going to be
15 there somewhere.

16 MR. JOHNSON: Ms. Depotter, were you
17 suggesting that we have some sort of a transition time
18 between the Board and us reviewing again?

19 MS. DEPOTTER: Not necessarily, I was just
20 trying to confirm the dates. I guess my other
21 question would be: Before you go to the Board, will
22 this stakeholder group see the format in which you're
23 presenting to the Board as opposed to what occurred
24 yesterday? Will we see it in that format?

25 MR. LEE: The Board will get the full policy

1 option matrix and a power point presentation that kind
2 of summarizes it. They will get both.

3 MS. DEPOTTER: Thank you.

4 MR. JOHNSON: Right. But going back to her --
5 in addition, a part of her question is: That I will
6 add: Do we get a chance, as a work group, to review
7 that and provide input before that 15th, or would that
8 be on the 5th? That is what the 5th meeting would be
9 then, right?

10 MR. LEE: Well, yeah, if we finish up on the
11 30th, then, yeah, the revised one would be done by the
12 5th.

13 MR. JOHNSON: Okay. So on the 5th, we will
14 review the product in its pure format that will go
15 before the Board.

16 MS. GAINES: Mr. Chair, I recommend that any
17 time going forward that we have an opportunity to
18 review whatever is going to the Board, so at least
19 we're in sync with what's happening on that time line
20 as well.

21 MR. JOHNSON: Not only that, but we're owning
22 what goes forward. Right? Because the presumption is
23 that what goes to the board came from us.

24 MR. GAINES: Yes.

25 MR. ALLADY: Are we talking the 5th or the

1 3rd?

2 MR. JOHNSON: The 3rd. I'm sorry, good point.
3 So we said May 3rd from five to eight. And then the
4 tentative schedule for the Board workshop, based upon
5 Mr. Lee's presentation in the first meeting, is May
6 15th. But to Mr. Pellowitz's point, that hasn't been
7 set in stone. But the point is, at least there's an
8 attempt for us to review it before it gets to the
9 Board. And that will happen on May 3rd.

10 MR. LEE: If we don't have a meeting May
11 3rd -- I'm not going to have a whole lot of time to
12 work between May 1st and May 3rd.

13 MR. PELLOWITZ: I would suggest that we don't
14 get too detailed on what date it's going to go to the
15 Board. We have public advertising requirements. It's
16 got to be at least two weeks. So it's going to be
17 probably, if it isn't in May, we have a June Board
18 meeting the second Wednesday in June. And that would
19 be, that's definitely on the schedule and available.
20 So, I would put that down as the date, and if
21 necessary, after that, if we have to have another
22 meeting with the Board, we can do that within a couple
23 of weeks in June or in early July so it's not that
24 tight.

25 MR. LEE: The only concern I have with that

1 revised timetable is the Board was kind of adamant
2 that we wrap up the actual draft policy by the end of
3 June. That's the deadline that we've been given, June
4 30th. So we have to, actually, present them with the
5 policy option matrix. Get feedback from them. And
6 then I have to actually draft the policy using the
7 revised policy option matrix as a detailed outline of
8 the policy.

9 MR. FALCON: Well, and just so no one is
10 holding the 15th, the Board of County Commissioners
11 meeting is on that day. So I can tell you right now
12 it will not be on that day.

13 MS. DEPOTTER: Mr. Chair, I have another
14 comment. I know Mr. Lee is going to be busy because,
15 I think, next Tuesday he goes before the Board of
16 County Commissioners, and that's going to gear up on
17 the Palm Beach County side with the stakeholder
18 meetings beginning to take place there. So,
19 hopefully, there's consideration, obviously, of not
20 having conflictive dates, because you can't be in two
21 places at one time.

22 MR. LEE: Thank you.

23 MR. JOHNSON: I think there was a staff --
24 does staff have? No. Ms. Gaines.

25 MS. GAINES: I don't mean to belabor the

1 point, but I think we need to work as fast and
2 aggressively as we can. And I know even though there
3 may be a Board of County Commissioners meeting on the
4 15th, we have CLAPSA meetings, you know, right after
5 the Board meeting. It will make it easier. Because
6 people start leaving town for the summer, vacations.
7 And I want to make sure we have a full Board. And I
8 think to do that is to do it earlier, sooner,
9 hopefully, in May, so that we have that, we have all
10 of them, we have them captured. The issue is hot now.
11 I don't want it to get cold. So, you know, I want us
12 to move as quickly as possible. I hate to belabor
13 that, but I'd like us to move as fast as we can.

14 MR. JOHNSON: Mr. Allady.

15 MR. ALLADY: I would like to confirm, we were
16 proposing a Saturday meeting. So there's no more
17 Saturday meeting, right?

18 MR. JOHNSON: Well, we haven't gotten there
19 yet. So that when we talk about May, we've only
20 gotten the suggestion of May 3rd. We could consider
21 something else. We're almost there. Ms. Sanches, do
22 you have anything?

23 MS. SANCHES: Actually, I do, I'm curious,
24 Mr. Lee, you had to bring us back some information in
25 regards to a job description, what the office would

1 look like, when will that happen at this point?

2 MR. LEE: Yes, I have to put a care package
3 together for you. Lots of goodies, best hits from
4 around the country. I think I can pull that together
5 in time for our, before our next meeting on the 30th.
6 Because I will be back in my office, I guess, Thursday
7 and Friday. So one of those days I can get that
8 together. And as soon as I get it to Colleen, she can
9 get it out to you-all. I've got a couple of other
10 things to add to it, suggestions that came out about
11 work groups today. But I know you wanted to look at
12 the sanction language and compliance language,
13 certification, definitions for key terms that will be
14 in the policies. And I think roles and
15 responsibilities, also, was another area. I've got
16 notes on all that, I just have to sit still long
17 enough to pull everything together and put those
18 attachments in an e-mail.

19 MR. JOHNSON: I will say this again, we're
20 going into trying to decide where and when our May
21 meeting is. But I definitely want to underscore Ms.
22 Gaines' point, so that it's not only the race against
23 the summer, but we want to also try to get these
24 policies and this program effective soon enough so
25 that all dollars that are being procured can be

1 effective by then. And so since we have contracts
2 coming out, constantly and consistently, we want to
3 make sure that we don't get a whole bunch of them
4 solicited before this program gets into place. So
5 there is a time limit. That's the issue here. Yes.

6 MS. SANCHES: I also have one other comment or
7 question. So we spent a lot of time on construction.
8 And then we did professional services and we're going
9 to do commodities and trade. Is there a way to get
10 data to see where is the money going, being spent or
11 being procured from this particular agency, so that
12 way when we're ranking, we understand what the real
13 needs are and not just rank for ranking's sake.
14 Because the question was: How many is under fifty,
15 and you said you're going to give data on that. But
16 we really need data on these different areas or, you
17 know, construction: How much? That way we'll say,
18 "You know what? You don't do a lot of construction,
19 let's focus on what you actually do."

20 MR. LEE: The best source that we have readily
21 available for that data is the disparity study,
22 because it spells out the dollars that were spent in a
23 four-year period by industry segment. What percentage
24 went to MBEs, what percentage went to WBEs and
25 non-minority firms.

1 MS. SANCHES: I know, but that's industry.
2 But it could be that the Authority doesn't spend that.
3 It should really be based -- we're talking about the
4 Authority right now, and not just, you know, random.

5 MR. LEE: No, that's Authority dollars that
6 I'm talking about.

7 MS. SANCHES: Okay. You're talking about --

8 MR. LEE: Yes.

9 MS. SANCHES: Okay. So that's there. So can
10 you give us a synopsis of that, and that way when we
11 rank, we can rank accordingly?

12 MR. PELLOWITZ: Let me just add, the study
13 period was 2009 to 2013, so today is today. So I get
14 your point and we'll try to put something together. I
15 mean, I can tell you, anecdotally, off the top of my
16 head where we spend our money. But I'll get with my
17 folks and try to come up with some sort of a breakdown
18 of the budget so you can see where we spend it.

19 MS. ROBBS: Through the Chair, I would like to
20 direct the committee's attention to tab three. Which
21 is a power point presentation that MTA provided which
22 summarizes the findings and recommendations. So that
23 would be a quick sort of study for you to look at the
24 findings from the study, dollars spent.

25 MS. BOWEN: But I don't think that's the

1 question, and I would agree. I think the question is:
2 Looking forward, how much is SWA going to spend on
3 construction versus professional services?

4 Respectfully, it's great to look back. But if we're
5 establishing policies looking forward, even if it's
6 not set in stone, if we're working our hair out over,
7 I don't know, a professional service, and you're not
8 anticipating utilizing that segment of this for the
9 next however many years, or to a much lesser extent,
10 then all of our, you know, maybe we're frustrated on a
11 point that may not be as pressing as some of the
12 others as it relates to ranking. So I would ask for
13 that request. For as much, understanding it's not set
14 in stone, moving forward, what SWA contemplates your
15 needs to be so that this means something.

16 MR. JOHNSON: Okay. Let me just offer this
17 real quickly. So I want to make sure we're clear that
18 the policy development process that we're going
19 through, while sensitive to forward spending, starts
20 with the presumption that any dollars spent should be
21 fair. So whether they spend fifty million now or one
22 dollar in the next three years, any dollar spent
23 should be --

24 MS. BOWEN: I don't think any of us disagree.
25 But the policy matrix is broken up that way. So I

1 think the question is more --

2 MR. JOHNSON: My point is that, I don't think
3 we should -- we definitely should factor it in, but I
4 don't think it allows for us to be any less
5 enthusiastic, let's say, for example, if we have more
6 professional services than construction. That while
7 we want to make sure that the implementation timeline
8 that comes to staff will say, "Yeah, we'll implement
9 those professional services ones first". But I don't
10 want to be less enthusiastic as to construction just
11 because there may not be as much spending.

12 MS. BOWEN: I don't think that was the
13 conversation. But I appreciate your point.

14 MR. JOHNSON: Thank you. Yes, ma'am, Ms.
15 Depotter.

16 MS. DEPOTTER: I'd just like to point out that
17 the study was done during a very unique time in
18 construction. There were two very large projects that
19 were a hundred million dollars worth, which
20 represented, I want to say, ninety-four percent of
21 construction. I don't think that's the climate we're
22 in right now. Can the staff kind of estimate what the
23 construction dollars spent, perhaps over the next five
24 years, before another anticipated study might be done?

25 MR. PELLOWITZ: We have a five-year plan in

1 our budget. My estimation is it's probably in the
2 neighborhood of eight to nine million dollars a year
3 for anything that's construction related. That could
4 be large trade services projects as well, in that
5 neighborhood.

6 MS. DEPOTTER: Thank you. And whether this is
7 relevant or not, during that time period that the
8 study looked at the construction, it was award to KBR,
9 which cannot be classified by gender or race, because
10 they're a publicly traded company. I'd just like to
11 put that out there.

12 MR. JOHNSON: Okay. Thank you. Ms. Robbs.

13 MS. ROBBS: I just wanted to circle back to my
14 point, referring you to the tab. The work that you
15 are doing is starting with the findings and
16 recommendations. So we are required to point you to
17 that information. And so instead of saying "Go to our
18 website and read the entire five-hundred page study",
19 we were just simply pointing you to the power point,
20 which was a brief presentation of those outcomes so
21 you can do a quick study.

22 In addition, we know that there has been
23 public comment regarding how we will, or how the goals
24 will be based. And so this will give you that
25 foundation of why the goals are based there. What

1 Mr. Lee has presented is in addition to those
2 recommendations by MTA, the best practices to help us
3 get to greater participation.

4 MR. JOHNSON: So, any other final comments?
5 Yes, sir.

6 MR. DUMARS: We've asked Mr. Lee to provide us
7 with a group to look at financial services. And I ask
8 the question now: Where will financial services fit
9 into all that we're, we need to do? Maybe we can
10 provide some help, the staff here. I've been involved
11 in financial services as reading proposals and voting
12 for companies. So we can provide some help there.
13 But just where will that fit in all that we have to
14 do?

15 MR. LEE: I think the recommendation was to
16 form a work group, similar to the one that we proposed
17 for bonding, but focused on the financial services
18 industry, and what can be done to enhance minority
19 women business participation in those fields.

20 MR. DUMARS: Understood.

21 MR. LEE: And access to capital kind of folds
22 into that to some extent. I think there was a
23 suggestion that we look at link deposit policies and
24 other types of financial services, policies that could
25 be adopted, perhaps outside of this program, to help

1 open up that industry or avenues for minority and
2 women to get into that industry.

3 MS. GAINES: I was also speaking of, for
4 example, asset-management-type services, managing
5 pension funds. I'm not just looking at investment
6 banking.

7 MR. DUMARS: I wasn't speaking just about
8 investment banking. Staff, we've done a lot of
9 research in the area of financial institutions who can
10 assist small businesses bonding and so forth. And I
11 actually presented that in one of the Board meetings.
12 So we stand ready to assist with a group that's going
13 to be formed to do that.

14 MR. LEE: Mr. Dumars, are you aware of any
15 trade associations, either in the arena of bonding and
16 surety issues or asset management, those types of
17 financial services, pension fund management, that sort
18 of thing?

19 MR. DUMARS: Yes, I'm aware of certain people
20 who are into that.

21 MR. LEE: Because that would be probably a
22 good resource to bring to that stakeholder group or to
23 that work group.

24 MR. JOHNSON: Can I jump in real quick, just
25 because we're losing folks now -- did you want to say

1 something else?

2 MS. DEPOTTER: Just quickly, I wanted to say
3 that The AGC and certainly ABC, while our membership
4 and voice is general contractors or contractors, we
5 certainly have another level of membership, which
6 includes bonding agents, financial managers, asset
7 managers. I'm sure that we would, I don't want to
8 speak for Ms. Bowen, but we would certainly recommend
9 some of our members to be willing to serve on that
10 work force and give some guidance and input.

11 MR. JOHNSON: Thank you. So we have three
12 minutes to decide which meeting in May, because
13 Colleen has to leave and we have to publicly notice
14 it. So we have a suggestion of 5/3 but that's three
15 days after we meet on Monday. So if we want to
16 consider the following week the 7th, the 10th or even
17 the 3rd. The point is that this will be the meeting,
18 as we suggested earlier, that once we allow Mr. Lee
19 some time to sort of include all of our feedback, we
20 probably won't have time to review, as Ms. Sanches
21 pointed out, some of the open items that we said we'd
22 get information from staff on. We probably won't have
23 time in those three days, if we meet on the 3rd, to
24 review that in advance. So we may end up reviewing
25 that at that meeting.

1 But the goal of that meeting would be to
2 review whatever is going to go to the Board before it
3 goes to the Board and allow for us to provide a final
4 input. So right now we have the 3rd out there. Are
5 there any other suggestions, or are we okay with the
6 3rd?

7 MS. SMITH: I have a conflict on the 3rd, in
8 the evening.

9 MR. JOHNSON: Okay. So let me ask, would the
10 7th or 10th work better? Monday, or that following
11 Thursday?

12 MS. BOWEN: I'm open on both.

13 MS. SANCHES: Unfortunately, I'm out of town
14 from the 7th through the 18th of May.

15 MR. ALLADY: The 7th and 10th will work for
16 me.

17 MS. DEPOTTER: Excuse me, is the 10th being
18 considered as an evening date?

19 MR. JOHNSON: Good question. That will be the
20 next question.

21 MS. DEPOTTER: I wouldn't be able to do that.
22 I'm a facilitator for the Ace Mentor Program
23 presentation that evening.

24 MR. JOHNSON: So it could be in the morning if
25 it's on the 10th?

1 MS. DEPOTTER: It could be in the morning.

2 MS. ROBBS: Mr. Chair, I just want to remind
3 the committee that we want to ensure the greatest
4 participation by the public. And we haven't had our
5 first evening meeting, and most of them have been in
6 the morning. So I implore you that we are able to set
7 any meetings moving forward for the evening, so let's
8 look at some dates.

9 MR. JOHNSON: Can you-all do the 9th?

10 MS. DEPOTTER: Isn't the April 30th meeting an
11 evening meeting?

12 MS. ROBBS: Yes, that's the only one we have
13 so far.

14 MR. ALLADY: Probably the 7th or the 9th
15 evening would work.

16 MR. JOHNSON: Anybody else?

17 MS. BOWEN: Just to move this along, we can
18 have stand-ins if we individually can't make it,
19 right?

20 MR. JOHNSON: Yes.

21 MS. BOWEN: So whatever the group decides.

22 MR. JOHNSON: All right. Right now 7th, 9th,
23 10th in the evening. We have two problems with the
24 10th in the evening. So we'll try to avoid that,
25 unless, well Ms. Depotter and Ms. Sanches feel

1 confident sending stand-ins. We have at least one
2 problem with Ms. Sanches on any time that week. Are
3 there any other issues with any of those dates?

4 I'm going to just ask that we consider the
5 10th in the evening. Just being selfish, that's the
6 cleanest day for me. Otherwise, I'll be rushing here
7 from a meeting prior on the 9th.

8 MS. DEPOTTER: I might respectfully request
9 that we consider another date. For the simple reason
10 that I'm the facilitator and presenter for the Ace
11 Mentor Program. There's ten prime contractors that
12 are mentors for schools and high schools and their
13 subs. And they're going to be there that night. And
14 may want to come speak --

15 MR. JOHNSON: You're right. To be fair, so
16 now we're looking at the 7th, 8th or 9th in the
17 evening time. Are there any objections? So I would
18 be partial to say, let's just go with the 8th in the
19 evening time.

20 MS. GAINES: Are these dates okay with the
21 Attorney Lee?

22 MR. LEE: That's what I'm looking at.

23 MR. JOHNSON: So right now the prevailing is
24 May 8th in the evening time. May 8th in the evening
25 time is the one that we're working with now. While

1 Mr. Lee checks his schedule, any other work group
2 members have any issues with May 8th in the evening
3 time? So we seem to be good with May 8th, Mr. Lee.
4 The pressure is on you, sir.

5 MR. LEE: Well, I have a partners meeting that
6 day. But they've seen enough of me. I can come back
7 down.

8 MR. JOHNSON: So are we okay with May 8th in
9 the evening time, five to eight?

10 MS. ROBBS: Five to eight, location to be
11 confirmed.

12 MR. JOHNSON: So we're saying May 8th, five to
13 eight, location to be determined. Any other items for
14 the good of the order? Any other announcements?
15 Reiterating that the next meeting is April 30th at the
16 address on your agenda, Embassy Suites, 1601 Belvedere
17 Road in West Palm Beach.

18 And the SWA does have a vendor opportunity
19 project this afternoon from four o'clock to six
20 o'clock in this room. Please hang around if you can,
21 or send somebody to attend. All right. Any other?
22 Is there a motion to adjourn?

23 MS. SMITH: I make a motion.

24 MS. SANCHES: I second it.

25 MR. JOHNSON: Thank you.

1 THE STATE OF FLORIDA)

2 COUNTY OF PALM BEACH)

3

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5 I, Raquel Robinson, RPR, certify that I was
6 authorized to and did stenographically report the
7 foregoing proceedings and that the transcript is a true
8 and complete record of my stenographic notes.

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12 Dated this 27th day of April, 2018.

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Raquel Robinson, RPR

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