

SOLID WASTE AUTHORITY

OF

PALM BEACH COUNTY

- - -

SMALL/LOCAL/MINORITY/WOMEN BUSINESS ENTERPRISE

STAKEHOLDER GROUP MEETING

DATE TAKEN: APRIL 19, 2018
TIME: 9:00 A.M. - 1:05 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:

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1 MS. ROBBS: Good morning. We are ready to get
2 started. And now we have a quorum. We have a few
3 people that are out in the lobby but we have a quorum
4 now and we can get started.

5 Good morning. My name is Colleen Robbs and I
6 will call the meeting to order. The time is 9:07 and
7 this is the meeting of the Small/Local/Minority/Women
8 Business Enterprise Stakeholder Group, Thursday, April
9 19, 2018.

10 As your name is called, please answer present
11 and indicate if you are interested in serving as chair
12 or vice chair of the stakeholder group. Kumar Allady.

13 MR. ALLADY: Present, and I'm not interested.

14 MS. ROBBS: And if you can turn on your mics
15 so that we can hear you clearly, by pressing the
16 center.

17 MR. ALLADY: Present and not interested.
18 Maria Antuna. Carol Bowen.

19 MS. BOWEN: Present.

20 MS. ROBBS: Michelle Depotter.

21 MS. DEPOTTER: Present.

22 MS. ROBBS: Lia Gaines.

23 MS. GAINES: Present.

24 MS. ROBBS: Brian Johnson, he called and is
25 stuck in traffic. So when he comes, I will call his

1 name as a part of the record. Bruce Lewis.

2 MR. LEWIS: Present.

3 MS. ROBBS: Marie Sanches.

4 MS. SANCHES: Present.

5 MS. ROBBS: Selena Smith.

6 MS. SMITH: Present, and I would be interested
7 in vice chair.

8 MS. ROBBS: Nifretta Thomas. Tina White.

9 MS. WHITE: Present, not interested in either.

10 MS. ROBBS: Okay. The agenda as published has
11 been provided to you. If there is no objection, the
12 agenda is adopted. As a matter of order, the
13 transcription of April 11 will be provided to you
14 prior to the next meeting. We will send it
15 electronic, as well as we will post it on the SWA
16 website.

17 The next order of business is to introduce
18 our public officials and executive staff. For the
19 public official, please stand and be recognized. We
20 have this morning Vice Mayor Commissioner Mack
21 Bernard, District 7. Thank you.

22 I haven't missed anyone else who may be in
23 attendance as a public official. Okay. We will move
24 forward. Executive staff includes executive director
25 Mark Hammond. Managing director Dan Pellowitz. Chief

1 operating officer Mark Eyeington. Chief financial
2 officer, Paul Dumars. Chief engineer, Ramana Kari.
3 And our general counsel, Howard Falcon.

4 To my left in the audience we have our SWA
5 directors and designees. The role of SWA staff is to
6 provide input to the stakeholder group discussion
7 related to their respective departments.

8 We would also want to encourage the public
9 to provide comment during the deliberations. The
10 chair will recognize the public. At that time, please
11 come to the podium, give your name, company, or
12 organization prior to speaking. Thank you.

13 I will offer that since we have one person
14 that is interested so far in vice chair, if the, if
15 there's no objection, we can delay the election to
16 after Mr. Franklin Lee's presentation, the first
17 presentation before the break. I know that there has
18 been other discussions by members who are interested.
19 And since we only have one person, if there is no
20 objection, we will move the election to either before
21 the break or after the break, however you would like.
22 My suggestion is after the break.

23 Okay. All right. So at this time, the
24 chair recognizes Franklin Lee with Tydings and
25 Rosenberg to pick up on his presentation from April

1 11.

2 MR. LEE: Good morning, welcome back. Thank
3 you for coming back. We've got a lot more work to do.
4 In an effort to try to streamline this process, what I
5 would like to do this morning, a little differently
6 from the first session that we had, is I'd like to get
7 all the way through my description of the policy
8 options. And I'll only take questions of
9 clarification, if it's something that any of the
10 stakeholders don't understand, we can ask a question
11 to get more clarity about how the policy option or the
12 remedy, particular remedy might operate.

13 And then we'll go back to what we're
14 starting with this morning, which is R/N-12, which
15 will be Direct Periodic Reporting of the EBO Office to
16 the Executive Director and Board. And we will
17 substantively, we will entertain substantive
18 discussions of each of the policy options, the merits,
19 and perhaps changes you might want to make to them at
20 that point. But I first would like to get through the
21 rest of the power point presentation that I have for
22 you. To also lay out what the, in addition to all of
23 the administrative reforms and industry specific
24 remedies that we are proposing for consideration, it
25 also spells out the next steps for this process in

1 this policy deliberation phase going up to the board
2 for their final determination.

3 Okay. R/N-12 is Direct Periodic Reporting
4 of the Equal Business Opportunity Office to the
5 Executive Director and Board. As I mentioned to you
6 in the first session, as part of this process, we're
7 developing a formal office, called the Equal Business
8 Opportunity Office, that has primary oversight for any
9 race and gender neutral or race and gender conscious
10 remedies, implementation of those. And also they
11 would have oversight over the local preferences that
12 already exist in the purchasing manual for SWA.

13 This particular administrative reform
14 basically just calls for some direct reporting lines
15 between the EBO office, that coordinator, and the
16 board. As it's currently structured or proposed in
17 the revised purchasing manual. The EBO office, on a
18 day-to-day basis, would be reporting through the
19 director of finance, which is currently Mr. Dumars.
20 I'm sorry, chief financial officer, rather, CFO for
21 the office, I mean, for finance.

22 That would be, administratively, the
23 coordinator would be reporting to the CFO. But there
24 would be some, built into the policy itself, there
25 would be some direct reporting requirements from the

1 EBO office to the Board. It could be on a six-month
2 basis or an annual basis, based on what we propose.
3 Any questions about that particular, what that means
4 in terms of how it would operate?

5 Okay. Let's move on to R/N --

6 MS. WHITE: I just need to understand. In
7 terms of what you're asking us to do today, are you
8 asking us if we object not to tell you we object now?

9 MR. LEE: That's correct. We're going to have
10 a substantive discussion later.

11 MS. WHITE: Okay.

12 MR. LEE: Any proposed changes or anything of
13 that nature will come later. I just want you to
14 understand what's being proposed right now. If
15 something is not clear, just interrupt for that
16 purpose alone at this point.

17 MS. WHITE: Okay.

18 MR. LEE: Okay. R/N-13, this is the EBO
19 Office Representation on Evaluation Panels as it's
20 being proposed. For every contract where price is not
21 the sole determination of contract award, in other
22 words, a best-value contract or a contract where there
23 are other factors that have to be evaluated in making
24 an award of a contract, we're proposing that there be
25 a representative of the EBO office on each one of

1 those evaluation panels. And this is designed to make
2 sure that scoring is reflective of the merits of each
3 proposer, regardless of their size, or just to make
4 sure that there is not any unnecessarily restrictive
5 contract specifications. And to make sure that the
6 evaluation process is fair, whether a firm is large or
7 small or minority or nonminority firm. Nonminority in
8 ownership. Are there any questions regarding what
9 this proposed remedy entails?

10 Okay. Let's move on. Now we're coming to
11 the race-conscious remedies that are administrative
12 reforms. These are nonindustry specific proposed
13 reforms in the way SWA conducts business. They're
14 considered race-and-gender conscious because there is
15 some use of race or gender classification in these
16 proposed remedies.

17 The first is R/C-1, it's entitled Penalties
18 and Sanctions for Noncompliance With S/M/WBE
19 Requirements. All of the small business, minority,
20 women-owned business requirements that would be
21 imposed on contracts as material terms under this
22 policy or under the proposed program would be, in
23 fact, it would be material deliverables under the
24 contract, and as such, there would be certain
25 penalties or sanctions for noncompliance with them.

1 It includes contractual provisions authorizing the EBO
2 office to investigate allegations of noncompliance
3 within M/WBE participation. The sanctions for
4 violation of the program would include withholding of
5 payments, termination of suspension of contracts,
6 contract breach, damages equal to the dollar value of
7 the shortage under S/M/WBE participation commitments,
8 rejection of bids as a firm being a non-responsible
9 bidder, and in the worst case scenario, debarment.

10 It may also establish an S/M/WBE hotline to
11 the EBO office for reporting of alleged fraud and
12 noncompliance; however, there's also going to be
13 provisions for sanctions to discourage frivolous
14 claims of fraud and noncompliance being filed by
15 competitors.

16 This policy option is intended to make the
17 program more effective. What has been in the past has
18 been pretty much voluntary. This would mean that the
19 program, when it says something, it means something.
20 And there would be a due process built in to the
21 assignment of any such penalties and sanctions so that
22 firms could appeal and have an opportunity for,
23 basically, due process before any such sanctions are
24 imposed. But the EBO office would be the first, in
25 the first instance, would be the office that's hearing

1 those or identifying those particular problems in
2 terms of compliance and noncompliance and recommending
3 actions, appropriate actions or sanctions or penalties
4 based on that noncompliance. I'm sure there will be a
5 lot more discussion about that in the future. But is
6 there basic understanding right now as to what this
7 policy option, R/C-1 is designed to address?

8 MS. BOWEN: Could I ask a clarifying question?
9 I understand that, I think, the premise of the
10 question: Who all in the process does this apply to?
11 In other words, does this apply to all aspects, so
12 from the time a bid opens to staff and people who bid
13 and people that are awarded, or is it just, can you
14 look to the, or can you further explain the specifics
15 of the appropriate, I guess, recipient of this policy?

16 MR. LEE: Yes, actually, I guess there's
17 actually two different kinds of penalties and
18 sanctions. One has to deal with contracts that are
19 awarded. And other types of noncompliance may have to
20 do with fraud at certification, for example, something
21 of that nature.

22 So that would be precontract award. It has
23 nothing to do with the contract awards. Anything
24 that's in the policy where there's a requirement or
25 responsibility on the part of perspective bidders or

1 awardees of contracts where they're violating the
2 policy and requirements of the policy, potentially,
3 this particular policy option could be applied.

4 MS. BOWEN: Thank you.

5 MR. LEE: All right. Any other points of
6 clarification?

7 MS. ROBBS: I just want to mention, prior to
8 speaking, if you can announce your name so the public
9 will know who you are, thank you, and for the record.

10 MR. LEE: Here is the second one. R/C-2 is
11 Penalties and Sanctions for Fraud. And that would
12 apply, primarily, to instances of certification as
13 well as S/M/WBE compliance. For example, if firms
14 submit fraudulent tax returns or other documentation
15 showing ownership or control of the company in order
16 to achieve a certification, or if they intentionally
17 report that they're using an SBE or M/WBE certified
18 firm that they know isn't a certified firm in order to
19 comply with the contract requirements, then R/C-2
20 would be applied to that.

21 And, again, R/C-2 lays out a variety of
22 different types of remedies, penalties, sanctions that
23 can be applied in the event that a bidder or
24 perspective bidder violated the policy. Any questions
25 about, or for clarification regarding that one?

1 MS. BOWEN: Carol Bowen, Associated Builders
2 and Contractors. I'm going to ask again, because I
3 think you answered it, but I just want to make sure.
4 So does R/C-1 or R/C-2 two contemplate -- I understand
5 the approach and I thank you for your previous
6 explanation. Do either anticipate the situation where
7 perhaps an M/WBE firm represents themselves as having
8 certain qualifications or skill level and then
9 ultimately it does not.

10 MR. LEE: Yes, to answer that question, yes,
11 any firm, whether a minority or nonminority, large,
12 small, what have you, that violates the policy in
13 terms of fraud or in terms of noncompliance with the
14 requirements of the contract and the policy, could be
15 subject to penalties or sanctions under either R/C-1
16 or R/C-2 type remedies. Yes, Ms. White.

17 MS. WHITE: Tina White. I don't believe that
18 was the totality of her question. She said if they
19 also did not have the skill set that they proposed to
20 have. The skill set, that should not be a part of
21 this. That's, that would come under that prime asking
22 to be relieved of that subcontractor, because they do
23 not or they are lacking the skill set that they need
24 for the job. But this, that's the skill set. And
25 skill set is not fraud.

1 MR. LEE: Okay. I don't want to get bogged
2 down in discussion on the substance just yet. We can
3 certainly discuss that as we go through each of these
4 later. But just so everyone is clear on what we're
5 talking about, fraud could be on the part of a
6 minority or nonminority firm. If you say you have a
7 license in something that you don't have a license in,
8 or you create a fraudulent or you submit a fraudulent
9 license or documentation or something of that nature,
10 that raises the specter that there needs to be an
11 investigation as to whether the policy has been
12 violated and whether penalties and sanctions are
13 appropriate.

14 So, I just wanted to make that clear. Any
15 other questions or clarification regarding this? What
16 this proposed policy or sanctions would do?

17 All right.

18 All right. R/C-3, this is a provision that
19 would provide for the EBO office or require the EBO
20 office to issue prior approval of Small, Minority and
21 Women Business Enterprises Subcontractor
22 Substitutions. So we're building it into the process
23 that if there's a need to substitute one subcontractor
24 for another, there's a process where you go and get
25 prior approval from the EBO office providing

1 justification for that substitution. And there has to
2 be a determination, written, or prior approval by that
3 office before that substitution is allowed.

4 Are there any questions as to what this
5 R/C-3 administrative reform would do?

6 MR. LEWIS: Bruce Lewis. Does this take into
7 consideration time-sensitive situations?

8 MR. LEE: Yes, we will get more into the
9 substance when we discuss this. But the way it's
10 currently being proposed or drafted in the purchasing
11 manual, there are exceptions when there is an issue of
12 public safety involved and something has to be done
13 immediately. Trash isn't getting picked up, for
14 example, and/or it's a health hazard. And the prime
15 has to step in and take care of it. Those types of
16 circumstances would be covered in that policy for
17 exceptions for that type of thing. But there still
18 would need to be a process to get it approved as soon
19 as practical before a substitution is undertaken or
20 before a prime is allowed to self perform scopes of
21 work that have previously been agreed to to be
22 performed by a subcontractor. Any other questions of
23 clarification?

24 MS. ROBBS: I'll just comment that Nifretta
25 Thomas, our stakeholder member, has joined our

1 meeting.

2 MR. LEE: Okay. Let's move onto R/C-4, which
3 is the SWA Staff Training. We're actually going to
4 make it part of the policy that SWA staff, not just
5 the EBO office, but all staff would have to have some
6 training in the operation of the new Small, Minority
7 Women Business Program and procedures and
8 responsibilities. Those things, in order to have an
9 effective program, it's important that all parties
10 understand exactly what is expected. That goes for
11 contractors, subcontractors, vendors, suppliers and
12 all staff people at SWA that have anything to do with
13 the procurement or contracting process. I think that
14 would be fairly noncontroversial. But are there any
15 questions regarding clarification on this particular
16 item?

17 Okay. Let's move onto R/C -- I'm sorry.
18 We're coming to the construction industry,
19 industry-specific remedies now. Starting out with the
20 construction industry. We'll first look to
21 race-and-gender-neutral remedies that are being
22 proposed for consideration.

23 And the first of those would be R/N-14.
24 This calls for Bond Waivers and Assistance Programs.
25 What we're proposing at this point is a variety of

1 different types of bonding assistance, best practice,
2 that we've seen around the country. And we're
3 proposing that a work group be formed by the SWA for
4 purposes of looking at some of those best models. And
5 within a fairly short period of time, maybe six
6 months, coming back and proposing adoption of one or
7 more of those various types of bonding systems
8 programs.

9 Some of them involve bond waivers for small
10 contracts. Other types of assistance programs provide
11 technical assistance to contractors to help them
12 become better prepared to qualify for bonds and
13 sureties. There is bond guarantee programs. There is
14 also something called an OCIP, or Owner-Controlled
15 Insurance Programs, that have been applied to bonding
16 in certain circumstances, where the government entity
17 itself takes on responsibility for negotiating a group
18 bond for all of its projects, and where selected
19 contractors or vendors can then reimburse the
20 government entity for the portion of the premium
21 that's paid through that negotiated project bond.

22 So there's a whole range of different things
23 to be looked at. This is just, this particular policy
24 option is simply calling for establishment of a work
25 group of stakeholders in the surety industry,

1 construction industry to evaluate some different
2 approaches that may be helpful and feasible for SWA.

3 Are there any questions of clarification
4 regarding this proposed policy option?

5 Okay. Let's move on to R/N-15. This
6 race-neutral remedy calls for Direct Contracting, a
7 Direct Contracting Program for Small Contracts. By
8 direct contracting we're looking to extend the program
9 SWA has for direct purchases and smaller construction
10 contracts to include informal contracts that are less
11 than or equal to fifty thousand dollars, thereby
12 enhancing opportunities for small, minority,
13 women-owned firms to bid and work as prime
14 contractors.

15 This policy option is intended to help level
16 the playing field for M/WBE bidders that tend to be
17 small and unable to get volume discounts on supplies
18 that larger contractors may be able to get. This
19 approach enhances opportunities for small
20 non-incumbent firms to develop a successful track
21 record with SWA.

22 Are there any questions of clarification
23 regarding this particular policy option?

24 MR. ALLADY: Kumar Allady. I have a question:
25 Is there any consideration in terms of percentage of

1 the work program? Right now you have a limit of fifty
2 thousand per project. But if you're looking at the
3 overall endeavor program, an annual basis or something
4 like that?

5 MR. LEE: That's something that, certainly, we
6 can discuss as we go through the substantive comments
7 on each of these policy options. But currently it's
8 proposed for the smaller contracts of fifty thousand
9 and below. I guess, primarily, because they are
10 informal, more informal contracts where the Authority
11 has more discretion in how those contracts are
12 structured and how they get awarded.

13 MR. ALLADY: Thank you.

14 MR. LEE: R/N-16, the next policy option is
15 the Small Business Enterprise Prime Contract Program.
16 As it's currently proposed, the small business
17 enterprise program for small prime contracts would
18 apply to contracts of \$175,000 or less with size
19 standard categories based upon the industry for small
20 business firms.

21 What's currently proposed, and is the
22 subject for further discussion, is that the size
23 standard for small business would be equal to 25
24 percent of the Small Business Administration small
25 business size standard for construction, or roughly

1 six million dollars in gross annual revenues, or
2 one-half of the M/WBE size standard for construction.

3 It would provide evaluation preference of up
4 to fifteen percent for Small Business Enterprise
5 primes bidding on alternative delivery method
6 construction contracts. And it would permit waiver of
7 bonding requirements for prime contracts below two
8 hundred thousand dollars, per state law.

9 Another possible option under this policy
10 option is to reserve a subset of small prime contracts
11 valued at or below fifty thousand dollars for
12 competition solely among small business enterprises.

13 So there's a variety of different things
14 being proposed as elements for this small business
15 enterprise prime contract program to promote greater
16 prime contract participation by smaller firms. Any
17 questions of clarification?

18 MS. GAINES: Clarification. Lia Gaines. Not
19 clear on the parenthetical here that says one-half of
20 M/WBE size standard.

21 MR. LEE: One possibility is that you could
22 have one size standard for M/WBEs that's somewhat
23 larger than SBEs. The yard stick against which we
24 evaluate the size standard, typically, for most of
25 these small business programs is tied to the federal

1 small business administration size standard, which
2 sets industry size standards based on, usually, the
3 average of the last three years of gross revenues for
4 a firm or the number of employees, depending upon the
5 industry. But for construction, it's annual gross
6 revenues.

7 I think the largest, I think that the
8 general construction size standard under SBA is up to
9 thirty-six million. So if you took, actually if you
10 took 25 percent of that, that would be closer to nine
11 million dollars for a size standard for being small.
12 If you did fifty percent, then it would be eighteen
13 million. But you could either have, you could decide
14 to either have the same size standard for M/WBEs as
15 other small business entire enterprises, or you could
16 have the M/WBE size standard be somewhat larger than
17 the others, given that the, if you believe that the
18 factual predicate justifies stronger remedy for M/WBE
19 firms than it does for SBEs, based on evidence in the
20 study or elsewhere in the factual predicate.

21 MS. GAINES: Thank you.

22 MR. LEE: Any other questions? Mr. Allady.

23 MR. ALLADY: Yes, I have a clarification. Was
24 there any study done to set the 25 percent of the
25 federal standards, that's number one. And second

1 thing is: The federal standards are different for
2 different NAICS codes, so how can you apply one
3 standard across? Was there any study done?

4 MR. LEE: Yes. The question is well taken.
5 The federal size standards can vary very much based on
6 different four-digit or five-digit NAICS codes within
7 a broader industry category. But what we've found is
8 that for smaller local governmental entities, like the
9 Authority, that becomes extremely cumbersome, having
10 many, many, different size standards for small
11 businesses.

12 So, we tried to keep it simple and come up
13 with a size standard, the idea is to come up with a
14 size standard that captures the needs of the local
15 marketplace. If your firms tend to be much smaller
16 than firms that would be considered small under the
17 federal size standard, then you come up with a
18 percentage that fairly captures the majority of your
19 small businesses in your local market place that are
20 actively competing for contracts. At least that's the
21 general idea.

22 To my knowledge, at least, there hasn't been
23 any comprehensive study that has been performed to
24 tell you what those numbers are. So, to some extent,
25 we are shooting in the dark. But what we're also

1 proposing in one of our other policy options is to put
2 in place a Centralized Bidder Registration System that
3 would allow us to begin collecting data on the firms
4 that are regularly competing for contracts with the
5 Authority. And perhaps a survey could be done at some
6 point to try to more closely measure what that size
7 standard should be or which size standard would make
8 sense, given the demographics of the local
9 marketplace. Yes, Ms. Bowen.

10 MS. BOWEN: Carol Bowen. Thank you. As we go
11 through the recommendations and the percentage and the
12 contract size, if I've missed it, please let me know.
13 It's possible I did. Do we see a breakdown of how
14 frequently contracts from the SWA, in other words, how
15 many contracts are under fifty thousand, and how many
16 contracts are, say, a hundred and seventy-five or
17 less? Do we have any understanding of numbers of
18 contracts that may meet these?

19 MR. LEE: I believe the disparity study does
20 have some tables in it that reflect the total dollar
21 volume in each of those brackets. And there was
22 something called a quartile analysis that was done in
23 the disparity study, which would reflect, it measured
24 contracts based on twenty-five percent of the dollars
25 being either under certain dollar threshold or not.

1 And so, I believe that kind of information is
2 available to take a look at. And at some point, I
3 believe there's some chart that reflects how many
4 contracts were awarded in each of those categories.
5 And I seem to recall -- well, let me not speak on that
6 because I have to go back and look at it. But I think
7 it had something to do with like six hundred thousand
8 was one threshold, and a hundred and seventy-five
9 thousand was another.

10 Okay. Any other questions of clarification?

11 Yes, Ms. White.

12 MS. WHITE: In this model, does staff have
13 discretion as if the prime is an SBE versus an M/WBE
14 in terms of who gets the award?

15 MR. LEE: I'm not sure I follow that question.

16 MS. WHITE: Well, the way you're proposing, to
17 my understanding, is that you're looking at SBE, which
18 is race and gender neutral. Then you also talk about
19 M/WBE, which is not. So if you have two primes who
20 are competitive in price, one is an SBE and one is an
21 M/WBE, who makes the call on who gets the award, or is
22 there going to be -- because most of the construction
23 contracts are not RFPs, most of them are hard bids.
24 So it's out, there's no discretion from the selection
25 committee or staff if it's a hard bid.

1 MR. LEE: It depends, the answer to your
2 question is it depends on which element of this small
3 business prime contract is applied. For example, if
4 you were to reserve a subset of small prime contracts
5 below fifty thousand dollars for competition solely
6 among SBEs, then only SBEs could compete for those
7 smaller contracts. There wouldn't be an MBE versus
8 SBE situation.

9 But also keep in mind, depending upon how
10 you define a Minority Women Business Enterprise, in
11 terms of the size standard, all M/WBEs may be
12 qualified as SBEs, or at least a good proportion of
13 them would be qualified also as SBEs. So you wouldn't
14 run into that kind of a dilemma.

15 MS. WHITE: I'll reserve my disagreement at
16 this point, because it's contrary to what your study
17 findings were, what you're saying, in my opinion.

18 MR. LEE: Okay. Well, we can discuss the
19 merits of that a little later. But the way it's
20 proposed, the Small Business Enterprises Prime
21 Contract Program is a policy option that's meant to
22 promote small business enterprises, period, regardless
23 of their race and gender. It's a
24 race-and-gender-neutral remedy.

25 Let me get all the way through the list and

1 then we can see what other remedies are there that may
2 aid or may be race-and-gender conscious. But right
3 now we're going through race-and-gender-neutral
4 construction industry proposed remedies.

5 Okay. So that's R/N-16. The next one is
6 R/N-17. Which is a Small Business Enterprise
7 Subcontracting Program. This is pretty
8 straightforward. Where there could be a mandatory
9 subcontracting program with SBE subcontract goals of
10 twenty percent unless a waiver of reduction is granted
11 by the EBO office.

12 The current goal under the SWA's program is
13 for fifteen percent subcontract participation. So
14 we're proposing to increase it up to twenty percent
15 with waiver provisions, in the event that in certain
16 contracts there's not sufficient availability of small
17 businesses to meet that twenty percent goal.

18 MS. WHITE: And this would be on the total
19 award, not the formula that was used for the garbage?

20 MR. LEE: Right, the idea is the default goal
21 for SBE contracting would be twenty percent on the
22 gross value of the contract, the total value of the
23 contract.

24 Now, it may turn out that in certain
25 instances there's not enough SBE availability to reach

1 that goal, so you can seek a reduction or a waiver in
2 those instances, based on what the availability would
3 allow, in terms of participation by small businesses.
4 But that is what the proposal is. Any other questions
5 regarding clarification of the SBE subcontracting
6 program?

7 Okay. The next policy option is R/N-18,
8 which is the SBE Mentor-Protege Type Program. And
9 there's a variety of different approaches to this.
10 But basically, you're using this policy option to team
11 up more established and successful construction firms
12 as mentors with less established small businesses to
13 provide management, guidance and training. Under this
14 policy option, we may also provide additional
15 incentives to potential mentors by reserving some
16 contracts for pre-approved mentor-protege teams. And
17 we've given some examples of those types of programs
18 at the City of Columbia, South Carolina, Port of
19 Portland, merging small business programs.

20 We're also suggesting that we consider other
21 incentives, such as accelerated payment, access to
22 working capital funds for those SBEs participating in
23 that program. And purchasing of supplies directly by
24 SWA on behalf of the mentor-protege team. Those are
25 things that could be considered to be worthy of

1 further discussion by the stakeholder group in terms
2 of what you want to see in a small business
3 mentor-protege program.

4 Yes, Ms. Gaines.

5 MS. GAINES: This would be a prescribed
6 mentor-protege program established by Solid Waste,
7 similar say to SBA mentor-protege, that would be, it's
8 not going to be loosely defined, or will it be
9 programmatic?

10 MR. LEE: Yes, what we are proposing is a
11 programmatic mentor-protege program. It would
12 actually be written into the policy itself as to how
13 it would operate. My preference is to give more
14 details as opposed to less in developing these various
15 policy options. But, basically, there's a variety of
16 different models out there. And we need to explore
17 which of those models makes sense for this
18 marketplace. Any other questions of clarification?

19 Okay. Let's move on to the race-conscious
20 remedies under the construction industry. These are
21 considered to be race-and-gender-conscious remedies
22 because they include some classification on the base
23 of race or gender. And they are outlined as
24 ostensibly being legally defensible based on evidence
25 gathered thus far in the factual predicate.

1 The first race-conscious remedy is R/C-5,
2 which is called an Annual Aspirational Goals. It's
3 important to understand the distinction between an
4 annual aspirational goal and a contract-specific goal.

5 The annual aspirational goal is basically a
6 number that is established on an annual basis under
7 the auspices of the EBO program that reflects M/WBE
8 participation in SWA construction contracts given the
9 measure of relative availability of minority women
10 owned firms in the construction industry. It's only
11 an annual aspiration goal. It is not to be applied on
12 specific contracts, but it is intended to be a
13 flexible benchmark that is helpful or useful in
14 managing this Small/Minority Women Business program in
15 finding the appropriate mix of race-and-gender neutral
16 and race-and-gender conscious policies and remedies to
17 be applied.

18 The annual goal is also used to provide an
19 up-to-date measure of availability to the overall
20 industry categories and can be useful in outreach
21 purposes. For example, if the, the best data that we
22 have to date gets augmented over the course of a year.
23 Say we have a bidder registration system put in place
24 where we can more accurately see those firms that can
25 provide some types of services along the spectrum of

1 construction contracts. We can adjust the annual goal
2 based, in part, upon that data. And we can also find
3 out where there's deficiencies. Where do we need more
4 outreach? Where do we need to recruit more firms in
5 the construction industry? What particular trades is
6 there very low availability in?

7 And so by having that annual aspirational
8 goal, it's intended that we can more closely monitor
9 where the deficiencies are, where you would expect to
10 see more availability than what we have. And what do
11 we need to do to grow capacity? Whether through
12 mentor-protege programs or other tools that we have at
13 our disposal through the policy. Where do we need to
14 have more focus?

15 We can also look to see at the end of the
16 year how far away we are from meeting that
17 aspirational goal. We can look at the actual dollars
18 that are actually paid minority women-owned business,
19 and based upon that performance of the program, we can
20 decide whether we need to be more aggressive, or
21 whether we can be less aggressive in terms of the mix
22 of race-and-gender neutral versus
23 race-and-gender-conscious remedies as we go forward.

24 The whole intent of having this framework of an
25 annual aspirational goal is to have a program that is

1 basically being driven by data. It's being driven by
2 facts in terms of what the realities are on the
3 ground, what the availability of ready, willing and
4 able minority women business firms is. And also
5 looking at how effective the small business or race
6 neutral remedies are being. And addressing whatever
7 disparities are being identified in the utilization of
8 those ready, willing and able minority women-owned
9 firms.

10 Are there any questions regarding how the
11 annual aspirational goals would operate? Yes,
12 Ms. Bowen.

13 MS. BOWEN: Carol Bowen. Thank you. Does
14 this item contemplate the state's service disabled
15 veteran-owned business designation, where the statute
16 has that as a designation that can be used towards
17 meeting small business goals? I don't see it
18 reflected here, and I'm wondering if that's
19 incorporated into the definition, and whether or not
20 veteran-owned businesses will be able to go through
21 meeting small business goals.

22 MR. LEE: Yes, Ms. Bowen, I don't think you
23 were here at the last session. But we addressed that
24 issue. Veteran-owned businesses, other types of
25 preferences or programs that are out there for service

1 disabled firms or disabled firms is not a part of this
2 particular effort. This whole effort is designed to
3 address the remedial needs for firms that have
4 experienced discrimination in the marketplace based on
5 the MTA disparity study and other evidence that has
6 been provided to SWA regarding race and gender
7 discrimination.

8 That's not to say other forms of preferences
9 are not valid and worthy of consideration. Indeed SWA
10 already has a local preference that has been on the
11 books. We're not proposing to disturb that. But
12 there's an awful lot that has to be taken into
13 consideration when you're dealing with race-and-gender
14 preferences. It doesn't have to be taken into
15 consideration with the other types of preferences that
16 you mentioned. If you have any kind of preference,
17 race-and-gender neutral, that type of policy option
18 does not have to satisfy strict scrutiny. You don't
19 have to go through such an elaborate process in
20 evaluating the efficacy and the need for that kind of
21 a remedy.

22 So, again, we are just focused here on the
23 small business program as a race-and-gender-neutral
24 remedy for discrimination adversely affecting minority
25 women-owned business. That's the scope of our mission

1 at this point.

2 MS. BOWEN: One follow-up question. And I
3 appreciate your response. I know that we have
4 discussed this in other areas throughout the state. I
5 know that veteran status is race-and-gender neutral,
6 whether they're a veteran or not. So that's part of
7 the reason for my question.

8 The other reason is I do know that this
9 designation exists by the state and was something put
10 in place contemplated because veteran-owned businesses
11 can also be small businesses. And so I was just
12 wondering if there's any effort through this process
13 to make sure that people that have that designation
14 are also included in firms that can help reach these
15 goals. And I think what you're telling me is it's
16 not. But I wanted to give you the opportunity,
17 because I'm not certain.

18 MR. LEE: Well, I mean, to the extent that a
19 veteran-owned business qualifies as either a small
20 business enterprise or minority women business
21 enterprise, then, yes, they would be able to
22 participate in whatever program we develop.

23 MS. BOWEN: Thank you.

24 MS. ROBBS: I would like the record to reflect
25 that Brian Johnson has joined the meeting.

1 MS. GAINES: Point of clarification.

2 MR. LEE: Yes, Ms. Gaines.

3 MS. GAINES: Point of clarification on how the
4 tool would be utilized. Would there be like periodic
5 updates and reviews of the goals? I mean, how will...

6 MR. LEE: The intent is that the annual
7 aspirational goal would be developed on an annual
8 basis. We're starting with data that we have in the
9 current MTA disparity study. But it is our hope that
10 that data can be enhanced over time through the use of
11 the automated Centralized Bidder Registration System.
12 And that we will be able to use that annual goal as a
13 benchmark each year to evaluate the effectiveness of
14 the program and what adjustments might need to be made
15 to it in terms of the mix and the strength of the
16 remedies that are being applied.

17 MS. GAINES: I'm still not understanding. So
18 at what point in time will we make that determination
19 of whether or not it needs adjustment?

20 MR. LEE: I would recommend at the end of the
21 fiscal year.

22 MS. GAINES: At the end of the year?

23 MR. LEE: Yes. The way these programs
24 generally operate, they generally have like a
25 five-year shelf life in that they're reevaluated every

1 five years. You do another disparity study every four
2 years or so to see whether there's an ongoing need for
3 the race-and-gender-conscious remedies that you have.
4 But before we get to that five-year point, we think
5 it's useful and helpful to see where we are in terms
6 of the mix of remedies that are using race and gender
7 neutral, race and gender conscious. Which tools are
8 working, which tools aren't working, which tools need
9 to be enhanced in some way, in terms of their
10 application.

11 So on an annual basis is a good idea to
12 reflect and see how effective the program is being in
13 eliminating the disparity. How effective it's being
14 in overcoming identified barriers to business
15 formation growth and participation and Authority
16 contracts. Yes, Mr. Johnson.

17 MR. JOHNSON: First of all I apologize, I left
18 my house two hours and fifteen minutes ago. It's been
19 a long drive. But are we recommending a goal setting
20 committee as a part of this process?

21 MR. LEE: For this Authority, no. We're
22 actually recommending that the EBO Equal Business
23 Opportunity Office actually be setting the goals. And
24 the reason for that is, unlike Broward County Public
25 Schools, for example, we determined that there is not,

1 this is a much smaller entity in terms of staffing.
2 And it would be more problematic to actually form
3 goal-setting committees for each to address each
4 contract.

5 So what we're proposing with the Authority
6 is that the EBO office come up with the proposed tools
7 to be applied to each contract. And then, ultimately,
8 there is an internal process by which those
9 recommendations can be reviewed and addressed.

10 MR. JOHNSON: So as a lesson learned, if it
11 will be the EBO as opposed to a goal-setting doing the
12 per-contract goal setting, can the annual aspirational
13 goals policy be written with sensitivity to the
14 possibility that on a per-contract basis, we may be
15 setting goals based upon whatever formula. But at the
16 end of all the contract, of the contract goal setting
17 and maybe achieving it, your total may be off from
18 what your aggregate annual goal may be. So I'm not
19 exactly sure: How do you align the per-contract goal
20 setting with the overall aspirational goals to ensure
21 that the per-contract goal setting promotes the
22 achievement of the annual aspirational goals?

23 MR. LEE: Yes, I don't want to get too much in
24 the weeds at this stage. Before you arrived, we
25 indicated we're just going through getting through the

1 full list of all of the APIs at this point, and then
2 we will have substantive discussion on each one later.
3 But your understanding should be that the annual
4 aspirational goal is not a goal that's required to be
5 applied on a contract-specific basis. There's a
6 separate analysis that goes into how you set the
7 contract-specific subcontracting goal.

8 In terms of SBE subcontracting goals, since
9 you weren't here a little earlier, the default goal
10 for small business subcontracting goal is twenty
11 percent. There is a waiver process that's put in
12 place in the event that that goal cannot be attained
13 or needs to be reduced. But in terms of M/WBE
14 contract-specific goals, we're looking to have a
15 different analysis done by the EBO office in
16 determining what's a reasonable goal there based on
17 past experience and based on the best available data
18 on what current availability is to perform the
19 specific scope of services for the specific contract.

20 Okay. Any further questions of
21 clarification?

22 All right. The next race-conscious remedy
23 for construction, proposed remedy for construction is
24 R/C-6, which is the M/WBE Subcontracting Goals. These
25 are the goals that would be applied to specific

1 construction contracts and would require prime bidders
2 to exercise good faith efforts to meet an M/WBE
3 subcontract participation goal. The broader M/WBE
4 goal would include African-Americans, Asian-Americans,
5 Hispanic-Americans, Native Americans. And the
6 subcontracting goal should also contain waiver
7 provisions for those instances where sufficient,
8 ready, willing and able minority women-owned
9 subcontractors are not available.

10 Contract specific subcontracting goals
11 should be weighted to the availability of M/WBE firms
12 in the required sub-specialties for any given
13 contract. That provision should apply to both M/WBE
14 prime bidders and non-M/WBE bidders. Perhaps allowing
15 for self-performance by M/WBE primes in certain
16 circumstances. Project-specific goals should vary by
17 project and be based upon realistic measurement of the
18 available M/WBE firms for the particular project.
19 Documented excessive prices or poor performance by
20 M/WBE subcontractors should be recognized as a basis
21 for exclusion from bid. And also the EBO office
22 should undertake analysis to set subcontracting goals
23 on a project-specific basis taking those factors into
24 consideration.

25 So, for these goals, there's no default

1 number that's set up. Each one of these goals has to
2 be set on a contract-specific basis. And over the
3 course of the year, we will look at where we end up in
4 terms of SBE subcontracting goals and M/WBE
5 subcontracting goals, find out how close we're able to
6 get to the annual aspirational goal in terms of
7 subcontract participation, and then make adjustments
8 accordingly for the following year.

9 So one other thing I'll point out to you at
10 this point, before I get to it in this matrix: We're
11 also proposing, under this policy, to have something
12 called a Small Business Advisory Committee, which
13 would be made up of stakeholders much like yourselves,
14 that will be available to also take a look at those
15 annual reports about how well the program is doing and
16 not doing, and to make recommendations both to SWA
17 staff and the executive director, the EBO office, and
18 also to the Board, as to what adjustments might need
19 to be made midstream in terms of how the program is
20 operating. Yes, Ms. White.

21 MS. WHITE: Tina white. If the EBO office
22 under this policy seems to have autonomy, that's
23 already problematic under the proposed that it report
24 to finance at the end, which then reports to
25 purchasing. But under this policy they have total

1 autonomy. How does a subcontractor object to a goal
2 if it only, they only know about what the goal is
3 going to be applied once it's released on to, publicly
4 released to solicitation? How far out in forecasting
5 will there be a notice as to what contract is coming
6 out and what goal is going to be applied to it?

7 MR. LEE: What you're asking kind of falls
8 into the category of substantive discussion about the
9 merits of a particular policy option as its proposed.
10 But I'll just say this, that there's a balance that
11 has to be struck between how efficient the purchasing
12 process is, how efficient we are in getting contracts
13 out on the street and getting them awarded versus
14 giving knowledge to everyone. Because you can't just
15 give knowledge to a few. Knowledge would have to be
16 given to everyone at the same time as to what the goal
17 is. So just keep that in mind when we get to that
18 discussion.

19 Any other question regarding clarification
20 of this particular policy option, R/C-6? Yes, Ms.
21 Depotter.

22 MS. DEPOTTER. Thank you. Michelle Depotter,
23 AGC. I see the word qualified not in here. And that
24 was one of the most crippling flaws, that the attorney
25 that we retained, Mr. Sullivan, pointed out when he

1 analyzed the MTA study. The Authority Disparity Study
2 defined availability as the number of businesses in
3 the jurisdiction's market area that are willing and
4 able to provide goods or services. And it seems that
5 this is an absolute intentional mischaracterization of
6 what the United States Supreme Court mandated in the
7 City of Richmond versus Croson.

8 So qualifications are particularly important
9 to public contracting. And that seems to be missing,
10 not only throughout the study, but here as well. So
11 how would that be addressed?

12 MR. LEE: I would characterize what you just
13 stated as a substantive discussion matter on this
14 particular policy option. I will say that the
15 disparity study defined availability on the basis of
16 ability. And in our view, and the view of many
17 others, I might also add, ability goes to
18 qualifications. So qualifications would, I mean,
19 they're pretty much synonymous, at least the way I
20 view that word.

21 MS. DEPOTTER: Thank you for entertaining my
22 comment. We would respectfully disagree in how that
23 would be the appropriate way to address it.

24 MR. LEE: Okay. Any other questions or
25 clarification on R/C-6?

1 Okay. Moving forward to R/C-7. This is a
2 policy option titled M/WBE Segmented Subcontracting
3 Goals. This policy option was designed to address a
4 situation where not all segments of the minority
5 business community have the same experience in terms
6 of the severity of their disparity, the severity of
7 the effects of discrimination. Some of the disparity
8 is not statistically significant. Other disparities
9 are statistically significant.

10 And so this policy option, R/C-7, is
11 designed to address situations where certain segments
12 maybe significantly underutilized more so than others.
13 And even after you've used race-and-gender-neutral
14 remedies and some race-and-gender-conscious remedies,
15 they are still being significantly underutilized,
16 severely underutilized.

17 The segmented goal would basically operate
18 where you have an overall M/WBE subcontracting goal.
19 Say, for example, twenty percent subcontracting goal.
20 And out of that twenty percent, perhaps five or six
21 percent is required to go to African-American owned
22 firms. That's called a segmented goal. You have an
23 overall twenty percent goal out of which at least six
24 percent have to go to African-American firms because
25 they are still experiencing severe underutilization.

1 That is how this particular policy option is designed
2 to operate. And it would be applied in situations
3 where the remedy does not seem to be getting to all of
4 the firms that need it, all the categories of firms
5 that need the remedy. Again, the whole approach that
6 we're trying to develop here is the right medicine at
7 the right dose. So that's what this, R/C-7, is
8 designed to do, to make sure the medicine is getting
9 to where its needed most.

10 Are there any questions regarding the
11 operation of this particular policy option?

12 Okay. Let's move on to R/C-8, which is
13 M/WBE Joint Venture Incentive. And under this policy
14 option, for contracts that are greater than or equal
15 to six hundred thousand dollars, we would establish
16 joint venture policy similar to the city of Atlanta's
17 which promoted establishment of joint ventures between
18 diverse partners on projects. As relatively few
19 construction projects may exceed six hundred thousand
20 dollars, we could reserve some larger prime contracts
21 valued at one million or greater for competition by
22 joint ventures between non-M/WBE firms and M/WBE
23 firms. We could also consider valuation preferences
24 for joint ventures between two or more certified M/WBE
25 firms. Consideration of this particular policy option

1 should be limited to occasions when the SWA has
2 several M/WBE prime contractors of sufficient size and
3 capacity to meaningfully joint venture on contracts of
4 this magnitude. Alternatively, dollar threshold for
5 contracts for application of this remedy may need to
6 be adjusted.

7 We don't really know whether the one million
8 dollar or six hundred thousand dollar threshold makes
9 sense given the contract history in construction at
10 SWA. So this is just saying we need to discuss that.

11 Also consider providing incentives for
12 larger M/WBEs to joint venture with smaller, local
13 M/WBEs to build local capacity. For example, on best
14 value construction contracts wherein the price is not
15 the only factor, perhaps we could provide a sliding
16 scale of evaluation preference points based upon the
17 percentage of ownership in the joint venture that the
18 M/WBE joint venture partner has in the project.

19 So these are a variety of different
20 approaches with joint venture incentives that help
21 boost both the level of participation of M/WBEs at the
22 prime contract level, and also help them to grow their
23 capacity so they can become viable competitors that
24 are ready, willing and able and qualified to do larger
25 prime construction contracts.

1 And there are a number of examples that I
2 could give you from the City of Atlanta and other
3 places that have successfully been able to use joint
4 ventures in that manner. Are there any questions of
5 clarification? Yes, Mr. Allady.

6 MR. ALLADY: With reference to R/N-16 and
7 R/C-8, this kind of conflicts when you're restricting
8 the standards to so low, at the same time we are
9 expecting the joint ventures and all that. So my
10 question of clarification is: In consideration of
11 this policy, has there been any consideration taken in
12 terms of conflicts between different R/Ns? Like
13 R/N-16 and R/C-8 are kind of in conflict. Because in
14 one way you're restricting size standards by 25
15 percent of the federal standards, but at the same time
16 you're expecting a small venture, a little more bigger
17 capacity and availability of the size of the firms to
18 participate.

19 MR. LEE: Okay. If I understand your question
20 correctly, you said: Is there a conflict between
21 R/N-16 --

22 MR. ALLADY: Yes, and R/C-8.

23 MR. LEE: So that's the SBE Prime Contracting
24 Program. Maybe I didn't spell this out well enough in
25 the very beginning of our first session. The overall

1 frame work for this policy, as I envision it, is very
2 similar to a hybrid car. If I'm getting too much into
3 the weeds on the engineering of automobiles -- a
4 hybrid car is a car that uses both an electric engine
5 and a gasoline engine in order to get the car to move
6 in a fuel-efficient manner from point A to point B.
7 And there's a little computer on board that
8 automatically figures out: Which engine do we need to
9 use to get up the hill? Which engine do we need to
10 use when we're coasting or coming to a stop? It uses
11 less fuel. The race-conscious remedies that we have
12 in this program would be, basically, the gasoline
13 engine. That's the most aggressive form of remedy
14 that you have that can take you up a hill and get you
15 up to speed very quickly.

16 The race-neutral remedies are more like the
17 electric engine that doesn't use any fuel, but in
18 certain circumstances can help you to get from point A
19 to point B in a very fuel-efficient manner. So we
20 don't, in some circumstances you may need a little of
21 both. You may need a mixture of the race conscious
22 and race neutral remedies. But for the most part,
23 this policy is being designed in a manner that will
24 apply one, maybe two of all of these remedies at the
25 same time. But for the most part, it's one or the

1 other. We're either coasting downhill or we're
2 pushing uphill, depending upon what the circumstances
3 are.

4 So, hopefully, I haven't lost you in the
5 elaborate discussion. But what I'm trying to convey
6 to you is that these tools, we need to evaluate the
7 circumstances in the specific contract and figure out
8 which of all of these particular remedies makes the
9 most sense to apply to that particular contract. And
10 there will actually be criteria built into the policy
11 itself that will tell us what factors we should be
12 evaluating in making those determinations and what
13 factors the EBO office should be looking at, and the
14 Authority, in terms of the mix of those different
15 types of tools or remedies.

16 MR. ALLADY: Thank you.

17 MR. LEE: Yes, Ms. White.

18 MS. WHITE: Does the Authority have any
19 history that tells us how many solicitations are RFPs
20 versus straight bids?

21 MR. LEE: I don't know the answer to that
22 question off the top of my head. I know that there is
23 a mix. I know that there are a fair number of
24 contracts that are, in different industries, are best
25 value contracts. And that way the low bid is not the

1 only factor that goes into the awarding of the
2 contract. I have heard that, in construction at
3 least, there's not as much design build work going on
4 here as you see in other jurisdictions. Design build
5 or construction management work, those delivery
6 methods are not as prominent here, currently, as they
7 are in other local government entities.

8 Those types of delivery methods for
9 construction are RFP processes, and there's more of an
10 opportunity for doing those types of incentives,
11 evaluation preferences or joint venture incentives in
12 those kinds of circumstances. There are some models
13 of joint venture incentive programs, I should point
14 out, where the City of Columbia, South Carolina, for
15 example, had a billion dollar water sewer project
16 going on for about ten years. They had a lot of pipe
17 work they had to do. And they had no local pipe
18 contractors. So they used a joint venture incentive
19 as a means of developing local pipe contractor
20 capacity. And they actually set aside those pipe
21 contractors just for bids by those approved joint
22 venture teams. So that's one model that's out there.
23 It might be applied in certain circumstances where
24 you've got low availability of local firms and there's
25 a concerted interest on the part of the government to

1 try to correct that deficiency and have more
2 competition locally.

3 MS. WHITE: But, for clarification, can this
4 model work if it's not either a shelter bid or an RFP,
5 can this joint venture work?

6 MR. LEE: The joint venture incentive has been
7 used in Atlanta, for example. I know that the Georgia
8 dome was built with a joint venture between Herman
9 Russell and a non-minority firm.

10 MS. WHITE: What I'm saying, are you weighing
11 was it an RFP or was it a straight bid? That's what
12 I'm asking. Can this work if it's not an RFP or
13 shelter?

14 MR. LEE: Yes, if it's structured in a certain
15 way, the joint venture incentive can be used in a
16 low-bid construction contract situation. That's, in
17 essence, the way Atlanta had approached it. They
18 said: To be qualified to bid for certain contracts,
19 you had to be a diverse joint venture. Most of the
20 joint venture incentives that you see around the
21 country that are not like that, I think most of them
22 probably are best applied in circumstances where
23 you've got an RFP situation. But Atlanta was one
24 exception, I think.

25 MS. WHITE: That's why I'm asking. It's

1 important for the Authority to do its due diligence
2 and let us know how many construction contracts are
3 going out as RFPs or as straight bids. Because if
4 they're going out as straight bids, then they have to
5 figure out how to incorporate this policy, otherwise
6 it's going to be meaningless.

7 MR. LEE: Okay. We can address the merits of
8 that as we go through the substantive discussion on
9 each of these. Any other questions of clarification
10 on R/C-8?

11 R/C-9 is basically an M/WBE version of the
12 SBE Mentor-Protege Program, only we are looking to
13 target minority women-owned firms to find mentors for
14 them in the construction industry. Same range of
15 different types of models of mentor-protege programs.
16 Only, I can tell you in the disparity study that was
17 conducted in Orange County a number of years ago here
18 in Florida, it was found they didn't have enough
19 mentor firms to team up with all the M/WBEs that
20 wanted to participate in that program.

21 So, if you have an SBE mentor-protege
22 program, obviously, the pool of firms in the SBE
23 category is going to be somewhat broader than the pool
24 for M/WBEs. And so that's just something to keep in
25 mind as to whether you have enough mentor firms that

1 are willing to be mentors in a mentor-protege program
2 here that you can do it for all SBEs or whether you
3 would have to limit it to M/WBE proteges for that
4 program. Okay. Any questions of clarification on
5 this? Mr. Johnson.

6 MR. JOHNSON: Real quickly, just in terms of
7 what's written here. Under your pros, I do want to
8 state for the record that while it's written that it's
9 favored by the AGC, it's actually something that was
10 favored also by the Minority Builders Coalition and my
11 friend Carol Bowen, ABC, because it provides for
12 participation of the larger nonminority firms in this
13 program, to the extent that they are committing to
14 helping to grow M/WBEs and partner up with them. So
15 this is highly recommended by Minority Builders
16 Coalition. Except that when we talk about the
17 additional options, and you state in the last sentence
18 that it's important to build capacity with an M/WBE
19 community. We have to have sensitivity to the size of
20 the work that the M/WBE part of the mentor protege
21 will have in the project. So I don't know if now is
22 the time or when we get to substantive discussion, but
23 we may want to consider weighing the incentives based
24 upon the size of the work that the minority has in the
25 mentor-protege.

1 MR. LEE: Okay. Save that point. That's a
2 good thing to raise during our substantive discussion.
3 Any other questions of clarification for the M/WBE
4 mentor-protege program?

5 Okay. Let's move on to R/C-10, which is
6 M/WBE Evaluation Preference for Best Value RFPs.
7 Again, to the extent that you have construction
8 management contracts at SWA or other delivery methods
9 where construction contracts are awarded on the basis
10 of something other than low bid, where there's an RFP
11 involved, the M/WBE evaluation preference for best
12 value RFPs would apply, would be one of the tools that
13 could be applied. And it would include language in
14 the RFP to encourage M/WBE participation on the
15 bidder's team as one element in the selection
16 criteria.

17 Under the proposed option, we would assign
18 evaluation point preferences up to fifteen percent of
19 the total available evaluation points on a sliding
20 scale based upon the level of M/WBE participation to
21 any firms or teams that are bidding on the
22 construction management or prime construction
23 design-build contracts. Currently, the EBO office
24 maximizes evaluation preference points at ten percent
25 of total available points. So we're proposing

1 increasing that from ten percent up to fifteen
2 percent, basically.

3 The evaluation preference points are
4 assigned to the team based upon the percentage dollar
5 value of the contract that will be performed by team
6 members that are M/WBE firms. Are there any questions
7 of clarification regarding how R/C-10 would operate?

8 Okay. So that actually takes us through all
9 of the proposed policy options for construction, race
10 and gender neutral and race and gender conscious.
11 Before I go through the remaining steps that we will
12 follow in developing our program and then we go back
13 to the substantive discussion on all of these policy
14 options we have just outlined, we're going to use this
15 time right now to take whatever public comment that we
16 have thus far.

17 MS. ROBBS: Is there a member of the public
18 that would like to comment? Please make your way to
19 the podium quickly. Give us your name and company
20 that you represent.

21 Ms. KANTE: Hi, my name is Raj Kante
22 (phonetics), I'm president of Autology. The question
23 I have -- my name is Raj Kante. I'm the president of
24 Autology Services. My question I have, I have three
25 questions really. The first one is: I didn't see

1 anything for professional services that you have here,
2 only construction. I'm sure I haven't seen the other
3 slides or presentations yet. But my question is: I
4 have concerns in regards to SWA not really covering
5 professional services.

6 Secondly, what I wanted to ask is the SBA
7 goals under thirty-five million set aside by the, as
8 per the fed set-aside. But the feds have economically
9 disadvantaged and women-owned small business
10 set-asides that you don't seem to have. So what I
11 want to ask is: How exactly is a new minority
12 women-owned firm going to compete with a firm that
13 makes thirty-four million dollars or less? I would
14 like to see some kind of a set-side for qualified
15 small business owners, like myself, and whether or not
16 we can chase primes. Because your options 7, 8, 9,
17 10, they're all giving options for us to be
18 subcontractors or joint ventures, or mentor proteges.
19 So how do I get past that and actually go for primes,
20 go as a prime on smaller contracts that are not, you
21 know, that I don't have to compete with somebody that
22 makes thirty-four million dollars or less? That's a
23 big firm. It's not a small firm. I know the feds
24 have those designations, but I think on a county or
25 like the Authority level, we should have it a lot

1 smaller, because thirty-five million is a big firm.

2 That's all. Thank you.

3 MR. LEE: Just a couple of brief comments. We
4 haven't gotten to the policy options for professional
5 services yet. Those are coming. But the general
6 question about: How does a small firm that's just
7 starting out compete with a great big firm? That's
8 part of what this policy deliberation phase is all
9 about, trying to figure out where we need to start in
10 setting a size standard. We haven't proposed using
11 the SBA size standard directly. We've actually
12 proposed taking a percentage of the Small Business
13 Administration size standard, either fifty percent or
14 twenty five percent of what that is to start out with.
15 But I can tell you there's a number of proposed
16 remedies that we have that are addressing barriers at
17 the prime contract level for construction,
18 professional services firms, and other types of firms
19 to get some type of a point preference in the
20 evaluation of proposals, but I'll just leave it at
21 that for now.

22 MS. ROBBS: Are there any other members of the
23 public that would like to come forward and make a
24 comment at this time?

25 MS. DISBERRY: Hi Cheryl Disberry

1 (phonetics), Coral Steel Company. My main concern as
2 a small business is you're proposing to have the M/WBE
3 companies allowed to be a larger size than what is
4 considered an SBE. And as an SBE, I'm already
5 competing against other SBEs. And if you now have me
6 competing against other companies, which are even
7 larger, that takes away my whole ability to compete.

8 You know, you also have all of these, I'm
9 sorry, you also have the, if a prime is the SBE, do
10 they still need to get other SBEs? Do they still need
11 to meet goals? Because, obviously, if they're an SBE,
12 they've already met the hundred percentage usage for
13 the contract. So do you need to have other SBEs, and
14 how far down do you count SBEs? Because I'm a
15 supplier, and a lot of times I may be with a contract,
16 but my participation is not counted as part of the SBE
17 percentage. So that is a couple of things, you know,
18 I would like to have addressed.

19 MR. LEE: Thank you. Those are all legitimate
20 issues that need to be considered as we go through
21 this policy deliberation phase. You're trying to
22 balance small business participation and minority
23 women business participation, and in some instances it
24 may make sense to make the size standards the same.
25 In other instances, there may be arguments to the

1 contrary, that M/WBEs are having a harder time in
2 getting access to certain types of contracts.

3 So it's a discussion worth having. And I
4 think we need to be responsive to the community,
5 ultimately, the small and minority business community,
6 in coming up with the right definition in terms of
7 size standards for small businesses and for minority
8 women-owned businesses.

9 MS. ROBBS: We will take another comment, if
10 there is, from the public. If not, would you like to
11 move forward, Franklin, or we can take a break. We
12 are due for a break at 11:00.

13 MR. LEE: What time is it?

14 MS. ROBBS: It is 10:35.

15 MR. LEE: Okay. Let me just go through the
16 remainder of this outline of the steps for how we get
17 through here to having a new program. And then we'll
18 take a break, I promise you, right after. This won't
19 take very long.

20 This stakeholder process is going to go on
21 through the end of this month, basically, as we have
22 it sketched out. In between now and the next
23 stakeholder meeting, there's going to be a Board
24 presentation and approval of what was phase one, which
25 is amendments to the SBE program as they currently

1 exist with the Authority. We were given direction to
2 try to change the purchasing manual and its reflection
3 of the small business program immediately before we
4 got to address the more intricate and more detailed
5 remedies with respect to minority women-owned
6 businesses.

7 So there's a Board meeting, a governing
8 Board meeting on April 23rd. The public is,
9 obviously, invited to that. And that's where we will
10 be presenting just the changes to the small business
11 program that we've outlined short term in the
12 purchasing manual procedures. Keep in mind that what
13 we ultimately come up with here in terms of
14 stakeholder perspective to the minority women business
15 enterprise, may, to some extent, change some of the
16 things we've come up with short term for the SBE
17 program, as minority women business enterprise program
18 elements will also incorporate small business
19 programs, race and gender neutral remedies. But
20 again, that's the April 23rd Board meeting.

21 And then we're going to be having ongoing
22 feedback with SWA staff, with this business
23 stakeholder work group, on the draft policy option
24 matrix, which is also going to include beyond the
25 administrative reforms, the construction industry

1 program elements, professional services. And then the
2 third grouping was going to be commodities, other
3 services and trade services for the Authority.

4 Based on the feedback from the stakeholder
5 group, we are then going to revise this policy option
6 matrix and make a presentation to the SWA governing
7 Board of that revised version of this policy option
8 matrix, parts one, two and three.

9 Then following that, we'll look to get Board
10 approval of the draft revised EBO policy. We're going
11 to develop a draft policy based on the policy option
12 matrix. That's where we fill in the details with
13 words. And develop a draft policy for everyone to
14 review and comment upon based on those program
15 elements that we've outlined in the revised matrix.
16 So basically the policy option matrix is going to
17 serve as, like, an outline for the drafting of the
18 policy that we'll engage in.

19 That draft hybrid Equal Business Opportunity
20 Program, which is going to include
21 race-and-gender-neutral as well as
22 race-and-gender-conscious elements and the purchasing
23 manual procedures that go with it, that's going to be
24 drafted. We'll get feedback from the staff, the
25 disparity study -- not the disparity study, that

1 should be the business stakeholders work group and
2 other stakeholders on the draft EBO policy. So each
3 one of these steps is an opportunity for your very
4 valued input into what we end up with, ultimately, as
5 a new program.

6 The revision of the draft EBO policy will
7 then be presented to the SWA Board. And there is,
8 obviously, a public comment period there. And the
9 Board will then be asked to approve the revised policy
10 procedures following that public comment period.

11 So it's a process that provides ample
12 feedback and input both on the part of staff, on the
13 part of the business community, and the Board, and
14 hopefully we will arrive at a better day in terms of
15 SWA and its ability to incorporate all segments of the
16 business population fairly into its contract
17 opportunities.

18 In terms of the timeline, it's a very
19 aggressive timeline, but we're pushing full steam
20 ahead trying to get through it. We're looking, we've
21 got the draft policy option matrix that we're
22 currently reviewing and working on here with this work
23 group. It started April 11th. It's continuing today.
24 We will have another stakeholder group, I think it's
25 the 24th, the morning of the 24th, the day after the

1 Board meeting. And we're going to have public comment
2 revision period in May on that revised policy option
3 matrix that's going to be the product of all of your
4 valued input here.

5 And we hope to have the draft policy done by
6 June 7th of 2018. That's an important benchmark date.
7 Because so much depends on the details in these
8 policies and how they operate. And so you will have a
9 first look at the draft on that June 7th or shortly
10 thereafter.

11 And then, we hope to have the presentation
12 of that draft policy to the Board, the public comment
13 on June 15th, 2018. And then final approval by the
14 Board by the end of June, June 30, 2018. So, between
15 now and June 30th, we've got a lot of work to do.
16 That's what it boils down to. And certainly, I'm
17 available for questions at any point and juncture in
18 this process.

19 So with that, I think we can take a break.
20 And we've got a lot of work when we come back to go
21 over the substance of what we just covered in this
22 outline for the remainder of the race and gender
23 neutral and race and gender conscious administrative
24 reforms, and then all of the construction policy
25 options that we've listed this morning.

1 MS. ROBBS: So we will recess until 10:55.

2 Thank you.

3 (Brief recess.)

4 MS. ROBBS: Okay. It's about eleven o'clock.

5 The recess is over. The meeting will come to order.

6 I had mentioned earlier that we would hold the

7 election after the break. So if there's no objection,

8 we will start that process. There was one member,

9 Selena Smith, who expressed her interest as serving as

10 vice chair. If there's no objection, the way I would

11 like to handle the election is you will vote by

12 raising your hand. And the person with the most votes

13 will be chair, and the second highest number of votes

14 will be vice chair. That way we'll have, maybe we'll

15 have less election process going through. So, if

16 there's -- Mr. Johnson.

17 MR. JOHNSON: Point of order. Can I make an

18 alternative suggestion? Could we, by nomination,

19 nominate a candidate for each position separately,

20 take a separate vote, that way, it will probably go

21 real quick, because I'm not sure how many different

22 candidates are for each position. But I think it will

23 be less convoluted if we did them separately.

24 MS. ROBBS: Okay. Ms. Depotter.

25 MS. DEPOTTER: Hi, Michelle Depotter, AGC. I

1 was going to suggest, since the Authority procured
2 Frank Lee to facilitate the policy deliberation
3 discussions which we're all participating in, and
4 having participated previously at the School District
5 where he lead a similar situation, I think he does an
6 excellent job and seems to be providing that now. And
7 I would offer Mr. Franklin Lee be the chair.

8 MR. LEE: I'll have to respectfully decline.
9 I'm not a stakeholder. I'm just a facilitator.

10 MS. DEPOTTER: Okay. Just wanted to put that
11 out there.

12 MR. LEE: What we're looking for is a chair or
13 vice chair of the stakeholder group itself. And that
14 person's responsibilities, actually, you can decide
15 those amongst yourselves. But in the past when I've
16 served in this capacity, the chair of the stakeholders
17 and/or the vice chair, basically just helped to
18 convene folks and to keep them focused during
19 discussion, I guess, try to help keep them focused on
20 the issues at hand. And to facilitate any, well, any,
21 I guess they served in the capacity of helping to
22 facilitate any conversations that can help reach
23 resolution of any disputes or differences of opinion.
24 We're looking for the chair to kind of help serve in
25 that capacity, more so than me, as a facilitator,

1 leading the discussion. But thank you for your -- I
2 certainly appreciate that.

3 MS. ROBBS: Vote of confidence, right. Ms.
4 Bowen.

5 MS. BOWEN: Carol Bowen. I had a clarifying
6 question, but I think Mr. Lee may have answered it.
7 So the role of chair or vice chair hasn't specifically
8 been defined in the stakeholder group? Or, I guess my
9 point is: If we knew what the responsibilities were,
10 that may help loosen up people's willingness to serve.
11 But if it's to be later determined then...

12 MS. ROBBS: I'll just give an overview as we
13 did on April 11. The role of the chair will be just
14 to facilitate these meetings. I will be your staff
15 person to make sure that, as you came here this
16 morning, the meeting will be set. The agenda will be
17 prepared. Our office will distribute the information
18 to you and inform you of any changes in schedule. Of
19 course, the vice chair would serve in the absence of
20 the chair.

21 MS. BOWEN: Thank you.

22 MS. ROBBS: Okay. We will have Mr. Johnson
23 and then Ms. White.

24 MR. JOHNSON: Brian Johnson, Minority Business
25 Coalition. So just to be clear, the Authority decided

1 to have a publicly-involved process to develop
2 remedies to passive and active discrimination. That
3 process is a stakeholder work group made up of
4 businesses, communities, and what have you who can
5 contribute to the development of robust policies and
6 procedures. As a matter of public confidence in the
7 process, it's better that the stakeholder work group
8 own the process, and that's why you want it lead by
9 the stakeholder work group with the normal chair and
10 vice chair who would do the normal duties in a chair
11 and vice chair role. So I don't see this as any
12 different, so that this work group can own the product
13 of this work. So I think that's the reason why you
14 should have a chair and vice chair.

15 MS. ROBBS: Ms. White and then Mr. Lewis.

16 MS. WHITE: I concur with Mr. Johnson. And
17 I'm prepared to nominate Mr. Johnson for chair, and
18 let's move this along.

19 MS. SMITH: I second.

20 MS. ROBBS: Okay. Let's not rush the process.
21 I want to make sure that there's no other comment
22 amongst the stakeholders here. Okay. Ms. Thomas.

23 MS. THOMAS: Yes, I wanted to ask: Did we
24 have to pre let you know that you wanted to go up for
25 any position, or do you do that at this point?

1 MS. ROBBS: Basically what happened at the
2 beginning of the meeting, during the roll call, when I
3 called the member's names of the stakeholder
4 committee, I asked for each member to express whether
5 they were interested in serving as chair or vice
6 chair. And so, that was the first, you know, reaching
7 out to find out if you're interested. And so now
8 we're at the beginning of the election process and
9 we're saying that in addition to Ms. Selena Smith, who
10 expressed that she was interested in running as vice
11 chair, I'm asking, are there any other members who are
12 interested in serving as chair or vice chair. But one
13 of the committee members had raised another option in
14 which to handle the elections. I'll recognize Ms.
15 Sanches, Ms. Depotter and then Mr. Lewis.

16 MS. SANCHES: Actually, we were supposed to
17 vote on this the last time we met and we ran out of
18 time. So this is probably like your third request.

19 MS. ROBBS: Correct. Ms. Depotter.

20 MS. DEPOTTER: I guess my comment would be
21 more clarification for Mr. Johnson. Are there any
22 issues with -- you're an elected official in Broward
23 County; is that correct?

24 MR. JOHNSON: I am.

25 MS. DEPOTTER: Are there any issues with

1 that --

2 MR. JOHNSON: Not at all.

3 MS. DEPOTTER: This is a Palm Beach County
4 study -- with you being an elected official serving as
5 chair or vice chair?

6 MR. JOHNSON: Not at all. This has nothing to
7 do with that.

8 MS. ROBBS: Okay. If you have questions, I
9 would like that you address them through the chair.
10 And then that way we can make sure that if we need our
11 general counsel to respond or one of the chiefs, or
12 the facilitator, Mr. Franklin Lee, we get the right
13 person to respond and it's on the record. But I
14 appreciate your input and questions. Mr. Lewis.

15 MR. LEWIS: I believe at our last meeting
16 Mr. Johnson volunteered to be the chair. We have a
17 vice chair. I think this group is ready to move
18 forward in verifying both in those positions.
19 Respectfully, requesting that we move forward.

20 MS. ROBBS: Is that a motion?

21 MS. BOWEN: I'd second it, if it is.

22 MR. LEWIS: I'll make it a motion.

23 MS. ROBBS: It's been properly moved by Mr.
24 Lewis and seconded by Ms. Bowen that Mr. Brian Johnson
25 serve as the stakeholder, the S/M/WBE Stakeholder

1 Group chair. And Ms. Selena Smith serve as vice
2 chair. Are you ready for the question? All in favor?

3 GROUP ANSWER: Ay.

4 MS. ROBBS: Opposed? Ays have it. The motion
5 carries. And you have just elected Mr. Johnson as
6 your chair and Ms. Smith as your vice chair. We
7 appreciate your commitment. We're there for you.
8 Now, we will move back to the policy option
9 deliberation with Mr. Lee.

10 MR. LEE: Okay. What I'd like to do for the
11 remainder of our time here today is to entertain the
12 substantive discussion that we need to have on the
13 race neutral remedies, R/N-12 and 13 for
14 administrative reforms, and then all of the policy
15 options that we've outlined this morning for
16 construction, both race and gender neutral and race
17 and gender conscious. And I left out the race
18 conscious remedies for administrative reforms, I think
19 it's R/C-1 through 4 for the administrative reforms.

20 And we don't have to have a whole lot of
21 substantive discussion where there is no dispute.
22 Hopefully, there will be a few of those that we will
23 cover along the way. But I want to focus our
24 attention and try to have a fair amount of discussion
25 at least on those where we have some issue that may be

1 in contention or not entirely sure what direction we
2 want to move on.

3 At this stage, we're just going to have a
4 substantive discussion. There will be a later
5 opportunity at the very end of this process when we
6 will actually ask you-all to give a sense, either
7 through, it's up to you as to how you want to
8 communicate this, either through a vote or through
9 other means as to which policy option you think is a
10 high priority, a moderate priority or a low priority
11 in terms of moving forward, or which of those you
12 think need to be eliminated entirely.

13 So as we go through this process, just keep
14 in mind, if there's nothing that you have to say
15 that's new or different, the process will move along
16 much more quickly if everybody doesn't feel the need
17 to put two cents in, if those cents are not unique or
18 different. And we also want to make sure that, first
19 and foremost, we remain respectful of one another's
20 opinions. Everybody has a right to have input in this
21 process. And everybody 's input is valued equally.
22 So please be respectful of one another's opinions,
23 even when you differ strongly and passionately with
24 some of your colleagues. And I think if we do those
25 things, this process will be beneficial and we'll move

1 the ball forward significantly.

2 Okay. Let's go back to race-neutral remedy
3 R/N-12. I made some notations of areas where I
4 thought there might be some substantive discussion.
5 But I'm going to go through these in numerical order.
6 And if anybody has some substantive discussion on any
7 one of these items, just raise your hand and we will
8 pause and take that subject to discussion.

9 So, first one is R/N-12, Direct Periodic
10 Reporting of the EBO Office to the Executive Director
11 and Board. Substantive discussion, please raise your
12 hand if you have something you want to say on this
13 particular topic. Okay. We see Ms. White has raised
14 her hand.

15 MS. WHITE: Tina White. I strongly object to
16 this office reporting to the director of finance. I
17 think this office should report directly to the
18 executive director, whomever that is at that time. My
19 reasons and rationals are these: The finance office,
20 as well as purchasing, they're going to have some
21 objections to bid discounts because it will cost, they
22 will have some objections to the percentage and all
23 those things. So I don't feel that the EBO office can
24 be strong and direct in its recommendations if, in
25 fact, their boss, who is counting the pennies and the

1 dollars is objecting to the inherent cost to
2 administer the program.

3 I also have a strong issue with the word
4 coordinator. It's a weak word. And, normally, when
5 you're looking for someone to have strong
6 accountability, I think it should be a disparity
7 diversity director. I think there should be a staff
8 associated with that director. It cannot just be a
9 one-person staff. So the whole formulation of that,
10 to me, cannot exist under this current format.

11 And I strongly make the recommendation that they
12 report to the executive director. That the executive
13 director should be, his performance should be tied to
14 the performance of this office. And therefore it
15 shouldn't be any middle people in between.

16 Often times this person has to be in
17 somewhat of an adversarial role with purchasing and
18 with finance, the CFO. And so if that's their boss, I
19 don't see that being a way to protect, ultimately, the
20 small businesses that have already not had access to
21 procurement dollars here.

22 MR. LEE: Okay. Thank you. Are there any
23 other comments, either with respect to what Ms. White
24 has stated or anything else regarding this
25 particular -- yes, Mr. Johnson.

1 MR. JOHNSON: Just as a point of
2 clarification, if I'm reading this correctly, this is
3 acknowledging that the current structure is that the
4 EBO office reports to the director of finance. But
5 the actual remedy suggests something different, that
6 it goes directly to the executive director, which is
7 what she's recommending. So aren't we already there
8 in this recommendation?

9 MR. LEE: Yes, let me clarify something.
10 Technically, there's no Equal Business Opportunity
11 Office, although there's a person working in the role
12 of coordinator for that office, if and when it comes
13 into existence. So, I mean, Colleen Robbs is
14 basically serving in that role in the interim until we
15 have a formal program and a formal structure.

16 It's still open to debate as to how it's
17 structured. Nothing has been presented to the Board
18 at this point. There have been some internal
19 discussions with staff. And now we're having
20 discussions with you, the stakeholders, as to what you
21 think makes sense in terms of the structure.

22 MR. PELLOWITZ: Excuse me, Mr. Lee, I just
23 want to make a clarification. The EBO office
24 currently reports to the chief financial officer not
25 the finance director. I just want to make a

1 clarification, the chief financial officer.

2 MR. LEE: Yes, I screwed up the nomenclature
3 on that, it's chief financial officer, CFO. But I can
4 tell you that the, there was some, internally with
5 staff there's been some debate as to where it would
6 make sense to house this particular entity, the Equal
7 Business Opportunity Office. In some jurisdictions, I
8 mean, I've shared experience with other jurisdictions
9 that have had different structures. There's some
10 jurisdictions that have placed this type of an entity
11 inside of the law department or city solicitors office
12 in Baltimore, for example. Atlanta was the same way.
13 The mayor's office of contract compliance in Atlanta
14 reported to the city attorney.

15 There have been other jurisdictions that
16 have put it in purchasing, which can obviously lead to
17 some conflicts sometimes. And Ms. White's position is
18 if you put it under the CFO, who is responsible for,
19 you know, counting nickels and dimes, maybe that could
20 create a conflict, as well.

21 I will point out, however, I have not
22 proposed any policy options that would be bid
23 preferences as such in that I think what had been
24 proposed previously was like a five percent price
25 preference in bids that MTA had put forward in their

1 study. And in my view, there was no any evidence
2 whatsoever in the study that reflected on the cost
3 differential or cost disadvantage that Minority and
4 Women Owned Firms were confronted with. So I didn't
5 think you could have a narrowly tailored remedy based
6 on the factual predicates in the study itself. That's
7 not to say there may not be additional evidence that
8 some may be able to bring forward to justify that type
9 of a remedy. But at this point, that's not one of the
10 policy recommendations that's before you.

11 It's our hope that all of these policies,
12 all of those policy options eventually lead to
13 enhanced competition, where all segments of the
14 business population are being utilized to the greatest
15 extent that their willingness and ability and
16 qualifications will allow, and that that enhanced
17 competition basically leads to cost, eventually leads
18 to cost savings for the SWA. And that it leads to a
19 reduction in the economic burden on all of its clients
20 or rate payers. So that the marketplace is then fully
21 engaged and reaching an optimal level of participation
22 for all concerned.

23 That being said, we are here to hear what
24 you have to say as stakeholders in terms of what you
25 think makes sense in terms of the structure of the EBO

1 office. The function and the title of the person
2 heading that office and the reporting mechanisms
3 internally with SWA staff, but also ability to report
4 to the Board, executive director in the Board. So any
5 further comments?

6 MR. JOHNSON: I'm not sure my question was
7 answered, I'm sorry, sir. I just want to make sure
8 that what I think we're recommending is what we're, in
9 fact, recommending. Because the short title of this
10 is Direct Periodic Reporting of EBO Office to
11 Executive Director. It sounds like that what's Ms.
12 White wants. And it sounds like that's what we're
13 recommending. So we're there, right?

14 MR. LEE: There's two different types of
15 reporting. So that's why I thought Ms. White's
16 comments were appropriate. The policy option does
17 talk about the head of the EBO office, whatever that
18 title is, being able to report directly to the Board
19 periodically as to the effectiveness and the progress
20 of the policy and program.

21 There's another issue to be addressed under
22 this policy option as to the structure of the EBO
23 office and, on a daily basis, who do they report to?
24 Does the org chart look like the EBO office reports
25 directly to the executive director, or as it's

1 currently structured, it reports through the CFO, and
2 then through the CFO up to the executive director. Is
3 that correct?

4 Okay. So those are two separate issues that
5 you might want to address as stakeholders, the ability
6 to report directly to the Board on the progress, maybe
7 every six months or every year or every quarter, the
8 ability of the head of the EBO office to report
9 directly to the Board. And then the second issue is
10 how, structurally, should the EBO be placed within the
11 SWA Administration. I'm sorry, Ms. Bowen.

12 MS. BOWEN: Thank you, Mr. Lee. Carol Bowen,
13 ABC. So in both roles, as we define them though, the
14 EBO is not being called upon to dictate which goals
15 apply to which project. They're there to report on
16 how the various goals and policies are being met; is
17 that correct? Because I think the question and the
18 concern was: If we're asking the EBO, and let me know
19 if I'm wrong, my understanding of the first question
20 was: If you're asking the EBO to, on a contract by
21 contract basis, dictate which of these policies apply,
22 then it may be difficult for them to report to the
23 CFO. But I don't think that's what you're asking the
24 EBO to do. You're asking the EBO to report in those
25 two different instances, not make policy regulations.

1 So in my opinion, I'm not sure it matters
2 who they report to. Because they're reporting on how
3 the policy is being achieved versus what the policy
4 is, if that makes sense.

5 MR. LEE: Yes, I understand your question.
6 There is an administrative role that the EBO office
7 will have in terms of the application of these various
8 remedies to specific contracts. As we're currently
9 proposing it, the EBO office is the one that would
10 determine whether, for example, a subcontracting goal,
11 an SBE subcontracting goal or an M/WBE subcontracting
12 goal is going to be applied to a specific bid
13 solicitation, and if so, what the size of that goal
14 will be.

15 And we will put some guidelines into the
16 policy as to what factors should be considered by the
17 EBO office in making those kind of determinations.
18 The reporting requirements that the EBO office would
19 have to the Board would be in the, pretty much along
20 the lines of either a semiannual, quarterly or annual
21 report that the EBO office presents to the Board as to
22 what results has the program obtained thus far in
23 terms of SBE participation by business industry
24 segment, prime contract, subcontract. What are we
25 seeing in terms of bidding activity? What are we

1 seeing in terms of growth and capacity, the
2 availability of M/WBEs or small businesses for
3 different types of contract, those types of things.

4 We will also spell out in the policy itself
5 a number of those elements that we would expect to be
6 included in those kinds of reports to the Board. For
7 example, typically, we would include a provision that
8 says: How many waivers were granted to goals over the
9 course of the year? What's the dollar value of those?
10 Were those waivers documented, the just cause of those
11 waivers documented in accordance with the policy?
12 Those are the kind of things that we would look to
13 specify in the reporting mechanisms that go with this
14 policy. But it's important for the Board to be able
15 to see, I believe, which of these tools, which of
16 these policy options are working, how well they're
17 working. Do they need to be adjusted on an annual
18 basis? Does the mix of race-and-gender-neutral versus
19 race-and-gender-conscious remedies need to be adjusted
20 in one way or the other, given how well we've been
21 able to move forward in achieving our annual
22 aspirational goals? That's the kind of data that
23 we're hoping will come out of those reports that will
24 enable the Board to give more informed direction to
25 staff as to what it wants to see happen with the

1 program each year.

2 MS. BOWEN: Follow up question, then. I
3 appreciate that explanation, thank you. And I think
4 today we're doing a lot of fact finding, which is
5 important. If we're still finalizing the role of the
6 EBO to some extent, then my request would be that we
7 continue to look at this issue then. Because if we
8 haven't yet defined what we expect of them and that's
9 not written, then I think it's probably unfair of that
10 position to say who they're going to report to. Their
11 role may expand. A title change may be warranted.
12 They may be able to report straight to the head. I
13 think these are really important questions that are
14 being brought up by this group. So maybe we need to
15 table any final determinations until we've decided
16 their official role so that we're giving them the
17 appropriate position they might require. Thank you.

18 MR. LEE: Any other comments?

19 MR. JOHNSON: Yes, so I think -- but are we
20 not generally accepting that, throughout the
21 Authority, there will be at least one person assigned
22 to be the internal champion of this program, to be the
23 one who is making sure we're inspecting what we're
24 expecting, whether or not the policies themselves are
25 being adequately and compliantly applied and the

1 intended results are being achieved, that we could
2 point to and say: This is the quarterback of this
3 particular program, and that the success or failure of
4 this program has a lot to do with that person's
5 day-to-day activities? If we're accepting that as the
6 role, then it's clear to me that we don't want anybody
7 filtering that. That we want that person reporting
8 directly to the executive director, if that's what
9 we're saying. And I think that's what we're saying, I
10 just want to make sure that that's what we're clear
11 about.

12 MR. LEE: Okay. I will say this: As
13 currently envisioned, at least by me, the head of that
14 office, the EBO office, would be the primary champion
15 for the program. But I would also expect to include
16 responsibilities for other staff people within the
17 organization. I don't want this to be the program of
18 the EBO office. It's a program of the SWA, of the
19 entire Authority. So we need the whole Authority,
20 basically, pulling in the same direction, pulling that
21 boat in the same direction with their oars, to make
22 the program effective and to make it meaningful and to
23 enhance competition in the marketplace from all the
24 different segments of the business population.

25 So with that being said, I hope that informs

1 your judgment as to, you know, how you may want to
2 structure this. I think Ms. Bowen's comment is also
3 well taken, that maybe this isn't the appropriate
4 juncture at which to make a decision on this. Maybe
5 you want to spell out the scope of responsibilities of
6 that office, of the EBO office before you determine
7 what the title is and the reporting structure. Or
8 maybe you want to go ahead and try to get a sense of
9 the group now as to where you-all stand on this issue.
10 It's up to you. Mr. Lewis.

11 MR. LEWIS: All things considered, I think
12 what we want to do here today is define something
13 that's most efficient and effective. And so from that
14 standpoint, I'd really like to hear from staff as to
15 their rational, so that we have a little bit more
16 information and insight before we can make any
17 decisions. I'd love to hear from staff.

18 MS. WHITE: Agreed.

19 MR. LEE: Okay.

20 MR. DUMARS: The EBO office is brand new to
21 the Authority. They need guidance. They need
22 administrative help. Primarily, that was my role.
23 I'm part of the executive staff. So you don't have a
24 lower level that she's reporting to. My objective
25 would be to enhance and enable her to do her job, I

1 take the responsibility of her doing her job. And
2 that's primarily it. She's the expert. So the
3 filtering, I don't really agree that we would, you
4 know, because we count pennies, would hold back. That
5 decision would be among the EBO office, the executive
6 director and everyone else. So I think there has been
7 a misrepresentation of her reporting directly to the
8 CFO with fear that the CFO would block things that she
9 is responsible for. That's not the structure.

10 She needs that person to report to in the
11 organization because she's new and she will need
12 assistance. And the intent is to hire additional
13 staff once the M/WBE program has been approved. So,
14 you know, I think that maybe there was some mistake in
15 seeing her reporting to someone. It is at the
16 executive level.

17 MR. LEWIS: That helps. Thank you.

18 MR. LEE: Yes, Ms. White.

19 MS. WHITE: I think this is the foundation for
20 the house. And so it's a little troubling that this
21 has not been more vetted and thought out before
22 bringing it to us. I would like to see an actual, I
23 would like to see in writing how this office would
24 actually operate. I understand the CFO's position;
25 however, in terms of accountability, it has to be that

1 there is one person from the Board's standpoint, the
2 public's standpoint that ultimately the program is
3 going to succeed or fail under. And that person, in
4 my opinion, can only be the executive director. It
5 can't be his executive staff. It has to be the
6 executive director in which his performance annually
7 reviewed is tied into the successor of that office.
8 Whomever is in that office, however many people exist.

9 For me, I still would not like to see anyone
10 in between the director of that office -- because I
11 think it should be a director's position -- and the
12 executive director. But I think that, I know you
13 don't have an office, we understand that part. But,
14 this is, to me, the foundation for everything going
15 forward. And this cannot be backed into. It's got to
16 be very thought out in advance. And I would like to
17 see something in writing as to how that office would
18 operate, because if there's no -- I can't buy into how
19 that office is going to operate or the policies that I
20 would be accepting could possibly be nothing but
21 policies on paper.

22 To give you, even to be even more exact, the
23 Authority currently has an SBE bi-annual report. That
24 report goes on the consent agenda. So, yeah, you gave
25 a report to the Board, but it went on a consent

1 agenda. It's not discussed in the public meeting
2 unless someone from the public, as I have, has
3 requested a governing Board member to pull it from the
4 consent agenda. So all of those things, to me, are
5 really critical.

6 I have a history that have, you know, been
7 here part of these meetings, that some of my
8 colleagues may not have in terms of the practices that
9 have gotten us to the place that says significantly
10 African-American people have not had access to
11 procurement here. So I would really like to see this
12 flushed out in writing so that we can actually make
13 some informed decisions and not leave it to chance.

14 MR. LEE: I wholeheartedly understand where
15 you're coming from with that. The process that we're
16 trying to follow here is to develop the broad outlines
17 of the program. And through this stakeholder process,
18 I'm getting an indication of issues that are important
19 to you as stakeholders, to make sure that they're
20 addressed in the draft policy. Again, the policy
21 option matrix that we're dealing with today and in the
22 next few meetings is going to be, basically, serving
23 as a detailed outline for the policy that I draft.
24 Now, based on what you just said, it may be helpful if
25 I can share with all of you stakeholders some sample

1 policies from other jurisdictions in terms of the
2 organizational structure of the office, how it fits in
3 and reports and that sort of thing. Just to give you
4 an idea of what the possibilities may be. And then,
5 ultimately, you may want to come back as a group and
6 try to reach some consensus as to what that structure
7 should reflect here going forward. I can do that if
8 you think that would be helpful to the group as
9 stakeholders in this process.

10 MS. WHITE: It would for me.

11 MR. LEE: Any other comment on that? Yes, Ms.
12 Gaines.

13 MS. GAINES: I'd just like to advise the
14 stakeholders group that I think it's common knowledge
15 that the more independence this position and this
16 office has the more effective the office will be.
17 There are going to be some compliance and monitoring
18 both of internal administrative functions as well as
19 external contractual functions, as well. And so, with
20 that being the case, I think that the best-in-class
21 samples that you would give work best the higher up
22 and the more independence this office has.

23 Now, there are always the exceptions,
24 because there are often times people who are champions
25 at lower levels in different organizational

1 structures. But I don't think we can leave it to
2 that. I think we need to leave it to an
3 infrastructure that is going to promise the most
4 progress in moving forward with fidelity to this
5 program that we can.

6 MR. LEE: Ms. Smith, before I call upon you,
7 it just occurred to me that I need to make one other
8 point perfectly clear for all concerned. At some
9 level, it doesn't matter what the reporting structure
10 is, if there is not the political will at the Board
11 level and the executive director level, I don't care
12 who you have the EBO office reporting to, it's not
13 going to be an effective program. We need an entire
14 organization to buy into whatever policy we come up
15 with here if it's going to mean anything. I've seen
16 situations that look great on paper, straight
17 reporting and all of that and everything else.

18 But keep in mind, whatever policy we come up
19 with this year is going to last for years beyond this.
20 It may be amended from time to time, but we don't know
21 what personnel we're going to be dealing with, you
22 know, in five years. We can try to make decisions
23 based on what we see here today. But also try to keep
24 your eyes on the horizon as you're developing policy,
25 to realize there may be times when either staff is

1 either more gung-ho about this kind of policy effort
2 or less gung-ho about it. It does change over time.
3 I've seen that happen in a number of jurisdictions.
4 So the best you can do as stakeholders, the best that
5 you can do in terms of developing policies, is to
6 think of the long term. What's going to make the most
7 sense in terms of you, as stakeholders, being able to
8 have input in the future as you need to weigh in on
9 changing things.

10 MS. SMITH: So as a suggestion then, maybe, if
11 we can agree on "this is the procedure that this
12 particular person would be reported to", and then
13 maybe a subcommittee made up of the stakeholders go
14 into the detail of that particular role and reporting
15 and go from there. So at least we can agree on, right
16 now, this is who this figure head would be. And then
17 maybe we then convene and come back or table this and
18 come back and say: "This is how we would like it laid
19 out", and discuss it another time.

20 MS. WHITE: Can't agree to that right now. I
21 would ask that -- I'm making a motion that Mr. Lee
22 provide us with models from other governmental
23 agencies that are effective, that I concur with Ms.
24 Gaines, that have a strong independence to them. I
25 don't concur with Mr. Lee on the fact that, yes, it's

1 important for the elected officials to buy into the
2 policy, but we can un-elect elected officials. We
3 can't fire staff. We can't fire the executive
4 director. We can't fire the people in the office.
5 But we can put pressure on the Board if those persons
6 are not performing. And the only way we can know that
7 they're performing is how this model is set up and how
8 they are evaluated on their annual performances to the
9 success of this program.

10 And so, policy makers are going to come and
11 go. Some staff is going to come and go. But in terms
12 of the accountability of staff being the champions, no
13 matter what their role is, it's going to be tied to
14 their performances. And we can hold the Board
15 accountable for their staff not performing. And if we
16 don't have any other way to show them our disapproval
17 than un-electing them, then that's what we would have
18 to do. But, for me, I can't agree on this right now
19 at all. And I think that I've got to see some models
20 and be real clear about what is the expectation.
21 Because otherwise, if we don't get this part of it
22 right from the very beginning, everything else is just
23 lip service. And I've seen lip service here. They do
24 it well.

25 MR. LEE: Okay. Is there a consensus that I

1 will provide additional models for your consideration
2 as stakeholders in terms of the internal structure and
3 also reporting to the Board? Yes, Ms. Sanches.

4 MS. SANCHES: Can you, you mentioned this
5 before, but can you also provide a job description?
6 Because I think that's important. You kind of, like,
7 alluded to it earlier. And Mr. Dumas, you had
8 mentioned "she". Who is the "she" that you are
9 referring to?

10 MR. DUMARS: Excuse me?

11 MS. ROBBS: Me.

12 MS. SANCHES: Okay. So, I guess, just for
13 clarity for me, what exactly, where are you guys right
14 now in terms of, is she, Ms. Colleen, where else are
15 you going with this in terms of, how do you see this
16 whole office being ran?

17 MR. DUMARS: From an operational standpoint?

18 MS. SANCHES: Yes.

19 MR. DUMARS: From an operational standpoint,
20 in signing off on her issues and items, I'm the
21 person -- she's new here. And I'm really there to
22 help facilitate her efforts to make this program
23 successful. Ms. Brady is the purchasing director.
24 That report that you talk about, she's responsible for
25 that report. But she reports to me. And so it's more

1 of administrative signing off and providing direction
2 and support, approving budgets and so forth.

3 And the idea that, you know, I would be a
4 block to that, no, my goal and objective would be to
5 make sure that this program is successful. And so
6 that's why the structure has been created coming into
7 the agency. She needed guidance. She needed someone
8 to report to. And it was thought that the CFO would
9 be the best position for that, since it's a kin to
10 purchasing. And purchasing and finance and two or
11 three other departments report to me. So, that's what
12 I was talking about.

13 MR. LEE: And to also answer your other
14 question, Ms. Sanches, I've worked with a couple of
15 different local governments that have asked me to help
16 with the implementation phase of their programs after
17 we've developed the policy. So, fortunately, I've
18 actually collected job descriptions for offices of
19 various sizes, different stages. I've worked with
20 Miami Dade Public Schools, for example. When they
21 started out, they had one person, and then they
22 gradually increased their staffing. I think they've
23 got six or seven.

24 MS. ROBBS: Twelve.

25 MR. LEE: Twelve? Oh, wow. In other -- and

1 I've job descriptions and even budgets at different
2 stages of development of these programs. You're
3 starting with basically just having a small business
4 program of one person who has essentially been given
5 the responsibility, historically, for operating that.
6 And I've made it clear from jump street you're going
7 to have to put some additional resources into this
8 kind of a program if you really care to make a
9 difference. So I will be happy to share whatever
10 relevant information of that nature I have with you.

11 MS. SANCHES: I have one more question.
12 You're all staff. Are you-all willing to, after we've
13 spoken, change your position to having this person,
14 whether it's Ms. Colleen or whoever else, not report
15 to the chief financial officer, if we strongly believe
16 that there's a conflict of interest, which there would
17 be, and even unintentionally, it's just the reality.
18 And as Ms. Gaines mentioned, there's really not a lot
19 of independence when your job is tied to the person
20 that you report to, who just happens to also be part
21 of the same, you know, environment. It might have a
22 different idea, like counting pennies. I mean,
23 purchasing and financing they're very, like to hold on
24 to their money. So if it comes to pass that you might
25 not be able to hold on to as much money, how flexible

1 will you be in that? I mean that is a question to be
2 considered.

3 MR. PELLOWITZ. Can I address that real
4 quickly?

5 MR. LEE: Sure.

6 MR. PELLOWITZ: I think it's important to
7 note, just so you understand, the structure of the
8 Authority first, 'cause a lot of you are new here. So
9 I'm going to start at the top and I'm going to work
10 down. Currently, the executive director is a contract
11 employee who works for the Board. The executive
12 director is the only person who works for the Board.
13 Everyone else in the Authority works for the executive
14 director. At that level, the executive director is
15 responsible for everything that goes on in the
16 Authority and reports directly to the Board by
17 contract.

18 It's also important to note that everybody
19 has to report to somebody for the purpose of their
20 evaluations and evaluating the performance and
21 providing them with input. Currently, right now, we
22 have the office reporting to Mr. Dumars, who is the
23 chief financial officer. He is responsible for
24 finance, for purchasing, for customer service and for
25 IT. I think I've named everything.

1 It's also important to know that the finance
2 department probably spends less money than any other
3 department in the organization. Most of the money is
4 spent by, you know, the engineering department through
5 construction and design, in operations. So the real,
6 I think it's, I don't think it's necessarily true the
7 premise that as the, he's the chief financial officer
8 and he's going to be the one worried about pinching
9 the pennies. That's not necessarily the way it works.
10 It doesn't work that way here.

11 And I think I look forward to Franklin
12 providing some structures, because I think it's
13 important that they be right size, because the
14 Authority is small relative to a county or a large
15 city, like Atlanta. So I mean, I would appreciate it
16 if we could get that information together and get it
17 to you and then have a more substantive discussion
18 later. And I would also like to provide you with a
19 copy of, not only the job description, but the
20 Authority's organizational chart and some other
21 things, so you understand.

22 Right now Mr. Dumars reports to me. And I'm
23 the one who made the decision that this office report
24 to Paul. I'm open to other suggestions if people have
25 them. The one thing I was clear on is that the office

1 should not be part of purchasing. So this office
2 needs to be separate and distinct from purchasing,
3 because procurement guidelines are fairly strict. And
4 separating this person from the purchasing function is
5 important, because in this role she can do things that
6 purchasing can't do. And so that, I mean, purchasing
7 has a requirement to make sure everybody gets notified
8 at the same time on a bid, that everyone receives the
9 same information. They really can't provide personal
10 assistance to any particular bidder or potential
11 bidder over another. So that's the reason why it was
12 put there.

13 But to answer your question, we're willing
14 to look at what the stakeholder group has to say and
15 we will evaluate at the time and we may change our
16 position.

17 MS. SANCHES: I have another question. So how
18 committed are you to making sure that this works?

19 MR. PELLOWITZ: I'm a hundred percent
20 committed to it. Absolutely, one hundred percent. If
21 I wasn't, I wouldn't be here. So, my goal here is to
22 come up with a program that nearly everybody can
23 accept, than everyone is committed to. Our directors
24 and folks are in the audience. We talked about a
25 training programmer earlier, this is part of that

1 training program. They're involved here today, not
2 only to assist you, but also to understand what the
3 program is ultimately going to look like. And they're
4 going to be required to buy into it and function with
5 it. And they're all committed to that. So I'm a
6 hundred percent committed to it. And I can guarantee
7 so is Paul, and so is Colleen, and so is Sondra. And
8 so is everyone else in this organization.

9 MS. SANCHES: Thank you.

10 MR. HAMMOND: Can I just add one thing before
11 we get going. We're having a little feedback problem
12 here through our audio system. It appears somebody's
13 cell phone may be on. If I could just ask that, you
14 know, you put them in silent mode or airplane mode or
15 turn them off. Thanks.

16 MS. WHITE: Tina White. Dan, based on,
17 currently the person reports to Paul. Once they're
18 starting to assess percentages, who overrides that
19 person?

20 MR. PELLOWITZ: It's important -- that's a
21 good question. As Franklin said, we're going to be
22 presenting some modifications to our administrative
23 procedures to the Board on Monday at the Board
24 meeting. There are, if you read that, there are, in
25 any case where there is a disagreement between the EBO

1 office and another department or purchasing or
2 anywhere else, that is elevated to the executive
3 director to convene a meeting and to make the final
4 decision as to what that's going to be. So,
5 ultimately, there is a dotted line, a dotted line
6 responsibility, if you will, to the executive
7 director. But organizationally, right now, we believe
8 it's best that this position report to the chief
9 financial officer. If we get into this, and that
10 doesn't seem to be working, then that can always be
11 changed. But I guarantee you that the executive
12 director is the one who has the ultimate financial
13 responsibility and ultimate responsibility for the
14 success of this program.

15 MS. WHITE: That even strengthens my position
16 on why that person should be reporting directly to
17 you. Because you have to have first-hand knowledge on
18 a day-to-day basis on how this program works and
19 whether it's working properly. It cannot be someone
20 in between you and that office that's telling you
21 their interpretation of how the program is working and
22 the success of that program.

23 If you're going to be, basically, a figure
24 head, then this cannot work, in my opinion, not based
25 on the disparity study that documents the past

1 practices. You were part of the past practices. So I
2 understand you're saying you're one hundred percent
3 committed. It appears that you are objecting to that
4 person reporting to you. But, in my opinion, you have
5 to be held accountable. And the only way you can be
6 held accountable to the success of the program is that
7 you understand on a day-to-day basis how that program
8 is working, operating and there is nobody in between
9 you and that person.

10 I'm not, Mr. Dumars, it has nothing do with
11 who is the CFO. I just has to do with the direct
12 lines. Because what I've heard here often is "my
13 staff", "my staff", meaning, "I didn't have", "I
14 didn't directly know this", "my staff". So, in this,
15 in order for this to be successful, in order for the
16 Board to also have accountability back to the public,
17 it has got to be the executive director in which this
18 falls on one hundred percent 24/7. That's my
19 position.

20 MR. HAMMOND: If I might. I clearly, you
21 know, sitting here, get everybody's information and
22 input. I understand, and I think at this point it
23 might be good to be able to table this. I think
24 Franklin Lee has, Mr. Lee has come up with a good
25 suggestion here. He's going to try to put together

1 some more information for the committee. He will get
2 it to staff. We will be able to evaluate it, take a
3 look at how we might be able to structure this office
4 within our current structure and then come back to
5 you. But, you know, I don't think we're going to
6 resolve it today. But I do believe that this is
7 something we can work on and bring back to you in the
8 future, if you don't mind.

9 MR. LEE: Okay. Do we have a more or less
10 consensus on that, that I will get you some additional
11 information? I also have information on job
12 descriptions and even some budgets for different
13 programs around the country. And staff can take a
14 look at those, as well, and see what makes sense,
15 given the resources and structure that the Authority
16 has.

17 Okay. All right. Let's move on. R/N-13
18 was the policy option for EBO Office Representation on
19 Evaluation Panels, just having a staff person with
20 that perspective for Small, Minority Women Business
21 participation, try to keep everybody else honest in
22 their scoring on evaluation panels. Were there any
23 substantive debates or comment on this one at this
24 point? Yes, Ms. White.

25 MS. WHITE: Tina White, one of my concerns

1 with evaluation panels is the competency of the
2 persons on the panel. And I'd like to figure out, you
3 know, understand how you make the selection for the
4 persons that participate on the panel and what their
5 knowledge is as it relates to that particular
6 procurement?

7 MR. PELLOWITZ: I'm going to start, and maybe
8 I'll ask Sondra to come up and finish. The way we
9 handle selection and evaluation committees now is we,
10 sometimes it's three and sometimes it's five members.
11 The originating department, which is the department
12 that is requesting the solicitation and has the
13 knowledge, direct knowledge associated with the
14 products and services that they're procuring,
15 typically has one or may have two, if it's a
16 five-person committee, on the committee. We also
17 require that a finance person be on every committee.
18 And then an additional person who has expertise in the
19 area. We're a relatively small organization. Our
20 administrative staff is probably less than a hundred.

21 So, typically, the same in an
22 engineering-type situation, a construction project, it
23 typically wouldn't be on engineering, it would be
24 CCNA. Engineering would have one or two people on the
25 committee, and then finance would have a person. We

1 might bring in someone from environmental, or someone,
2 our director of landfill ops, who is an engineer. And
3 bring them in either that. So they all have
4 high-level knowledge of what's being purchased. And
5 they all have slightly different perspectives on, you
6 know, so that you don't have like, we don't allow the
7 originating department to control the committee,
8 because then they're in a position to potentially pick
9 whoever they want or out vote everybody else. So we
10 do have balance in those committees.

11 And what we're asking to do here or
12 suggesting here is that the EBO officer or their
13 designee also have a voting member on that committee.
14 So we're expanding the committee beyond what we
15 currently do now to include the EBO office, as well.

16 MS. WHITE: How experience -- what is staff
17 told in terms of how they determine the score they're
18 going to give for experience?

19 MR. PELLOWITZ: Those instructions are
20 generally included -- Sondra, please come up. She was
21 getting out of her chair, so I'm going to let answer.

22 MS. WORTHY: Sondra Worthy, Director of
23 Purchasing Services. What we do is establish weighted
24 criteria. And based on the complexity and technical
25 issues as it relates to the service that we're

1 procuring, we establish weighted criteria. In most
2 instances experience is more heavily rated,
3 qualifications of the firm and the individuals are
4 also heavily rated. Under an RFP under CCNA there is
5 no cost consideration, because that's a negotiated
6 item. In addition to that, we've got the criteria for
7 local participation and/or SBE participation.

8 To also expand a little bit on what Dan said
9 in regards to the make-up of the selection committee,
10 we also extend an invitation to a member of the
11 citizens advisory committee to participate. And as
12 said, it's always going to be an odd number, three,
13 five or seven. And we also provide an opportunity for
14 an outside person from another organization or
15 corporation, company, to participate, based on their
16 level of expertise.

17 MR. DUMARS: Also, generally, we will not have
18 a supervisor and subordinate on the committee.

19 MS. WORTHY: Right. We will never have a
20 supervisor/subordinate. And in the case where we may
21 have two individuals from one department within the
22 same department, it's rare, but in that event, the
23 executive director has to approve the assignment of
24 the second individual.

25 MS. WHITE: Mr. Lee, would you share with them

1 the example you gave about the long-term company that
2 they kept giving the award to, because experience is
3 one of the main barriers discussed in the disparity
4 study. And there has got to be a rethinking of how
5 that is weighted, and the thought process behind the
6 scoring on experience in order for minority firms to
7 gain business here at the Authority.

8 MR. LEE: Yes, Ms. White is referring to an
9 example that I gave to the Board in my first
10 presentation about one of the unthinking barriers that
11 really tends to keep small and minority businesses,
12 hold them back in terms of participation. There was a
13 disparity study that I was involved with with the
14 water sewer district just outside the District of
15 Columbia. And like most jurisdictions, they had an
16 RFP process for engineering firms that they selected.
17 And the data showed they were always selecting the
18 same three or four engineering firms for all their
19 design work, for their water and sewer projects. And
20 we wondered: Well, why is it that there's not more
21 minority businesses bidding or being selected?

22 And they had an experience requirement that
23 made up, roughly, forty percent of their points for
24 the evaluation process. We found that there was a
25 very successful minority engineering firm from Atlanta

1 that had been doing work with the Army Corps of
2 Engineers, worked in DC and surrounding areas,
3 multiple million dollar projects, very large projects.
4 But when we looked at the scoring sheets for the
5 evaluation panels, they were always being marked way
6 down in terms of experience. This firm was what's
7 called an 8A company. It had been certified by the
8 Small Business Administration as an 8A company. It
9 had been around for thirty years and done some great
10 work on fairly large projects.

11 So we did, we decided to do case studies
12 into how this scoring came about. And went in and
13 interviewed the people on the evaluation panel for
14 those engineering firms. And they said, "Well, what
15 we did was we looked at the firms that we typically
16 used and they had a lot of experience with us. They
17 got all forty points out of the experience criteria.
18 And this firm had been around for a hundred years.
19 The minority firm had only been around for thirty
20 years, so we gave them one-third of the experience
21 points." They didn't get anywhere close to forty
22 points. So they were being, basically, kicked out on
23 that basis alone.

24 So then we asked the members on the
25 evaluation panel, "Well, how many hundred-year-old

1 guys are going to be working on this project?" And
2 then the light bulb went off and then they realized,
3 "Oh, I guess that doesn't make a lot of sense to have
4 that kind of disparity in the scoring of these firms
5 based on experience".

6 The truth was both of the firms were equally
7 qualified. They'd done similar types of projects,
8 similar size and had the capability and qualifications
9 to perform well. They both had adequate or more than
10 adequate experience and capability for performing the
11 project. And that changed the way that the panel
12 members were thinking about the way that they score.

13 But if you didn't have somebody from a small
14 business office or equal business opportunity office
15 in the room to question them about why they had those
16 kind of disparities in their numbers, they might not
17 even think about that and consider whether they scored
18 the proposals or the teams fairly. And so, that's
19 what our thinking was behind this particular proposed
20 remedy. That if we just had somebody with that
21 sensitivity participating in those panels, maybe we
22 will get better, fairer result in terms of the actual
23 scoring.

24 Yes, Mr. Lewis.

25 MR. LEWIS: To that point, I think that's what

1 we're talking about here, which is adding that person
2 to the evaluation panel that does not currently exist.
3 I happen to know Ms. Robbs very well. She's very well
4 qualified. She may or may not be that person. She's
5 very competent. And I think this particular
6 stakeholder committee just needs to go with this one,
7 because it doesn't exist at the present time. So it's
8 going to only enhance the integrity of the evaluation
9 criteria and the process, because it doesn't exist at
10 the current time. And I think that's what the whole
11 point of this one is. Let's move on.

12 MS. BOWEN: I agree.

13 MS. ROBBS: Mr. Allady, you had a comment.

14 MR. ALLADY: That was my comment, basically.

15 MR. LEE: All right. Well, moving right
16 along. Now we come to administrative reforms and race
17 conscious remedies. R/C-1, Penalties and Sanctions
18 for Noncompliance with S/M/WBE Requirements. There's
19 two of these, R/C-2 deals with issues of fraud. But,
20 basically, this policy option is addressing the need
21 to put teeth into the program, that if there's
22 noncompliance with requirements, either in the bid
23 solicitation and/or the contract itself, that there's
24 sanctions to be imposed for that noncompliance. Are
25 there any substantive comments on this particular

1 policy option? Yes, Mr. Lewis.

2 MR. LEWIS: Just for clarity purposes and
3 probably for reiteration, you will be putting this
4 policy together with all those parameters, let's say.
5 So if that is the case, I'd like to move this forward
6 and wait till we see that in writing to have further
7 discussion, unless there's other stakeholder members
8 who have some other things that they want to add to
9 that. But I think the bottom line is, accountability,
10 and to penalize or not penalize someone for fraudulent
11 acts or violations of policy.

12 MR. LEE: Yes, Ms. White, you had a comment?

13 MS. WHITE: The only thing I would like to say
14 is that in this particular policy I'm very interested
15 in seeing the fine print. And especially when it
16 comes to who determines a claim was not a real claim,
17 what that process looks like. It can't be just one
18 person having the autonomy to make that decision. So
19 I'm really interested in the fine print.

20 MR. LEE: Yes, I can assure you that the draft
21 policy will have due process provisions put into it so
22 that there is, at least, a right of appeal. There's
23 investigation. There's a right of appeal. But the
24 EBO office will have the initial responsibility for
25 investigating and determining whether there appears to

1 be noncompliance and recommending a sanction or
2 penalty based on that noncompliance. And then there's
3 a due process that goes up, ultimately to the
4 executive director, and in some instances, to the
5 Board, depending upon what that sanction is. So that
6 will be built into it.

7 I can tell you, there's a full range of
8 different types of penalties and sanctions based upon
9 the severity of the noncompliance. Fraud is frowned
10 upon very deeply in these policies. And we have a
11 place for those folks in jail. There is other
12 sanctions that would deal with financial sanctions or
13 penalties. In some instances, liquidated damages when
14 processes were followed for getting waivers and, in
15 fact, contractors just don't bother complying with
16 their contractual commitments in terms of small or
17 minority women business participation. So it will
18 have some teeth in it, and you will get to see that
19 after we get past this policy option phase and I give
20 you the draft policy in May. Yes.

21 MS. GAINES: I just want to also make sure
22 that under the contract breach damages, it says here,
23 for example, equal to dollar value of shortage under
24 the participation commitment. That is, it doesn't
25 give them an incentive to breach that is so small that

1 they would prefer to not comply with the policy and
2 pay the damage. It's got to be, the damages have got
3 to be sufficient enough to discourage the breach, I
4 guess I would say.

5 MR. LEE: Yes, I guess if there's a real small
6 goal, yeah, maybe they'll think, "Well, what the heck,
7 I'll just self-perform this little two percent myself
8 and not bother complying with it." The problem is
9 there are other sanctions, that if there's repeated
10 violations of that nature, they can get debarred from
11 doing business with the government for up to three
12 years. And that's generally the kind of hammer folks
13 don't want to face. So they don't want to be
14 repetitive violators like that. If you keep running
15 the stop sign, eventually the cop is going to pull you
16 over and you're going to get a ticket. And then,
17 eventually, they take your license away and your
18 registration. They impound your car. So that's the
19 progression we're looking for in terms of the
20 sanctions that would be put into this kind of a
21 policy. Any other comments at this point?

22 MS. DEPOTTER. I'd like to make a comment.

23 MR. LEE: Yes.

24 MS. DEPOTTER: I feel like this is a great
25 time for me to make the comment. I missed the first

1 meeting. So as we move into the race conscious
2 components and discussions, which under Croson would
3 be extreme remedies or gas powered vehicles as opposed
4 to, referencing your analogies. The AGC very much
5 supports the hybrid model.

6 And I would just like to put out here to my
7 colleagues in a good faith effort and in being
8 objective, most of you know that The AGC retained a
9 lawyer and expert in Croson, in addition to Mr. Lee's
10 opinion. And Mr. La Noue was contracted for by the
11 County, which we had nothing to do with. That study
12 in the analysis conveys that "In order for race
13 conscious recommendations to be constitutional the
14 standards of Croson must be met."

15 And we continue to believe that the study is
16 too flawed to meet Croson. I understand the position
17 of the Board and why we are here today involved in
18 these deliberations. But the one thing that was
19 consistent with your comment and with Mr. La Noue's
20 and Mr. Sullivan's was a reference to the Hershell
21 Gill case versus The Metropolitan Dade County case.
22 And I'd just like to restate that: It says: The
23 Court ruled that officials who implement
24 unconstitutional race-conscious procurement policies
25 can be held personally liable".

1 I have brought each of you copies should you
2 wish to take it and review it. But moving forward, if
3 there's any votes on extreme remedies, we will descent
4 from those type of votes. Thank you.

5 MR. LEE: Well, I wish you would keep an open
6 mind and hear everything that we have to say before
7 you take a position you're not going to approve
8 certain race-conscious remedies. You just stated
9 something contradictory, which is that you would like
10 to see a hybrid model, which includes some
11 race-conscious.

12 MS. DEPOTTER: I'm sorry, maybe I
13 misunderstood your hybrid model. The AGC is
14 supportive of race-and-gender-neutral programs.

15 MR. LEE: But never in favor of any type of
16 race-and-gender-conscious programs, that's your
17 position?

18 MS. DEPOTTER: Not at this point.

19 MR. JOHNSON: Point of order.

20 MR. LEE: All right. Yes, let's get back to
21 the issue at hand. I understand, you're basically
22 telling us now that any R/C proposed remedy is going
23 to be opposed by The AGC regardless of the merits?

24 MS. DEPOTTER: Yes, I am.

25 MR. LEE: Mr. Johnson first and then Ms.

1 White.

2 MR. JOHNSON: Yes, just wondering if that
3 would suggest that it would be appropriate for AGC to
4 withdraw themselves from this process, because this is
5 a race-and-gender-conscious process that includes
6 race-conscious --

7 MR. LEE: Well, I don't think -- they are a
8 stakeholder. They are a part of the business
9 community here. They have a right to have their
10 opinion and voice their opinion, and they've just
11 voiced it.

12 MR. JOHNSON: Okay.

13 MS. DEPOTTER: That's why I voiced it, because
14 you allow that. And I appreciate that.

15 MR. LEE: I mean, the position that they're
16 taking based on the Hershell Gill Case, that's all
17 been shared extensively with the Board. And they told
18 us to go forward with this policy deliberation phase,
19 understanding that it would include consideration of
20 race-and-gender-conscious remedies. As long as you're
21 aware of that.

22 MS. DEPOTTER: I'm aware of that.

23 MR. LEE: Okay. All right. Ms. White.

24 MS. WHITE: Tina White. AGC keeps bringing up
25 Sullivan and Lenew's report. I would like to know if

1 staff have asked those gentlemen to come before the
2 public and the Board to defend their reports, instead
3 of having someone talk about the report in abstract.
4 I would love for them to come forth and, you know, put
5 on the record their positions, why they state their
6 positions, instead of AGC using them as if they are
7 these God-like figures that no one can ask any
8 questions of or challenge what they've said. And not
9 only challenge, they're not even willing to come in
10 and defend what they've said. So, I find it, you
11 know, kind of interesting that they don't even want to
12 defend their own policy.

13 MS. DEPOTTER: Excuse me, I put that on the
14 record and made Mr. Sullivan available. Mr. Sullivan
15 will be meeting individually with the governing Board
16 as well as the Board of County Commissioners.

17 MS. WHITE: Why won't they come in the public
18 like everyone else?

19 MS. ROBBS: Excuse me, excuse me, point of
20 order. So what I expect from our stakeholder
21 committee is that questions are directed through the
22 chair, not to you individually, so that we can respect
23 each other's opinion. And then, at that time, as I
24 said earlier, we can determine who needs to respond to
25 it. All of your input is valuable. But we must

1 respect each other in how we provide that input. So
2 don't shy away from it. It's just that the protocol
3 is that you direct it through the chair and allow the
4 chair to recognize the individuals to speak, if you
5 could wait on that. And so, our chair is Brian
6 Johnson. And what we are having during the
7 presentation is that Mr. Lee recognized the members of
8 the stakeholder committee, and then you are to speak.

9 One thing, so that we will have it on the
10 record, if you can announce your name, and that will
11 give you time to sort of to take everything in.

12 MR. LEE: Mr. Chair.

13 MR. JOHNSON: Point of order. Have we
14 transferred the facilitation of this meeting yet? I
15 thought we were doing that at the end.

16 MR. LEE: No, I'm still trying to facilitate
17 discussion here. My understanding is Ms. Depotter has
18 expressed her opinion as to what the agency's opinion
19 is going to be with respect to any race-conscious
20 remedy that's proposed. And Ms. White has stated her
21 opinion regarding the basis for AGC's position.

22 My question to you as stakeholders is: Do you
23 have any other substantive comment regarding this
24 particular R/C-1, Penalties and Sanctions for
25 Noncompliance With S/M/WBE Requirements? Yes, Ms.

1 Bowen.

2 MS. BOWEN: Carol Bowen, ABC. And Mr. Lee
3 will be familiar with this request because I've made
4 it in other instances. I always like to ask that as
5 we're contemplating sanctions and penalties in that
6 phase, that it, that there be anticipated a root for a
7 general contractor to give feedback if he has a
8 nonperforming -- and there might be in one of the
9 other instances that more appropriately speaks to it.
10 But in other words, the goal of this process is to
11 make sure that we're increasing access to folks that
12 may not have otherwise had it for a variety of
13 reasons.

14 There are bad actor complaints on all
15 levels and all regions and all jurisdictions. And if
16 someone gets on a job who maybe is not qualified,
17 cannot meet the requirements, just wants to be there
18 to be there, I would want that GC to be able to report
19 back to you: "This particular firm maybe utilizing an
20 opportunity that somebody else would benefit from."
21 So if we're talking about sanctions and penalties and
22 all that, it should be open to everybody in the
23 reporting process, because you don't want, to your
24 earlier point, any one company on any level that can
25 always get work, always get work, if they're providing

1 a hurdle to another company that maybe has better
2 qualifications to get in as it relates to Small, Women
3 Minority Business.

4 MR. LEE: Absolutely, and comment well taken,
5 Ms. Bowen. The next policy option item, R/C-2,
6 actually addresses fraud. And that can certainly take
7 place on the part of S/M/WBE firms as well as
8 non-M/WBE firms. And the whole idea is that we want a
9 program that is providing real opportunities to real
10 firms that are actually performing the work. And if
11 they're not performing, then substitutions need to be
12 provided for. And good faith efforts should be taken
13 to find bona fide qualified firms to fill those roles
14 if the firms that are initially selected are not. And
15 those kind of provisions will definitely be put into
16 the policy, I can assure you. Yes, Ms. Gaines.

17 MS. GAINES: Point of clarification: How will
18 those administrative hearings and processes and
19 appeals take place? What office? What staff?

20 MR. LEE: That will be spelled out in some
21 detail in the policy. What's anticipated is that:
22 Investigation by the EBO office, recommendation for
23 sanctions by the EBO office. Actually, before you
24 even get to the sanctions stage, this is another point
25 I should highlight, we previously covered a

1 race-neutral remedy, I think, for establishment of an
2 ombudsman office for EBO. And that office is supposed
3 to serve the role of trying to prevent people from
4 getting to the point where there's noncompliance.
5 Bring the parties together, see if they can work out
6 any differences in terms of the performance of the
7 work, so that ultimately there is compliance with the
8 commitments that were made in that no sanctions would
9 ever need to be imposed.

10 But if there is noncompliance, the EBO
11 office undertakes an investigation. It makes a
12 recommendation for imposition of sanctions. It may be
13 reviewed by legal counsel and also purchasing. And
14 then, ultimately, that recommendation either gets
15 imposed at that point or it gets appealed up to the
16 executive director. And then from the executive
17 director, if the executive director imposes that
18 sanction, then it can go to the Board for final
19 determination. That's where the ultimate
20 accountability is, with the Board, in these things.

21 But it is our intention that you make the
22 rules very clear of what's expected of everyone. And
23 if they flout the rules and don't follow the rules,
24 then they get subjected to sanctions of increasing
25 severity the more they disregard that compliance

1 requirement.

2 MR. PELLOWITZ: I'd like to just add one
3 thing. As I told you, there's a Board meeting on
4 Monday. And we are moving forward with administrative
5 policy changes. And there are similar provisions for
6 the SBE program that is before the Board on Monday.
7 So if anyone wants to take a look at that and the
8 language that has been drafted for that, the agenda is
9 online. And you can the read online on the purchasing
10 policy manual changes that address that. And it's,
11 essentially, as Franklin has presented it.

12 MR. LEE: Yeah, that is a good model for what
13 is to come in this ultimate EBO policy. The
14 procedures manual, we definitely added some of these
15 sanctions and penalties into the small business
16 program as is currently stated in the procedures
17 manual.

18 MS. WHITE: So this body is not going to have
19 any weigh-in on the SBE's policies before you --
20 because you're presenting them to the Board next week?

21 MR. LEE: No, well, let me put it this way:
22 We've accelerated the SBE, some of the reforms of the
23 SBE program, but you get a second bite at that apple
24 through this stakeholder process. In other words,
25 whatever we put, whatever the Board approves,

1 hopefully on the 23rd of this month, you get a chance
2 to weigh in and change it when we come up with the
3 overall EBO policy. We were given direction to
4 strengthen the SBE program short term between now and
5 June. And then by June we hope to finalize this
6 comprehensive hybrid policy that includes
7 race-and-gender-neutral and race-and-gender-conscious
8 remedies. And so, in that reiteration, you would have
9 the ability to further modify this component.

10 MS. WHITE: Does the Board know that? Does
11 the Board understand that?

12 MR. LEE: Yes, they should. That's what we
13 told them. Okay.

14 Can I move on to R/C-2? This is Penalties
15 and Sanctions for Fraud with the understanding that
16 one of the issues that has to be addressed, given the
17 size of the Authority staff of basically a hundred
18 staff persons, there is a reluctance for them to
19 internalize the certification process, which takes a
20 whole lot of resources. So part of what we're going
21 to be dealing with later on, is how to handle
22 certification requirements for a program of this
23 nature. It's critical that you make sure the firms
24 that are participating and benefiting, either as small
25 businesses or minority women-owned businesses, are

1 genuinely owned and controlled by minority women-owned
2 firms or that they're genuinely small businesses that
3 are independent of larger businesses.

4 So, the penalties and sanctions that relate
5 to fraud go towards fraud in the certification
6 process, whatever that may be. And also fraud in
7 compliance. That includes such things as false
8 reporting, where a prime is reporting that they're
9 using an SBE sub or minority women-owned sub and, in
10 fact, they're not. Or they're indicating that they
11 made payments to these firms, when they haven't. Or
12 that they're actually performing the work when, in
13 fact, they're not being given the opportunity to
14 perform that work.

15 So this is a similar type of a provision
16 that will allow for escalating forms of sanctions to
17 be imposed as firms are repeatedly flouting their
18 responsibilities and their commitments under the
19 program.

20 R/C-2 would also apply to small minority
21 women-owned firms that have committed fraud and
22 claimed that they're certified, are claiming that
23 they're licensed in a certain area when they're not.
24 So this is to ensure that we have integrity in this
25 program, that it is doing what it is supposed to do

1 and it's not just some kind of a sham operation. Are
2 there any comments on this R/C-2? Mr. Johnson.

3 MR. JOHNSON: I just wanted to recommend that
4 we explicitly state that it also includes the
5 certified firms who front. So those who adequately
6 meet the eligible criteria for certification and they
7 got that certification honestly, but they willfully
8 participate in efforts to circumvent the intent of the
9 policy.

10 MR. LEE: Absolutely, for those here who are
11 not aware of what the term fronting means, sometimes
12 you have firms that have legitimate certifications for
13 doing a certain type of work, and they just sell their
14 name, basically, to a prime contractor to say that
15 they're working as a subcontractor when, in fact,
16 they're not. And they'll get paid a little small fee
17 by that prime, but there's no commercially useful
18 function that's actually being performed by that
19 subcontractor. That's fraud.

20 Under the policy that we will be proposing
21 to you, there is very detailed language as to what a
22 commercially useful function is. It's not basically
23 fronting and using your name when, in fact, you're not
24 doing, you're not actually performing the work with
25 your own forces that the contract says you are.

1 That's the kind of smoke and mirrors stuff that has
2 given many of these programs a bad name. And we won't
3 tolerate it here or anywhere else. Yes, Mr. Allady.

4 MR. ALLADY: Kumar Allady. I have a
5 suggestion in terms of the certification applications.
6 Why re-invent the wheel? Why can't, like, Palm Beach
7 County already has a certification process. It also
8 helps a small business, as will the staff, if there's
9 a certificate already available from the county or the
10 water management district, that application can be
11 piggy-backed and issued a certificate right here. So
12 therefore it saves time for the small businesses as
13 well as the staff too.

14 MR. LEE: That's a good point that you raise.
15 And it bears close consideration by the stakeholder
16 group. It's not entirely decided as yet as to what
17 model we will need to follow in terms of
18 certification. There was some interest expressed by
19 the Board that we try to do what we can to harmonize
20 the certification processes and requirements from the
21 county with the Authority. And the Authority had some
22 reluctance, a great deal of reluctance, actually, in
23 taking on all of that burden itself.

24 There are a number of models that we are
25 actively considering, and that we will probably need

1 to share with you-all to get your input on. For
2 example, in Texas they have something called a
3 Regional Certification Council that's a nonprofit
4 organization that serves multiple local government
5 entities in terms of the certification needs. And
6 each government entity then pays a fee, a flat fee for
7 processing of their certification applications.

8 There's other jurisdictions that have relied
9 upon NMSDC, which is the National Minority Supply
10 Development Council, to use their local purchasing,
11 minority purchasing councils as a vehicle for firms
12 getting their certification applications processed to
13 make sure they're eligible and meet the standards of a
14 particular program.

15 And then there's reciprocity, which is what
16 you're referring to. If there is a local government
17 entity that you have confidence in, in terms of their
18 integrity in processing certification applications,
19 doing on-site visits, making sure that the firm is
20 real and that its qualifications are real, then that
21 process, you can have reciprocity where SWA would look
22 to see what local entities meet its standards in terms
23 of certification, and automatically accept the
24 certifications of firms that have gotten certified
25 through that other entity. So reciprocity is a third

1 avenue. But that's something that there's much more,
2 I think, discussion among you-all as to what you think
3 makes sense. I think Ms. White had her hand up, and
4 then Mr. Lewis.

5 MS. WHITE: Because of the recommendation of
6 the executive director, the Board adopted the
7 disparity study, or when they decided to do the
8 disparity study, they fought to not include any county
9 but Palm Beach County. So, for me, what's become very
10 important in the certification process is: How do you
11 define Palm Beach County? In my opinion, it's defined
12 by your registration with the Florida corporation,
13 because it states your principal office.

14 However, when you start talking about other
15 agencies, South Florida Water Management, they're not
16 looking to see if your principal office is based on
17 what the Florida corporations say if you have a
18 business tax receipt that shows you have any office in
19 Palm Beach County.

20 So to me, that's got to be very, very,
21 clearly defined by the Board as to what is considered
22 to be a Palm Beach County principal office, not
23 someone that has -- 'cause everyone is required, no
24 matter what county your principal office is, everyone
25 is required to have a business tax receipt.

1 In the last garbage bid, Waste Pro was
2 disqualified because their SBE's principal office was
3 Broward County when the bid said that you had to be
4 Palm Beach County. They had a Palm Beach County
5 business tax receipt, but that was not their principal
6 office. And the Board felt very strongly, even though
7 Waste Pro had the lowest rates, they still
8 disqualified them because they did not meet the SBE
9 requirement.

10 MR. LEE: That's a key point that needs to be
11 defined within the policy. How do you define
12 significant business presence. Is it just through a
13 tax receipt, a business license, a percentage? Some
14 other jurisdictions have looked at the percentage of
15 employees on the payroll that are domiciled in a
16 particular jurisdiction. Others have looked at, tried
17 to look at sales, what percentage of the firm's
18 over-all sales are based in that particular
19 jurisdiction. So those are all relevant factors that
20 you can consider in defining what a Palm Beach County
21 business ought to be that's eligible to participate
22 either in the small business program or the minority
23 women business program. Yes, Mr. Lewis.

24 MR. LEWIS: I think that we should keep in
25 mind and consider, first of all, the needs and not

1 going to weigh some barriers for the process of being
2 certified as a small minority business owner. I know
3 that there's obstacles there. I know that we have to
4 keep the integrity of the process in place. I would
5 hope that our certification, whatever we came up with,
6 would be free. And also, to any extent possible,
7 reciprocity to the benefit of the applicants, because
8 at the end of the day what we really, really want to
9 do is we want to populate that centralized
10 registration data base and blow up and populate that
11 thing over time.

12 The more that you have population in that
13 centralized data base, the better statistical analysis
14 you're going to be able to derive, the easier it's
15 going to be or the more obvious it's going to be to
16 adjust the annual goals, etcetera, etcetera. That's
17 my only consideration that I'd like to see.

18 MR. LEE: That's a good point. I'll also add
19 to that, it's my understanding that Palm Beach County
20 has historically charged fees to firms that have been
21 applying for certification. I'll just let you know
22 that my own personal view on that is that's kind of
23 ludicrous. Doesn't make any sense. You certainly
24 would never ask someone who is applying for
25 unemployment benefits to pay for their unemployment

1 application. This is a remedial program. We are
2 trying to establish a program to address identified
3 discrimination in the market place and barriers that
4 have cost minority women-owned firms to be less
5 competitive. And the last thing you need to do is
6 make them pay to determine whether or not they are
7 eligible to get a remedy for discrimination that the
8 government has been a passive participant in. To me,
9 from a logical standpoint, that makes no sense.

10 MR. PELLOWITZ: If I could, I'd like to just
11 add something. Just to give you a historical
12 perspective. The Authority, historically, in its SBE
13 program, has accepted any government certification
14 regardless of what government that is. Moving
15 forward, that's a little problematic, because we have
16 to ensure that the eligibility standards are going to
17 be consistent with any entity whose certification we
18 would take. As stated, the Authority is relatively
19 small. We prefer not to have to do our own
20 certification, so we get what you're saying. And it
21 is our, it would be our preference that whatever
22 program the county adopts would be the one that the
23 Authority would primarily accept. And that any other
24 programs that are deemed to be equivalent, we would
25 consider reciprocity for. So I think that from our

1 perspective, I think that's where we're coming from.

2 MR. LEE: Yes, I think Ms. Smith was next and
3 then, I'm sorry, Ms. White.

4 MS. WHITE: The county program is going to
5 come much later than Solid Waste. So you have the
6 garbage contract coming up. So you need to tell us
7 really now whose certification you're going to be
8 accepting for that particular procurement, all the
9 ones that are going to come before the Solid Waste
10 Authority. I would not like to see South Florida
11 Water Management certification accepted at all,
12 because they don't have, they're not looking for any
13 of the things that are going to be necessary to make
14 sure that the person has a Palm Beach County principal
15 office in Palm Beach County. I've talked to them in
16 detail about that.

17 Right now, the only one that can do the MBE
18 certification is the school district and the state for
19 upcoming procurement for Solid Waste. Palm Beach
20 County cannot do it. The fee is ridiculous. I've had
21 that discussion with Tonia Davis Johnson. She
22 justifies the fee. I've argued with her, but to no
23 avail. So hopefully when we get on the county side,
24 we can have that discussion.

25 But, the other things that I think have been

1 lacking here at Solid Waste, and understanding the
2 certification process, is that there are certain
3 permits that you require, and some of those permits
4 require you to have, before you could get your Palm
5 Beach County business tax receipt, you have to have
6 those permits, especially as it relates to garbage
7 collection.

8 What the Solid Waste has also been missing
9 is what the certification certificate actually says
10 you're certified to do. That has not been matching on
11 the SBE side with the actual reporting from the prime
12 as to the service that person is providing. And their
13 business tax receipt category also does not match in
14 terms of the service that they're being reported as
15 providing. So there is three areas that have to also
16 come into that process.

17 But for an example, for garbage collection,
18 you have to have, before you can get your business tax
19 receipt you must have your permit from Solid Waste
20 Authority first. And so, there are people collecting,
21 under that, being reported collecting now garbage or
22 yard waste, but they've never received the permit from
23 the Solid Waste. And when you match their business
24 tax receipt, their business tax receipt is also not in
25 the right category for the services that are being

1 reported to Solid Waste under the SBE program.

2 MR. LEE: So it sounds like a chicken and egg
3 problem. Getting the permit versus being able to --

4 MS. WHITE: But that's a prerequisite --

5 MR. LEE: And the tax receipt and all these
6 things being required. Do you have any insight as to
7 how to fix this problem, or is there, number one, is
8 there a certification entity that you think would make
9 sense for the Authority to piggy back on?

10 MS. WHITE: I personally think the Authority
11 has to do its own certification or use a third party
12 that is just certifying under their disciplines.

13 MR. LEE: Or perhaps a third party that's able
14 to serve more than just the Authority's needs, but
15 other government entities too?

16 MS. WHITE: Yeah, but how do you put all that
17 together?

18 MR. LEE: It would take a while. That's true.
19 And what do you think, how do you deal with the
20 permitting/business license issue?

21 MS. WHITE: Well, it's not a hard process for
22 me, if you understand what is the requirement if you
23 want to do business under certain categories at Solid
24 Waste Authority. If you want to collect yard waste,
25 you have to know that you're required to have a permit

1 from Solid Waste since 2014, since October 2014 the
2 policy went into place. And when you go to the Palm
3 Beach County Tax Collector's Office for your business
4 tax receipt, if you tell them that's the category,
5 they will refer you back to the Authority to get that
6 permit. I have the permit.

7 So, it's not as if -- if you're being honest
8 with the tax office, they'll be honest with you and
9 send you back out here, and will not issue you that
10 business tax receipt until you have that permit from
11 here.

12 MR. LEE: Okay. Maybe that's a part of the
13 outreach that needs to take place as part of this
14 program.

15 MR. PELLOWITZ: And one other thing I'd like
16 to just leave you with in terms of this is: You know,
17 this is the time to be thinking about the
18 certification process and what is required. What
19 constitutes being Palm Beach County. Is the business
20 tax receipt really the best mechanism for determining
21 whether someone is Palm Beach County, or is it not?
22 Maybe your recommendation would be we need to move
23 away from the business tax receipt and look at
24 something else. I wouldn't be constrained by the way
25 things are. This is one of the areas where we've

1 heard consistently from a lot of folks that when we
2 asked them why they aren't certified, and we're pretty
3 sure they'd be eligible to be, they say they just
4 don't want to go through the process.

5 So anyone who is familiar with the process
6 who has any input as to what could make it better, we
7 would be more than happy to hear from you or we would
8 like to hear from you. Ultimately, who does the
9 certification, we're going to have to find that out.
10 But certainly, this is the group that can help to
11 bring forth change in that area, if it's going to make
12 it easier.

13 MR. LEE: Any other comments? This is a good
14 conversation. Mr. Johnson.

15 MR. JOHNSON: Yes. Point of order, kind of
16 just to keep the pace, it's 12:45, we have thirteen
17 more of these that we want to discuss in detail. So I
18 just wonder if we warrant maybe perhaps a change in
19 approach. So maybe sort of poll the stakeholders to
20 see if there's any others left that we have any
21 specific questions with, and perhaps take those
22 individually as opposed to just going one by one.

23 MR. LEE: Yes, that's why you're a far better
24 chairman than I.

25 MR. JOHNSON: Just so we can see what's left

1 in terms of who noted what questions they have.

2 MR. LEE: Yes, and actually, I was going to
3 make that comment at the end today. That for the next
4 session, what I would ask you to do is to read in
5 advance all the professional services and anything
6 that we don't get to cover today. All the
7 construction that we don't get to today, and all the
8 professional services policy options in advance, and
9 make your notations as to what point you want to
10 raise.

11 Because what I'm going to do at the outset,
12 I'm going to quickly go through a description of
13 everything. And then I'm going to ask for substantive
14 comment. And I'm going to ask you to identify those
15 options in numerical order that you think we need to
16 have some substantive discussion on. But for today,
17 we have, I think two more race-conscious
18 administrative reforms policy options to discuss.

19 Will there be any comment today on either
20 R/C-3 or R/C-4? R/C-3 is the EBO Office Prior
21 Approval of Subcontractor Substitution.

22 MS. WHITE: I definitely can --

23 MR. LEE: Just yes or no. Are we going to
24 have any discussion?

25 MS. WHITE: Yes.

1 MR. LEE: I just want to find out where we
2 have discussion. We have some discussion on three.
3 And number four is Staff Training. Are we going to
4 need to talk about staff training?

5 MS. WHITE: No.

6 MR. LEE: No? Okay. So we'll talk about
7 R/C-3. And then in the construction realm we've got,
8 beginning with R/N, race neutral 14. Any discussion
9 about that, that's Bond Waivers Assistance Programs?
10 Okay. No discussion on that.

11 MR. LEWIS: Yes, yes, one question of clarity.

12 MR. LEE: Yes, this is to, basically, assign a
13 work group to get together and try to come up with a
14 recommendation to the Authority as to a binding
15 assistance program to adopt.

16 MR. LEWIS: Would that consider the existing
17 bond-waiver program that the county has in place?

18 MR. LEE: So the bond waiver and assistance
19 program can cover pretty much anything that you think
20 is relevant. That's up to you-all. If there is
21 something that I haven't outlined here that you think
22 needs to be included, bring it up. This is the point
23 in time in which to do that.

24 So then the next one was Direct Contracting
25 Program for Small Contracts. I think we did have some

1 indication earlier we need to have substantive
2 discussion on that one. Small Business Enterprise,
3 Prime Contract Program, we'll have substantive
4 discussion on that.

5 What about the SBE Subcontracting Program?
6 Does there need to be some substantive debate on that
7 one? That's basically where you can set a
8 subcontracting goal of twenty percent with waivers
9 below or reductions below that, if warranted. But
10 basically the default is a twenty percent SBE
11 subcontract goal would be applied when this policy
12 option is implemented. Yes, Ms. Bowen.

13 MS. BOWEN: Carol Bowen, ABC. Just for all of
14 them, when final recommendations are made, do we
15 provide the overriding definition of what good faith
16 means? Are we providing that so that folks -- because
17 governments handle good faith differently.

18 MR. LEE: Yes. I can tell you that my
19 definition of good faith efforts is probably MTA's,
20 Mason Tillman's recommendation. Which is to make it
21 as objective as possible, there will be points
22 assigned for specific types of good faith efforts.
23 And each one of those things would be pass/fail.
24 Either you provide the documentation or you don't. So
25 you get the points or you don't. And there's a

1 passing score of eighty out of a hundred, typically.
2 As long as you get eighty points then your good faith
3 effort is good. And it should be measured the same,
4 consistently, with each and every person. So at least
5 that's the goal.

6 MS. BOWEN: So I have a follow-up request, if
7 that's allowed. As we move forward towards our final
8 product, so its long term, if that's the standard
9 we'll be using that, in any of our documentation to
10 the Board that we include it. In other words, for the
11 purposes of our recommendations good faith will mean
12 this. That way there's a frame of reference for
13 anybody who is looking at it and we're not shuffling
14 back and forth.

15 MR. LEE: Yes, in fact, at the outset I kind
16 of spelled out some generic types of policy options
17 that might apply to different industry groups. And
18 the idea is they would be consistent and then could be
19 defined in kind of a consistent manner from industry
20 to industry segments. So that should help to
21 streamline the discussion as we move forward.

22 But my experience has been, once we get
23 through construction, the other categories become a
24 lot easier because everybody understands the
25 terminology and what's going to be applied, how the

1 policy option is going to be applied. But the
2 subcontracting goal program is somewhat different in
3 that you have this uniform twenty percent goal. But
4 it can be reduced as needed, based on availability of
5 small businesses for a particular contract.

6 MR. JOHNSON: Are we going to come back to
7 this and discuss, or should I just ask the question
8 now?

9 MR. LEE: Right now I'm just trying to get
10 through this, so that we can identify -- whatever we
11 don't get through today, we will go straight to these
12 other items that we haven't had substantive discussion
13 on at our next session.

14 MS. WHITE: I definitely want to speak on the
15 good faith.

16 MR. LEE: Okay. So we'll talk about good
17 faith on SBE subcontracting. And SBE Mentor Protege
18 Program? Do we have any substantive discussion on
19 that?

20 MS. WHITE: You're going to give us examples
21 of what's happening in other cities and how that can
22 work effectively?

23 MR. LEE: Yes. So, I'll highlight some of
24 those examples that are summarized in the chart there.
25 Columbia, South Carolina. And I think there is a

1 couple of others I could allude to.

2 MS. WHITE: And you said that you had not made
3 any discount recommendation, so how does this work?
4 How do you incentivize a large construction company?

5 MR. LEE: There are different incentive
6 models. Sometimes, like in Columbia, South Carolina,
7 they actually set aside a group of contracts just for
8 mentor-protege teams to be eligible to bid on. And
9 you had to go through, actually, some type of mini
10 certification process where there's a written
11 agreement between a mentor and a protege as to the
12 responsibilities of each. And what the protege
13 decided, wanted to get out of the relationship. And
14 then also what the, how the contract would be used to
15 further the objectives of the mentor-protege
16 relationship.

17 And there was some monitoring on the back
18 end. Some reporting on the back end as to whether the
19 protege got out of it what they were looking to get
20 out of it. It also provided flexibility in terms of,
21 if a protege feels that the mentor is just not helping
22 them, they always have the ability to terminate the
23 agreement and to team up with another mentor. So
24 there's an incentive for the mentors, their getting
25 enhanced access to contracts through the

1 mentor-protége relationship, that they wouldn't have
2 otherwise. At least in that instance.

3 Other incentives from mentor-protége
4 programs, I mean, the feds have had some where they
5 actually provided some financial reimbursement to the
6 mentor firms. That's probably not a viable option
7 here.

8 There are other incentives, particularly in
9 best-value contracts, where a firm may get, a mentor
10 may get additional points in being evaluated, if they
11 are an active participant in a mentor-protége program.

12 Those are a couple, you know, different
13 models you have to kind of incentivize those
14 relationships. But all of them, I think, require a
15 certain amount of monitoring to make sure that the
16 relationship you see on paper is real, and that
17 there's a real benefit the protégé is getting out of
18 that mentoring relationship.

19 Does that more or less answer your question?

20 MS. WHITE: Just more further discussion for
21 me.

22 MR. LEE: Okay. In the race conscious, we
23 talked about Annual Aspirational Goals. Is there
24 comment on, will there be substantive comment on that?
25 Is that yes?

1 R/C-6, M/WBE Subcontracting Goals. This is
2 pretty much a standard element of most of these
3 programs around the country, if you have them. Will
4 we have substantive comments for discussion on that
5 policy option?

6 MS. WHITE: Yes.

7 MR. LEE: R/C-7, M/WBE Segmented
8 Subcontracting Goals. Where you've got one segment of
9 the W/WBE population that's significantly more
10 underutilized than others. We have a subset goal of
11 the broader M/WBE goal. Will there be any substantive
12 discussion on that? Okay.

13 R/C-8, M/WBE Joint Venture Incentive. I
14 think there was an indication for discussion on that;
15 is that correct? Okay.

16 R/C-9, M/WBE Mentor-Protege Program.
17 Similar to the SBE Mentor-Protege, but it's just the
18 M/WBE version of that.

19 MS. WHITE: Whatever we net out in the SBE,
20 then we will just carry it over to this one.

21 MR. LEE: Okay. So I'll put a half a check
22 mark for coming back to that one.

23 And the last one is R/C-10. Which is an
24 M/WBE Evaluation Preference for Best Value Contracts
25 where a low bid is not the sole determinant of a

1 construction contract award. The evaluation
2 preference is you give extra points based on M/WBE
3 participation on that team or at the subcontract
4 level. Will there be any additional substantive
5 comment on that one? No? Okay.

6 All right. That brings us up close to the
7 end here. I'm going to turn it over to Ms. Robbs here
8 in terms of announcements.

9 MS. ROBBS: We want to provide the public an
10 opportunity to make comments on the discussions that
11 you heard by the stakeholder group and Mr. Lee. So if
12 there are any members of the public that would like to
13 make a comment, please make your way to the podium.

14 MR. LEE: While this lady is coming up, my
15 apologies for those in the professional services group
16 that did not hear us really speak much substantively
17 to the policy options that have been circulated on
18 that. As you can tell, this is a work in progress and
19 we're trying to balance speed and covering everything
20 on the agenda with the need to have very deliberative
21 significant substantive discussions. But thank
22 you-all for coming out and we certainly welcome your
23 input. And, again, our apologies for the length of
24 time that this is taking, but I think it's time well
25 spent. Yes, go ahead. Please state your name.

1 MS. DISBERRY: Hi Cheryl Disberry, Coral Steel
2 Company. One thing that I really wanted to address
3 that I did hear Ms. White bring up was: Whose
4 certification are you going to use? And I do want to
5 let you know, I do not like Palm Beach County's
6 certification. We have run into a problem where they
7 have certified companies who do not perform their own
8 work, and yet they allow them to count their work as
9 being part of the SBE participation, even though they
10 don't even perform it.

11 We also ran into another problem where yes,
12 they are not, one company that we competed against,
13 they are totally in Broward County. All of their
14 heavy equipment is in Broward County. They have a
15 huge lot in Broward County. They have all their
16 offices, all their employees. Except, they have one
17 small little office on Belvedere Road with one person
18 sitting in it, and they are considered a Palm Beach
19 County small business.

20 So I just want to let you know that's my
21 feeling about if we're going to look at the Palm Beach
22 County Small Business Certification, those are two
23 things that they do allow to happen.

24 MR. LEE: Thank you. That's very valuable
25 input. Do we have another public comment?

1 MS. SMITH: Good morning Mr. Chair and members
2 of the Board. My name is Ellen Smith, from Waste
3 Management. And we too would like to see the fine
4 print. And I'm here to say that we reserve the right
5 to comment -- I know we're on a tight time frame --
6 until we do see that fine print.

7 I also want to remind folks that the hauling
8 contract is not necessarily covered specifically in
9 the disparity study. And we've heard that come up a
10 lot today. So just to keep that in mind. And also to
11 remind everybody that in our hauling contracts, most
12 of our haulers have about a 70 percent of the
13 employees at all levels that are minorities. So
14 perhaps that's why disparity was not particularly
15 found. Thank you for your time.

16 MR. LEE: Okay. Are there any other public
17 comments?

18 MS. ROBBS: Okay. The next order of business
19 is the future meeting schedule. So on your agenda
20 you'll see that our next meeting is April 24. It will
21 be here in the auditorium starting at 9:00 A.M. The
22 next meeting after that is April 30th, at 5:00 P.M.
23 And we've confirmed that meeting will be at the
24 Embassy Suites, 1601 Belvedere Road, West Palm Beach,
25 33406. And then we would like your consideration to

1 be thinking, by the next meeting, it looks pretty good
2 that we're going to need a meeting in May, maybe. So
3 if you could come back, you know, we need to have a
4 discussion on a Saturday meeting in May. So, if you
5 can have thoughts on that by the next meeting. Ms.
6 Bowen.

7 MS. BOWEN: Just one clarifying question. And
8 I was not at the first meeting. Is there a reason
9 that it's a Saturday meeting?

10 MS. ROBBS: We would like to ensure that the
11 public has every opportunity to attend and participate
12 in these discussions. So we've had, most of our
13 meetings are scheduled for the morning. We have one
14 evening meeting. So we really want to, you know,
15 extend an opportunity and have a meeting on the
16 weekend so that the public can participate.

17 Is there any other comments or -- if none, I
18 do want to announce and invite you to attend the SWA
19 Vendor Opportunity PowerNet. The date is April 24
20 starting at 4:00 p.m. This opportunity will be for
21 businesses to network with themselves as well as meet
22 key staff here at SWA. Our procurement staff, our
23 directors and chiefs will be in attendance so that
24 you, and they will make a presentation of a forecast
25 of upcoming opportunities as well as the existing

1 contracts that we have in place.

2 We've invited the existing hauling companies
3 that are under contract with us, who will more than
4 likely bid on the new contracts, to participate in
5 this event by holding one-on-one meetings with
6 businesses and talking to you about the areas that
7 they're anticipating subcontracting. So we do not
8 want the public to miss out on this opportunity.

9 We want you to share this information with
10 your members in your respective cities, counties,
11 organizations, chambers, so that we can get a really
12 good turnout, and so that the public will know that we
13 are open for business and we want to have a successful
14 supplier diversity program. And it requires input
15 from all areas of the industry market. So with that,
16 I do have fliers outside. We encourage you to
17 register through Eventbrite, which we have on our
18 website.

19 We also have documents from the meetings
20 posted on our website, our public affairs director is
21 Willy Polk. Please stand, Willy. And he is the
22 person that is helping us get the word out and posting
23 the information on the website. So, if you're in need
24 of any information, please check our website first.
25 And then if you need any other assistance, please

1 contact me. Mr. Lewis.

2 MR. LEWIS: So let me just understand, Monday
3 is a Board meeting, the 23rd, correct?

4 MS. ROBBS: Yes.

5 MR. LEWIS: The morning of the 24th, we have
6 our stakeholders meeting. There's a little meet and
7 greet that afternoon. Would it be permissible that we
8 just stay here overnight?

9 MR. LEE: Bring your sleeping back.

10 MS. ROBBS: We could put our nose to the grind
11 and really just keep it moving and, you know, all I
12 need is about an hour set-up time before the meeting.
13 Ms. White.

14 MS. WHITE: You said that at this
15 meet-and-greet you were, your staff is going to give
16 us a presentation. But you only said that the haulers
17 were invited. You're not inviting other contractors?

18 MS. ROBBS: No, we're inviting the entire
19 business community. But we know that we have this big
20 four-hundred-million-dollar project coming up, and we
21 want to make sure that those companies are here to
22 talk about potential subcontracting opportunities.

23 The second piece of it is that the directors
24 and chiefs of the different departments will be here
25 to talk about a forecast of upcoming opportunities

1 across SWA. So it's not just a hauling outreach
2 event, it is to ensure that you are aware, first, who
3 does what, and who is responsible for what. And then
4 the time type of opportunities that are available. So
5 please get the word out.

6 MR. JOHNSON: Just one last statement as we
7 go. So there's about four to five days between now
8 and the next meeting. And I just want to see if my
9 colleagues would be interested in learning from the
10 Broward experience where we spent six months,
11 thirty-four hours meeting, that we may not have to do
12 that again if we can identify and commit to a process.

13 And I'm hoping, so I'm hoping that as we
14 move forward, we could stick to the idea that we allow
15 Mr. Lee to go through all of the options and we
16 withhold comments until after he is done with that.
17 And then we identify which of the ones we may have
18 comments for, so that way we're only discussing those.

19 I'm putting that out there now for the
20 colleagues to consider, because I'm telling you-all,
21 it took a long time this way in Broward County.

22 MS. ROBBS: Okay. If there's no further
23 business, meeting adjourned. Oh, I'm sorry, Ms.
24 Gaines.

25 MS. GAINES: Any opportunity for the

1 forecasting segment of that meeting to be broadcast?

2 MS. ROBBS: It's done. It's already in the
3 plans. We're trying to do, we're trying to do
4 everything to make sure that you have different
5 methods of learning about SWA and opportunities.
6 Thank you so much.

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1 THE STATE OF FLORIDA)

2 COUNTY OF PALM BEACH)

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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 26th day of April, 2018.

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Raquel Robinson

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