



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

**Regular Meeting
Tuesday October 5, 2010**

The MBE/WBE and Small Business Advisory Committee convened in a regular meeting on Tuesday, October 5, 2010 at 301 W. 2nd Street Room 1029 in Austin, Texas.

Chair Adrian Neely called the Board Meeting to order at 5:49 p.m.

Board Members in Attendance:

Adrian Neely, Ed Lowenberg, Barbra Boeta, Brian Walters

1. APPROVAL OF MINUTES

Approval of minutes from the September 7, 2010 regular meeting and the September 9, 2010 special called meeting will be postponed to the October meeting.

2. CITIZEN COMMUNICATION

Paul Saldaña, US Hispanic Contractors Association de Austin – addressed the Formula 1 Initiative. He requested full disclosure of the City of Austin’s role on this project, including the implementation of the Third Party Agreement, and a meeting with the developer and their associates.

Carol Hadnot, Austin Area Black Contractors Association, said that job creation is another component to consider regarding Third Party Agreements and the Formula 1 Initiative.

3. NEW BUSINESS

For discussion and possible action on recommendations to City Council (2-1-163(B))

a. Update from SMBR on the Outreach plan for updating certified vendors’ contact information.

Veronica Briseño Lara, Director SMBR, provided a handout and reviewed SMBR’s plan to work with certified vendors to help them keep their contact information up to date.

Carol Hadnot, Austin Area Black Contractors Association, said she appreciates this effort and that is a step in the right direction.

b. Discussion and possible action on the creation of a subcommittee regarding the Austin Energy Weatherization Program for the MBE/WBE and Small Business Advisory Committee

The advisory committee voted to create a subcommittee to discuss the Austin Energy Weatherization program. Andrew Ramirez was nominated as the chair for the subcommittee by Mr. Neely, seconded by Ms. Boeta. The nomination passed on a 4-0 vote.

4. OLD BUSINESS

For discussion and possible action on recommendations to City Council (2-1-163(B))

a. Discussion regarding the September 9, 2010 Austin Energy Weatherization Program work session

Karl Rabago, Vice President, Distributed Energy Services - Austin Energy, provided a handout with information on weekly production, estimated encumbrances, jobs assigned by contractor and an example

of a typical project expenditure by category, amount and payee. He said that they anticipate being caught up in the January/December timeframe.

The committee requested:

- Austin Energy request an extension on how much time they have to spend the funds allocated.
- A more detailed breakdown of how much money Austin Energy is actually getting.
- Clarification on the language utilized in the RF; does work have to be distributed equally?
- The Committee is concerned with how a sub contractor can afford to meet cost of labor and materials and overhead and still make a profit?

CITIZEN COMMUNICATION

Carol Hadnot, Austin Area Black Contractors Association, said that all primes should have used the business model created by Austin Energy and not created their own. She also said that one prime contractor is refusing to do business with African American firms.

Alayne Johnson, Austin Area Black Contractors Association, said that in the RFQ, it states that the jobs are supposed to be distributed equally. She said there is one contractor who is not distributing his work equally and is refusing to use the African American subs on his compliance plan.

b. Discussion regarding the proposed MBE/WBE Procurement Program Ordinance Amendments and the MBE/WBE Procurement Program Rules.

Ms. Lara reviewed a redlined version of the changes and provided another handout. The committee initially attempted to vote to recommend changes to the subcommittee but failed. After further discussion, the committee voted again, passing the changes unanimously on a 4-0 vote from a motion by Ms. Boeta seconded by Mr. Walters.

Ms. Lara also suggested a change in the program rules to be considered at the next advisory meeting as follows:

Change the amount of days a bidder has to notify certified subs of subcontracting opportunities from five business days to seven business days.

6. STAFF REPORTS

Monthly report for the Small & Minority Business Resources (SMBR) Department on request for changes and Council Awards

Veronica Briseño Lara, Director – SMBR presented the committee with the reports. The Committee asked for information regarding the Boggy Creek Lift station project.

CITIZEN COMMUNICATION

Carol Hadnot, Austin Area Black Contractors Association said that she is pleased to see that on the Council Awards report is looking better in terms of participation.

7. AGENDA ITEMS

- Discussion regarding the Formula 1 Initiative with AWU, and EGRSO
- Commodity Code Update
- AE Weatherization Project

8. ADJOURNMENT

The meeting was adjourned at 8:00 p.m. on a motion by Mr. Lowenberg, seconded by Ms. Boeta.