
Allegheny County MBE Advisory Committee Meeting Minutes
One Smithfield Street Building, Rachel Carson Conference Room
Wednesday, December 9, 2009
5:00 p.m.

Advisory Committee Members in Attendance:

Kenneth Huston – Business Owner
Winston Jones – Manager of Contracts, Allegheny County Department of Economic Development (for Dennis Davin)
Abass Kamara – Director of Government Affairs, Pittsburgh Penguins
Marc Little – CEO/President, Minority and Women Educational Labor Agency (MWELA)
Iftikhar Malik – President, Shawn Malik, Inc.
Joseph Olczak – Director, Allegheny County Department of Public Works
Joyce A. Query – President, i-Squared
Im Sook Reinhart – President, Controls Link, Inc. (by telephone)
Toni Silva – Supplier Relations Director, UPMC

Advisory Committee Members Absent:

Victor Diaz – CEO, Pittsburgh Metropolitan Area Hispanic Chamber of Commerce
Mark Patrick Flaherty – Controller, Office of the Allegheny County Controller
Amy Griser – Director, Allegheny County Department of Budget and Finance
Timothy Johnson – Director, Allegheny County Department of Administrative Services
M. Gayle Moss – President, NAACP Pittsburgh Branch
Tim Stevens – Chairman, Black Political Empowerment Project (B-PEP)

Also Present:

Lorraine Blonar – Project Manager, Allegheny County Department of M/W/DBE
Ruth Byrd-Smith – Director, Allegheny County Department of M/W/DBE
Lisa Edmonds – Deputy Director, Allegheny County Department of M/W/DBE

Agenda:

- I. Call Meeting to Order**
- II. Roll Call**
- III. Approval of Minutes of Previous Meeting**
- IV. Open Issues**
- V. New Business**
- VI. Adjournment**

I. Call Meeting to Order**II. Roll Call****III. Approval of Minutes of Previous Meeting**

The minutes from the April 1, 2009 meeting were reviewed and approved.

IV. Open Issues

Ruth Byrd-Smith made reference to the letter of recommendations that the previous incarnation of the Advisory Committee sent to County Executive Dan Onorato and asked whether the committee wanted to discuss this issue now or at a later date. She also proposed that the Committee participate in a conference call before the next meeting to discuss any issues not addressed at tonight's meeting. The Committee agreed to discuss it at a later date.

V. New Business

Ms. Byrd-Smith reviewed with the Committee the legislation that redefined the Advisory Committee, which was part of the MBE Advisory Committee Handbook that was distributed. Joyce Query noted that the previous Advisory Committee was called M/W/DBE and not MBE and inquired as to the reason for the change. Ms. Byrd-Smith replied that clarification will need to be sought from County Council.

Also included in the MBE Advisory Committee Handbook are the federal regulations that the M/W/DBE Department follows as a participating agency in the Pennsylvania Unified Certification Program (PA UCP), 49 CFR Parts 23 and 26. Ms. Byrd-Smith explained that each year Congress reviews these regulations to evaluate if modifications are necessary and if so, they are incorporated. For example, last year the size standard for companies to be eligible for the program was raised from \$20 million to \$22 million. Ms. Byrd-Smith stated that due to the age of the Department of Transportation (DOT) and the amount of litigation that has taken place over the years, these regulations regarding eligibility are very clear. Allegheny County and PennDOT are the PA UCP participants that tend to certify the most firms, with 300 to 400 through Allegheny County alone. Allegheny County defends denial decisions before the PA UCP Appeals Committee in Harrisburg approximately six times per year. Should the denial decision be upheld by the Appeals Committee, the denied firm may take its appeal to Federal DOT. It takes approximately 20 hours to process an incoming application from start to finish. Ms. Byrd-Smith offered to conduct one Advisory Committee meeting on PA UCP certification alone if the Committee would like. She also noted that there are some differences in the regulations as relates to airport concessionaires. Iftikhar Malik, who owns the McDonald's at Pittsburgh International Airport, contributed to this discussion.

Ms. Byrd-Smith referenced the M/W/DBE Department's Annual Report, which was distributed to the Committee. Ms. Byrd-Smith noted that the Department has ceased the distribution of bid notices. In 2008, over 18,600 bid notices were distributed. M/W/DBEs are now encouraged to use BidNet, a website where companies can view bid notices posted by Allegheny County and other local municipalities free of charge. BidNet does offer an automatic notification service for a fee. However, in 2010, the M/W/DBE Department plans to subsidize that fee for Allegheny County-based PA UCP-certified firms.

Ms. Byrd-Smith pointed out that in 2008 the M/W/DBE Department oversaw \$102 million in contracts; 18.59% of that total went to MBEs and 1.47% went to WBEs. She pointed out that many of the MBEs are also WBEs, but when being counted towards the County's M/W/DBE participation goals, a company must choose which designation they wish to fulfill. Contained in the annual report as well are statistics relating to business done with nonprofits which the Department of Human Services tracks. Also distributed was the M/W/DBE Department's Policies and Procedures Manual. Ms. Byrd-Smith would like the Committee to be familiar with what the M/W/DBE Department does so they have the knowledge base to make recommendations.

Ms. Query asked about the frequency of Committee meetings. Ms. Byrd-Smith answered that they are to be on a quarterly basis, but that can be further discussed once the new Committee fully forms, along with potential co-chairs and subcommittees. She proposed a conference call before the next in-person meeting to iron out some of these issues. She would like the Committee, whose purpose is to advise her, to take an active role in determining how the Committee operates. Ms. Query and Marc Little feel that quarterly meetings are too infrequent. Ms. Query and Toni Silva made reference to the statement in the legislation that says that the County Executive and County Council will commit the necessary resources to implement the program and wondered if the Committee should request funding for any new initiatives that they propose. Ms. Byrd-Smith added that abstract things like man-hours would also be considered necessary resources. Mr. Little interjected that he sees the Committee's purpose as to help strengthen the M/W/DBE Department and impact the community.

Im Sook Reinhart asked if Ms. Byrd-Smith had any goals that she would like to accomplish with which the Advisory Committee could assist. Ms. Byrd-Smith replied that she would like to have the ability to recognize companies that have shown initiative in working with MBEs and WBEs. She posed that if a group of companies was provided, the Committee could examine the types of projects they have worked on during the past several years and the M/W/DBE participation levels they have incorporated and choose a few to be recognized. Also, Ms. Byrd-Smith would like to have a networking event with prime and subcontractors in the same room.

Ms. Byrd-Smith noted some positive changes with which the previous Advisory Committee had assisted, like tracking M/W/DBE participation on contracts and improving the M/W/DBE Department's access to data in JD Edwards, the County's financial software. Also, prior to the Onorato administration, the M/W/DBE Department provided technical assistance in addition to participating in the PA UCP. Now the Diversity Business Resource Center (DBRC) has assumed that task and performs it effectively since it is the DBRC's focus. Moreover, the fact that the County now accepts certifications other than PA UCP for non DOT-funded contracts has been a plus.

Ms. Byrd-Smith asked the Advisory Committee members who are business owners if there are any things they would like to see changed. Kenneth Huston responded that in his time

at the Urban League he encountered several people who had great business ideas but could not translate them into a business plan. He does not feel that minority and women businesses realize the extent of resources in Allegheny County that are available to them. A lot of times business owners would ask Mr. Huston who they could go to for mentoring and he did not know where to send them. He would like to get more information out there as to what is available for minority and women business owners. Mr. Huston offered that before he left the Urban League, he encouraged the job developers to develop a network with companies like McDonald's so that clients could be matched up with them. Mr. Malik thought that the Committee could perhaps give these business owners some guidance in seeking funding assistance, expanding their business or opening a second business. Ms. Byrd-Smith mentioned the M/W/DBE Working Capital Loan Program and the Metropolitan Loan Fund, and the efforts that have been made to market them to business owners using available resources. Mr. Little feels that it is the responsibility of the Committee to encourage small business owners to network. Mr. Malik suggested recognizing successful small businesses to give them encouragement.

Ms. Silva asked if the DBRC could be used to market the loan programs and some of the other initiatives available to business owners, and Ms. Byrd-Smith answered that the DBRC already does that. It is an agency that is available throughout the life of a business. Ms. Silva proposed a website to house information on the programs available to business owners. Mr. Little offered that the culture needs to be changed and discipline needs to be emphasized as to how small businesses look at things and do what they need to do to succeed. Ms. Silva said that there are several businesses that she interacts with that could be more successful if they knew how to take advantage of these resources. Ms. Byrd-Smith feels that small business owners need to be educated about technology. Ms. Query suggested that contact information for primes and subs and recognition of primes and subs could also be listed on the website where available services are listed to really make it a comprehensive resource.

Mr. Little asked Ms. Byrd-Smith if there are any resources, manpower or otherwise, she needs for the M/W/DBE Department for which the Advisory Committee could advocate. Ms. Byrd-Smith answered that for the services the department currently provides, the staff is adequate. However, at the time a new initiative is put in place, volunteers and/or temporary staff may need to be considered depending upon the scope of the initiative.

Ms. Byrd-Smith proposed scheduling a conference call the following month. The time of day most agreed upon was 3:00 p.m.

VI. Adjournment