
Allegheny County MBE Advisory Committee Meeting Minutes
One Smithfield Street Building, Homestead Grays Conference Room
Wednesday, June 2, 2010
5:00 p.m.

Advisory Committee Members in Attendance:

Mark Patrick Flaherty – Controller, Office of the Allegheny County Controller
Jim Johnston – Senior Business Development Specialist, Allegheny County Department of Economic Development (for Dennis Davin)
Abass Kamara – Director of Government Affairs, Pittsburgh Penguins
Iftikhar Malik – President, Shawn Malik, Inc. (by telephone)
M. Gayle Moss – President, NAACP Pittsburgh Branch
Joseph Olczak – Director, Allegheny County Department of Public Works
Joyce A. Query – President, i-Squared
Toni Silva – Supplier Relations Director, UPMC
Tim Stevens – Chairman, Black Political Empowerment Project (B-PEP)

Advisory Committee Members Absent:

Victor Diaz – CEO, Pittsburgh Metropolitan Area Hispanic Chamber of Commerce
Amy Griser – Director, Allegheny County Department of Budget and Finance
Kenneth Huston – President/CEO, Huston Trust, Inc.
Timothy Johnson – Allegheny County Department of Administrative Services
Marc Little – CEO/President, Minority and Women Educational Labor Agency (MWELA)
Im Sook Reinhart – President, Controls Link, Inc.

Also Present:

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. Welcome/Introductions**
- III. Approval of Minutes of Previous Meeting**
- IV. Old Business**
- V. New Business**
- VI. Adjournment**

I. Call Meeting to Order**II. Welcome/Introductions****III. Approval of Minutes of Previous Meeting**

The minutes from the March 10, 2010 meeting were reviewed and approved.

IV. Old Business

M. Gayle Moss made reference to the trade show that the Committee began to plan at the last quarterly meeting. Ruth Byrd-Smith explained that the M/W/DBE Department partnered with the Small Business Administration (SBA) to sponsor a lender-borrower matchmaking event. One positive result of partnering with other agencies is pooled resources.

Ms. Byrd-Smith described some events that the M/W/DBE Department attended since the last quarterly meeting, including the Women of Color Political Breakfast. She spoke at the Women's Business Leadership Series held by the Women's Entrepreneurial Center at Chatham University. The Diversity Business Resource Center (DBRC) held a quarterly client networking meeting. The DBRC currently has approximately 520 clients. Ms. Byrd-Smith described the DBRC's funding and the breadth of its clients.

Tim Stevens asked whether the issues previously raised by the Committee to the attention of the County Executive regarding professional services contracting had ever been resolved, specifically with including one M/W/DBE in the three firms shortlisted for a contract. Ms. Byrd-Smith responded that Chief Purchasing Officer John Deighan addressed this issue during the April 6 conference call, where he stated that that practice is utilized. Joseph Olczak reinforced that that has been implemented for contracts between \$10,000 and \$30,000 of value. He explained that instead of sending the lowest quote a purchase order, he sends the three lowest quotes to Mr. Deighan as he is the one that enforces the M/W/DBE participation component. Jim Johnston noted that Economic Development follows the procedure of including an M/W/DBE in its short list of three bidders for projects it funds within this dollar range. Mr. Stevens asked if there was a process to track payment to subcontractors and the answer was yes. He also asked if the discretionary contract dollar amount had been raised and the answer was no, because that is state mandated. He asked if the County Authorities must follow these policies and Mark Patrick Flaherty replied no, that they are separate entities from Allegheny County. A discussion ensued in which Ms. Byrd-Smith explained how the Allegheny County Sanitary Authority works. Mr. Stevens would like to ask all of the Authorities to adopt these policies, and Mr. Johnston offered that the Authorities that Economic Development presides over are in the process of adopting them.

V. New Business

Ms. Byrd-Smith attended a webinar earlier today regarding the Marcellus Shale. The purpose of the webinar was to inform business owners of current and future work relating to the project. At this point it seems that most of the permit holders are bringing in necessary materials from sources outside of the local area. She thought that the community needed to understand what the project consists of in order to identify opportunities for M/W/DBEs. The work is very specialized and those already with skill sets still need further training to be considered for work on the project. The State Department of Environmental Protection (DEP) issues the drilling permits.

Mr. Stevens wondered if there was a way for the permit holders to be urged to do business with local companies. Mr. Johnston offered to look into whether Economic Development has any involvement with this project. Mr. Flaherty stated that there are approximately 300 permits in Western Pennsylvania, two of those within Allegheny County. He went on to say that while many departments are looking at how to get involved, at this time it is a private endeavor as companies pay for the drilling permits and there are no government funds expended. The extent of government involvement is in issuing permits and enforcing regulations on water disposal. The prediction is that the amount of wells will increase to 3,000 in the next five years.

Mr. Stevens again expressed concern that companies outside of the region are doing all of the work. Mr. Flaherty would like to see these companies taxed and then offered rebates if they use local companies and/or M/W/DBEs. He suggested drafting a letter to Senator Jay Costa and/or Representative Frank Dermody expressing an interest in developing language to include local and M/W/DBE participation in the Marcellus Shale project. He also mentioned the fact that the well drilling is very transient as it takes about six months to drill a well and then the company moves on. Someone wondered if the Committee should look to partner with similar groups in adjacent counties since the bulk of the drilling opportunities are in counties other than Allegheny in order to best serve M/W/DBEs in the overall region. Mr. Flaherty emphasized the importance of the Committee to state its position before more wells are drilled in Allegheny County. Ms. Byrd-Smith agreed. A discussion ensued regarding the lack of regulations over the project and how the industries involved tend to be generational.

Mr. Flaherty made reference to the idea raised that the requirements for permit applicants be made more stringent, but he felt that that would only serve to eliminate more people from participating. He volunteered to draft the letter and send it to Ms. Byrd-Smith for input.

VI. Adjournment

The next MBE Advisory Committee meeting is scheduled for September 22, 2010 at 4:00 p.m. on the 31st Floor of the Regional Enterprise Tower. The M/W/DBE Department's Annual Open House will follow at 5:30 p.m., to which the Committee is invited to attend.