
Allegheny County MBE Advisory Committee Meeting Minutes
204 County Office Building
Wednesday, December 7, 2011
5:00 p.m.

Advisory Committee Members in Attendance:

Victor Diaz – CEO, Pittsburgh Metropolitan Area Hispanic Chamber of Commerce
Kenneth Huston – President/CEO, Huston Trust, Inc.
James Johnston – Senior Business Development Specialist, Allegheny County Department of Economic Development (for Dennis Davin)
Glenn Loper – Senior Purchasing Agent, Allegheny County Purchasing Division (for Timothy Johnson)
M. Gayle Moss – Chair/President, MBE Advisory Committee/NAACP Pittsburgh Branch
Toni Silva – Supplier Relations Director, UPMC
Tim Stevens – Chairman, Black Political Empowerment Project (B-PEP)

Advisory Committee Members Absent:

Dennis Davin – Director, Allegheny County Department of Economic Development
Mark Patrick Flaherty – Controller, Office of the Allegheny County Controller
Amy Griser – Director, Allegheny County Department of Budget and Finance
Timothy Johnson – Allegheny County Department of Administrative Services
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
Im Sook Reinhart – President, Controls Link, Inc.

Also Present:

Ruth Byrd-Smith – Director, Allegheny County Department of M/W/DBE

Agenda:

- I. Open Meeting**
- II. Approval of Previous Meeting Minutes**
- III. Old Business**
- IV. New Business**
- V. Miscellaneous**
- VI. Adjournment**

I. Open Meeting**II. Approval of Previous Meeting Minutes**

The minutes from the September 14, 2011 meeting were accepted.

III. Old Business

Gayle Moss pointed out that at the last meeting, the Committee discussed potential changes to Chapter 435 and gave them to Assistant County Solicitor Ted Trbovich for his review. Mr. Trbovich incorporated the changes into a draft that the Committee can elect to deliver to the new County Executive, Rich Fitzgerald.

Ms. Byrd-Smith described the input that Mr. Trbovich gave with regard to revising Chapter 435. The suggestions he made correspond with the form of Allegheny County government currently in place. She is pleased that the federal regulations that the PA UCP follows are referenced. This is beneficial because since only the citation appears, any future changes to the language of the regulations will not impact the wording of Chapter 435. Ms. Byrd-Smith asked to whom the revised legislation should be submitted, and after some discussion she stated that she will ask Mr. Trbovich to whom it should go.

Victor Diaz asked about the length and appointment of the Advisory Committee members' terms, and Ms. Byrd-Smith answered that that will all remain the same. Ms. Moss also stated that each Committee member will receive a notice when their term is due to expire.

IV. New Business

Ms. Moss wanted to discuss possible initiatives for the Committee in 2012. She would like to see that information on the M/W/DBE Department gets out to minority businesses so they know what resources are available to them. She made reference to the fact that marketing of the M/W/DBE Department is almost exclusive to the County's website, and some people use the internet sparingly or not at all. Kenneth Huston offered that the director of Hill House, who has a marketing background, has been talking about the importance of people recognizing your "brand." Toni Silva stated that she does not see how businesses who are interested in actively seeking out opportunities would not want to use the internet. Ms. Moss agreed but still felt that there needs to be another outlet for information. She described several scenarios where minority business owners viewed the paperwork that needs to be completed for certification or other available programs to be a hardship and not worth their time. Glenn Loper offered that small businesses cannot be expected to have the same expertise as corporate America, and some extra guidance might be necessary.

Mr. Huston wondered how these services could be marketed. Ms. Byrd-Smith referenced the fact that the M/W/DBE Department places ads in approximately 10 publications each year, including the Black Business Yellow Pages, the Women Business Yellow Pages,

Talk Magazine and Erie Yellow Pages. The Department also participates in trade shows and speaking engagements when schedules, resources and monies allow. A discussion ensued regarding the technological limitations of some small businesses, and Ms. Silva felt that if a business owner is serious about being in business, they must have a fax machine and/or a computer. Ms. Byrd-Smith offered that the County only accepts electronic bids. Expounding on that, Mr. Diaz voiced that if a business owner encounters some difficulty, it is up to the business owner to pursue the services that are available. Ms. Moss added that business owners must also be willing to ask for help when they need it. Mr. Diaz would like to look at ways to hold large players responsible for giving M/W/DBEs opportunities.

Ms. Byrd-Smith told the Committee that she expressed to Mr. Fitzgerald her idea of hosting an event that includes Allegheny County and the local authorities, because the authorities have different requirements for doing business with them. He was in favor of this event.

Mr. Loper suggested speaking with M/W/DBEs to find out where they might need assistance. Ms. Byrd-Smith stated that Dr. Bangs and Dr. Murrell of the University of Pittsburgh did that a few years ago, and found that M/W/DBEs were getting business but needed to develop new skill sets to do better. She felt that business owners need to embrace technology and discover who their competitors are. Ms. Moss agreed with Mr. Loper's idea. Mr. Diaz proposed having a large scale event at the convention center or a similar-sized venue but including smaller breakout sessions for each agency. Ms. Byrd-Smith liked this idea. Ms. Silva noted that businesses operate at different levels, and different levels of assistance could be incorporated into the breakout sessions. She also would like to see separate breakout sessions for construction businesses and professional businesses. A discussion on this topic ensued.

April was proposed for the event. Mr. Diaz thought that M/W/DBEs should be encouraged to rethink what they want to do, because many business owners are under the impression that grants to start businesses are available. A discussion on this topic ensued. Ms. Moss would like to have a draft agenda for the event developed and ready for discussion at the next meeting. She felt that the M/W/DBE Department should be highlighted, and everyone was pleased with the M/W/DBE participation that the M/W/DBE Department was able to achieve in 2010.

Tim Stevens suggested in 2012 bringing together individuals from County departments who deal in best practices to share what they do to provide opportunities for M/W/DBEs. Ms. Byrd-Smith replied that all County departments are to follow the M/W/DBE program that the M/W/DBE Department oversees. Mr. Stevens and Mr. Diaz thought that the Department of Public Works had been doing more or something differently with M/W/DBE participation but Ms. Byrd-Smith said no. She explained how procurement works within the County and that construction services is a different industry cluster. A discussion on this topic ensued.

In 2012, Tim Stevens would like to see the Committee request that the County Executive use his authority to create more opportunities for M/W/DBEs with professional service contracts. Mr. Loper offered that per the Administrative Code, the County Manager can select firms for professional service contracts. Mr. Diaz felt that choosing and awarding to a firm might end up involving the Law Department.

Ms. Moss mentioned that once Mr. Fitzgerald takes office, the Committee will deliver the revised Chapter 435 legislation for his review. She also suggested that the Committee meet with Mr. Fitzgerald to discuss the power he has to help M/W/DBEs. Mr. Stevens revisited the best practices idea and wondered if other County governments could be consulted. Ms. Byrd-

Smith cautioned that each form of government is governed by a different Administrative Code. Ms. Silva offered that internet research could reveal some ideas that could be pursued.

Ms. Byrd-Smith shared that the M/W/DBE Department has a good reputation: applications are processed in a timely manner, favoritism is not shown in the approval process and onsite visits are recorded. She would like to see more people brought to the table. Mr. Diaz suggested incorporating pre-qualification into the certification process. Mr. Loper offered that the City of Pittsburgh has a pre-qualification program. Ms. Byrd-Smith felt that requiring pre-qualification might eliminate some companies from participating. A discussion ensued regarding the UCP programs of other states.

Ms. Silva would like to see created a centralized place that would house all open bid opportunities, government and private industry alike. Ms. Byrd-Smith stated that all County opportunities are posted to BidNet, but it is for government entities only. A discussion on this topic ensued.

V. Miscellaneous

Ms. Byrd-Smith discussed Section 3 certification. This came into play because Section 3 certified businesses will receive preferential treatment with the Housing Authority's and HUD-funded projects, even if bids are identical. Mr. Johnston added that this certification would apply to any projects involving public infrastructure. Ms. Byrd-Smith stated that in 2010, approximately \$56 million in Section 3 covered contracts were awarded; only \$270,000 of that was awarded to Section 3 firms. Mr. Johnston explained that Section 3 applies to all housing-related projects regardless of amount, but Section 3 only applies to public infrastructure projects over \$200,000 or \$100,000 to one contractor. Economic Development has eight or nine of these projects per year. Mr. Johnston stated that even though this has been in place for quite some time, proper tracking was not used. Ms. Byrd-Smith reviewed more details of the Section 3 program for the Committee, and explained that the focus has shifted from public housing to low income. She is going to encourage all of her certified businesses to pursue this certification. The Section 3 certification will last for a three-year period.

VI. Adjournment