
Allegheny County MBE Advisory Committee Meeting Minutes
204 County Office Building
Tuesday, April 22, 2014
9:00 a.m.

Advisory Committee Members in Attendance:

Austin Davis – Executive Assistant, Office of the Allegheny County Executive
Ola Jackson – Founder/CEO, Onyx Woman Network (OWN)
Abass Kamara – Partner, Carey Group
M. Gayle Moss – Chair, MBE Advisory Committee
James Overton – Chairman/President, City of Pittsburgh Equal Opportunity Review Commission/
Overton Financial Group
Barbara Parees – Deputy County Manager, Office of the Allegheny County Manager

Advisory Committee Members Absent:

Larry Brinker – President/CEO, Brinker Group
Victor Diaz – President, VideoTek Construction
Marc Little – CEO/President, Minority and Women Educational Labor Agency (MWELA)
Iftikhar Malik – President, Shawn Malik, Inc.
Roxanne Sewell – President, LJS Publishing/Talk Magazine
Toni Silva – Supplier Relations Director, UPMC
Gregory Spencer – President/CEO, Randall Industries, LLC
Tim Stevens – Chairman, Black Political Empowerment Project (B-PEP)

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. **Open Meeting**
- II. **Approval of Previous Meeting Minutes**
- III. **Director's Report**
 - **Review of 2013 Participation**
- IV. **Old Business**
- V. **New Business**
 - **Chair's Meeting with the County Executive**
 - **Status of Consulting Contract**
 - **Chapter 435 (M/W/DBE) Legislation**
- VI. **Adjournment**

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

All three sets of meeting minutes were approved after clarification on when these meetings took place was provided.

III. Director's Report

Ruth Byrd-Smith begins with the 2013 contract participation plan and commitment numbers. She deems 2013 a success in terms of how many contracts had M/W/DBE participation. She states the success of that year was due in part to the consistency of the process and that vendors know what is expected of them. In 2013, the M/W/DBE Department oversaw County contracts that totaled \$26,411,429 with 33.76% MBE commitment (\$8,917,005.70) and 5.93% WBE commitment (\$1,566,000), with an overall total of 39.69% M/W/DBE commitment. M. Gayle Moss is impressed by the figures and commends the Department for helping to bring about numbers that she has never before witnessed, especially with a small staff and small budget. She also declares that she has spoken to the County Executive about the Department's budget to see if there is room to increase it.

James Overton inquires about the Purchasing bundle of acquisitions. Ms. Byrd-Smith responds that John Deighan, the Chief Purchasing Officer, posts contracts on the County's website. The Purchasing Division does not oversee all County purchasing, but Mr. Deighan oversees commodities contracts. The information Mr. Deighan posts allows vendors to assess whether or not they can meet a contract figure and if there's room to include an M/W/DBE. Furthermore, Purchasing will debrief a vendor to help them with their bidding and become more successful in acquiring County contracts. Barbara Parees requests a copy of the figures of M/W/DBE participation in 2013 in addition to the 2014 first quarter numbers Ms. Byrd-Smith has provided at this meeting.

Ms. Byrd-Smith breaks down the kinds of contracts from 2013 and begins with those that are "revenue-generating", such as concession stands at parks, and of those, \$10,650 was the MBE commitment. The Budget Department oversees contracts in which the County borrows money and of those, \$18,616 was the MBE commitment. This number was reached in part by an article by Black Enterprise that showcased black bankers and the names within were given to the Budget Department to utilize. The Budget's MBE commitment was comprised of fees alone. For the County Jail's health services, the MBE commitment was 5.86% and the WBE commitment was 5.30% for a total of 11.16% commitment. Ms. Moss asks about the phone contract at the jail, which Ms. Byrd-Smith says is in litigation. The vendor that the Department vetted had M/W/DBE

participation on this contract but the judge overseeing this litigation has a freeze on that vendor and it has been handed over to whoever originally was handling phone services. It will be resolved when litigation ceases. Ola Jackson asks if the minority category is broken down further into ethnic groups. Ms. Byrd-Smith responds that she knows the specific ethnic categorization of firms that are certified with her agency but is less aware of those who are certified by other entities and are generally referred to an M/WBE or DBE. However, in the Department's Annual Report, the ethnic demographics they know are broken down. The 2012 report is available on the Department's website and it has the minority figures on a pie chart.

Human Resources had an MBE commitment of 10.54% and WBE commitment of 7.03% with a total of 17.57% overall. Public Works had \$13,426,000 contract dollars total. Ms. Byrd-Smith notes that on these projects, MBE and WBE firms are beginning to emerge as prime vendors. The MBE commitment for Public Works was 15.39% and WBE commitment was 14.79% with a total of 30.18%. Public Works contracts come through the Department to have their "Schedule As" signed off on. A Schedule A is required to ensure an MBE or WBE firm is certified to perform whatever work they claim to be able to do. PennDOT, though they are another PA UCP certifying agency, sets its own goals because they have to follow statewide goals. They have a 13.23% commitment. ESCO Phase II, an energy saving contract, had an overall commitment of 18.73%. Staples had 17.72% MBE participation and 1.06% WBE participation out of \$1,695,000. Someone asks if the Staples she's referring to is the actual Staples. She clarifies that the Staples she's referring to is considered a first-tier provider to Staples.

Ms. Byrd-Smith directs all members in attendance to a spreadsheet she's provided which details the companies that have been contracted during the first quarter of 2014. The spreadsheet shows the MBE and WBE commitments made thus far, the companies, etc. She goes over all of the companies listed, their location, and their services offered.

She goes on to explain that she is frequently asked how the Department makes sure these M/W/DBEs are utilized. She provides a report run by Ms. Edmonds of contracts that had end dates of 12/31/12 and 12/31/13. There were 40 contracts in place during that time with those end dates that totaled \$54,638,000. During this period, 118.8% of the dollars that were committed were paid, which means that the prime vendors had decided to continue to work with the M/W/DBE subs. For open-ended contracts, the sub doesn't work if the Prime doesn't work. During the same period, Public Works had 18 contracts totaling \$24,000,185; 113.2% of dollars allocated were paid, meaning the primes probably decided to continue to utilize M/W/DBE subs beyond the originally intended scope of work on the contract.

IV. Old Business

Ms. Moss says that the old business actually refers back the Advisory Subcommittee. Toni Silva, the Subcommittee chair, is not present, but Ms. Moss feels as though Ms. Parees can field questions in Ms. Silva's absence. Ms. Moss would like an update about the RFP. Ms. Parees says the RFP went to the Law Department in February and then to Mr. Deighan after that. It was posted and is #7258, titled M/W/DBE Consulting Services. The proposals are due April 30, 2014. The distribution will be May 1st and 2nd of 2014, the review and evaluation will take place between May 5th and 16th of 2014. The County Manager, Mr. William McKain, said the review committee will include himself, Ms. Parees, Austin Davis, Ms. Byrd-Smith, and Ms. Silva. The supplier presentations will then be from May 19th to 30th. These dates are subject to change, but are in place to provide all prospective bidders of an idea of when to be available. The award will be made between June 2nd and 6th. The RFP has been posted and advertised but no proposals have been received as of this meeting. Some committee members were unaware of the RFP being on BidNet and Ms. Byrd-Smith provides hard copies of it for them. Furthermore, the Advisory

Committee's consultant may not be aware of the deadline. Ms. Parees states that since it is the Advisory Committee's RFP, a member may change the proposal deadline as long as they make Mr. Deighan aware of it. The Advisory Committee may extend the deadline so their consultant can apply and also in the event that no one submits a proposal.

V. New Business

Ms. Moss has spoken with the County Executive and he is very pleased with the amount of M/W/DBE participation on County contracts. She mentions that a number of small businesses have complained that certification has not helped them and they do not get contracts so she proposes a program to teach them how to acquire County contracts. Several members think this is a good idea. Ms. Jackson offers to interview Ms. Byrd-Smith about certification and contracts to air on a show and website in order to assist small business owners who are seeking work with the County. The Department's Certification Monitor currently does one-on-one counseling at the Diversity Business Resource Center to assist small business owners and, in May, will begin doing the same at the Hill House. Ms. Byrd-Smith points out that the Department works very hard in the community, but many small business owners are unaware of the services they offer and, therefore, miss out. Getting the word out is imperative.

VI. Adjournment