



MINORITY & WOMEN BUSINESS ENTERPRISE (MWBE) COMMISSION

MINUTES

The regular meeting of the MWBE Commission was called to order by Deborah Muñoz-Chacon, Chairperson, on Thursday, April 16, 2009, at 5:35 p.m., in the Office of Equal Opportunity Programs (OEOP) and Independent Police Review (IPR) Conference Room, 100 North Stone Avenue, Suite 109, Tucson, Arizona.

1. Check-in/Roll Call

Members Present:

Vacancy
Noell Rodriguez
Andee Leisner
Deborah Muñoz-Chacon
Vacancy
Vacancy
Clarence Boykins

Appointed by:

Mayor
Ward 1
Ward 2
Ward 3
Ward 4
Ward 5
Ward 6

Members Absent:

Appointed by:

Others Present:

Liana Perez, Director, OEOP and IPR
Robert Barton, Project Manager, OEOP and IPR
Michelle Flanagan, Administrative Assistant, OEOP and IPR
Danielle Flink, Chairperson, GLBT Commission
Alicia Calahorro, Chairperson, GLBT Commission

2. Approval of Minutes

Motion by Commissioner Boykins and seconded by Commissioner Rodriguez to approve the minutes of February 19, 2009, as submitted, passed by a vote of 4 to 0.

3. GLBT Proposal to Amend Chapter 28 of Procurement Code

GLBT Commissioners Danielle Flink and Alicia Calahorro gave a presentation on the GLBT proposal to Mayor and Council to expand and amend Article XII of the Procurement Code - Affirmative Action

(A/A) by City Contractors.

Ms. Flink addressed the Commission requesting support of the GLBT Commission proposal and that the current A/A section of the Procurement Code be edited and updated to include equal benefits for domestic partners. She advised the current Procurement Code does not include the Non-Discrimination Code as listed in the Tucson City Code. She proposed that firms which provide benefits for their employees and are engaged with City contracts in excess of \$50,000, include domestic partner benefits.

Commissioner Boykins questioned as to how the proposal would be put into action. Ms. Perez said in order to amend the A/A requirements, support is being requested from the MWBE Commission and then the proposal would be presented to Mayor and Council. Mayor and Council would then direct staff (Procurement Department, City Attorney's Office and the OEOP) to enforce the proposal. Ms. Perez also explained the current A/A requirements for firms doing business with the City. She said firms entering into a contract with the City shall first have an A/ A Plan on file with the OEOP.

Discussion followed.

Ms. Flink advised that the GLBT Commission will provide a draft letter indicating the MWBE Commission's support for the proposal. The draft letter will be addressed at the next regularly scheduled MWBE Commission meeting.

No action was taken.

4. Monthly Contract and Purchase Order Reports from Procurement Department

This item was addressed in Item 5 as the monthly contract and purchase order reports previously requested by the MWBE Commission have been identified as the MWBE Preference Eligible Contract Awards report produced by Procurement Department.

No action was taken.

5. MWBE Preference Eligible Contract Awards Report

The Commission reviewed the reports supplied by Procurement Department. Regarding the January 2009 contract pertaining to Oral Interpretation Services, Ms. Perez said the firms were not awarded by MWBE preference as the individual interpreters were not required to be MWBE certified. They were selected according to their interpreting qualifications and the need for their services. Ms. Perez advised the contracts' dollars are currently being tracked by OEOP. Mr. Barton said the firms' dollars may also be tracked by those who self-identified in Procurement Department's vendor registration database.

Discussion followed. Mr. Barton suggested the Commission conduct a meeting with one item to review and decide which reports they would like to receive including their specific content and format.

No action was taken.

6. MWBE Construction Reports

Mr. Barton advised the construction reports produced by the OEOP were currently unavailable. Due to a transition with the Job Order Contracts (JOC) and regular bids, he said the database was still in development. He said an annual aspirational goal was set for contracts issued prior to February 2009. In order to implement the new SBE (Small Business Enterprise) Program, SBE goals were set on a contract-by-contract basis for JOC's initiated after February 2009. He said if a contract was awarded in January 2009, it remained active for a year. The SBE program regulations could not be set as the program's inception was February 10, 2009.

Discussion followed.

Chairperson Muñoz-Chacon asked if the reports would be available by August 2009. Mr. Barton confirmed the construction reports would be available by that timeframe.

No action was taken.

7. 1st Quarter 2009 MWBE Utilization

Mr. Barton said the MWBE Utilization was tracked early on with the implementation of the SBE Program and the recommendations produced by the disparity study. He advised the Hispanic and WBE (Women Business Enterprise) components were removed in the area of construction due to over-utilization. He said closed contracts were being tracked to reflect the full expenditures. He stated few changes have transpired in the areas of ethnic categories and goal setting. Significant under-utilization was still occurring in the areas of African Americans, Native Americans and Asians.

Regarding the women-owned construction firms, Mr. Barton advised there was over-utilization based on the availability in the marketplace. He said adjustments were in process and trends were being tracked. A target date of July 1, 2009 was set to establish the utilization. Mr. Barton expressed concern in implementing or removing project goals on a quarterly basis. To eliminate any confusion for prime contractors, the utilization would be tracked annually.

Discussion followed. Chairperson Muñoz-Chacon requested that a copy of the report be provided to the Commission. Mr. Barton advised the report would be available for the August MWBE meeting.

No action was taken.

8. Quarterly Update of City's Outreach to SBE, MWBE Primes and Subcontractors

Ms. Perez advised the SBE, MWBE-DBE workshops were being held every two weeks. A few workshops were held in conjunction with Tucson's Hispanic and Black Chambers of Commerce as well as the Microbusiness Advancement Center. She said in order to reduce questions pertaining to

certification and to maintain the volume of applications, attendance at one of the workshops was mandatory. She stated the workshops have assisted firm owners with the overall certification process. As a result, new applications have been received in addition to applications submitted by previously certified firms. She said re-certifications and annual updates of the existing SBE, MWBE-DBE firms continued along with the new applications.

Ms. Perez stated outreach was conducted for all the existing firms advising them of the new SBE Program. To be eligible for the SBE Program, documentation for all owners must be on file whereas with the MWBE-DBE Programs, only 51% of the qualifying owners need to submit documentation. She advised all but approximately ten percent of the existing firms were grandfathered into the SBE Program as all ownership documentation was included with the file.

Discussion followed. No action was taken.

9. SBE, MWBE Certification Process

This item was discussed in Item 8. No action was taken.

10. Updates on Ordinance Change and Implementation

Ms. Perez advised that when the ordinance was rewritten, the majority of changes occurred within the construction portion. She said the Architecture and Engineering (A&E) and Goods and Services (G&S) portion was left as generic as possible for future development. She said meetings were conducted with project managers from several City departments who were affected by the ordinance. She stated contract language and document changes were also made including internal policies and change orders.

Ms. Perez said project managers throughout the City departments handling A&E contracts were brought together to discuss increasing utilization while remaining in compliance with the State Procurement Code. She said positive feedback was received. She added that meetings would be held with external stakeholders to gather input to ultimately amend the A&E portion of the ordinance.

In regards to A&E contracts, Ms. Perez advised firm selections differed in that they were not based on low bids. The selections were based on team qualifications. She explained the teams may consist of multiple trade areas dependent on the contract needs. She said goal setting in this area was challenging. Once a team was chosen, a goal could not be set as the structure of the team may require change and also, the project would have been awarded based on team composition. She said preliminary discussions have begun with the City Attorney's Office to possibly award the assembled teams preference points to be part of the selection process.

In the area of G&S, Ms. Perez spoke with D. Wilson consultants to discuss if other government agencies had a solid process in place. She was advised that other agencies did not have a model program. She said contract officers from Procurement Department were questioned as to what can be done to create more opportunities for small businesses. Ms. Perez said the City of Phoenix SBE Program offers preference points and breaks larger contracts into smaller ones. Phoenix also reserves certain contracts per year specifically for SBE bids. If sufficient bids are not received, the contract

would then be opened up to non-SBE bidders. Ms. Perez advised a meeting would be scheduled with several small business throughout the community to review how they can become more competitive in doing business with the City of Tucson.

Discussion followed. Chairperson Muñoz-Chacon questioned the status of the MWBE Commission as a result of the revised Ordinance. Ms. Perez stated she would address the issue with the City Attorney's Office, however; she added the existence of the Commission was separate from the changes made to the Ordinance.

No action was taken.

11. Call to the Audience

Ms. Alicia Calahorro addressed her concerns to the Commission regarding the City of Tucson's bid process. No action was taken.

12. Future Agenda Items

- GLBT Proposal to Amend Chapter 28 of Procurement Code
- Quarterly Update of City's Outreach to SBE, MWBE Primes and Subcontractors
- OEOP Reports
- FY 2010 DBE Plan
- SMWBE Preference Eligible Contract Awards Report

Ms. Perez advised the Commission that the OEOP and IPR offices relocated from the Pioneer Building to the Public Works Building located at 201 North Stone Avenue, 3rd Floor North, Tucson, Arizona. Due to the change, the regular MWBE Commission meeting location will no longer be available. Commissioner Boykins suggested the Commission meet at the Tucson Black Chamber of Commerce located at 1443 East Broadway, Tucson, Arizona. The next regularly scheduled MWBE Commission meeting will be held at that location. No action taken.

13. Adjournment

Motion by Commissioner Boykins and seconded by Commissioner Leisner to adjourn, passed by a vote of 4 to 0.

Next Meeting: June 18, 2009