



MINORITY & WOMEN BUSINESS ENTERPRISE (MWBE) COMMISSION

MINUTES

The regular meeting of the MWBE Commission was called to order by Walter Soto, Chairperson, on Thursday, May 15, 2008, 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:

Noell Rodriguez
Andee Leisner
Deborah Muñoz-Chacon
Vacancy
Walter Soto
Clarence Boykins *

Appointed by:

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

* (Arrived at 5:44 p.m., Departed at 6:35 p.m.)

Members Absent:

Marlene Ashton

Appointed by:

Mayor

Others Present:

Liana Perez, Director, OEOP and IPR
Dexter Ngai, Senior Equal Opportunity Specialist, OEOP and IPR
Michelle Flanagan, Administrative Assistant, OEOP and IPR

2. Approval of Minutes

Motion by Commissioner Muñoz-Chacon and seconded by Commissioner Leisner to approve the minutes of April 17, 2008, as submitted, passed by a vote of 4-0.

3. LLC – Certification Process – Dexter Ngai

Mr. Ngai distributed a handout and gave a presentation relating to the Federal Regulation, 49 CFR 26, Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs. He stated the Minority and Women-Owned Business Enterprise (M/WBE) certification process is governed by the Federal guidelines. Mr. Ngai referred to Section 26.69 “What Rules Govern Determinations of Ownership.”

Mr. Ngai explained in the case of a Limited Liability Company (LLC) at least 51 percent of each class of member interest must be owned by socially and economically disadvantaged individuals. He stated the business structure has no bearing on the eligibility of the applicant as the regulation applies to firms formed as corporations, partnerships, limited liabilities or sole proprietorships. Mr. Ngai said the main criteria for certification is the qualifying party must be a member of a designated minority group or woman-owned, must own 51 percent interest in the business and must have unlimited control of the business. He said if a business is an LLC and has multiple owners, the qualifying party (minority member or woman member) must be the managing member and have unrestricted authority for any business decisions. He said the Articles of Incorporation or By-Laws are requested to determine the qualifying/managing member of the business.

Mr. Ngai responded to questions from the Commission. No action was taken.

4. MWBE Construction Reports (Taken out of order and discussed after Item 5)

Ms. Perez addressed the Commission regarding the MWBE Construction Reports. She stated that approximately two years ago the Commission requested to see the reports on an annual basis. She stated if the reports were received on a monthly basis, the changes would be minimal if any. She suggested the Commission receive the reports either quarterly or semi-annually. She stated the firms awarded Job Order Contracts are required to submit semi-annual reports.

Motion by Commissioner Muñoz-Chacon and seconded by Commissioner Leisner to have the OEOP submit MWBE Construction Reports to the Commission on a quarterly basis, passed by a vote of 5 to 0.

Discussion followed.

Motion by Commissioner Boykins and seconded by Commissioner Leisner, passed by a vote of 5 to 0, to have the Commission receive the following reports on a monthly basis:

- Number of awarded contracts and to whom the award was made
- Subcontracting opportunities identified
- Number of MWBE Firms eligible in areas identified
- Number of MWBE Firms awarded contracts based on the process

Discussion followed. No further action was taken. Commissioner Boykins departed.

5. Disparity Study Update (Taken out of order and discussed after Item 3)

Ms. Perez gave an update to the Commission regarding the Disparity Study. She said the consultants at D. Wilson are continuing their analysis. Ms. Perez attended the Economic Development Workforce Subcommittee meeting to request an extension of the MWBE Program so as to complete the study and advised the issue would be discussed at the Mayor and Council's Consent Agenda meeting scheduled

for Tuesday, May 20, 2008. Upon approval, the MWBE Program will be extended to the end of 2008. Ms. Perez stated the consultants projected to provide a draft of the study by early July 2008 and a final report by July 31, 2008.

Ms. Perez responded to questions from the Commission. Commissioner Soto asked when the City will issue a new Ordinance. Ms. Perez stated the final report will be presented to Mayor and Council and based on the consultants' recommendations, the Mayor will direct staff to implement the changes to include rewriting or implementing a new Ordinance.

No action was taken.

6. Call to the Audience

No one spoke.

7. Future Agenda Items

- Arizona Civil Rights Initiative and its effects on the City's and County's ability to do business with MWBE Firms
- Add monthly contract and purchase order reports from Procurement Department as regular agenda item
- Notification of bid opportunities for MWBE Firms
- City of Tucson's outreach to MWBE Primes

8. Adjournment

Motion by Commissioner Muñoz-Chacon and seconded by Commissioner Rodriguez to adjourn, passed by a vote of 4 to 0.

Adjournment at 6:55 pm.

Next Meeting: June 19, 2008