

MINORITY OWNED AND LOCAL SMALL BUSINESS TASK FORCE

MEETING MINUTES

May 20, 2015 – 5:30 p.m.

6th Floor Council Conference Room, Council Office Building

Members Present

Margo Briggs	Julian Haffner
Mayra Bayonet	Leon Hollins
Warren Fleming	Herman Taylor, Chair
Janice Freeman	Bethsaida Wong

Member Absent

Cherian Eapen

County Staff Present:

Karen L. Federman-Henry, Office of the County Attorney
Linda McMillan, County Council
Mary Anne Paradise, County Council
Linda Price, County Council

I. Call to Order and Approval of Minutes

The meeting was called to order by Task Force Chair Taylor at 5:36 p.m. The minutes of the May 6, 2015, meeting were unanimously approved by all members present.

II. Discussion with Jan Zappold/General Discussion

- Mr. Zappold, who was formerly on the Procurement Policies and Regulations Task Force, explained that his company recently was awarded the Procurement Innovation Project contract. As a result, he was asked by the Chief Innovation Officer, Dan Hoffman, to attend meeting of both task forces as an observer in order to provide input to the project. Mr. Zappold stated that he previously had bid on approximately 12 County solicitations and was awarded a contract three times. He noted that all of the contracts were informal contracts under \$100,000. Mr. Zappold also discussed his experience as an LSBRP company. He indicated that the direction of the Procurement Innovation Project will be determined by Mr. Hoffman. They will transmit their recommendations to the County Executive in September.
- Mr. Taylor expressed the view that the LSBRP is not broken, but that the Procurement Office needs to focus on minority businesses.
- Ms. Freeman said the definition of “small business” must be carefully defined.
- Mr. Fleming noted that there isn’t an LSBRP for minority-owned businesses.
- Mr. Taylor said that the District of Columbia has a good program, but needs improvement.
- Mr. Hollins commented on the linkage between MFD and the LSBRP from a reporting structure standpoint, and expressed the view that more emphasis is needed on MFD businesses, and that if Bill 61-14 is enacted it could have a negative impact on MFDs.
- Ms. Price noted that the Council is not taking any action on Bill 61-14 until the new Procurement Director is appointed. The Council is scheduled to interview

Ms. Cherri Branson on June 9. Members may email suggested interview questions, if any, to Ms. Price.

III. Procurement Update

- Staffing resources for Bill 29-14 and Bill 14-14 were not funded in the Fiscal Year 2016 Operating Budget.
- Bill 61-14 is pending; the Government Operations and Fiscal Policy Committee is scheduled to discuss it on July 23. Mr. Hollins' letter regarding the bill is ready for signature by the Chair.
- Bill 48-14 was enacted in April and had no fiscal impact since the work would be able to be absorbed by current staff.
- Bill 23-15, Contracts - LSBRP - Amendments, which defines "small" business, was introduced on May 21. Council staff will provide the Task Force with additional information on the Bill.

IV. Economic Development Reorganization

Ms. Price provided an update on reorganization:

- A number of economic development functions will be removed from County Government and managed under a private nonprofit corporation.
- Agriculture activities will stay in County government in a newly created office.
- The public hearing on Bill 25-15, Economic Development - Reorganization - Montgomery County Economic Development Corporation, is scheduled for June 9. The Planning Housing and Economic Development Committee worksessions are scheduled for June 18 and June 22. The Full Council worksession is scheduled for July 14, with action on the Bill also in July.
- The Bill would possibly go into effect in October.
- The Council would confirm appointments to the Board of Directors in October/November.
- The Board would advertise the CEO position in November/December.
- The Board would interview and hire the new CEO in December/January.
- Presumably, the new CEO would begin working and hire its senior managers and executive assistant in March.
- Contracts, etc. will be transferred to the Corporation and the new organization would complete an employee handbook, ethics statement, and settle on banks/insurers/accountants, etc.
- Around July 2016 the County Department of Economic Development would cease to operate.
- Council staff will work to get additional information to the Task Force on the reorganization.
- Ms. Price mentioned the discussion with DED at the previous meeting and Task Force members noting the need for DED to improve outreach to the business community.
- Mr. Taylor commented on confusion within DED regarding the role of DeVance Walker and whether his position would be transferred to the Corporation or remain in County government.

- Mr. Fleming noted that other things are happening within the County, and suggested a list of initiatives or other reorganizations be provided.
- Ms. Wong commented on the Development Ombudsman position currently held by Michael Smith. Staff will provide more information about the position and the role of Mr. Smith.

V. Task Force Worksession

Due to time limitations at the meeting, Ms. Price suggested that a brainstorming session be held via email regarding recommendations for the following: Financing, Best Practices, Accountability and Performance Measures, Outreach and Best Practices. Staff will work to provide background information on ideas.

- Mr. Taylor said the adoption of a strong non-discrimination policy would serve as a safety net to other policies; the adoption of a commercial non-discrimination policy would ensure diversity.
- Oversight is needed to make sure policy is properly implemented.
- Waiver criteria must be established.
- Emphasis should be on the MFD program.
- Ms. Wong recommended a set aside for MFD be established.
- Mr. Taylor suggested looking at the Atlanta program.
- The Task Force agreed to continue to have outside input until June 17.
- Mr. Taylor suggested creating a subcommittee to be in charge of how the ideas generated be integrated into a policy framework for public comment, to be ready by the July 1 meeting.
- Ms. Price asked members to email their ideas for possible report recommendations.

The meeting adjourned at 8:29 p.m.
