

**OFFICE OF THE CITY COUNCIL**

117 WEST DUVAL STREET, SUITE 425

4TH FLOOR, CITY HALL

JACKSONVILLE, FLORIDA 32202

904-255-5200

**MEMBER TO MEMBER MEETING**

**REGARDING JACKSONVILLE SMALL & EMERGING BUSINESS SPECIAL COMMITTEE**

**Virtual Meeting Minutes - Amended**

 **November 20, 2020**

**10:30 a.m.**

**Location:** Virtual Meeting – No Location

**In attendance:** Council Members Ju’Coby Pittman (Chair), Terrance Freeman, Garrett Dennis

**Also**: Anthony Baltiero and Yvonne Mitchell – Council Research Division; Julie Davis – Office of General Counsel; Steve Cassada, Eric Grantham, and Melanie Wilkes – Council Staff Services

**Meeting Convened**: 10:30 a.m.

Call to Order / Remarks from the Chair – Chair Pittman convened the meeting and introduced the attending Council Members. A quick procedural overview of the meeting was presented noting the guest speakers and the scope of the meeting. This meeting was a Council Member to Council Member meeting and without a physical quorum in attendance, no actions were taken at this meeting including approving the previous meeting’s minutes. All presentations and Council Member dialogue was for information gathering purposes.

Presentation by Rita Scott, Manager of JSEB & Procurement Performance – JEA – Ms. Scott provided information regarding the relation between JEA and the JSEB Program. JEA has participated in the JSEB Program since 2004. JEA has an annual goal of 20% to be set-aside for JSEB vendors. The most recent year’s projections have JEA exceeding their annual goals and utilizing 25% of their annual spend on JSEB vendors. JEA currently partners with 92 JSEB vendors, 48 of them being prime vendors. JEA tracks the amount of new JSEB vendors that they partner with each year and tracks the contracts that are awarded to JSEB vendors. As of the most recent fiscal quarter, JEA has awarded $18.8 million dollars in contracts to JSEB vendors.

Ms. Scott discussed the recent virtual JSEB Procurement Summit that had 80 people attend. The event has discussion panels and information for JSEB vendors, contract opportunities, and networking opportunities. A video was played that provided a brief overview of the summit. Following the presentation, the Chair opened the floor to questions.

Chair Pittman asked how JEA gets information from their partner JSEB vendors regarding challenges or issues that they face. Ms. Scott said that JEA typically will reach out directly to the partnering JSEB vendors to discuss any issues or challenges. Chair Pittman asked if there is an orientation for new partnering JSEB vendors. Ms. Scott said that there are monthly information sessions that businesses are encouraged to attend if they plan on partnering with JEA.

Council Member Freeman asked about how new JSEB vendors are recruited, the ability of the newly recruited JSEB vendors to earn contracts, and the amount of partnering JSEB vendors that were able to sustain their business. Ms. Scott said that they do not currently track the sustainability of the partnering JSEB vendors. As for JSEB vendor recruitment, the best method is attending the monthly information session and the pre-bid meetings that are attended by many of the local prime vendors. Council Member Freeman encouraged Ms. Scott to track and obtain data noting the JSEB vendors that have been successful and the ones that have fallen out of the Program.

Chair Pittman asked if JEA has a tiered/graduate program for their JSEB vendors and if they have a percentage of JSEB vendors that have went on to become prime vendors. Ms. Scott said that they do not have a tiered/graduate program and that they had 48 prime vendors in the last fiscal year.

Council Member Dennis asked about prominent contracts that were issued and the specific industries that were awarded those contracts. Ms. Scott said that she did not have the specific contracts on hand, but noted an example related to a contract for landscaping/water engineering services.

Presentation by Curtis Hart – Hart Resources & Christine Thomas – Northeast Florida Builder’s Association (NEFBA) – Mr. Hart provided a brief overview of his business, Hart Resources, noting that they are real estate developers that employ 157 people with many of those being part of a small and emerging businesses. Ms. Thomas provided information about the Northeast Florida Builder’s Association apprenticeship program. Since 2016, the program has gone from 180 apprentices with 14 instructors, to 401 apprentices with 29 instructors. The program offers apprenticeships across all five trades that the company offers: carpentry, electrical, HVAC, plumbing, and sheet metal. Graduates from the apprenticeship programs graduate with a Florida Department of Education certificate.

Ms. Thomas discussed the DCPS apprenticeship program at A. Philip Randolph High School that has been in place since 2017. Jacksonville has recently been awarded the three-year contract to host the State Conference that will help to attract more local youth and provide information about the program.

Chair Pittman asked if they track the amount of apprentice graduate that became JSEB Vendors and if not, would it be possible to track. Ms. Thomas said that they do not currently track that information, but that it would be possible to track and beneficial to both companies.

Council Member Dennis asked how NEFBA recruits small businesses and about training small businesses on how to conduct the business side of their work. Ms. Thomas said that NEFBA has a full membership department that goes out to recruit small businesses. As for trainings on how to conduct business, Ms. Thomas mentioned the Emerging Leaders Program that touches on many of the skills involved with conducting business.

Greg Pease, Procurement Department, suggested having Mr. Hart and Ms. Thomas collaborate with the Procurement department to be able to create a list of people that have gone through the apprenticeship program that went on to become a JSEB vendor. Mr. Hart agreed that it could be done and beneficial for everyone involved.

Council Member Freeman opined on the importance of building capacity in the local small business community and applauded the efforts and programs that have been mentioned in the previous presentations, including the Emerging Leaders Program.

Presentation by Carlton Jones – Renaissance Design Build Group – Mr. Jones provided history of the JSEB Program and his affiliation with the Program. Mr. Jones opined on issues that impact local markets and focused on the need to revitalize the downtown area. The importance of having a strong mentoring program was discussed. Mr. Jones said that he has over 20 mentees that he is actively working with.

Mr. Jones suggested that having a tiered/graduate level program is a great idea and opined on differences in the contracting practices of today as compared to the past. Before, small businesses would have to use larger companies as a “go between” to be able to land certain contracts. This benefitted the smaller companies that were able to use the larger companies’ more favorable price points when purchasing supplies.

Mr. Jones said that having good paying construction jobs can help to reduce crime. Attracting and retaining new small businesses to the Jacksonville area is heavily tied to the local crime rates. As such, having more better paying construction jobs can help to lower crime and help the local small business community to thrive.

Chair Pittman asked if bonding and access to capital are big issues among minority businesses. Mr. Jones said that there are resources available to assist but it is an issue. Additionally, access to insurance is another concern. The biggest issue is having an unskilled workforce.

Presentation by Hon. Warren Jones – Duval County School Board & Former Council Member – Hon. Jones provided a review of some of the history that led to the inception of the JSEB Program and the Mason Tillman disparity study, including pertinent legal cases, legislation, his time as Chair of the Minority Business Enterprise Program, and multiple Mayoral Administrations and City Councils. The observation was made that there needs to be a reliable transportation in place to support a successful workforce.

Multiple suggestions were made, including small businesses building capacity to be able to compete for contracts, small businesses having better access to bonding and insurance resources, and having transportation available for people to attend training/mentor sessions

Public Participation – Jasper Hatten, Owner of A Sanctuary House of North Florida and JSEB Vendor, spoke about his experiences from his few years in the JSEB Program. Mr. Hatten said that he generally is very supportive of the JSEB Program and sees the value in it for local small businesses. His major concern is with the contracts. Mr. Hatten believes that the language in some of the contracts can be seen as being discriminating, particularly some of the minimum financial requirements. Another concern is the minimum worth needed for bonding should be reconsidered to be less discriminating.

Chair Pittman asked if Mr. Hatten has found the JSEB training sessions to be of value to him and his business or if there needs to be different/additional training offerings. Mr. Hatten said that he has been through much of the training offerings and found them to be beneficial and highly encourages new JSEB businesses to attend the trainings. He added that there can always be more trainings added to all sections of the Program to make it more robust.

Other Business – Chair Pittman outlined the remaining meetings for the calendar year and noted the pertinent guest speakers and scope of the meetings. The Chair is looking to begin preparing possible legislation or recommendations at the December 11th meeting. The guest speakers for the December 4th meeting will include Kirk Wendland, Office of Economic Development; John Pappas, Public Works; and Caleena Shirley, BBIF. If an addition meeting is needed to wrap up, December 18th is the tentative date. All meeting dates and times are tentative until officially noticed.

Public Comment (if time permits) – Stanley Scott shared his concerns about having a committee level JSEB workshop without having community level JSEB workshops first. Mr. Scott opined on the issue of having very intelligent people in the local community, but struggle because there are not enough opportunities for high quality employment.

**Meeting adjourned:** 12:01 p.m.

Minutes: Anthony J. Baltiero, Council Research Division

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Posted 12.01.20 3:00 p.m.