

**OFFICE OF THE CITY COUNCIL**

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**JACKSONVILLE SMALL & EMERGING BUSINESS SPECIAL COMMITTEE**

**Hybrid Virtual/In-Person Meeting Minutes**

 **December 11, 2020**

**10:30 a.m.**

**Location:** Hybrid Virtual/In Person Meeting

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

**Visiting:** Council Member Reggie Gaffney

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

**Meeting Convened**: 10:33 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.

Approval of 12/04/2020 JSEB Meeting Minutes – The minutes from the 12/04/2020 JSEB Special Committee Meeting were approved as distributed.

Presentation by Nick Primrose, Jackie Glass, and Brian Williams – Jacksonville Port Authority (JPA) – Members of the JPA presented information regarding the Authority’s relationship with the JSEB Program. Topics discussed included monitoring and tracking of JSEB participation, outreach, small business appreciation day, and more.

Brian Williams went over a PowerPoint that covered JAXPORT’s Small and Emerging Business Program. Mr. Williams went over the design at JAXPORT regarding small and emerging businesses, and talked about how the program is implemented. The three branches of the program design of the JAXPORT Small and Emerging Business Program are Program Administration, Monitoring & Compliance, and Community Outreach. Mr. Williams explained that his job was to handle the program administration for JAXPORT which includes communication via program brochures, website, advertisements and virtual webinars. The monitoring and tracking component of the program is the most crucial part of the process. This is where they review the bids specifications, set out goals for participation and verify compliance. Mr. Williams said they have opened their application process, which makes the value of tracking compliance so important. Mr. Williams covered the outreach process at JAXPORT and the focus to get people certified. Mr. Williams talked about JAXPORT’s Small Business Appreciation Day, which works as a networking and connecting space for suppliers, universities, agencies, and staff.

Council Member Freeman thanked Mr. Williams for inviting him out for Small Business Appreciation Day, and for getting to learn all the things that were outlined in the PowerPoint in person. Council Member Gaffney asked about the normal yearly goals for small business outreach. Mr. Williams said that for the last three years they have exceeded their goals set for small businesses. Mr. Williams said that at JAXPORT, the opportunities are very spread out to allow for many different contracts. Jackie Glass said that at JAXPORT they will break projects into multiple pieces to target small businesses.

Chair Pittman asked how many JSEBs have garnered contracts based on outreach. Mr. Williams said it is hard to show a direct correlation, but they have seen an increased amount after they have used a more aggressive outreach. Jackie Glass talked about how JAXPORT must be very conscious about finding opportunities for JSEBs. Ms. Glass said her only recommendation would be to grow the JSEB list so that when they go out to look for suppliers, they have a wider choice of companies qualified to do the work. CM Gaffney asked if the application is the same for all projects. Mr. Williams said that the only requirement is for the business to be certified as a JSEB.

Committee Workshop – Gregory Pease, Chief of Procurement Division, talked about the 2013 Disparity Study. This study is based upon information gained from 2005 to 2010. Mr. Pease said there have been a lot of changes since 2010, and he wrote recommendations based on the report. Mr. Pease highlighted some of the 36 recommendations, some of which have been implemented and others have not. The Small Contractor Rotation Program was not implemented because it would require an Ordinance Code change.

Mr. Pease highlighted some of the recommendations that were not implemented, detailed in the list his office created for the meeting. A lot of the reasons for not being implemented were because there was not legislation at the time to change the existing program. Mr. Pease covered recommendations that were not implemented: direct contracts, JSEB outreach targeted to City employees, a focus on smaller contracts, post award remedies, invoice disputes, and a veteran program.

CM Pittman said she is very interested in implementing a tier program for small business, so they do not rotate out of the program. CM Pittman said this will set up the small businesses to get contracts. CM Pittman also said she wants to make sure that the money available is given out to small vendors with a focus on the capital assets for the program. CM Freeman agreed with CM Pittman about a tier program, so that the small businesses could become prime vendors and then be able to hire their own subcontractors.

Lawsikia Hodges talked to the committee about how to create legislation to implement a tier system. Ms. Hodges clarified with Mr. Pease that under the current legislation JSEBs can remain in the program for 15 years. Ms. Hodges asked about what the committee would want for the JSEB after the 15-year period. Mr. Pease said that the goals of the program must be narrowed down to have a specific aim. Mr. Pease said that they do not have experience running a tier program, and his concern with a tier system is whether there are enough JSEBs to allow for competition in the program.

CM Dennis said that he believes if a JSEB tier program is created, there will be businesses interested in applying. CM Pittman said she is focused on making sure small vendors are not swallowed up by the larger contractors. CM Freeman asked if Mr. Pease had a number if there were 3 tiers. Mr. Pease said he thought a 2-tier system would be more beneficial while still allowing a step up. CM Pittman said the basis for the tier system should be on the capacity of the company. CM Dennis said the tier system will allow for JSEBs to have more chances to get a project and start working within the system, and also clarified that the 15 years in the program starts after the first contract is received. Ms. Hodges said she is taking notes from the workshop and will work with Mr. Pease to draft legislation for a tier system.

CM Freeman talked about requirements for JSEBs to participate. CM Freeman said that a contractor’s spouse’s income should not impact the ability to serve the community. CM Freeman said that he believes that there should be a private and public partnership with an organization like the JAX Chamber to give more training to JSEBs. CM Freeman said he also supports one stop certifications to make the process easier for the applicant to be certified with all City organizations. CM Pittman said she supports having a one stop shop for JSEBs. Ms. Hodges said that continued training is already outlined and that JAX Chamber could be added to the list. CM Freeman said he is looking to start a pilot program. Ms. Hodges said the spouses’ income requirement could be changed through a simple strike through. CM Dennis said that staff may be needed to contact JSEBs, for follow up and to hold everyone accountable in the process.

Public Comment (if time permits) – Carnell Oliver talked about issues minority owned businesses face in getting opportunities for funding. He said bonding, training and money invested are the three most important areas.

A member of the public said that the tier system does not pertain to most JSEBs. He said that there is a major problem with the top five JSEBs receiving all the contracts.

Stanley Scott said that he has data which shows that only a few contractors get contracts through the JSEB process.

**Meeting adjourned:** 12:09 p.m.

Minutes: Richard Distel, Council Research Division

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Posted 1.14.21 11:00 a.m.