

**OFFICE OF THE CITY COUNCIL**

117 WEST DUVAL STREET, SUITE 425

4TH FLOOR, CITY HALL

JACKSONVILLE, FLORIDA 32202

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**JACKSONVILLE SMALL & EMERGING BUSINESS SPECIAL COMMITTEE**

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

 **January 15, 2021**

**10:30 a.m.**

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

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

**Also**: Jeff Clements and Yvonne Mitchell – Council Research Division; Lawsikia Hodges – Office of General Counsel; Steve Cassada and Eric Grantham– Council Staff Services; Greg Pease and Dinah Mason – Procurement Division; Trista Carraher – Council Auditor’s Office; Paige Johnston – Office of General Counsel; Tom Daly – Housing and Community Development Division

**Meeting Convened**: 10:33 a.m.

Call to Order / Remarks from the Chair – Chairwoman Pittman convened the meeting and the attending Council Members introduced themselves for the record. Ms. Pittman said she thinks the special committee is close to wrapping up its work.

Approval of Meeting Minutes – December 11, 2020 – The minutes for the December 11, 2020 JSEB Special Committee meetings were approved without objection.

The committee by consensus agreed to utilize Council Rule 2.212 which provides that the committee need not approve minutes of previous meetings.

Presentation by Greg Pease and Dinah Mason – Procurement Department

Mr. Pease introduced the City’s new JSEB Administrator, Dinah Mason, to make a presentation about the program and to introduce potential Ordinance Code changes for the special committee’s consideration.

Ms. Mason thanked the City administration for its confidence in appointing her to the position of JSEB Administrator and gave an overview of her background with the City working as a consultant on Better Jacksonville Plan procurement and then as the Procurement Department’s ombudsman. She has run the Access to Capital and mentoring programs and for the last 8 years has worked for the Public Works Department in its procurement function.

Ms. Mason said the JSEB program’s targets for success include: 1) better use of the Access to Capital program; 2) development of a Unified Certification program (UCP) with other affiliated agencies, and 3) development of sound doctrine and policy for small business contracting with City department heads. Another recommendation is for development of a bonding assistance program to help JSEBs get access to performance bonds, including a possible public/private partnership with a bonding company. Deputy General Counsel Lawsikia Hodges said that an Ordinance Code amendment is needed to remove outdated language from Sec. 126.601 regarding a previous bond enhancement program from a number of years ago. Ms. Mason gave a brief history of the Access to Capital program and how it has changed over the years. She recommended placing the Access to Capital program under the EBO program to provide a “one stop shop” for JSEBs and use a third party provider to handle the loan funds. Council Member Dennis urged that the City step up its enforcement efforts on all aspects of the JSEB program to ensure that both prime contractors and JSEBs are fulfilling their responsibilities. Ms. Mason, who is new to the JSEB position, said that evaluation of staffing needs is one of the tasks she will be undertaking in the near future. Council Member Freeman said his research of the JSEB program budget shows a decrease in staffing over the last few years. Greg Pease, Chief of Procurement, agreed that proper oversight for compliance is necessary and said the upcoming budget preparation process will be the appropriate time to address that need. Lawsikia Hodges asked for clarification about what the special committee wanted to do with regard to the Council’s participation in developing loan eligibility criteria and policies; the Chair said the legislation should delegate authority to the Procurement Department to develop policies and criteria with periodic reporting to the City Council.

Council Member Freeman said he is still concerned about the spousal net worth policy and how that affects JSEB certification. Ms. Hodges explained that that topic will be discussed at the next special committee meeting. Mr. Freeman also had ideas about how to implement the “one stop shop” concept for JSEB training and felt that the training program needs more focus on and evaluation of what the JSEBs are actually learning. He thinks a third party training/mentorship vendor might be valuable. Ms. Mason said that JSEB training should be customized for each participant and not be a simple “cookie cutter” model. She has considered a 3-prong certification program that would require each JSEB to provide a business plan, a financial plan, and continuing education plan as part of their certification. She is looking at a program at the Jim Moran Institute for Global Entrepreneurship at Florida State University to provide JSEB training via FSCJ. Council Member Dennis noted the need for balance between the desire for comprehensive training and the limited time and resources that JSEBs have to deal with demands other than their day-to-day struggle to make their business successful. He urged keeping the training within the City or with higher educational institutions and not with the Jax Chamber of Commerce. Chairwoman Pittman said that explaining and marketing the training program to JSEBs and helping them understand the value will be very important. Ms. Mason recommended allowing that training be provided by City staff and qualified practitioners, not just educational institutions. Ms. Hodges asked for clarification about the intended language of the section: strike specific training entities – yes; delete minimum training details – left to the Procurement Division to develop a comprehensive training program; internal City training provisions – defer any changes for now; mentoring/partnering smaller JSEBs with larger prime JSEBs – let the Procurement Division explore the concept.

With regard to insurance, Ms. Mason recommended working with the City Risk Management Division to find available insurance programs for JSEBs and changing the reporting requirement from biannually to quarterly. She will meet with City’s new Risk Manager to discuss these ideas. Ms. Hodges recommended that the EBO office provide insurance information from Risk Management to the JSEBs so the EBO is the single point of contact.

Ms. Mason discussed a proposed 3-tier procurement program for JSEBs based on their revenues: 1) Tier 1 - up to $3 million (gross receipts over 3 years), with a set-aside of $300,000 for smallest JSEBs (Tier 2 and Tier 3 companies can’t bid on Tier 1 set-aside); 2) Tier 2 - $3 million to $7 million; 3) Tier 3 - $7 million to $12 million.

Lawsikia Hodges asked for direction on two wrap-up items: JSEB Monitoring Committee collecting data to evaluate the program – any changes needed there? Recruitment, marketing and advertising – any recommendations?

In response to a question from Council Dennis about who staffs and runs the JSEB Monitoring Committee, Mr. Pease said the committee will benefit from the fresh perspectives of Ms. Mason. There has been difficulty getting all the slots filled with appointees, member turnover, etc. He recommended letting Ms. Mason explore what needs to be done. Ms. Mason said she will want to meet with the committee and find out how it’s working, how long members have served, etc. before she can make recommendations. Chairwoman Pittman suggested getting feedback from the JSEB participating companies for the Monitoring Committee to consider. Ms. Hodges said that she would add language to create a clear connection between the EBO office and the JSEB Monitoring Committee. Mr. Pease read the Monitoring Committee’s charge from the Ordinance Code. Ms. Hodges noted that the JSEB Monitoring Committee is specifically tasked by its committee charge with looking at the spousal assets issue and the criteria for graduation from the program and making recommendations, so it might be well to consult with that committee about their thoughts for potential changes.

Regarding recruitment for the JSEB program, Ms. Mason said she will be looking at the state’s Unified Certification Program to see if Jacksonville should accept that certification as qualifying for the City’s program as well. She also has ideas about marketing and recruitment, working with other organizations, membership drives, etc. Chairwoman Pittman said she also wants to look at apprenticeship programs as recommended by a speaker at a previous meeting.

Legislative Filing Timeline

Ms. Pittman said she wants the Special Committee to wrap up its work shortly. Ms. Hodges said that today’s discussion revolved around Part 6A of Chapter 126; the next meeting will cover Part 6B. If she can get the same feedback on 6B in the next meeting or two that was provided today, she can have the legislation drafted and ready for committee consideration by the end of the month. Then it can be ready for introduction by the end of February and final action by Council by the end of March. Mr. Pease and Ms. Mason are still working on some recommendations to be added at a future meeting.

Future special committee meeting will be held on January 22nd (late afternoon) and 29th (morning).

Public Comment (if time permits)

A speaker said he wants the City to adopt a minimum 30% JSEB set-aside for all contracts; he also thinks the percentage methodology is not clear.

**Meeting adjourned:** 12:16 p.m.

Minutes: Anthony J. Baltiero, Council Research Division

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Posted 1.21.21 12:30 p.m.