AGENDA

MINORITY BUSINESS AD-HOC COMMITTEE
July 14, 2015 @ 4:00pm
Conference Room 402
Peoria County Courthouse

1. MEETING CALLED TO ORDER

2. Approval of Minutes
   • April 14, 2015
   • February 10, 2015

3. Discussion:
   • Contractor Development Initiative
     ➢ Wrap-up
     ➢ Next Steps
   • MBE Committee Meeting Schedule

4. Miscellaneous

5. ADJOURNMENT
MEMBERS PRESENT: Rachael Parker; Chairman, Mary Ardapple-Board Member; Marty Clinch, Marty Helfers-West Central IL Building Trades Council; Diane Russell, Denise Moore
MEMBERS ABSENT: Mike Phelan-Board Member, Don Gorman, Charles Randle, Stephanie Brock,
OTHERS PRESENT: Carol Trumpe-Board Member, Larry Ivory-Illinois Black Chamber, Mark Rothert- Assistant County Administrator
Teleconference: Liz Duncan, Hayward Willis-The Cayemitte Group (TCG)

Chairman Parker called the meeting to order at 4:05pm. Due to a lack of a quorum, approval of the minutes was postponed. She welcomed The Cayemitte Group representatives who were participating in the meeting by teleconference. Mr. Rothert said the CDI (Contractor Development Initiative) will come to a close in a month. However, the Cayemitte team and Mr. Ivory will brief the committee on their activity. Mr. Rothert called the Committee's attention to a preliminary report in the agenda that summarizes each participant's capacity and success.

Ms. Duncan stated that the information is not all inclusive, and a more comprehensive report is being prepared. She said a couple of the folks Cayemitte has been working with on bonding, dropped out of the program, and do not have working phone numbers. The companies in the report are listed with generic names due to HIPAA laws; however, their names can be shared off-line with committee members.

Mr. Willis explained each company's skills, knowledge of the bidding process, financial literacy level, understanding of teaming and joint venture, and certification needs, as well as the equipment and capital they owned. In reply to Mr. Clinch's question of whether the companies are having problems getting CMS (Central Management Services) certified, Mr. Ivory said they are not. Some are new to the process in addition to getting their business up and running. He advised of a professional that is familiar with certifications that can assist the companies. He also mentioned a firm that he has been coaching to help re-apply for certification, and the fact that he sits on the State Appeals Committee is helpful.

Ms. Ardapple was interested in knowing that if the CDI does not proceed to the next stage of development, what are these beta companies' sustainable potential? She further clarified stating how do we grade (on a sliding scale) the staying power of the beta companies? Mr. Cayemitte said there are people with various levels of experience, capacity, commitment and access to resources (i.e. capital). He said capital access is a critical component to staying power. In terms of sustainability, we want them to get jobs to build a cash flow. Hence, some would do well and others would not due to the lack of opportunities. All things considered, Mr. Cayemitte said his team can help the contractors with tasks like accounting and other infrastructure related functions. Mr. Willis agreed that funding is vital for those contractors that are ready to move to the next level. Mr. Rothert said upon conception of the program, perhaps consideration could have been given to setting aside a capital access line of credit through the County's low interest loan program for eligible contractors. He recommends this be a change to the next program. In
regards to the County’s Revolving Loan Program, Mr. Rothert said the challenge is our lengthy (45-60 days) loan process does not meet the Companies’ immediate need for funds. Banks have a faster turnaround time. Ms. Moore asked if METEC (Justine Peterson) was contacted. Mr. Rothert indicated that he made that connection because they contacted him to see if the County would partner with them on some loans. (Justine Peterson is a non-profit organization based out of St. Louis with a mission to work in underserved communities.) They have created a contractors development loan program and Mr. Rothert thinks they are working with Peoria’s PNC Bank to do some lending. Ms. Ardapple asked about the County’s participation on SourceLink website and if the CDI contractors can be listed. Mr. Rothert will check into the feasibility of listing them on the site.

Mr. Ivory mentioned the advantage of having a policy allowing small business contract set asides similar to the state Small Business Contractor Initiative program. It increases the opportunity of small companies to bid small contracts. He said the key for the County is to make an economic case for having such a program. Also, Mr. Ivory discussed the importance of mentorship because it will enhance the skills of contractors.

Ms. Russell noticed in the report that most of the contractors continue to work on personal credit issues. She expressed it can take 2 or 3 years before seeing a significant improvement in scores provided the credit is worked on. Mr. Ivory agreed that it is essential for the contractors' credit to be in good standing. A reference was made to Mr. Ken Robinson, a credit counselor. Mr. Ivory said he would like to invite Mr. Robinson to a MBE meeting to discuss strategies that can help improve the companies' credit.

Mr. Rothert said the next step consists of The Cayemitte Group conducting two more trainings. The trainings and one-on-one consultations will continue throughout the program and prior to its wrap up. A brief conversation commenced regarding the building trades being a resource to the MCI contractors. Mr. Helfers reminded the group that Mr. Clinch has not been contacted by any of the contractors. Inasmuch as the building trades can be a resource to act as a facilitator to direct work toward the contractors. Mr. Rothert said he would provide Mr. Clinch contact information for the contractors.

Some of the contractors noted workforce is a problem. Ms. Ardapple said since the City and trade unions are working on developing the workforce, she feels we have the lead responsibility to connect programs from an awareness and educational standpoint. Illinois Central College (ICC) workforce development program was mentioned. Mr. Rothert felt it would be a good idea to have ICC do a presentation on the topic at a MBE meeting.

Mr. Ivory informed of the Meet & Greet being planned that would include contractors, mentors, local and state officials, partners, etc. He would like to get input from the County about how to close the program in a manner to show value since it is a model to be used by other entities. The first week in May is the recommended time to hold the event. Ms. Ardapple suggested providing each participant a certificate.

Mr. Rothert advised that he met with Ms. Ardapple, Mr. Ivory, IL Deputy Secretary of Transportation and IL Secretary of the Capital Development Board regarding the CDI. He
emphasized to the state folks that the program is one they could model to get more minority-owned and women-owned businesses for their construction projects. They were very receptive to the program. Mr. Rothert said they asked the state folks for funding to help support the program. The state officials are going through the process to approach the governor to get his support. Mr. Rothert called the MBE Committee’s attention to a proposal he developed framework for three-year funding that includes dollars from IDOT, Capital Development Board, local governments, private sector businesses such as Caterpillar, and other partners to help sustain the program. Although there are some funds in the County’s economic development budget, Mr. Rothert said hopefully local governments, prime contractors and other partners, will see value in the program and contribute dollars. He said his goal is to get the board to approve a funding request of $20,000 from Peoria County in order to set the plan in motion.

There being no further business, the meeting was adjourned at 5:00pm by Chairman Parker.
MEMBERS PRESENT:
Mary Ardapple-Mike Phelan; Board Members, Denise Moore; City Council, Don Gorman, Stephanie Brock, Marty Clinch, Marty Helfers, Charles Randle; Business Financial Services-Small Business Administration

MEMBERS ABSENT: Rachael Parker; Committee Chairman, Diane Russell,

OTHERS PRESENT:
Larry Ivory; Illinois Black Chamber, Mark Rothert; Assistant County Administrator, Jim Smith; Purchasing Agent

Teleconference: Liz Duncan; The Cayemitte Group (TCG) and Hayward Willis

In the absent of Chairman Parker, the meeting was called to order by Ms. Ardapple at 4:06pm.
Minutes of November 11, 2014, and January 13, 2015, were approved on motion by Ms. Moore and second by Mr. Clinch.

Overview presentations were moved to the bottom of the agenda. Mr. Rothert mentioned that Mr. David Cayemitte would not be joining the meeting because of travel delays due to bad weather. Mr. Rothert called attention to the Cayemitte Group reports included in the agenda packet.

Ms. Ardapple asked for comments on the MCI program and if it is moving in the direction the members anticipated. There were comments noting that the program is very beneficial to the community although initially some folks were concerned due to it being a new approach. Mr. Helfers mentioned the need for some of the smaller contractors to get experience so they can get work. He said it appears the same contractors are getting the jobs. Mr. Rothert agreed that it is important to get the MCI program contractors connected with Mr. Helfers to get them involved in the trades.

Ms. Duncan and Mr. Willis gave an update on what TCG has been working on. It was noted that an Estimating Class and a Work-in-Progress (WIP) Class were held in Peoria in January. Mr. Willis met with a number of participants to assist them with such things as
- Getting QuickBooks up and running
- Completing a website
- Mapping out a marketing strategy
- Reviewing estimates for bids
- Addressing issues related to bonding
- Focusing on obtaining information and creating a pipeline on potential job opportunities
- Discussing company structure (union vs non-union)
- Discussing WIP schedule and issues surrounding the production and contents of the report

Mr. Willis said one of the big things is to help participants determine if they are making a profit on the job. Another area of focus was helping/showing the participants how to understand a financial
Mr. Ivory reported as follows:

- He had a series of conversations with prime contracts to discuss projects that MCI program participants could be involved in.
- Mr. Mike George, past EEO Officer of IDOT, has taken part in the meetings to offer his expertise.
- He discussed the County’s nursing home demolition project with the contractors.
- Met with the President of CORE Construction Company, and he has agreed to do some creative financing to help these contractors get opportunities. CORE President has given good feedback about the clients and; therefore, a good relationship has been developed with CORE.
- Discussions continue with Williams Brothers. William Brothers appears to be interested but has not given as much feedback.

Additional comments were provided by the committee members. It was suggested that testimonies of success stories of contractors be used to market the program. The Cayemitte team, Mr. Ivory and Mr. Rothert were complimented on the effort they are putting forth because the program is a pilot that is working. Comments were made that the program needs to continue but there is the issue of keeping it thriving from year to year. It was recommended there be an open house where perhaps connections could be made with contractors about upcoming jobs. Also, it was suggested that marketing be increased.

Mr. Phelan said it is a good program. He mentioned there is only one person in the County’s Economic Development area; therefore, it is critical that board members make sure resources are committed to economic development as well as minority business development. Mr. Phelan asked Mr. Rothert to report back and advise if in the bidding process (all things being equal) we could show preference to local contractors that are participating in the MCI program on projects. In reply to Mr. Phelan’s question about who is mowing the Hanna City property, he was advised that Peoria Park District is doing so as a part of the entire mowing contract. Mr. Phelan requested that Finance/Purchasing Department look at breaking out Hanna City mowing so it can be a smaller contract that perhaps would be more practical for minority contractors to bid.

The Committee consensus was that the MCI program is going in the right direction. Ms. Ardapple said it is good to know there is a consensus because, currently, the program is funded for one year. She said the consensus shows the members feel it is viable, important and needs to move forward.

Mr. Rothert gave his thoughts on the way to proceed with funding. He mentioned the following:

- The program is valuable not only to the County but to other stakeholders.
To make it sustainable, he recommends starting discussions with our partners to share the burden. Partners are the City, Sanitary District, School District, local prime contractors, State of IL, private sectors, etc.

To consider the possibility of applying for grants although they are not 100% guaranteed. Mr. Ivory mentioned that he had spoken to IDOT and DCEO and there is opportunity to receive funding because the County can make the case there has been tangible results with this program. He mentioned a meeting he is scheduling with the new Governor and will discuss the issue with him.

Ms. Ardapple said moving forward, it is essential that a private business representative be at the table. Additionally, Mr. Clinch recommended including a representative from Greater Peoria Contractors Association. Mr. Rothert said presentations have been made to the CEO Council. It was recommended that the CEO Council continue to be updated.

**Overview of Black Business Alliance**

Ms. Moore briefly defined the origin of the group and explained its mission. She handed out a folder of detailed information and asked if anyone had questions to direct them to her.

The Overview of the Illinois Black Chamber and the miscellaneous items were postponed until the March meeting.

The meeting was adjourned at 5:10pm.