



AGENDA

MINORITY BUSINESS AD-HOC COMMITTEE

September 8, 2015 @ 4:00pm

Conference Room 402

Peoria County Courthouse

1. Meeting Called to Order
2. Approval of Minutes
 - July 14, 2015
3. Update
 - MBE Contractor Development Program
4. Discussion:
 - Developing a policy for small business set asides
 - Minority Development Center
 - Recent changes to the county's loan programs
5. Miscellaneous
6. ADJOURNMENT

Draft
Minutes
Minority Business Ad-Hoc Committee
July 14, 2015

MEMBERS PRESENT: Rachael Parker; Chairman, Don Gorman, Charles Randle, Marty Clinch, Diane Russell, Denise Moore

MEMBERS ABSENT: Mary Ardapple, Mike Phelan, Stephanie Brock, Marty Helfers-West Central IL Building Trades Council

OTHERS PRESENT: Mark Rothert- Assistant County Administrator; Clint Drury- West Central IL Building Trades Council

Teleconference: Liz Duncan, Hayward Willis-The Cayemitte Group (TCG)

Chairman Parker called the meeting to order at 4:06pm. 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. Ms. Duncan thanked the Committee for their involvement and the level of expertise around table. After which, she summarized the status of the CDI Program due to it ending. She said it is positive to know there are potential jobs for the contractors to bid. Also, it would be beneficial if the participants could receive continued outreach by the Committee and other partners regarding procurement opportunities so they can have more jobs to bid. It is additionally important to continue helping them to get access to capital, i.e. working with local financial institutions and organizations that can help with financing. As an umbrella statement of the program, Ms. Duncan said they believe there are a number of local contractors who made significant progress in growing their business from an infrastructure standpoint and are ready to do work. A few of the businesses are almost positioned to get bonded. Cayemitte folks are ready to talk to them when that happens.

Mr. Willis said there are seven contractors ready to move to the next level which is bidding jobs on their own as well as having the ability to track job progress. Two contractors still need some assistance with their internal process such as accounting from a construction perspective. There are others that need additional help in order to get them to the level of the first group. Responding to Ms. Parker's question, Mr. Willis said there are two levels the contractors fall; the two contractors that far exceed the others are in need of minor assistance and the other seven need financial backing.

Regarding access to capital, Mr. Rothert asked if it would be helpful for the contractors to have funding before they get a contract or should it be gotten first and we advise that our funding is based on the contract they receive. Ms. Duncan said ideally would be to have a line of credit for security if they got the contract. It gives the contractors more confidence to take on the expense and hours that go into bidding the contract. She said it would be advantageous to these contractors if Peoria County had a fund to lend for their own contracts. There are fund control programs that could be put in place, whereby, Cayemitte could control the money so it is only used for a specific project. Payments for the project are made to an escrow account in the contractor's name rather than directly to the contractor. The fund control manager pays the bills before the contractor can remove profit. This assures the project gets done on time and the

money is protected. It is also a learning process for the contractor that will eventually help them to operate without the fund control agent. She said it is an option Peoria County could consider if they have a small pot of money.

Mr. Drury mentioned a project underway on Rte 91 in Peoria that the same concept is being used. He asked if the County's revolving loan fund could be modified, and Mr. Rothert advised that policy revisions are being brought to the respective committee this month that allow for some changes of this nature. Basically, 70-80% of the contract amount could be financed through the revolving loan fund and possibly could be used and managed under a fund control program. Ms. Moore asked Mr. Rothert to check into Justine Peterson Minority Assistance program as it has a financial component that we might be able to partner with.

Ms. Duncan said Peoria County is the first that has done a program of this kind in the area. It was a learning opportunity that built a track record as well as attracted folks in Peoria and the region. There was a variety of contractors, thereby, causing visibility to the program. She said this pilot will be helpful in developing another rendition.

Mr. Rothert discussed fundraising effort, and noted there has been success with some key partners which are prime contractors (CORE and River City). He is looking for more partners to provide funds. A total of \$40,000 have been raised which includes Peoria County contributing \$20,000. He said the goal we started with was \$240,000 but does not think that much is needed because some of the foundational work was done the first phase of the program. However, the program can be scaled to the amount of money raised. He feels the minimum should be \$100,000 before proceeding. Mr. Rothert mentioned that meetings have been held with IDOT, the Capital Development Board and the Department of Commerce and Economic Opportunity. Mr. Ivory continues to connect with these officials. Also, contact will be made with other major employers in the community including architectural engineering firms.

Mr. Rothert said his goal is to have something finalized by the end of summer or early fall. He recommends another RFP process that includes some program enhancements. Also, he feels a program advisory board consisting of prime contractors, construction trade representatives, etc. would be beneficial.

Mr. Randle mentioned that small companies' weakness is in accounting and finances. He informed the Committee that his office is working on a grant for training in this area, similar to the *Quick Book* method used by Cayemitte Group. Also, his office has contacted the other non-profit partners and they appear to embrace this concept. Mr. Drury said the City is also doing some training. Ms. Moore said she already talked to Mr. Rogers, Director of City Public Works, about providing some training pertaining to the bidding process. She mentioned that the City has about 750 lots to mow during the summer which offers bid opportunities for these contractors.

The topic came up about recognizing minority businesses. Ms. Moore said she would research to see if there is a Minority Business Recognition Week.

Ms. Parker asked about the frequency of MBE meetings and if members feel every two months is sufficient. There was a consensus to meet every two months, and Ms. Parker said she would discuss it with County Operations Committee Chairman Michael Phelan.

The minutes of February 10, 2015 and April 14, 2015 were approved on motion by Ms. Russell, and second by Ms. Moore.

There being no further business, meeting was adjourned at 5:15pm.