

## SPECIAL MEETING

### Minutes

#### City of Tacoma Equity in Contracting Advisory Committee

Date: Wednesday, May 15, 2024

Time: 7:30am – 9:30am

Location: Tacoma Municipal Building, Room 243, 747 Market Street, Tacoma Washington 98402

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#### Zoom Information

Dial: 253-215-8782

Meeting Link: <https://zoom.us/j/93921755135?pwd=UHB1Ym00dGJWZmtLeUE3cHBNWDFKdz09>

Webinar ID: 939 2175 5135

Passcode: 959442

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#### CALL TO ORDER

Chair Scott Lundt called the meeting to order at 7:36AM

#### STATEMENT OF PURPOSE

Malika Godo provided the Statement of Purpose to note the purpose of the meeting.

#### LAND ACKNOWLEDGEMENT

Linda Cerna stated the Land Acknowledgement.

#### ROLL CALL – EIC Advisory Committee

Present: Certified Business 2 - Angela Michaels, Certified Business 4 - Scott Lundt, Large Prime - Clint Myers, Council District 1 - Paul Franetovich, TPU Service Area 1 - Larry Hutchinson, TPU Service Area 2 - Michael Jordan

Absent (excused): Certified Business 3 - Rahsaan Freeman

Absent (unexcused): Certified Business 1 - Timothy Pinckney, Open Shop Firm - Jai Briar, TPU Service Area 3 - Trena Payton

#### Consent Agenda & Minutes

Approval of April 24, 2024 Special Meeting - Meeting Minutes

- Motion to approve made by Larry Hutchinson seconded by Angela Michaelis
- No added comments or discussion
- All approved
- Motion passes and minutes of the April 24, 2024 Special Meeting are approved

#### Approval of Meeting Agenda

- Motion to approve the May 15, 2024 Special Meeting Agenda made by Scott Lundt seconded by Angela Michaelis
- Comments: Suggestion by Kacee to amend the agenda to vote on the By-Laws. It was recommended to table this item.
- All approved
- Motion passes and agenda for the May 15, 2024 Special Meeting are approved

## City Staff Updates – Kacee Woods

- **2023 Disparity Study Updates**
  - Keen independent Research is finishing up with the availability survey and anticipate they will schedule the internal and external stakeholder group meeting in June
  - We're still anticipating the final report to be done in August or September 2024
- **EIC Advisory Recruitment Process**
  - We're in the process of doing another round of recruitment. By the end of this week or beginning of next there will be a media release to recruit additional members.
  - The by-laws state, "A member must attend one-half (50%) of the regularly scheduled meetings in a calendar year. Members missing more than one-half of the meetings each year may be asked to resign from the EIC Advisory Committee by City Staff in consultation with the EIC Advisory Committee Chair. A majority vote of the current EIC Advisory Committee members may be taken to confirm the removal of EIC Advisory Committee members. that if you miss 50% or more of the meetings. (2) two members have missed 50% or more of the regular meetings.
  - Interviews will be done in August 2024.
  - If your term is about to expire, Kacee has already sent you an email with the necessary information. If you'd like to renew, you're required to send your application however, there's no requirement to re-interview.
- **EIC Contractor Loans – Dierdre Patterson**
  - Dierdre Patterson, Small Business Financing and Loan Program Manager attended the meeting to inform and solicit some feedback on a Contractor payroll microloan program.
  - The purpose of this program is to provide short term micro-loans to certified firms with eligible city contracts - Presentation to be provided via email.
- **Questions & Answers/Feedback:**
  - Q: Is the goal of the program to mitigate the slow payments of the city?
  - A: It is more to mitigate the fact that small businesses have gaps in capital
  
  - Q: Is it only for businesses located within Tacoma?
  - A: Because of the loan fund source, yes
  
  - Q: How did you determine \$25,000?
  - A: Currently, our already existing micro loans are of \$25,000. If we were to look at raising that amount, it will take longer to establish. Our loan funds are smaller because we need to be more conservative when it comes to our lending levels.
  
  - Q: How big is the loan fund?
  - A: \$1.5 million available to lend for all of our small business loans programs. We will discuss with the consultant. The size of our portfolio, we currently have over 100 borrowers in our traditional programs.
  
  - Q: Since these loans are for the life of the project, once the money is paid back, does it go back to the program funds? This is an amazing program to help the small business cover some of the cost they have to cover upfront and give them a cushion to complete the contract. Would it be able to create something for \$40,000-\$50,000?
  - A: If we want to raise it, we will have to get approval from our board.

- Q: Is there any other expenses beside payroll that can be deemed as qualifying? Open it up to other expenses and raise the amount to lend
- A: I welcome any feedback on this question
  
- Q: When did you set that \$25,000?
- A: It is a program under the microloan program created in 2019. We're willing to explore raising the amount. We offer gap financing for anything over \$25,000 up to half a million and that program requires collaterals
- Comment: please send us the presentation so we can share in our network and add feedback in a meaningful.

- **EIC Compliance Overview**

- Malika Godo presented the EIC Compliance Process Overview
- It was agreed that existing penalties should be enforced, regardless of when the regulations were published.

- **Committee Member Required Training** <https://www.atg.wa.gov/open-government-training>

- Reminder to complete training if you have not done so yet.

**Committee Discussion**

- **Committee Membership and Removal of Members**

- Article III Section 5 of the bylaws states: *"It is the duty of each EIC Advisory Committee member to notify the EIC staff if they are unable to attend a scheduled meeting. A member must attend one-half (50%) of the regularly scheduled meetings in a calendar year. Members missing more than one-half of the meetings each year may be asked to resign from the EIC Advisory Committee by City Staff in consultation with the EIC Advisory Committee Chair. A majority vote of the current EIC Advisory Committee members may be taken to confirm the removal of EIC Advisory Committee members."*

- Motion to recommend the removal of Timothy Pinckney, Certified Business #1 and Jaison Briar, Open Shop Firm

- Motion made by Clint Myers seconded by Larry Hutchinson
- No added comments or discussion
- All approved
- Motion passes

- **Annual Work Plan Review and Assignment of Subcommittees**

- Chair Scott Lundt proposed to keep contract compliance in the agenda as a reminder for future follow-up and suggested the creation of an educational program for small businesses.
- Committee members discussed a need for a performance dashboard to show contractors' compliance with equity in contracting requirements.
- Kacee Woods suggested an area on the dashboard to indicate any penalty assessments.
- Suggestion to consolidate two items related to the workforce subgroup into one committee for increased efficiency.

**Future Meetings**

- EIC Program Outreach Plan
- EIC Training + Workshop Topics

**Public Comment**

- No public comment was received in writing, and no one attending online requested to speak for public comment.

**Action items:**

- Send the Bylaws to the EIC Advisory Committee Members for review and feedback
- EIC Advisory Members, please let City staff know if you have completed the required Public Records Act and Open Public Meetings Act training. If you have not completed training, please do so as soon as possible.
- Send a list of everyone's contact information.
- Issue a media release for the Equity and Contracting Advisory Committee recruitment process, welcoming community members to apply for the (5) five vacant positions.
- Send the EIC Regulations and Tacoma Municipal Code to EIC Advisory Committee Members
- Send the EIC Outreach plan to EIC Advisory Committee Members and include in the meeting materials for the next regular meeting on August 21st.

**Adjournment at 9:08AM**

Minutes taken by City of Tacoma