



## TAB ACTIVE TRANSPORTATION WORKING GROUP

### Meeting #8 Notes

September 26th, 2024

Virtual Meeting - Microsoft Teams Meeting

Working Group Membership (bolded names in attendance)

#### TAB Voting Members

- **Glen Johnson** (Chair & TAB Citizen Rep)
- **Brian Martinson** (Vice Chair & TAB Nonmotorized Rep)
- **James Hovland** (TAB Chair)
- Hwa Jeong Kim (TAB, St. Paul)
- **Mary Liz Holberg** (TAB, Dakota Co)
- **Peter Dugan** (TAB Citizen Rep)
- **Amity Foster** (TAB Transit Rep)
- Aurin Chowdhury (TAB, Minneapolis)
- Mark Steffenson (TAB, Maple Grove)
- Julie Jeppson (TAB, Anoka Co)

- Alexander Ask (TAB, Non-Motorized Rep Alternate)

#### Non-TAB Technical Members

- Jeni Hager (TAC Chair)
- Brian Issacson (TAC Vice Chair)
- Michael Thompson (TAC F&P Chair)
- Marc Brieese (State-Aid AT Rep)
- **Aaron Tag** (TAC F&P, MnDOT)
- **Craig Jenson** (Bike-Ped WG Co-Chair)
- Jordan Kocak (Bike-Ped WG Co-Chair)

1. **Meeting 7 Recap and Agenda Overview:** Chair Johnson welcomed the group and gave an overview of the agenda. Main goal of today's meeting was to make a decision on small business contracting requirements for the AT pilot and send it as a recommendation to TAB. The remainder of the agenda would focus on informational items pertaining to the ongoing Regional Solicitation Evaluation project.

Joining the call today was Ashanti Payne—Met Council's Small Business Contracting Program Manager to provide an overview of the Metropolitan Council Underutilized Business (MCUB) program that utilizes CERT, DBE and TGB for firms based in Minnesota. Chair Johnson turned over the agenda to Council staff, Joe Widing to provide more information on the program and key decisions in front of the working group.

2. **DBE Program Discussion :** Joe provided a presentation that provided more background information on Council's MCUB program, following which Ashanti Payne gave more details on program specifics. The following is a summary of discussion items:

Member Holberg inquired as to whether these requirements add additional burdens on applicants and small businesses. Ashanti responded that the intent is never to add additional burden and that once bids come into the office for review that the OEEO office can assess bids and documentation quickly. Staff usually make certification determinations in 5 business days. He mentioned that getting certified as a DBE is usually a more involved process that requires submitting tax returns

and a personal net worth statement and requires an on-site visit. These requirements are specific to the federal DBE program, but the MCUB program also utilizes the CERT and TGB programs which are less stringent to ensure local firms are considered as well. It was noted that the OEEEO office already has a robust process in place and will be able to integrate these new projects within the existing process. Council staff are used to working with cities and counties have a high degree of familiarity with their processes.

Chair Johnson spoke about the thinking behind setting a minimum threshold of \$750,000 for projects that will require DBE participation. Joe provided additional context on that number. The primary intent was to ensure that some projects would participate in the program but saving smaller projects from having to work with the additional administration. Having a higher amount than other programs may also make subcontracting with disadvantaged businesses an easier process than on the smaller projects. Setting the threshold too high would have missed many of the projects and so setting \$750,000 and above seemed to be a good spot to capture enough projects to assess while also not forcing very small projects into the process.

Member Holberg mentioned that her preference is not to have this mandate and instead use the pilot as an opportunity to evaluate if the requirement was actually needed. She expressed concerns around potential adverse effects on the businesses. Chair Johnson mentioned that the pilot will be an interesting experiment to see how compliant our cities and counties are, whether the requirement is in place or not.

Ashanti mentioned that if Hennepin or Ramsey counties are recipients, they already have these programs in place at their agencies. Previous findings from MnDOT data show that without these requirements minority owned businesses were not included meaningfully in receiving contracts for transportation projects.

Chair Hovland mentioned that these requirements require a good faith effort on the part of the contractor. He has seen DBEs not being able to buy materials from larger corporations with costs often 3 times as much as larger established players as the DBEs lack buying power. He mentioned that while this issue is largely outside the scope of this group, it is something for members to be thinking about.

Based on the current \$750,000 threshold Farmington, Dakota County, Richfield, Woodbury and Fridley, South Saint Paul and Jordan would be the entities subject to the requirement. If this program is not required for these funds, it is not likely that agencies which do not have programs in place can voluntarily

Vice Chair Martinson said that if the group does not make this a requirement, then it is important to make sure that recipients are reporting DBE participation. He also said it is important to request this data up front while grants are being made.

A vote was called to approve the recommendation as it stands. All members voted in favor, except Member Holberg who was opposed. Member Dugan voted in favor, but is interested in discussing this further at TAB.

3. **Information Item—Regional Solicitation Evaluation and Investment Summary:** Consultant staff and Joe provided an overview of the larger Regional Solicitation process and progress so far. Joe also provided an overview of regional funding available for AT investment and the results of an investment summary on how transportation investments have been made through the regional solicitation process.

- Vice Chair Martinson mentioned that current feedback from counties show that there are no plans to share new AT funding with cities. Member Holberg said that Dakota County is re-evaluating it's cost share program with cities. Chair Johnson said it is a good idea to ask other counties if they are thinking along similar lines.
4. **Next Steps:** The group's next meeting was set for October 24<sup>th</sup> from 3:00-4:30PM. A poll will be sent out for a meeting in November or December to members to avoid conflict with the Thanksgiving holiday.