

HUB Advisory Council Meeting Minutes
Virtual Teleconference (Microsoft Teams)
Thursday, February 25, 2021
10:00AM

Attendees: Council Members

Kristen Hess	Russel Parker
Dorrine Fokes	Mary Williams Stover
Annette Stevenson	Greg Richardson
Latif Kaid	Valerie Jordan
Iris Reese	Kimberly Leazer
CC Lamberth	Lenwood Long, Sr.
Terrence Holt	Stephanie Pignes
Calvin Stevens	Jose Coker
Tiffany Peguise-Powers	Odessa McGlown – Absent at roll call but did take Oath of office and was on the remainder of the meeting.
Denisha Harris	Vinnie Goel – Absent for roll call but did take Oath of office and then exited the meeting.
Katherine Lynn	

Absent Council Members:

- Additional Attendees: Mark Edwards, *Interim Secretary, Department of Administration*; Betty Marrow-Taylor, *Deputy Secretary, Department of Administration*; Catherine Rivera, *Secretary's Office*; Tammie Hall, *Director, HUB Office*
- HUB Office Staff Attendees: Alicia Lyon, LaShona Johnson, John Guenther, Traci Herrod, Alisha Puckett, Jamalh Greene, Sharonetta McIntyre, Jakala Wilson, Arthur Anderson, Iris Reese- Board Member
- Guests: Attorney Rodney Strong, *Griffin & Strong*; Bridget Wall-Lennon, *Griffin & Strong*; Judge Ashley Parker Dunston; Deena Hayes, *Racial Equity Institute*
- **Welcome**
 - Interim Secretary Edwards welcomed all guests and thanked former Department of Administration Secretary Machel Sanders for her contributions and offered congratulations to her as the new Commerce Secretary.

- Secretary Edwards spoke about the continued goals for The Department of Administration and expressed the commitment to the mission to the HUB office remains strong.
- **Swearing in Ceremony**
 - Judge Dunston administered the oath of office to the following members:
 - Stephanie Pignes
 - Odessa McGlown
 - Latif Kaid
 - Mary Williams Stover
 - Greg Richardson
 - Valerie Jordan
 - Dorrine Fokes
 - Katherine Lynn
 - CC Lamberth
 - Vinnie Goel
 - Kristen Hess
 - Annette Stevenson
 - Jose Cooker
 - Iris Reese
 - Kimberly Leazer
 - Russell Parker
 - Lynwood Long, Sr.
 - Terrence Holt
 - Denisha Harris
 - Calvin Stevens
 - Tiffany Peguise- Powers

Members were sworn in as members of The Governor’s Advisory Council on Historically Underutilized Businesses at 10:11am. Director Hall congratulated and welcomed all new and returning members that will be serving and allowed newly appointed the opportunity to speak and offer a brief introduction.

- **Selection of Council Leadership**

Director Hall discussed the positions up for election and shared the duties for each. She opened the floor to accept nominations.

Kristen Hess – nominated Valerie Jordan as Council Chair – approved at 10:17AM

Katherine Lynn - nominated Kristen Hess for Vice Chair – approved at 10:18AM

CC Lamberth - nominated Annette Stevenson for Secretary – approved at 10:19AM

CC Lamberth - nominated Lenwood Long, Sr. for parliamentarian – approved at 10:20AM

- **Chair – Valerie Jordan**
- **Vice Chair – Kristen Hess**
- **Secretary – Annette Stevenson**
- **Parliamentarian- Lenwood Long, Sr.**

The Council Chair called the meeting to order at 10:22AM and asked the secretary to complete the roll call. A quorum was present.

- **Roll Call**

- The following members stated they were present:
 - Stephanie Pigues
 - Latif Kaid
 - Mary Williams Stover
 - Greg Richardson
 - Valerie Jordan
 - Dorrine Fokes
 - Katherine Lynn
 - CC Lamberth
 - Kristen Hess
 - Annette Stevenson
 - Jose Cooker
 - Iris Reese
 - Kimberly Leazer
 - Russell Parker
 - Lynwood Long, Sr.
 - Terrence Holt
 - Denisha Harris
 - Calvin Stevens
 - Tiffany Peguise- Powers

The Council Chair asked for a motion to approve and accept the agenda and minutes. Greg Richardson made the motion to accept the minutes (seconded by Calvin Stevens) and the minutes were approved at 10:26AM. Tiffany Peguise-Powers made a motion to accept the agenda (seconded by Jose Coker) and the agenda was approved at 10:27AM.

- **Denna Hayes, Racial Equity Institute**

- A PowerPoint presentation was shared with the charge for the year that focused on racial equity. Ms. Hayes reviewed race disparities throughout US History and offered insights into current areas of inequity. She noted that racism is a by-product of a structural problem and challenged the council to consider multiple perspectives throughout their appointments. She noted that all businesses matter and should be based on merit and not by the color of their skin, however, that is not always how businesses are treated.
- She presented a timeline of 402 years of racial history in United States – discussing chattel slavery, the Jim Crow era (virtually when African Americans had no citizenship rights), showed gaps in nearly every system (housing, health care, education, manufacturing, wages, banking, construction, etc.) and concluded that this is a systematic problem. Even now in 2021, minorities continue to struggle in the competitive and voluntary market exchange and gaps are still clearly visible in wages, private property ownership, and capital accumulation.
- The overall charge for the HUB Advisory Council is to make what has been invisible for centuries visible to ensure access is equal for all.

CC Lamberth and Jose Coker commented that this charge is very important, and that minority participation should only increase as we move forward.

Jose Coker asked a question: How can someone help to improve the system and add value to “leveling the playing field” for minorities?

Deena Hayes answered: When we look at leveling the playing field, we can look at the current UNC system / HBCU’s and how they are designated. We know that inequity is everywhere and its obvious when we see the little support HBCU’s get versus other institutions. We must make these things more visible and understand that we face a huge hurdle in doing so.

The Council Chair thanked Ms. Hayes for her presentation and time.

The Council chair asked about the roll call taken earlier and Odessa McGlown noted that she was currently on the call but did exit after the oaths were administered. Vinnie Goel did not answer that he was still on the call.

- **Catherine Rivera, Secretary’s Office**

- A review of rules governing meetings during COVID-19 were presented. It was noted that all cameras must be on for appointed members, all communication during the public meeting is considered public record, and that voting must be conducted by roll call only.

- **Attorney Rodney Strong, Griffin & Strong & Director Tammie Hall**

- A PowerPoint presentation was shared to review the findings for the Disparity Study. The parameters were reviewed, and the following categories were focused on: construction, architectural & engineering, professional services, goods, and other services.
- 2 volumes were created.
 - Volume 1: cabinet agencies / council of state and support agencies
 - Volume 2: community colleges/ universities
- Overall finding for Volume 1: there is a significant disparity in all 5 areas of NC state government.
- Overall findings for Volume 2: there is a significant disparity in all categories except for Asian Americans in the goods category for colleges and universities.
- Recommendations:
 - Strengthen the HUB program by including full-time HUB coordinators within each agency and strengthen the HUB Office's enforcement authority.
 - Review and revise the "Home Rule Requirement" to give local jurisdictions more flexibility in applying good faith efforts and establishing Small Business Reserve programs.
 - Institute MWBE subcontracting goals in addition to annual goals based upon availability.
 - Require robust good faith efforts.
 - Institute size standards for HUB certification to benefit MWBE firms.
 - Create a small business reserve program that allows only small businesses to bid on certain sized contracts.
 - Provide or facilitate supportive services to better assist HUB firms in bidding on state contracts.
 - Implement mandatory subcontracting goals on large contracts to create more opportunities.
 - Continue to view bonding and insurance requirements to make sure required levels are necessary.
 - Utilize a balanced scorecard to closely monitor utilization and establish accountability for HUB firm growth.
 - Apply remedial programs consistently when state dollars are expended.
 - Data reform to include - maintaining uniform data, centralizing access for colleges and universities, capturing all award data, and tracking subcontractor data.

- 4 step process to implement recommendations in the coming months:
 - Discuss recommendations with NC leadership
 - Conduct a policy review with existing program
 - Conduct a gap analysis
 - Revision, assistance, and training

Kristen Hess asked a question: Has there been any discussion requiring owners to make selections based on the categories (example - for woman owned businesses, are they really woman owned)?

Answer by Mr. Strong: Woman owned businesses is one of the categories that needs to be looked at in more detail both by ethnicity and gender. Therefore, a much more robust certification program is needed to decipher firms that do not meet the criteria. We also need to monitor good faith efforts better.

The Council Chair asked a question: How do we look at our 10% goal and understand if that number is correct?

Answer by Mr. Strong: We need to look at the availability numbers and then current obtainment numbers. Ultimately, we want to set a goal in between those two numbers, and it should not be lower than your availability number.

Odessa McGlown asked a question: How would the new goal setting methodology work for goods and services?

Answer by Mr. Strong: Goods and services is the most challenging area when it comes to purchasing - so recommendations would have to be made. We will look at purchase order protocols and look behind “blanket” policies to ensure they include minority bidders. Goods and services and the goals set really rely on transparency.

Director Hall stated that the HUB Office is committed to recommendations put forth and looks forward to working through them for all our business owners in North Carolina.

Meeting Adjourned at 11:59AM with a motion by The Council Chair.

All members exited the teleconference by approximately 12:02PM.