AGENDA NUMBER

1. Call to Order

Chairman Bergosh called the Committee of the Whole (C/W) Workshop to order at 9:01 a.m.

2. Was the Meeting Properly Advertised?

The C/W was advised by Jessica Whittle, Legal Assistant, Clerk and Comptroller's Office, that the meeting was advertised in the Pensacola News Journal in the Board's weekly meeting schedule.

3. Covenant with the Community

A. Board Discussion – The C/W:

   (1) Was advised by Quint Studer that:

   (a) The goal of Covenant for the Community is to ensure that 70% of county-funded job opportunities are kept local; supporting documentation is available regarding past projects to demonstrate the number of local people and the amount of money that stayed local;

   (Continued)
(1) Continued…

(b) Over $90 million has been spent in private construction over the past decade following the implementation of the Covenant for the Community, with great success; there was some early fear that the quality of local work wouldn’t be as good or costs would be higher, but neither fear was founded; and

(c) Areas of need where vacancies aren’t able to be filled locally have been communicated to George Stone and the School District to create opportunities for programming; additionally, when there were no local bids for the Southtowne construction project due to the size of the project, the selected companies still were able to follow the Covenant for the Community and employ local talent;

(2) Was advised by Commissioner Barry that:

(a) There have been about a dozen times over the years where local companies have taken advantage of the opportunity to match a low bid, and it has taken a couple of years to get a good system in place, but it has become known that the County has a preference for local work;

(b) Opportunities are advertised for local businesses to match the pricing of large state contracts so that businesses that may not wish to contract to provide an unlimited number of vehicles or equipment at a certain price, are able to provide a smaller number of vehicles at that price point if they wish to;

(c) The County has the ability to dictate some things and the ability to request others; if a contract is awarded and the Covenant is not followed, the contract will not be voided and resolicited, but there will be an opportunity for conversation as to why the Covenant was not upheld, which can identify needs in the workforce; and

(d) He has constituent businesses and employees who have benefited greatly from the privately-funded projects that followed the Covenant, and he looks forward to seeing that happen with county work, as well; and

(Continued)
3. Continued…

A. Continued…

(3) Was advised by Commissioner Robinson that he believes the Covenant further benefits the community by providing data on positions that aren’t able to be filled locally so the needs can be addressed through educational programming, 70% is a good level to start, and there will be opportunities to make changes as needed in the future;

(4) Was advised by Commissioner May that:

(a) He is very supportive of the Covenant for the Community, as he has seen young individuals benefit from local initiatives;

(b) He believes the County has done a poor job of inclusion, diversity, and opportunity for small, minority, and African-American businesses, as well as failed to meet mandates for inclusion associated with federal funding; and

(c) There was an informal agreement that the new correctional facility project would hire locally, and while they can’t be forced to do so, the vendors have held multiple job fairs and have made a commitment to hiring locally; and

(5) Was advised by Commissioner Underhill that:

(a) He is confident that a person of color in Escambia County, given the same equipment and the same training, can step onto any playing field to compete and win; he feels this initiative is a jump from leveling the playing field to leveling the scorecard, and while it may be an appropriate standard for the private sector, asking the government to set those standards is getting away from small government and the model of the free market system that allows the competition of ideas and the competition of talent;

(b) All of the goals of the Covenant for the Community are great goals for the private sector, but they are not appropriate for the County; Escambia County residents are as smart, as talented, as capable, and more hard-working than most people he has met, and they are able to compete without protectionism; and

(Continued)
AGENDA NUMBER – Continued

3. Continued…

A. Continued…

(5) Continued…

(c) A 5-0 vote would not be reflective of the people, and he will vote against the Covenant because he does not believe it is the government’s place to dictate those things to the private sector; and

(6) Was advised by Jack Brown, County Administrator, that a portion of the jail construction project is funded by FEMA, therefore the entire project is required to adhere to federal guidelines; the County has been adhering to all federal guidelines, and he doesn’t see any problem with implementing aspirational goals;

(7) Was advised by Amy Lovoy, Assistant County Administrator, that the FEMA regulations require outreach to minority firms in the procurement process and prevent any specific set-asides or preferential treatment of locals in outreach efforts;

(8) Heard a request from Commissioner Bergosh that County Attorney Rogers bring information to the Board concerning set-asides and outreach on federally-funded projects at a future meeting; and

(9) Was advised by John Myslak, Dawson Construction, that on one project where no local companies were able to successfully bid was awarded to an outside company that brought in a skeleton crew and hired local supplemental labor, which resulted in a cost savings because they did not have to pay per-diem to out-of-town employees; and

B. Board Direction – The C/W recommends that the Board approve the Covenant with the Community.

Recommended 4-1, with Commissioner Underhill voting “no”

4. Purchasing Contracting Aspirational Goals

A. Board Discussion – The C/W:

(1) Was advised by County Attorney Rogers that the County Attorney’s Office drafted a proposed Resolution that sets forth the last census numbers for the community and indicates that it is the goal of the County to one day reach those metrics with regards to procurements; and

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4. Continued…

A. Continued…

(2) Heard a request from Commissioner Bergosh that service-disabled veterans be included in Section 3; and

B. Board Direction – The C/W recommends that the Board adopt the Resolution expressing support for diversity in the County’s procurements and encouraging equal opportunity for small, minority, women, and service-disabled veteran owned businesses in Escambia County

**Recommended 4-1, with Commissioner Underhill voting “no”**

5. Escambia County Minority Outreach Program

A. Board Discussion – The C/W viewed a PowerPoint presentation, titled *Escambia County SBE and Minority Outreach*, presented by Paul Nobles, Purchasing Manager, and the C/W:

(1) Was advised by Mr. Nobles that:

(a) The purchasing office is working with three Ordinances relating to the procurement of goods and services for Escambia County: Local Preference, Small Business Enterprise Program, and Participation of Minority and Women Business Enterprises;

(b) The purchasing office has acquired new software, Vendor Registry, to:

- Assist in outreach for diversity;
- Assist vendors in identifying what they’re capable of providing;
- Allow vendors to update their own information at any time;
- Identify minorities, to include African-American, Hispanic, Asian, and Native American;
- Identify small businesses, including female-owned, veteran-owned, and service-disabled veteran-owned;
- Provide data at any time it is requested; and
- Provide registered vendors notice of solicitations and quotes

(Continued)
AGENDA NUMBER – Continued

5. Continued…

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   (1) Continued…

   (c) Historic data was not able to be migrated to the new software, so outreach has been conducted to all vendors on the City’s list and all firms on the State of Florida Department of Management Services supplier diversity list, and all new purchase orders include a letter requesting that vendors sign up;

   (d) As of August 1, 2018, there were 766 registered vendors; however, some are non-compliant due to a requirement that vendors provide their business license; there were 100 minority-owned businesses and 45 are local; by August 9, 2018, the number had climbed to 790 registered vendors;

   (e) His goal is to get as many vendors as possible and then identify the small and minority businesses so he can assist them in submitting bids;

   (f) Vendors are advised that the high amount of insurance that is required is standard from any governmental entity; staff looks for ways to help the vendors achieve the requirements, such as informing them of a program by the Small Business Administration that provides assistance with bonding up to $400,000;

   (g) Vendors are advised of the perks of doing business with the County: guaranteed payment for work done, the County makes a great reference, one government job can lead to others, and it is an investment in the community;

   (h) Vendors are encouraged to bid on solicitations, attend the bid opening, and attend the pre-solicitation meeting because they are excellent learning experiences and networking opportunities even if they are not the successful bidder; and

   (i) The cities of Milton and Fort Walton Beach are currently using Vendor Registry; the purchasing departments in the immediate area are established with other software that requires vendors to pay to receive notifications;

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5. Continued…

A. Continued…

(2) Was advised by Commissioner Robinson that the County is now taking steps that should have already been in place, and the data will assist in making the right decisions;

(3) Was advised by Commissioner Underhill that:

(a) Growing the number of businesses in the community that are capable of being included in the registry will be difficult, and Mr. Nobles should not hesitate to request resources from the Commissioners when needed for this purpose;

(b) He has not received any complaints since ITL took over the paratransit contract, so he is looking for a way to replicate that success story in other areas where the County does business;

(c) The goal of procurement is to get as many bid opportunities out there to produce as many competent and viable respondents as possible for each bid, regardless of color or creed; more respondents mean the County is able to produce more with every tax-payer dollar; and

(d) Local small and medium businesses should be encouraged to pool their assets to successfully bid for larger projects;

(4) Was advised by Commissioner May that he is supportive of any efforts to ensure Brownsville area businesses are made aware of the new system; there are language and cultural barriers that need to be broken down to increase the percentage of minority businesses doing business with the County; and he feels the cons should be removed from Mr. Nobles’ presentation;

(5) Was advised by Jack Brown, County Administrator, that the County has met with the Gulf Coast African-American Chamber of Commerce to develop a marketing plan and with Joy Tsubooka, Community and Media Relations Manager, to develop programming for ECTV; and

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(6) Was advised by Brian Wyer, Executive Director, Gulf Coast African-American Chamber of Commerce, that the Chamber has seen an increase from October of 2017 to May of 2018 on the office supplier diversity list without a large push in outreach, there is a plan to launch a campaign in October to get minority businesses registered, and there have already been increases in outreach of different capacities of the Chamber; and

B. Board Direction – The C/W recommends that the Board approve the Escambia County Minority Outreach Program.

Recommended 5-0

6. FloridaWest Five-Year Strategic Plan Update

A. Board Discussion – The C/W viewed a PowerPoint presentation, titled FloridaWest/PEDC Five-Year Strategic Plan, and the C/W:

(1) Heard comments from Donnie McMahon, Vice President, FloridaWest, expressing his thanks to Chris Middleton of the University of West Florida Center for Innovative Strategic Alignments for hosting two days of meetings with the Pensacola-Escambia Development Commission (“PEDC”) board, the FloridaWest board, the local chambers, private partnerships, and the public;

(2) Was advised by Lewis Bear, Jr., board member of FloridaWest and Chairman of the PEDC board, that:

(a) Advancing economic development in the community improves the economy and quality of life for all citizens of the county;

(b) There is a state agency responsible for matching up individuals with specific job skills to vacant positions, but they do not develop programs for job and skills training;

(c) The strategic plan spells out the initiatives for the next five years, as well as a request for consistent funding in an effort to maintain staff; the request for the 2018/2019 year is $600,000, with increases to $650,000 in following years; and

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(2) Continued…

(d) The FloridaWest Board includes two appointees, one of which is currently vacant; FloridaWest appointees serve at the will and pleasure of the Board of County Commissioners while the PEDC appointees serve a three-year term;

(3) Was advised by Scott Luth, CEO, FloridaWest, that:

(a) The FloridaWest mission was widely discussed to ensure progress in the right direction and to eliminate duplication of services; the overarching goal for the next five years is to create another 2,000 jobs through development in the incubator, negotiating or facilitating expansion or retention projects, or bringing new companies to town; the target industry sectors include manufacturing, cyber, and IT, through strategic initiatives, as follows:

• The Co:Lab business incubator, which was established a number of years ago, has around 80 employees in the facility at this time and plans include increasing the square footage available to businesses and maintaining 80% occupancy;
• Business expansion efforts include a plan to visit at least 100 existing businesses each year to identify needs, provide support, and develop programs and resources to meet the needs of existing industry;
• Business development efforts aim to attract new employers with wages higher than the state average;
• Workforce development aims to identify talent needs and work individually with companies existing in the community to align programs in local educational institutions with the needs of the industry;
• When a company wants to come to this area or stay in the area and expand, it is important to ensure there are sites and buildings available to meet their needs; and
• The need for FloridaWest to expand internally and include additional private sector input is recognized, and it is hoped this will be achieved within the next five years;

(Continued)
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(3) Continued…

(b) A large portion of the success on the cyber aspect is currently being achieved by other entities, including the University of West Florida; FloridaWest plans to bring in a full-time employee on October 1, 2018, to focus on this specialized area;

(c) Seventy to eighty percent of the projects currently in progress are existing industry expansion projects; data is provided by CareerSource Escarosa concerning vacancies, but measurable activity is required before reporting gains as a direct impact of FloridaWest; it is undisputed that the number of people being hired in the community continues to rise and unemployment is falling, but those gains are not necessarily attributed to FloridaWest;

(d) Sixty-five to seventy percent of staff time is spent working with, talking to, or meeting with existing industry within the community, resulting in a good return on investment; the request for funding to bring additional staff onboard will result in an increase in the number of businesses that can be reached; one measure of success will be an increase in the number of students enrolled in career academies where needs have been identified as a result of these contacts;

(e) While not identified as target industries in the plan, some local needs have been identified and are being addressed at Pensacola State College, to include truck-driver training and additional capacity within existing health care programs; and

(f) There is currently no funding in place from First Place Partners, and approximately $200,000 in private sector money is realized by membership dues and rental income through the incubator;

(4) Was advised by Keith Hoskins, Chairman, First Place Partners, that:

(a) First Place Partners is a private economic development organization that supports FloridaWest in their ventures to bring businesses into Escambia County, workforce development, and additional activities outlined in the strategy;

(Continued)
(4) Continued…

(b) It is critical that the strategy align with other state and regional strategies with purpose and focus to move forward; the strongest partnerships seen across the nation are private-public partnerships; and

(c) First Place Partners authored part of the strategy and consulted with FloridaWest to provide input; the workforce development, cyber, governmental affairs, and sites and buildings committees augment and support the efforts toward achieving the goals of the five-year plan; and

(5) Was advised by Karen Sindel, Escambia County Representative, FloridaWest, that there has been some frustration about how to measure what FloridaWest is doing and how to know if and when it has been successful, so one goal of the strategic plan is to answer some of those questions and provide for goals and accountability measures, as well as clearly defining the roles played by the stakeholders; the plan is a living document that can be added to, upgraded, and expanded;

(6) Was advised by Commissioner Underhill that:

(a) He is glad to see a strategic plan, but is concerned there still is not a fine division of labor between FloridaWest and Achieve Escambia;

(b) Funding has been sporadic as a result of sporadic activity; specific questions about specific deliverables were asked and were not answered, leading to quarterly payments and increased pressure;

(c) Escambia County will not be elevated until the pockets of poverty are elevated, so his personal metric will be how the activities affect the "red neighborhoods";

(d) Each celebration on the front page of the Pensacola News Journal that did not come to fruition affected the credibility of FloridaWest, the ability of the Board to provide funding, and the credibility of the Board with the citizens;

(Continued)
6. Continued...

A. Continued…

(6) Continued…

(e) Cyber is in Warrington and jobs have been created faster than they can be advertised; the cyber strategic plan appears to be implementable, and he is optimistic that a year from now there will be tangible wins; and

(f) There are large areas of Brownsville and Warrington where commercial properties are still utilizing 40-year-old septic tanks; businesses are unable to get a permit to expand facilities without incurring the cost of upgrading the septic systems; without investing in the infrastructure, Warrington and Brownsville will always be unattractive to businesses coming into the area, which results in lower property values and lower tax revenues; and

(7) Was advised by Commissioner Robinson that he appreciates the work on the strategic plan, he would like to see opportunities for spin-off from successful projects similar to Jupiter Group coming to Pensacola because of the proximity to GE, and he would like to see the County commit to three years of funding;

(8) Was advised by Commissioner Barry that:

(a) He attended both full days of the strategic planning workshops, and he doesn’t believe workforce development and the business incubator should be the primary mission of FloridaWest;

(b) He is confident that the boards will work together to make changes to the strategic plan, as needed; and

(c) The home-run projects such as VT-MAE are expensive and take longer to come to fruition; the visits to existing businesses that facilitate retention and expansion are a great source of information and can be used to identify needs in the community; and

(9) Was advised by Commissioner May that one expectation of FloridaWest is that critical workforce and economic development strategies be aligned with educational services; and

(Continued)
6. Continued…

A. Continued…

(10) Heard comments from Commissioner Bergosh expressing his thanks and support for the work done by FloridaWest and his support for the budget amount; he believes a three-year commitment sends a message to the community that the Board stands strongly behind economic development; and

B. Board Direction – The C/W recommends that the Board commit to a three-year FloridaWest Five-Year Strategic Funding Plan “of not less than what our current space is,” with a guarantee of $550,000 each year.

Recommended 4-1, with Commissioner Underhill voting “no”

7. CareerSource Escarosa Presentation

This agenda item was not discussed.

8. West Cervantes Street/Mobile Highway Corridor Improvements

This agenda item was not discussed.

9. Progress Update on the New Correctional Facility

This agenda item was not discussed.

10. Lease Fees/Property Taxes on Pensacola Beach

This item was briefly discussed and tabled until September.

11. Budget Discussion

This agenda item was not discussed.

12. Use of County-Owned, Gulf-Front Property, 16400 Block Perdido Key Drive

This agenda item was not discussed.

13. Adjourn

Chairman Bergosh declared the C/W Workshop adjourned at 11:08 a.m.