



The new \$18 million police administration building in West Palm Beach is the first city project built under a new ordinance setting aside work for firms owned by women and minorities.

BUILDING A DREAM

A new city program gives construction firms owned by blacks, Hispanics and women a foundation they can build on

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It didn't look like a historic moment earlier this month when the crew from Grey Construction Company of Florida started nailing the wooden fence around the construction site for the city of West Palm Beach's new police administration building.

But it was.

Thanks to a new city program, the black-owned West Palm Beach company will get about \$26,000 for that plywood fence — almost as much money as the city spent with black contractors in a total of seven years, while it handed out more than \$72 million in construction work to white contractors.

Under the city's Minority Business Enterprise ordinance, as much as \$3 million will be paid to construction companies owned by women, blacks or Hispanics working on the police building. It's the first project built under the 1991 ordinance, and it's not without its problems and detractors.

The contractors, a joint venture of the white-owned Federal Construction Co. of St. Petersburg and Miami-based MCO Construction, owned by West Palm Beach resident Ann McNeill, a black woman, bid \$821,000 more on the police station than the lowest bidder.

But the city ruled that the Federal/MCO bid was the only one to meet the 15 percent minority participation goal set by the city, and three city commissioners went against city staff recommendations to award them the \$18.7 million

contract. At least 19 percent of subcontractors on the Federal/MCO job will be firms owned by women or minorities.

Other builders — who submitted lower bids — say the process was confusing, and complain that city bureaucrats disqualified bids by changing project requirements after they were submitted.

On Friday, the City Commission revised parts of the ordinance to require that 15 percent of every city contract go to minority businesses. The revised ordinance will be presented for a commission vote on May 4, said Mayor Nancy Graham. Meanwhile, Graham said she would oversee the revamping of the minority business enterprise office, modeling it after current county and School Board panels.

"This is the kind of economic development that really makes an impact," said Tony McCray, director of the federally funded Minority Business Development Center in Riviera Beach.

"People can talk about programs for business development, but when you have \$2 or \$3 million coming back into the community through minority firms, the impact can really be felt," McCray said. "For minority contractors in a county that discriminated against them for so long in the city and county government work and within the industry itself, companies are always on the verge of going under," McCray said.

But those that did survive did so with no help from the city.

"I tried my best, I tried my damndest not to ever use my skin to get a job," said Edmund Deveaux, president of D's & D's Trucks & Machinery Inc. of Lake Worth. "I tried every door, but it takes just a little bit more than me to kick the good-old-boy system down."

Deveaux's company has made a dent in that system with its \$256,000 subcontracting job on the police station project. It also recently won a

\$1.1 million contract on a the Veterans Administration medical center project in Riviera Beach.

Deveaux said laws establishing set-aside programs are needed to help minority contractors compete.

"You have got to hold their feet to the fire," he said.

West Palm beach city officials felt those flames after Tallahassee-based MGT of America completed an \$80,000 study in March 1991 that documented discriminatory city practices that overwhelmingly favored firms owned by white men.

From October 1982 to October 1989, the percentage of black-owned firms among builders available to the city dropped from 4.3 percent to 2.6 percent. During that time, the city spent only \$27,593 of its \$73.4 million in construction money with black-owned firms, MGT reported. That's 0.04 percent of all money spent, even though the city's population is 32.6 percent black.

During that same period, Hispanic firms made up 1 percent to 1.5 percent of the available firms, but received \$337,949; the 1.3 percent to 1.4 percent of firms owned by women took in \$341,352 in city work. And the approximately 93 percent of available firms owned by whites received \$72.6 million.

Of the 9,291 firms available in 1989 (the last year documented), 8,601 companies were owned by whites, 246 were owned by blacks, 135 by Hispanics and 133 were owned by women. Asians and Native Americans owned a combined 11 firms.

Backed up with those numbers, firms owned my women and minorities feel justified in asking for help.

"Some people think that 'Blacks want this,