

# #1

**COMPLETE**

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## Q1

Please provide some basic information

**Witness Name:** CHRISTINE CHUNG  
**Organization (if any):** ASSOCIATION OF ASIAN AMERICAN CONSTRUCTION ENTERPRISES  
**City/Town:** CHICAGO  
**State:** IL  
**ZIP:** 60609

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## Q2

**Rules and Administration Committee Meeting 5/12/2021 930a**

Tell us which meeting you wish to be recorded as a witness. If you don't know the meeting or date, we can help at 312.603.6398 or cookcounty.board@cookcountyil.gov. You can also look up using the County Calendar or the Forest Preserve Calendar. Please fill out a separate form for each meeting at which you wish to speak.

## Q3

Tell us the File ID number (example 17-0000) of the item on which you are registering your position. If you don't know the number, we can help at 312.603.6398 or cookcounty.board@cookcountyil.gov. You can also look it up using the County Calendar or the Forest Preserve Calendar

21-2699

## Q4

**REGISTER IN OPPOSITION to a specific item (You may add written comments below)**

What do you want to do?

## Q5

Written Statement? You can type or copy/paste any written statement you want included in the meeting record here. If this is not enough space, or you have other attachments for distribution, please email them to [cookcounty.board@cookcountyil.gov](mailto:cookcounty.board@cookcountyil.gov)

AACE supports reciprocal certification with other certifying entities in order to increase M/WBE vendor numbers and reduces time and paperwork for the M/WBE firms.as long as it holds up to any legal challenges.

There are some concerns with the amendment as written:

CMSDC and WBDC have no limits on gross revenues or personal net worth as required by County Code (Subdivision II. - Participation in Cook County Public Works Contracts, Sec. 34-285 – 300.2)

Self-certification of an applicant's gross revenue and personal net worth limits as set forth in the County code doesn't not provide sufficient protection and will result in fraud and abuse

Cook County M/WBE certified firms, which provide financials, among other documents, to obtain certification will be at a competitive disadvantage against much larger firms, especially those that falsify their affidavit

Chicago accepts other certifications, including CMSDC and WBDC, but before approving their certification Procurement staff reviews the financial information to ensure it meets the City Council approved gross revenue and personal net worth limits

M/WBE certification reciprocity between Chicago and Cook County may be at risk if the proposed rule is passed

Puts Cook County's M/WBE Construction Program at risk for a lawsuit - Cook County was the only agency in Illinois that lost its case completely. They weren't even able to prove discrimination existed in Cook County.

ALTERNATIVE OPTION FOR ACCEPTING OUTSIDE CERTIFICATIONS (i.e. CMSDC and WBDC)

When a CMSDC or WBDC certified firm applies to Cook County for certification, the Contract Compliance department must review the necessary income tax returns and other financial documents to verify gross revenues and personal net worth. This is the same process Chicago follows with such outside firms.

ADVANTAGES OF ALTERNATIVE OPTION

Cuts down on fraud and abuse (it's far more likely a firm will submit a false affidavit than a false tax return)

Ensures Cook County certified firms meet the Cook County Board approved gross revenue and personal net worth limits

Small M/WBE firms won't be forced to compete against mega construction firms

Keep Chicago-Cook County reciprocity, which saves M/WBE firms lots of time not having to get certified at every agency

Protect Cook County's M/WBE Construction ordinance from yet another legal attack

Thank you for your consideration.

Christine Chung

President, Association of Asian American Construction Enterprises (AAEC)

**Q6** **Submitting written testimony only**

Please Indicate if you are only submitting written testimony or if you wish to address the Committee live (virtually) at the meeting.

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**Q7**  
If requesting to address the Committee live (virtually), please provide an email address and phone number (This is required to receive and an invitation to the virtual meeting).

Email Address	<b>ADMIN@AAECHICAGO.COM</b>
Phone Number	<b>3128503010</b>

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Women Construction Owners & Executives, USA

**WCOE, USA Chicago Caucus**  
308 Circle Avenue  
Forest Park, Illinois 60130  
708.366.1250

Good Morning, my name is Mary Kay Minaghan and I represent Women Construction Owners & Executives. WCOE appreciates Cook County's interest in broadening the pool of ready, willing and able M/WBE firm. We advocate daily with other Assist Agencies like WBDC and CMSDC to make sure every M/WBE firm is counted.

WCOE also works tirelessly to ensure that M/WBE Construction programs adhere to the strict scrutiny applied over and over again by the federal courts here in Illinois and across the country. This includes a requirement that any race and gender specific program must be narrowly tailored. Part of that narrow tailoring is inclusion of limits on a firm's gross revenues and the owner's personal net worth.

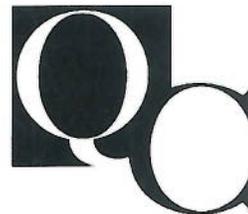
The M/WBE Construction ordinances in Cook County and Chicago both have the same limits on gross revenues and personal net worth. Both Cook County and Chicago require five years of corporate and personal income tax returns from M/WBE applicants and both have county and city personnel review those financial documents to ensure compliance with the M/WBE Construction ordinance.

Certifications by outside organizations like WBDC/WBENC and CMSDC do not impose limits on gross revenues or personal net worth as required by County code. WCOE was told that Cook County would permit these firms to self-certify, via affidavit, their gross revenues and personal net worth. An affidavit is not an effective way to guard against fraud and abuse. It is too easy to falsify and the County's ability to verify such an affidavit is extremely limited.

Several years ago, when Chicago was faced with a similar proposal to accept certifications from outside organizations, they amended their M/WBE Construction ordinance and set forth a policy that would ensure its ordinance remained narrowly tailored. Chicago accepts CMSDC and WBDC/WBENC certifications on a fast track but requires applicants to provide the necessary financial documents so the city personnel can verify the gross revenues and personal net worth.

WCOE is also concerned that failure to have County personnel review the required financial documents of M/WBE firms certified by these outside agencies could jeopardize the reciprocity that Cook County and Chicago currently have. In fact, in a conversation earlier this week, Chicago Acting Procurement Chief indicated if this proposed rule is approved, she will have no option but to end reciprocity. M/WBE firms have benefitted from reciprocity because they only have to go through the certification process once.

A few of you were here in 2000 when Judge Grady rendered his decision in the BAGC vs. Cook County case. He concluded, and I quote, "The court holds that the minority and women preferences required by the Cook County ordinance violates the Equal Protection Clause of the Fourteenth Amendment to the United States Constitution." Certainly, these are words that no WCOE member ever wants to hear again and it is WCOE's sincere hope that no one on the Rules Committee or the Cook County Board wants to hear these words again either. Thank you for your time and I'm happy to answer any questions you may have.



Enterprises, Inc.  
**CERTIFIED WBE/DBE/ACDBE**

May 10, 2021

Mary Kay Minaghan  
MKM Services

Dear Ms. Minaghan,

In Q.C. Enterprises' opinion, the proposed amendment to accept CMSDC and WBDC certifications should not be passed for the following reasons:

- They do not have limits on personal net worth or gross revenue.
- MBE/DBE are held to different standards.
- MBE/WBE will never be able to compete with companies certified by these two entities due to better bonding capacities, a buying power for projects.
- There is reciprocity between the County and the City which could put the City certification at risk
- I am a certified firm with the WBENC and I am asking the County to vote this down

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Sandy Andrews', is written over the typed name.

Sandy Andrews

SA/vlo