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# MICHAEL J. GARNER

## MTA Interview for The Harlem Times By W.D. Moore

A new paradigm in job creation and empowering minority-owned businesses is happening at the Metropolitan Transportation Authority (MTA) of New York State. Michael J. Garner is the Chief Diversity Officer at the MTA, placing him at the forefront of the Nation's First Regional Small Business Mentoring Program (SBMP), the MTA Small Business Federal Program and Hurricane Sandy restoration projects. Along with Thomas F. Prendergast, MTA Chairman and CEO; Governor Andrew M. Cuomo, and a top-notch team, they are building success upon success.

The Harlem Times interviewed Michael J. Garner for the first part of a two-part series on MTA's SBMP and MTA's Sandy Recovery and Resiliency Contract Opportunities. We began with the SBMP.

**HT: What is the key thing that makes SBMP successful?**

**MJG:** I would say, first, the support comes from the top, followed by the ability to listen to what are the concerns in the minority and women-owned business community, coming up with solutions to assist them, and, finally, paying for the solutions.

**HT: With tens of thousands of entrepreneurs who have benefited from MTA's educational programs, how has SBMP changed since 2010?**

**MJG:** Well, as a program, we provide access to capital for contractors by hiring Carver Savings Bank to issue loans to contractors of up to \$900,000 per contract. Surety Bonding is waived and we have an extensive training program that trains

contractors how to do contract work our way. Essentially, we are teaching business owners how to become better business owners. It is a 13-week training program, which includes marketing, estimating, scheduling, how to develop a profitable business and other important classes.

When the program was implemented, we initiated a Tier I program (Contract awards up to \$1 million), that allows us to award prime construction contracts to our NYS Certified Minority and Women-Owned Business Enterprises (MWBEs). The average MWBE have a history of only performing subcontract work. They work for larger contractors and they are at the mercy of that prime contractor. We wanted to change the paradigm and give these business owners the ability to control their own destiny by allowing them to bid directly to MTA, as a prime contractor.

As time moved on, we also created a Tier II program (eligible contractors can bid on projects valued up to \$3 million) and the MTA Small Business Federal Program (SBFP). We met with the U.S. Federal Transit Administration (FTA), and on my third visit to the White House, I stated, 'If job creation is the number one issue in our country, , our Tier I (State Funded program) has not only empowered the minority business community, but we are also creating jobs in those communities.' FTA was in accord with us, and gave the MTA the ability to create the nation's first regional small business program. We are the largest, New York State authority in this region.

We have 68,000 employees and we do everything big. MTA currently has two of the nation's largest capital construction projects going on right now. East Side Access, designed to link Long Island Rail Road into Grand Central Terminal, is an \$8 billion project, and the Second Avenue Subway (SAS) project is a \$4.6 billion project.

Since the small emerging, minority women-owned businesses do not have the wherewithal to compete on mega projects, due to the average subcontract being from \$300 million to \$500 million, we decided to design projects where they can bid to us directly as prime contractors. The reason being that we are spending taxpayers' dollars, and we must make sure that taxpayer funds are spent not only in a cost effective manner, but an inclusive manner.

**HT: Is there one MTA project that gives you and your team a tremendous sense of achievement regarding how greatly the programs have grown?**

**MJG:** All of them. However, one that comes to mind since I live in Harlem is the Mother Clara Hale Bus Depot, located at 721 Lenox Avenue and 146th Street in Central Harlem. This \$262 million project was completed in November 2014. We tore down the old depot and built a new modern and green depot. From day one we wanted to ensure neighborhood businesses that are certified and [located] in Harlem receive subcontract opportunities. Our goal was 15 percent MWBE participation and we achieved 25 percent.

The contractor, Silverite Construction, hired some neighborhood residents to work on that project and local firms for certain tasks. For example, Noble Strategy, a NYS Certified MWBE was hired to coordinate the ability for Harlem-based firms to receive sub contracts. The prime contractor, Silverite Construction, hired both the Harlem Business Alliance and the Greater Uptown Harlem Chamber of Commerce to hold MWBE outreach sessions. At the end of the day, we built a vibrant, all-green bus depot with 25 percent MWBE participation. Local residents got jobs and they received free OSHA Training, as well.

**HT: What has been the highest compliment you have received from an entrepreneur who graduated from SBMP?**

**MJG:** 'Thank you.'

**HT: When you were a young man, did you have a role model and is there such a person who inspires you today?**

**MJG:** I was born in Harlem and raised in Chicago. My biological father was a vice president at Motown. I remember the late, great Harold Washington, the Former Mayor of the City of Chicago, who told me when I was in college: 'If you are not planning you are being planned.' And so, that always gave me the energy to be innovative and proactive.

In my later years, the late, great Percy L. Sutton and Berry Gordy, Jr., were also major influences in my life. Mr. Gordy, essentially, hired talent and not color. Although Motown was a black-owned corporation, Mr. Gordy hired talent. The manager of the Temptations is Shelly Berger, a white 'Jewish guy' and until this day, he is still the manager of the Temptations. And so, if you don't have all the answers, you hire talent, as indicated on numerous occasions by the late Percy L. Sutton.

**HT: What are your views about Governor Cuomo's plans to rebuild LaGuardia Airport? Will there be opportunities for Small Business Minority Entrepreneurs?**

**MJG:** Yes. Governor Andrew Cuomo is a visionary and leads by example. There are going to be numerous contract opportunities for qualified, NYS certified MWBEs to interact on the rebuilding of La Guardia Airport. Moreover, two people who have had an eye on making sure MWBEs are included in the rebuilding of LaGuardia Airport are Congressman Charles B. Rangel and New York City Council Member Inez E. Dickens.

They both started this conversation early on. Also, Congressman Rangel is a big supporter of minority-owned businesses receiving contracts that create jobs on taxpayers funded projects.

"What happens is sometimes the key decision-makers in these major corporations or large construction organizations and even governmental agencies, don't know who to talk to when seeking MWBEs for contracting opportunities.. If I'm a small business and I'm looking for an opportunity, who is it that person whom I would speak with. So what we've been doing is crucial, essentially we have our annual MWDBE Conference every year where we have all of our large contractors that work for us -- and some of the world's largest contractors are here because of the type of work that we do. - Michael J. Garner

**HT: The Harlem Times has an educational affiliate called HEAF. Is there insights you can share first having been a pioneer leading the ranks while with New York City School Construction Authority and now creating bridges in business development for emerging minority & small businesses? More specifically beyond just making the initial introductions, but helping position them to grow and develop the necessary business relationships? How do you get the right tools, products/services in front of the right audience?**

**MJG:** "What happens is sometimes the key decision-makers in these major corporations or large construction organizations and even governmental agencies, don't know who to talk to when seeking MWBEs for contracting opportunities.. If I'm a small business and I'm looking for an opportunity, who is it that person whom I would speak with. So what we've been doing is crucial, essentially we have our annual MWDBE Conference every year where we have all of our large contractors that work for us -- and some of the world's largest contractors are here because of the type of work that we do. So I would say that the \$33 Billion budget that we have (our capital construction budget) we broke it down. It is comprised of 15 companies

that represent 50% of that \$33 billion and these are large contractors, like Skanska Civil, etc.

To facilitate when the small contractors are looking for opportunities and don't know where to go, we bring everyone both [small & large] companies in the same room and make sure they network with each other. And then if a large company comes to us and ask my staff to have their MWDBE goals waived or reduced because they can't find qualified MWDBEs, we tell them that it [would be] an act of congress to waive or reduce their goals. Since we do not reduce them, when there is MWBE availability, they now have to make an effort to go out and reach out to the minority business community and link up with partners and award sub-contracts. The same thing we're doing now with the rolling stock: subway bus, and rail cars manufacturers. We are the largest buyer of rolling stock in the country and we are changing the paradigm.

When I first started here, the rolling stock manufacturers (Kawasaki, Bombardier, etc.) would ask us to waive or reduce their MWBE goals saying they could not find qualified minority suppliers/vendors to support the manufacturing process of the buses, the rail cars, and the subway cars we were buying. So I spoke to The Chrysler Group, Ford and GM; who as everyone knows has awarded billions of dollars to minority and women-owned businesses since the late 1960's because they saw value in doing business with MWBEs.



Recently, a funny thing happened. One of our MTA Certified DBE firms received a \$30 million sub-contract from one of our railcar manufacturers. So here's [is a product of when] government has put pressure on corporations and gets them to change the way they do business (meaning they're now doing business more inclusively; they're now engaging and qualifying minority businesses) and their respective communities will benefit -- they will gain!"

**HT: All New York Agencies & Authorities have been mandated by Governor Andrew Cuomo to award not less than 30% of their contracts to New York State certified MWBEs. New York was ravaged during Super-storm Sandy, the damage was vast and seemingly devastating. Understandably it will be a herculean task as the transit network is still being rebuilt. Of the almost \$3.8 billion**

**allocated to the MTA for recovery & resiliency work, thus far what has been the plight of the minority contractors and monies allocated? Are they being provided for the MWDBEs?**

**MJG:** Since we are one of the largest recipients of "Hurricane Sandy" funding, from day one, we not only wanted to ensure that the applicable MWDBE goals were assigned, but to create prime construction opportunities for our certified MWDBEs. As a result, we have awarded a number of prime construction contracts to the following firms: Smalls Electrical Construction (M/DBE) - \$13.3 million; Vista Engineering Corporation (MBE) - \$6.7 million; Providence Construction (WBE) - \$14.9 million and Voltamp Electrical Contractors (M/DBE) - \$15.5 million.

**HT: Are you involved in any philanthropic work?**

**MJG:** I am the president of One Hundred Black Men, Inc. (OHBM). We are a not-for-profit organization, and our philanthropy involves college scholarships, economic empowerment and mentoring. We had our Eight Annual Golf Outing on August 3rd at Forest Hill Field Club in Bloomfield, New Jersey. Our fundraising efforts have enabled OHBM to award \$100,000 in college scholarships to black and brown students, for this academic year. OHBM's top student, Brenton James, graduated from the Eagle Academy in the Bronx, last year. He is currently a rising sophomore at the University of Pennsylvania on a college scholarship, with a 3.0 GPA.

For additional information on MTA Department of Diversity and Civil Rights, please visit the website at [www.web.mta.info/sbdp/federal.htm](http://www.web.mta.info/sbdp/federal.htm)

*W.D. Moore is a professional writer living in Harlem and author of the novel Journey Back When.*



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