CALIFORNIA DEPARTMENT OF TRANSPORTATION

Statewide Small Business Council Meeting Minutes – July 18, 2008

San Joaquin Delta College - SBDC
56 S. Lincoln Street
Stockton, California
Telephone: (209) 954-5089

Statewide Council Members Present

Camacho, Julian	HCA
Carrera, Angel	DGS
Chavez, Floyd	NCLBA
Diaz, Juan	MABPA
Garcia, Rodrigo	SHPE
Golliet, Gene	SDVOB
Guerrero, Paul	CAL-SBE
Hou, Johnathan	ABA
Hunsaker, Debbie	GFACC
Jackson, Jeffrey	AIAI
Johnson, Bernard	BCA
LaCome, Diana	NCA
Lau, Eddy	AAAE, SFO
Llewellyn, Rebecca	WCOE
McGlover, Stephan	CCCC
Molina, Jim	SJCHCC
Matu, Cassy	SACHCC
Patten, Ezekiel	BBA
Ramirez, Frank	CM
Rose, Chantel	GLA
Yang, William	AAAE, Southern CA

Guests

Balobeck, John	MACTEC Engineering
Cunningham, Lee	Bay Tank
De La Cerdn, Paul	COTC SBDC
Garza, Victor	La Raza
Leffal, Michael	Black Chamber, Central CA
Martinez, Tim	Martinez Communications
Peterson, Karren	Stockton SBDC
Roessler, Mike	CCCCO-CCCP
Vargas, Jesus	CAHCC/District 4 SBC
Wong, Samson	SBTRC
Yu, Ming Chen	AAAE
Zabrgoki, Lydia	Quad Knopt

Caltrans Staff Present

Iwasaki, Randell	Chief Deputy Director
Fonseca, Olivia	Civil Rights
Ajise, Kome	District 6
Anderson, Marcela	District 10
Boulware, La Sonja	District 11
Caudle, Morris	District 6
DeWatney, Bonnie	Civil Rights
Dougherty, Malcolm	District 6
Dunning, Julie	District 10
Edwards, Cathleen	Civil Rights
Effinger, Robert	Construction
Failing, Doug	District 7
Galia, Cris	DPAC
Gastinell, Sherri	Civil Rights
Gordan, Germaine	District 10
Keck, Steven	District 11
Mertlik, Kelly	District 6
Padilla, Robert	Civil Rights
Pokrajac, Kevin	Local Assistance
Prandini, Camillo	District 6
Pulido, Lauren	District 10
Rix, Teresa	District 6
Runge, Pamela	District 6
Sartipi, Bijan	Director, District 4
Smelser, Jan	DPAC
Lashai, Parviz	DPM
Ward, Desiree	District 6
White, Brian	District 4
Whitmore, Liza	District 3

ITEM 1 – Welcome/Introduction/Opening Remarks

Olivia Fonseca, Deputy Director, Civil Rights, California Department of Transportation (Caltrans)/Statewide Small Business Council (SBC) Chair called the meeting to order at 8:30 a.m. Chair Fonseca welcomed Statewide Small Business Council (SBC) members, San Joaquin SBC members, Caltrans staff, and guests; all were asked to introduce themselves.

Chief Deputy Director, Iwasaki congratulated the eight Statewide SBC members who were presented with a 25 year service award at Councilmember Paul Guerrero's home, after the committee meetings held the evening before. The members who received recognitions for 25 years as SBC members were: Rebecca Llewellyn, Paul Guerrero, Diana LaCome, Rodrigo Garcia, Eddy Lau, Jonathan Hou, William Yang, and Fred Jordan. He stated there was no new information on the 2008 Disadvantaged Business Enterprise (DBE) Goals and Methodology approval from the Federal Highway Administration. He provided an update on the I-5 Fix and provided a budget overview. A discussion ensued regarding Proposition 42; Councilmembers support the retention of Proposition 42 funds as stated in the proposition. He announced Caltrans will be partnering with the Department of Corrections and Rehabilitation in a *Back-to-Work Program* for parolees who will be released into the population after being granted parole. This 60-90 day *Back-to-Work Program* is designed to provide a job in maintenance, with a possibility of seasonal/permanent Caltrans employment.

Councilmember McGlover asked how this would work. Chief Deputy Director Iwasaki indicated the Department of Corrections would assign and monitor each parolee during their 60-90 days at their job location; Caltrans will provide the maintenance position slots.

ITEM 2 – Approval of June 20, 2008 Meeting Minutes

Motion: Councilmember Yang
Correction: Councilmember Guerrero noted Floyd Chavez was not noted on the roster as attending.
Second: Councilmember Hou
Approved by consensus with correction.

ITEM 3 – San Joaquin Delta College

Gillian Murphy, San Joaquin Delta College Small Business Development Center (SBDC) highlighted situations where the SBDC assisted small business entrepreneurs to realize their dreams. The SJSBDC helped one person purchase a building that became a small business (SB) caring for special needs children, a second example was when a creative SB hopeful was assisted in writing a business plan—where there was no plan—that helped them focus specifically on the business that would match their creative dreams, another was a home-based SB working with local and State Government contracts who needed other home-based SB consultants to partner with them in order to generate more business. Ms. Murphy ended with, "We can be stronger together, than separate." Mike Rosseler demonstrated the California Construction Contracting Program website.

ITEM 4 – San Joaquin Valley Small Business Council

Malcolm Dougherty - District Director District 6
Districts 6 and 10 are combining efforts on procurement fairs to maximize SB participation. There will be an Architectural and Engineering (A&E) Fair (flyer in packet) on October 28, in Fresno; currently they are in the process of setting up this Fair. There will be a Matchmaking business event in District 6 on August 8, in Fresno. The next pre-bid will be August 14, 2008. There will be a Southern San Joaquin "trip" program to deliver projects on August 6 in Bakersfield.

Kome Ajise – District 10, Deputy Director
Extended accolades to the SBDC. He announced the next District Subcommittee SBC meeting would be held in August via teleconference. He announced the District has full-time staff to support SB efforts; Lauren Paulido is the main contact. District 10 will be starting a Mentor Protégé program, in conjunction with the local Small Business Development Center, that will begin on the Construction side and after that is in place, the A&E Mentor Protégé program will be set up. Councilmember McGlover commended District Director Ajise for taking on the challenge and efforts to create a Mentor Protégé program. Others could use these efforts to follow suit and get their own started. District Director Ajise noted there will be a procurement fair in November at the SBDC facility; they will be setting up an event calendar and the city and county will be invited to attend. Councilmember Molina indicated the Commodities Subcommittee is pursuing a Commodities Mentor Protégé Program.

Councilmember Lau directed his comment to District Directors Ajise and Dougherty regarding being grateful that members from their districts attended the committee meeting the night before where the bulk of the work/discussion is worked on/handled; he hopes Tim Martinez will continue to attend, and asked if the SJSBC could look for ways to decrease the size of their A&E contracts. In regard to the Mentor Protégé Program, there are different expectations in different districts on how the program should run. Districts 4 and 7 are similar, not identical. Committee members participate in both the Statewide and district SBCs.

Councilmember LaCome asked for an update on the Hwy 99 project. District Director Ajise briefly explained the projects/plans and they are moving forward as planned in the Corridor 99 plan. He will look for ways to present contracts into smaller components for greater SB participation.

ACTION
Councilmember McGlover requested the vendors be made aware of the purchasing venue for the Stockton Procurement Fair.

Councilmember Yang, reviewing the data in the meeting folder, indicated District 11 has the lowest participation data numbers and asked if there was anything that could be done. Chair Fonseca mentioned a meeting had been held with Pedro Orso-Delgado, District 11 Director. The District Director has committed to look at opportunities to raise SB attainments and to get the message to contractors of the importance of involving SBs. The data in the meeting folder is last fiscal year (FY) data and it is award/commitment data.

ITEM 5 – District/Governor's Office/Civil Rights Updates

ACTION
Angel Carrera, Business Development Program Manager, Department of General Services (DGS) announced a Save-the-Date on October 17 where DGS—in conjunction with others—is sponsoring a "Connecting Point" with 12 State agencies willing to purchase commodities and service on that day. This will be the first DGS Procurement Pavilion fair, modeled after the Caltrans procurement fairs. Mr. Carrera asked Chair Fonseca to collaborate with DGS to set up the procurement fair and asked if the SBC members could meet on October 17 at the DGS building in order to observe the Procurement Pavilion event.

Motion: Councilmember McGlover - To hold the October 17, 2008 SBC meeting at the DGS building in Sacramento.
Second: Councilmember Hunsaker
Approved by consensus.

Councilmember Garcia asked if a SBC meeting will be held in District 11. Chair Fonseca said yes, later in the year or in January 2009.

Motion: Councilmember Lau - To hold the September 19, 2008 SBC meeting in District 7.
Second: Councilmember Yang
Approved by consensus.

District 4 (Oakland) – Bijan Sartipi, District 4 Director
The District started the SBC meetings in 2001. The third quarter small business utilization for CalCard and Minor B is 14 percent and 37 percent respectively. A joint outreach event with the Port of Oakland has proven successful, with 185 people in attendance. With respect to Professional services contracts, the attainments are, SB 57 percent, Disabled Veteran Business Enterprise 12 percent and DBE 19 percent. Seven Minor B contracts were awarded and all went to SBs. Last FY, the District delivered 100 percent of its delivery contract, which equates to over $550 million in projects. This FY goal is 45 projects, which equates to $880 million. The District is moving forward to implement a Construction Mentor Protégé program in conjunction with the Associated General Contractors. On August 8, 2008, the Oakland Black Board of Trade is hosting a luncheon and Director Will Kempton is the keynote speaker. The flyer is in meeting folder.

ACTION
Councilmember Garcia asked that the SB data be reconciled with Headquarters and the Districts. District Director Sartipi assured the council that he will be meeting with Civil Rights managers to come up with a way to reconcile the Districts data.

District 7 (Los Angeles) – Doug Failing, District 7 Director
District Director Failing thanked Councilmember Guerrero for hosting the Committee meetings at his home the evening before. The District 7 SBC meeting is July 22, 2008, 1:00 p.m. The District meetings will include updates from the construction management side, using District 4's SBC agenda as a model. A Procurement Fair is planned for September; however, the date may be pushed out, if the State budget is not signed in August. The District continues to improve on all outreach events. Councilmember Hou thanked District Director Failing for his efforts to make the SBC more affective and bringing in key people from Caltrans to discuss specific issues. District Director Failing noted that the goal of all district Directors is to get things done—quicker and better—we all will try to make it better. He announced the Disadvantaged Business Enterprise (DBE) Outreach is continuing forward, as Caltrans continues its big construction program. Some projects will be unbundled to obtain greater SB participation. Next spring, there will be more A&E and construction work. He announced the Los Angeles Metropolitan Agency (Metro) will release a couple of large federal-aid projects.

Councilmember Patten asked if Metro will have DBE goals on the large projects. District Director Failing indicated Metro is in the middle of their disparity study. An invitation has been extended to Metro management to attend a future SBC meeting to discuss their disparity study process and the DBE goals on their projects.

Mr. Carrera asked if District 7 is advertising in minority publications? District Director Failing said the district is advertising in minority publications, which includes Hispanic and Black community focused publications. Some publications are contracted directly and others are contracted through news service consultants.

Councilmember Lau—in regard to A&E and Contract Services—how does one make middle management comfortable with awarding contracts to SB/DBEs? In the District 4 SBC, he sees an improvement, but he is

not a member of other district SBCs and doesn't know what is happening there. District Director Dougherty answered by saying, Districts are starting to change the packaging of A&E contracts in order to solicit more SB/DBE participation. A component to this effort is hosting an A&E networking fair—intended for SBs—and have talked to management to improve in that area. He also emphasized the Look Ahead website provides great information that allows businesses to prepare and plan their solicitation efforts.

Councilmember Lau indicted some A&E contracts continue to be too large for SBs to propose as primes. He indicated District 4 recently reduced a project that was slated for over $50 million and multiple years; however, District 59 insists on packaging large contracts. District Directors Dougherty and Ajise indicated they are looking for the opportunity to reduce the size of contracts for greater SB participation.

ACTION

Councilmember Johnson requests a copy of the 2008 Fiscal Year DBE/SB participation report.

District 11 (San Diego) – La Sonja Boulware
Local SBC Minutes were sent out and the "Look Ahead" report was distributed. The March 2008 Procurement Fair totaled $500,016. Armando Garcia, Deputy District Director of Construction is forming a committee to work on preparing the mock contractors training for interested SBs, including primes. There is no data set as of yet; however, once the committee selects a date, Ms. Boulware will inform the Statewide SBC. The committee will look into the option to unbundle large contracts so SBs can compete for the smaller jobs. The District is planning for the Annual Contractors Awards event and the SBC will be invited to attend.

ITEM 6 – Statewide Committee Reports
Committees met the night before and discussed 2008 Action Items; refer to the Committee Action Item listing handout for the updates.

Commodities – Councilmember McGlover, Chair
He thanked Caltrans for the draft copy of the Procurement Fair Manual that was presented to the Committee.

New Action item
Set up quarterly SB Liaison meetings to provide training and information on SB outreach.

Local Assistance - Councilmember Guerrero, Chair

New Action items
Set up a presentation from Local Assistance on the DBE Local Agency Program Plan.

Councilmember Guerrero requested the assignment of a Local Assistance representative for the Local Assistance Committee.

Councilmember Llewellyn asked what the process was for a Public Records Request in order to see the DBE Local Agency Program Plans. Chair Fonseca noted Caltrans has specific instruction for requesting and responding to Public Information Requests. She briefly described the process and indicated detail information can be found at:

http://www.dot.ca.gov/hq/planning/aeronaut/documents/Adm-3003Mar04.pdf.

Councilmember Lau asked what was Caltrans role in providing Federal Transit Administration (FTA) funds to local agencies? Kevin Pokrajac, Local Assistance responded that the Division of Local Assistance initiates

fund transfers from one federal agency to another. The transfers occur at the federal level from the Federal Highway Administration (FHWA) to Federal Transit Administration (FTA) and then Caltrans is basically out of the picture as far as any oversight activities or reporting. The transit agencies deal directly with FTA and FTA administers the funding requirements.

Professional – Councilmember Lau, Chair

New Action item
Councilmember Garcia requested a presentation from District 59 management to discuss the size of professional services contracts.

Construction – Councilmember Llewellyn, Chair

New Action Items
Councilmember Llewellyn requested members to submit truck broker issues to the Construction Committee.

Councilmember Llewellyn requested Caltrans to invite DGS Director Will Bush to a future meeting to talk about the SB certification process.

ITEM 7 – Public Comment/Good of the Order

1. Councilmember Jackson noted he was honored to be among members with such dedication to improving the lives of small businesses and he has learned abundance.

2. Jesus Vargas – Asked how Caltrans could continue progress payments during the budget impasse. Chair Fonseca noted contracts awarded prior to end of the FY are likely to be issued progress payments. However, we do need to follow Governor's directives during the impasse. No new contracts or task orders can be executed during the budget impasse.

3. Chair Fonseca welcomed back Councilmember Diaz. He was a member once before.

4. District Director Dougherty announced the next San Joaquin Valley SBC meeting is on September 25, 2008 in Fresno.

5. Chair Fonseca announced, the September SBC will be held in Los Angeles. Meeting details will be sent via email.

Meeting adjourned: 11:30 a.m.

Next meeting: August 15, 2008
1823 14th Street
Sacramento, California

Approved by:

OLIVIA FONSECA
Deputy Director, Office of Civil Rights
California Department of Transportation