



Statewide Small Business Council Meeting
Minutes – September 16, 2011
Office of Business and Economic Opportunity
1823 14th Street
Sacramento, CA 95814

Statewide Council Members Present

Camacho, Julian	HCA
Chaudhary, Arvin	ACEC-CA
Chavez, Chris	HCA
Cunningham, Lee	CWOE
Dean, Marvin (Alt.)	GFACC
Garcia, Rodrigo	SHPE
Guerrero, Paul	CAL-SBE
Hassoun, Sam	GLA
Hou, Johnathan	ABA
James, John (Alt.)	NAMCSC
LaCome, Diana	NCA
Lau, Eddy	AAAE, SFO
Lowry, Patrick	DVBEA
McGlover, Stephen	CCCC
Ramirez, Frank (Alt.)	NAG
Vargas, Jesus	SJCHCC
Yu, M.C. (alt.)	AAAE, SFO

Caltrans Staff Present

Dougherty, Malcolm	Acting Director
Fonseca, Olivia	Chair/OBEO Deputy Director
Anbiah, Denix	Local Assistance
Carlos, Ramon	OBEO
Ching, Carole	OBEO
Dayak, Silvia	District 10
Halverson, René	District 3
Knox, Thomas	District 7
Padilla, Robert	OBEO
Pulido, Lauren	District 10
Salais, Janice	OBEO
Sequeira, Alicia	OBEO
Shell, Angela	Construction
Sultan, Mohsen	Local Assistance
Whitmore, Liza	District 3

Guests

Carrera, Angel	DGS
Collins, Louis	DVBE
Leslie, Scott	USDOT
Yokota, Lance	FHWA

Public Participants

Butcher, Raewyn	Caltrans CalMentor Program
McCray, Algerine	
Smith, Sandra	
Sterling, Cynthia	

Note: Some attendees did not sign in.

Welcome/Introduction/Opening Remarks

Ms. Olivia Fonseca, Deputy Director, Office of Business and Economic Opportunity (OBEO), California Department of Transportation (Caltrans)/Statewide Small Business Council (SBC) Chair, called the meeting to order at 8:40 a.m. Ms. Fonseca welcomed Statewide Small Business (SB) councilmembers, Caltrans staff, and guests. All attendees were asked to introduce themselves. At the end of introductions, Ms. Fonseca asked that the order of business be rearranged to move approval of minutes later in the agenda to accommodate a presentation by Mr. Doug Failing, Executive Director, Highway Program, Los Angeles County Metropolitan Transportation Authority (Metro).

Acting Director Malcolm Dougherty thanked the SBC members for their attendance and participation in these council meetings, then acknowledged Ms. Olivia Fonseca's upcoming retirement at the end of September. He thanked Ms. Fonseca for all the work she has done with the SBC and as the head of OBEO, as well as her work with the San Joaquin Valley Small Business Council and her history with that body. He also acknowledged Ms. Fonseca's untiring efforts, personal involvement, and dedication to the work of the OBEO. Plans for events to celebrate Ms. Fonseca's pending retirement are in the works and will be announced soon.

Mr. Dougherty then introduced Ms. Blanca Rodriguez, who will be the Acting Deputy Director for the OBEO as Caltrans progresses through its permanent selection process. As based on an earlier email from Mr. Richard Land, Acting Chief Deputy Director, Ms. Rodriguez has served for the past 11 years in the Division of Project Management, most recently as the Office Chief for Statewide Resource Management for the Capital Outlay Support Program. Ms. Rodriguez has been with Caltrans for the past 16 years and brings a variety of administrative and leadership experience to the interim position. Mr. Dougherty closed by thanking Ms. Rodriguez for stepping into this temporary position with the OBEO.

Mr. Dougherty continued to report the following:

- Federal reauthorization – late yesterday, an extension was passed through the House, the two-year proposal from the Senate for six more months. The proposal would add 30 to 40 percent funding. We now have six more months to figure out strategies using the same funding model.
- Federal jobs bill – represents a distribution of \$50 billion nationwide, of which \$3 billion potentially could be allocated to California. State and local agencies are currently planning how to distribute these monies. Caltrans has exhausted most of its shelf projects after the last stimulus package. Fifty percent of the jobs bill must be used within the first 180 days of receipt; the remainder must be expended by the end of 365 days or be returned. Mr. Dougherty mentioned that he has a copy of the bill that he can share if members would like to examine it. If passed, the jobs bill will be used to fund, in part, Caltrans' work on roads and bridges.
- Redistribution of funds at the end of the fiscal year – last week, California received \$134.8 million dollars, which is a higher percentage of the total redistributed than before. This amount represents at least double that which was distributed to the state receiving the next highest dollar amount. The state is now poised to immediately use these dollars.

At this point, all those present acknowledged Ms. Fonseca's work, after which the meeting continued.

- Question raised by Councilmember John James regarding Disabled Veteran Business Enterprise (DVBE) funds – the number of DVBE contractors remains low, with few DVBE businesses actually working on projects. Caltrans' intention may be to build up minority businesses, but the way this intention is being delivered is not getting results. Mr. Dougherty responded by saying that SBs and DVBEs are important to Caltrans; he will look at Caltrans' current goals and seek ways to be more aggressive in attaining those goals.

- Question raised by Councilmember Lee Cunningham – in regards to increasing goals for SBs and DVBEs: is this being pushed by Caltrans, and is the focus behind supplies for SBs as well? The intent needs to be top down. As an example, according to her observations at the Purchasing Warehouse (in Sacramento), the contractor who makes the signage for Caltrans has been the same one for over 40 years. Mr. Dougherty stated that Caltrans has been actively supporting SB and DVBE goals. In regards to contractors furnishing signage for Caltrans, the “door is open.” Ms. Cunningham responded by saying that there are only a couple of sources that supply signs for California and Arizona. Caltrans may be saying that it supports SB, but that is not what SB is hearing, plus there seems to be mainly an emphasis on DVBEs. Acting Deputy Director Bob Pieplow, Project Delivery, stated that the contractor handling signage for Caltrans was changed some time ago.
- Public comment from Mr. Louis Collins, DVBE advocate – Mr. Collins would like to see more disabled veteran businesses involved, more emphasis on this group, and the hiring of veterans. Mr. Dougherty responded by saying that while Caltrans’ goal is 3 percent, they have done 5 percent. Mr. Collins commented that when vets hear 3 to 5 percent, it sounds like a ceiling. This should be a minimum starting point; Mr. Dougherty agreed.
- Mr. Lance Yokota, Federal Highway Administration (FHWA) – thanked Mr. Dougherty for doing such a good job of describing what is happening at the federal level. He added the following:
 - Requested that Caltrans increase its contract goals and report on a monthly basis.
 - Provide explanations on what is an appropriate race-neutral/race-conscious mix and why; report is due on 12/31/2011.
 - Caltrans must look at two parts in arriving at the 13.5 percent goal: straight availability and adjustments. Analyze the most current data, waiver to consider some groups and not others, and determine whether groups are still appropriate.

Mr. Dougherty introduced Mr. Doug Failing, Los Angeles County Metropolitan Transportation Authority (Metro). Mr. Failing reported the following:

- Sales tax in Los Angeles – a recent measure will generate revenue through a half cent increase in sales tax.
- Current revenues at \$3 million; considering federal dollars and partnerships with Caltrans and other cities.
- At the federal level – meeting with the Secretary of the US DOT and the Administration Office to find ways to further accelerate projects already in place. Qualifying transportation infrastructure programs is a new issue; needs to be reauthorized, help states that have their own sales tax to leverage more dollars.
- Major contracts include the following, which has provided a lot of work for Metro and kept its designers busy:
 - Crenshaw Line from Los Angeles International Airport – this is a federalized project; Request For Proposal (RFP) to be released at the end of the year; billion dollar project.
 - Tunnel from Alameda Street to mid-Los Angeles – future expo line; will create a more efficient system.
 - Federal Transit Authority – keeping a close watch; the upcoming pre-job conference will reveal more.
 - Red Line Project, the subway-to-sea extension – will run from Wilshire Blvd. to the VA Hospital; \$5 billion project; will advertise next spring/summer.
 - American Fast Forward project – may have to shelve if no federal funds come soon.
 - Foothill Gold Line – a \$6 billion project; is independent from Metro.
 - I-5 South – represents a good partnership with District 7; major work on I-5; six segments to bid; will advertise before the end of the year.

- 134 and 118 – four segments; will advertise in the spring; currently on track with Caltrans in regards to design and administering the construction.
- Pico Line – Caltrans funds came in at the last minute; will extend truck lanes; already advertising, anticipate bids to come in within the next two weeks; represents a unique public-private partnership (P3).
- Additional work on 138, and a mix of projects in small cities.
- Suggested that the “best hunting ground” for SBs can be found in Glendale, Burbank, West Lake Village, Agoura Hills, Calabasas, Torrance, Englewood, and Compton.
- High Desert Corridor – Caltrans is the lead.
- 710 South - \$5 billion available for this P3 project; will advertise in February.
- 710 Gap closure – partnering with Caltrans; 18 percent SB goal.
- Re: series of active programs – Metro wants to see more SB and DVBE participation.
- Route 405 – administered by Metro in partnership with Caltrans on the design piece; 21 to 22 percent SB participation; committed to a goal of 25 percent DVBE; original design goal had been 14 percent, but is now hitting 43 percent.

Discussion commenced at this point:

Ms. Cunningham commended Metro’s comment regarding goals for DBE/DVBE; however, Metro has no incentive to use SB. Mr. Failing responded by saying that she should let him know the firms so he can speak with them. Councilmember Stephen McGlover commended the great strides made at Metro and wondered what it is doing to get the higher involvement of SB and DVBE.

Mr. Failing answered that it isn’t what Metro is doing, but what they have the ability to do. Metro’s divisions were not always on the same page; now, it is personally attached to the 25 percent goal. Metro’s outreach team has a great number of people who are able to measure utilization. Metro’s team is able to be proactive and, thus, get results by staying on top of contractors and their utilization. In addition, Metro’s executive management encourages this approach. The Transportation Business Advisory Council meets once a month and provides presentations on how to do business with Metro on the second Tuesday of every month.

Councilmember Sam Hassoun stated that Mr. Dougherty conducted a presentation on the availability of funding for contracts in the future, of which 56 percent of the funding would come from local government, 18 percent from the state, and the remainder from the federal government. Mr. Dougherty added that statewide, local contributions are 56 percent, but that the percentage in southern California is higher. Mr. Hassoun asked that, in consideration of need versus funding, is there still an appetite for people to pay extra taxes to fund these projects down the road? With P3 funding, there is more reliance on alternate dollars than traditional. Mr. Failing said that Measure R passed in November 2008, which is something that Metro did not think would happen due to political opposition at the time. A local sales tax measure may work as it is an opportunity to create jobs locally to address the high level of unemployment in the area. He added that as long as there is traffic congestion, there is a chance that people will support it, but the poor economy definitely hurts such an effort.

Councilmember Chris Chavez asked Mr. Failing what is being done to get the “Granites” [in the industry] to buy from small suppliers. Mr. Failing said that there will be smaller contracts coming up, and that he has seen contractors get a lot more creative in how they use SBs. However, he added that he didn’t think they were going to want to work with 20 SBs at \$18,000 each.

Councilmember Jesus Vargas mentioned that he attended *LA Metro Meet the Primes*, an event focused on a specific project before the release of the Request for Quotation (RFQ). Mr. Dougherty asked what the difference was between Metro’s approach and Caltrans’ approach. Mr. Vargas responded that Metro’s potential contractors were of higher caliber and included decision makers. Less time was spent on the actual project as compared to the amount of time devoted to networking. Mr. Vargas said he could make a list of activities and/or strategies to send Mr. Dougherty. He added that Metro has, when an RFP is released, geared

or oriented opportunities towards small- and medium-sized firms. In response to Mr. Dougherty's question regarding the dollar amount involved, Councilmembers answered \$1 to \$2 million.

- **Action item:** Mr. Vargas will send Mr. Dougherty information summarizing the activities and/or strategies that may have led to the success of the design-build outreach event, *LA Metro Meet the Primes*.

[Announcement made: teleconferencing feature of the meeting will not be possible at this time due to technical difficulties.]

[Noted: As stated by Councilmember Bernard Johnson during the November 18, 2011 SBC meeting, due to lack of teleconferencing, he and other District 11 participants could not attend the meeting as intended.]

ITEM 1 – Approval of Meeting Minutes

- **June 24, 2011 Meeting Minutes**
- **July 15, 2011 Meeting Minutes**

Motion to approve June 24, 2011, and July 15, 2011, minutes: Councilmember Stephen McGlover.
Second: Councilmember Diana LaCome

Comments: Councilmember Eddy Lau requested that Winnifer Au be added to the July 15, 2011, minutes. The July 15, 2011, minutes will be amended as described above.

Approved by consensus with new amendment.

ITEM 2 – Statewide Committee Meeting Reports

Commodities – Councilmember Stephen McGlover, Chair

Mr. McGlover reported that the Commodities Committee met on Thursday, September 15, at 2 p.m., at the Purchasing Warehouse Sacramento, where Michelle Carlson gave them a tour of the facility. Points of discussion included:

- The purchase of signs – Zomar has held the contract for a long time, and the Warehouse is looking into specifics, such as exactly how long Zomar has had its contract with Caltrans, and whether signs can be bought locally.
- Off-ramping.
- The Warehouse is looking for a SB to remove and spray over graffiti.
- Michelle Carlson is still the liaison for BidSync.
- The Warehouse is actively looking for work that will utilize SBs; Councilmember Angel Carrera, Department of General Services (DGS) added that he has been asked about SB utilization. Ms. Carlson mentioned that they don't have a catalog of SBs and that it seems that most of the purchases are coming from outside the U.S.
- Mentor Protégé Program for Commodities – the alliance and that function.

Discussion commenced at this point:

Mr. McGlover supported changing the name from OBEO back to Civil Rights. Ms. Fonseca said that Caltrans is in the process of considering this change. Ms. Fonseca also remarked that the event now known as the Small Business Exchange will probably go back to the Procurement Fair. In addition, minor changes will need to be made to the various office-related materials, as well as online information.

Ms. Cunningham mentioned that she observed items such as steel and other products that she could provide. She added that committee members thought it was interesting that there were not more attempts to get in contact with more vendors to supply the Warehouse.

Mr. McGlover took a moment to thank Ms. Fonseca for her service and all she has done over the years.

Construction – Councilmember Diana LaCome, Chair

- Ms. LaCome stated that the committee rearranged their agenda to accommodate presentations from Mr. Bob Pieplow; Mark Leja, Division Chief of Construction; and Angela Shell, Program Manager, Labor Compliance.
- Discussed issues around emergency contracts, in particular, why primes are not required to list subs prior to the award of contract. At issue was the different interpretation of California Contracting Code 4100 et seq. by Caltrans and committee members. Ms. LaCome stated that they will be sending a request to Mr. Dougherty and Mr. Pieplow to get as concrete an interpretation as possible from Legal.
- Annual recertification of equipment – process that starts with equipment certification, use, and getting paid is too long; committee would like to speed up this process. John Rodriguez, District 3 Chief, Northern Region Construction, is working on this, and will be contacted by the committee to address this matter.
- Conflict of interest policy – Mr. Lau will address this matter later in his Professional Services Committee meeting report.
- SB has been dropped from the Statewide Partnering meeting – had participated in this meeting for two years and found it to be very productive. It was explained that SB was not being dropped, but that SB was going to be used in a different way. Ms. Fonseca said her office is looking into bringing that body to this council. She added that it was a good thing there was a facilitator to handle this, because when it shifts to her office, she must consider whether there are resources to manage it.

Discussion commenced at this point:

Mr. James stated that the council doesn't really address DBE issues during its meetings, because the SB group is bigger. Now, it sounds as though Ms. Fonseca wants to bring another group into the council. Mr. James was concerned that the council was getting too big, possibly resulting in DBEs not getting heard. Mr. Dougherty asked if anyone in the room felt DBEs were not being addressed by this council, adding that it was his interpretation that DBEs have a prevalent place in this body.

Ms. Fonseca stated that she supported keeping the name, Small Business Council, as opposed to DBE Council, because it is completely inclusive. If the name were changed to DBE Council, it would seem as though we were excluding SB/DVBE, thus violating Title VI.

Returned to the committee report:

- Ms. LaCome reported that the committee discussed an update with Mr. Victor Mendez, FHWA, and followed up with Mr. Yokota and Mr. Vincent Mammano, FHWA; everything committed to us is actually happening. She received a call from Mr. Mammano, Mr. Mendez, and Mr. Warren Whitlock, Associate Administrator, FHWA. Mr. Whitlock will be meeting with the council in the near future and asked the committee what were the main issues in California, to which the committee responded with the following:
 - o Bringing Hispanics back to the program (race-conscious).
 - o Low utilization of black contractors.
 - o Low utilization of DBEs.

Mr. Whitlock said that he will keep a close eye on the program and try to help. He expressed intent to come with the Director to the next committee chair's meeting.

Local Assistance – Councilmember Julian Camacho, Chair

- Mr. Camacho opened by saying that the committee had a great meeting. He further stated that for years they have had little participation locally. However, Mr. Denix Anbiah, Chief, Division of Local Assistance, and Mr. Mohsen Sultan, Office Chief, Policy Development and Quality Assurance, Division of Local Assistance, provided them with a list in Excel of agencies, funds, and how well they were meeting goals. This was helpful because it allowed them to really understand the situation.
- The committee is considering sending letters of commendation or certification to those agencies that are doing a great job, and letters of encouragement to those agencies that are not doing as well.
- Mr. Anbiah and Mr. Sultan stated that they are increasing the frequency of their reports and will be relying on local agencies to submit their reports in a timely manner. They have increased to 50 percent of what we were able to capture in dollars used. Of those agencies that have used or delivered \$140 million of their contract towards completion, 70 percent have met or exceeded their goals. They know that these numbers may not be complete, and they will continue to work on this. They are also working on a new reporting and utilization data capture. They now have an incentive for agencies: if they want to get paid, they have to submit their awards.
- A handout spreadsheet, "DBE Report for Contracts Awarded Between 10/01/2009 through 07/13/2011," was distributed. During the time period examined, which is a little over one year and eight months, about \$1.1 billion was received from the federal government. This is considered a little low, and is due to lack of reporting data from some of the local agencies. According to Mr. Sultan, the average amount received annually is closer to \$1.2 billion. The handout is a sample of the much larger Excel spreadsheet; the full report will be sent to the chair.
- Mission statement (draft) for the California DBE Team 2011 – Mr. Camacho stated that they have a mission to increase their program by 100 percent, which will take us from 7 to 14 percent. Key to this is that Caltrans and FHWA collect data for the program and utilization. It was added that Caltrans will be continuing its efforts to complete Disparity Study II by March 2012. Mr. Camacho proposed that the council adopt a management-by-objectives goal approach in this mission statement. Mr. Anbiah stated that he and Mr. Sultan should be included. Mr. Dougherty mentioned that Caltrans current level, goals, and targets may change and that we need to make sure this is considered.

Further discussion commenced regarding the draft of the mission statement:

Streamlining the certification process for Caltrans and FHWA – currently, there is a backlog that needs to be addressed.

Outreach – community outreach needs to be increased; we can't just rely on Caltrans. We can't expect Caltrans to do it all. Direct request was made to Mr. Dougherty to help put together a plan to make this happen. Mr. Dougherty responded by saying that this is something Caltrans can do; he will send out some dates to work on this matter.

Ms. Fonseca then stated that the council needed to stay on the motion to develop the mission statement, not the solution. Ms. Fonseca then called for any further comments. There being none, a vote was made on the motion.

Motion: Councilmember Julian Camacho

Second: Councilmember Jesus Vargus

Approved by consensus.

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- **Action item:** Mr. Camacho to edit the mission statement to reflect the comments received from councilmembers within a short time frame.

Professional Services – Councilmember Eddy Lau, Chair

- Conflict of interest – Mr. Lau reported that the committee discussed a case of a retired Caltrans employee who has received a lifetime ban from working on a particular project. Bans can also be issued for one- and three-year periods. The committee has asked DPAC to speak with Caltrans Legal to get an answer on this matter.
- Draft form covering utilization – the committee discussed this issue and would like to see a draft form.
- Work codes – Certification is working on new North American Industry Classification System (NAICS) work codes; the committee would like to set up a work group with Certification and DPAC to best develop these new work codes. Ms. Fonseca asked that the original request be clarified to ensure Commercially Useful Function (CUF) and identify the most appropriate codes, as well as size standards. Mr. Lau commented that size standard is a major issue, then said that, with the Chair’s approval, the committee would like to move forward with the work group. Individuals to participate in this work group will include: Councilmember M.C. Yu; Councilmember Johnathan Hou; Ms. Janice Salais, Chief, Certification Unit; and local certifying agencies.
- Goal setting – the committee was told that Caltrans does not have the authority to set Micro-Business (MB) goals and, instead, defers to Department of General Services (DGS) and/or legislation.
- Visit from Mr. Failing – Mr. Lau stated that it was an honor to have Mr. Failing, formerly of Caltrans District 7, participate in the committee’s meeting yesterday. Mr. Lau acknowledged that the CalMentor program was started in District 7 and has since blossomed.
- Ms. Fonseca’s pending retirement – Mr. Lau thanked Ms. Fonseca for her support and hard work and shared some success stories as a result of the committee’s work:
 - Contracting opportunities – DBEs in A&E opportunities to successfully become primes and subs has grown.
 - A SB has received \$30 million; it is expected that another \$20 million will be awarded as a prime. Ms. Fonseca commented that she never asks who receives the awards or the dollar amount and added that just the fact that contracts are being awarded to small businesses keeps her driven to keep supporting the SB community. Mr. Lau mentioned that this happens to be a DVBE firm. Committee members have requested that he invite the firm that has been successful in the RFP to attend their next committee meeting in November to share how to win.
- Micro-Businesses – Mr. Dougherty asked Mr. Lau what the breakdown of currently certified SBs are MBs. Mr. Lau estimated that 80 percent of A&E firms would be considered as MBs. Mr. Carrera stated that 80 percent of all certified firms are actually MBs. Mr. Hou stated that it is important to have Caltrans focus on the MB classification and specific MB goals; some other agencies have this, and Caltrans needs to follow suit. Mr. Dougherty stated that 80 to 85 percent fall under MB designation; what is the percentage of all funds going to SB and MB specifically? Mr. Carrera stated that he would provide that breakdown to the council.
- **Action item:** Mr. Carrera will provide a breakdown of percentage of funding specifically going to MB and SB.

- **Answer:** Mr. Carrera provided the answer to this action item towards the end of the meeting – 41 percent Micro Business; 51 percent Small Business. Mr. Carrera added that in 2008- 2009, \$1.14 billion was awarded to MBs.

ITEM 3 – Caltrans District Updates

District 3 (Marysville) – Liza Whitmore, District Small Business Liaison

- Mandatory Pre-Bid – Ms. Whitmore reported that turnout for their recent pre-bid event was great, but follow-through was limited. Focused on the I-5 rehab mandatory pre-bid in May; 8 percent UDBE goal.
- Safety Day at the Small Business Transportation Resource Center is being planned.
- Winning vs. Learning Proposals Training – this upcoming training will be held at the District 3 CalMentor Program office and will include Districts 1 and 2.
- Upcoming meeting presentations include:
 - o GovLinkSacPac on Monday, September 26, Davis.
 - o Central Valley DVBE Alliance meeting next month [October].
 - o Connecting Point in November.

District 7 (Los Angeles) – Thomas Knox, District Small Business Liaison

Mr. Knox opened by thanking the council for allowing them to participate in the meeting; relayed District Director Mike Miles' message thanking the council and his regrets that he could not be at the meeting as well. Mr. Knox continued by saying that District 7 is currently involved in increasing its connection with new firms. Attainment and utilization is important, and important to him.

- CalCon meeting in Pasadena – held last week; over 900 SB firms attended; pre-bid for Design Build (DB) project; 11 percent UDBE goal; Mr. Knox is working with the primes to assist them in meeting this UDBE goal.
- Port of Long Beach – the Port of Long Beach has asked Caltrans to assist them in meeting their goals; upcoming meeting with A&E firms, Districts 7, 8, and 12, and Local Assistance, on how to meet Caltrans' goals.
- Re: attainment goals – Mr. Camacho commented that according to what he is reading, black contractors only represent 0.07 percent of the contractors being used in the program. Mr. Knox stated that District 7 has an attainment goal that he would like to see all of Caltrans have and work towards.

District 10 (Stockton) – Silvia Dayak, District Small Business Liaison

Ms. Dayak shared the following events that they have or will be involved in:

- Small Business Summit, August 4, Stockton.
- A&E Outreach Event, September 19, Stockton; 10 percent UDBE goal.
- Internal Purchasing Workshop, September 27, Stockton; intent is to teach their purchasers how to locate and utilize SBs.
- Central Valley Asian Chamber, October 6.
- 27th Stockton Small Business Expo and Matchmaking Event.
- Small Business Exchange meeting, November 3.

- Mr. Vargas announced an upcoming event to be held in Stockton on October 27. The California Public Utility Commission, East Bay Municipal Utility District, Regional Transit, and the Port of Stockton will be at this large event; they anticipate an attendance of roughly 2,000.

Public Comment

Ms. LaCome, who is also the President of Associated Professionals and Contractors (APAC), stated that APAC has filed a Title VI discrimination complaint against CHSRA. The High Speed Rail (HSR) has 60 days to put together a plan to include SB, MB, and DBE in procurement opportunities. She asked that councilmembers view the HSR Web site, and review its business plan. This is open to public comment, so please visit those Web sites. Mr. Guerrero added that there will actually be a goal for veterans.

Mr. McGlover thanked Ms. Fonseca for all she has done and hopes that she continues to be involved and look forward to whatever she does.

Mr. Hassoun asked about the impact of the new Statewide Storm Water Permit. Mr. Dougherty stated that there will be a workshop on this issue on September 21; they are working on the second draft, and project that it may be adopted by October 2011. Caltrans estimates that some of the requirements could cost up to \$400 million a year. He added that this is something that Caltrans and local agencies will be required to pay. The permit requirements as outlined currently are onerous and will have a huge financial impact on transportation funds. Mr. Hassoun mentioned that it will have a significant impact on SBs.

Mr. Collins commented that the DGS certification should be good enough, since it is the state. Mr. Failing added that this is something Metro has been reviewing. They would like to have a unified certification program through legislative change. Mr. Carrera stated that Mr. Collins and Mr. Failing were correct, and it is difficult without reciprocity. Former Governor Schwarzenegger had sent out a letter to local administrations for reciprocity among agencies, but there has been no change. Mr. Vargas encouraged raising this issue again at the next DGS advocate meeting. Mr. Guerrero mentioned that the Port of Oakland is broader and includes preference certification. Mr. Carrera said that the City of Pasadena has a local business preference.

Ms. Fonseca noted that Mr. Lewis made a valid point that there are multiple requirements.

Councilmember (Alternate) Frank Ramirez asked when the Supportive Services RFP would be sent out. Ms. Fonseca answered that OBEO has cleaned up the scope of work and is waiting for final funding. Mr. Lau said that this contract should include certification assistance in order to cut down on the time and staff time to complete it; in consideration of the backlog of those seeking certification, FHWA has agreed to fund contracting out for certification services. Ms. Fonseca stated that FHWA gives us the authorization to use federal funds, but the new budget received has been less than anticipated. Mr. Dougherty added that Caltrans is trying to use the contracts, but that they did take some of the money that was allotted for the program.

Mr. Scott Leslie, U.S. Department of Transportation, Small Business Training and Resource Center, spoke about their first annual safety expo, which will include meetings and workshops focused on looking ahead at safety on the job. He mentioned that KXTV Channel 10 will cover the event and they want to get good exposure.

Mr. Yu commented about the Gerald Desmond Bridge project, and that it seems as though the team was formed long before the RFP was made public, which takes away from the ability to form a team. The 11 percent UDBE makes him wonder if there is not enough for them. Mr. Dougherty stated that he would venture to guess that they don't have their 11 percent UDBE for the contract yet, and would be surprised if this has already been locked down. Ms. Fonseca added that the 11 percent UDBE goal is to be met with both A&E and construction firms. Mr. Knox said that, to a large extent, the teams have been formed, but a large amount of subs have not been completed, and the pre-bids have an opportunity to meet more firms. Mr. Lau asked who the partner/controlling partners were for this project and is that contract going out with the latest Caltrans Design Build language? Mr. Dougherty answered that the state, federal government, and the Port of

Long Beach are the partners; the Port of Long Beach is executing the contract. Mr. Ray Tritt, Caltrans, Division of Design, Special Projects, worked closely with the Port on the language. In regards to the liaison, Mr. Dougherty stated he would have to refer to the contract.

Mr. Vargas said that it would be nice to have the larger district reports available too.

Mr. Camacho asked Mr. Carrera to bring the council a report with the actual breakdown of MB attainment. Mr. Dougherty added that those numbers should include all of the state's purchasing with MBs.

- **Action item:** Mr. Carrera will provide a report with the breakdown of Micro Business attainment to the next SBC meeting.

Councilmember (Alternate) Marvin Dean asked if Caltrans tracks who graduates out of the CalMentor Mentor/Protégé programs in District 4 and if so, can we get that report. Ms. Fonseca said yes to both questions.

- **Action item:** SBC Chair will provide a report of the CalMentor and Mentor/Protégé programs in District 4.

Mr. Dean extended an invitation to all, and in particular Mr. Dougherty, to attend the upcoming 5th Annual San Joaquin Valley Regional Conference, a Public Contracting Expo, to be held from January 18 to 19, 2012, in Downtown Fresno. Mr. Dean said they are working with the Associated General Contractors and CHSRA, which is where they plan to place their focus. The San Joaquin Construction Academy is launching a program to assist SBs, DVBES, DBEs, MBEs, and WBEs to participate in the procurement and sub-contracting opportunities that CHSRA will provide. This program is designed to teach companies that have never done public contracting before.

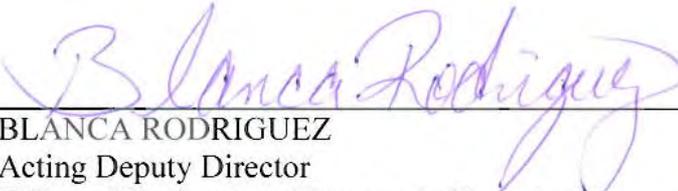
Ms. Fonseca closed the meeting by saying that we will be seeing her around. She started in this very building 34 years ago, where she worked for Mr. Camacho in Small Business for DGS. It is our passion and fire that keeps her going and will keep her coming back. She thanked us all for enriching her and the success of this program.

The meeting was adjourned by Ms. Fonseca.

Meeting adjourned: 12:25 p.m.

Next meeting: Date and venue to be determined.

Approved by:



BLANCA RODRIGUEZ
Acting Deputy Director
Office of Business and Economic Opportunity
California Department of Transportation

[NOTE: A list of the Action Items noted in the minutes appears on the next page of this document.]

ACTION ITEMS, September 16, 2011

1. Mr. Vargas will send Mr. Dougherty information summarizing the activities and/or strategies that may have led to the success of the design-build outreach event, *LA Metro Meet the Primes*. [Page 5.]
2. Mr. Camacho to edit the mission statement to reflect the comments received from councilmembers within a short time frame. [Page 8.]
3. Mr. Carrera will provide a breakdown of percentage of funding specifically going to MB and SB.
Answer: Mr. Carrera provided the answer to this action item towards the end of the meeting – 41 percent Micro Business; 51 percent Small Business. Mr. Carrera added that in 2008- 2009, \$1.14 billion was awarded to MBs. [Page 9.]
4. Mr. Carrera will provide a report with the breakdown of Micro Business attainment to the next SBC meeting. [Page 11.]
5. SBC Chair will provide a report of the CalMentor and Mentor/Protégé programs in District 4. [Page 11.]