

Caltrans State-Wide Small Business Council Meeting Record

July 18th, 2025, 8:30 a.m. – 12:00 p.m.

- The July 18th, 2025, SBC Meeting was virtual only, via WebEx.
- Next Meeting: September 12th, 2025, hybrid via WebEx and in-person at Headquarters, 1120 N. St., Sacramento, CA 95814.

Action Items

- Send an email to the Construction Committee for insurance-related questions to ask the presenter at the September Construction Committee Meeting.

Welcome and Council Member Roll Call – Anna Silva, (Sub) Chair

- Meeting Start Time: 8:30 a.m.
 - Quorum achieved – 17 of 31 council members present.
- The Annual District 11 Procurement Fair is coming up on August 6th in San Diego, at District 11 HQ.
- A District 4 Certification Workshop is taking place on August 7th.
- The [latest edition](#) of OCR's Small Business Press has been released.
 - <https://conta.cc/4kyT3SJ>

Agenda Review and Meeting Record Approval

- Debbie Hunsaker motioned to approve the May 23, 2025, meeting record with all necessary corrections. Karen Rollandi seconded.
 - Motion passed.

Highlights from the Director's Office – Dina El-Tawansy, Director

- Dina El-Tawansy was appointed the new Caltrans Director on July 1.
 - Served as Caltrans District 4 Director and also held several leadership positions in Southern California and at Headquarters during 27 years with Caltrans.
 - When overseeing District 4, increasing outreach to small and disadvantaged businesses was among our top priorities.
- Participation Updates
 - As of the third quarter of the 2024-25 State Fiscal Year, Caltrans Small Businesses have received over \$522 million, or 37% of all state contract dollars awarded.
 - While Q4 data is still being finalized, Q3 results indicate that we are on track to exceed our goal of 25% for the 2024–25 state fiscal year.
 - And on the federal side of things, as of April 2025, Caltrans has awarded 189 FHWA-assisted contracts, totaling around \$2.7 billion.

- Of that, Caltrans committed 22.96%, or more than \$617 million to DBEs.
 - As California continues to see historic levels of investment in transportation infrastructure, this Council will continue to be a crucial partner in Equity and economic growth.
- Comments and Questions:
 - Fred Jordan, Dr. Matthew Ajiake, Debbie Hunsaker, Debra Nelson, and Zeke Patten commented congratulations and gratitude to Dina El-Tawansy.

Legislative Report – Danny Yost, Assistant Deputy Director of Legislative Affairs

- SB 70 (Seyarto) Public contracts: Small Business Procurement and Contract Act.
 - Would increase the maximum value of a contract awarded pursuant to the SB/DVBE Option from \$250,000 to \$350,000. In Assembly Appropriations.
- AB 62 (McKinnor) Agency: racially motivated eminent domain.
 - Allows dispossessed property owners and descendants to seek a determination and restitution for racially motivated takings.
- SB 518 (Weber Pierson) Descendants of enslaved persons: reparations.
 - Would establish the Bureau for Descendants of American Slavery within the Department of Justice, under the control of the director, who would be appointed by the Attorney General and confirmed by the Senate.
- AB 289 (Haney) State highway work zone speed safety program.
 - Would authorize, until January 1, 2032, Caltrans to utilize up to 75 speed safety systems on state highway construction or maintenance areas, as specified. In Senate Appropriations.
- AB 390 (Wilson) Vehicles: highway safety.
 - Would require a driver approaching any stationary marked highway maintenance vehicle—not just Caltrans vehicle—that is displaying flashing lights to approach with due caution and either change lanes to a lane not immediately adjacent to the vehicle, or, if unable to safely do so, slow to a reasonable and prudent speed. On the governor's desk.
- AB 381 (Stefani) State contracts: certification process: forced labor and human trafficking.
 - Would require certain certifications of contractors and subcontractors, that they are not using forced labor. In Senate Appropriations.
- AB 538 (Berman) Public works: payroll records.
 - Requires public works contractors to provide payroll records within 10 days of request; failure triggers possible penalties. In Senate Appropriations.
- AB 963 (Petrie-Norris) Public works: prevailing wages: access to records.
 - Would require an owner or developer undertaking any public works project to certain records available upon request.

- SB 7 (McNerney) Employment: automated decision systems.
 - Would require an employer, or vendor engaged by the employer, utilizing an automated decision system for the purposes of making employment-related decisions, to notify all workers that will be directly or indirectly affected by the automated decision system. In Assembly Appropriations.
- SB 21 (Durazo) Workforce development: poverty-reducing labor standards: funds, programs, reporting, and analyses.
 - Allocates 1% of federal jobs act funds received by the state to a new Equity, Climate Resilience, and Quality Jobs Fund. On Assembly Floor.
- SB 597 (Cortese) Labor-related liabilities: direct contractor and subcontractor.
 - Expands labor-related liability for direct contractors on private work contracts starting January 1, 2026. In Assembly Appropriations.
- Comments and Questions:
 - None.

Caltrans State Partner Reports Department of General Services (DGS) – Anda Draghici

- Upcoming Events
 - Bizcon 2025, Asian Business Association of Orange County on August 13th
 - Navy Gold Coast, Department of the Navy, August 18th
 - 46th Annual Statewide Convention, California Hispanic Chambers of Commerce August 20th
- OSDS Certification
 - Certified Firms Overview
 - Total Small Businesses (SB): 20,120
 - SB (Micro): 17,741
 - SBPW (Public Works): 5,501
 - DVBE (Disabled Veteran Business Enterprises): 2,087
 - (Note: Firms may hold multiple certifications.)
 - DBEs with SB Certification: 835
 - (Includes those certified as SB, SB(Micro), SBPW, and/or DVBE)
 - Contact Information
 - Certification Questions:
 - certification@dgs.ca.gov
 - Contract Complaints or Program Abuse (SB/DVBE):
 - SB.DVBECompliance@dgs.ca.gov
- Policy and Regulatory Updates
 - AB 1574 & AB 2019 Implementation
 - Updated in State Contracting Manual (SCM) Volume 2 per Broadcast Bulletin P-04-25:
 - Expands eligible SB/DVBE pools for:
 - Leveraged Procurement Agreements
 - SB/DVBE Option

- Fair and Reasonable Acquisition Methods
 - Regulatory Changes
 - SB/DVBE Regulation Revisions are currently under Department of Finance review.
- Small Business/DVBE Compliance Status
 - 30 program abuse cases are currently under review.
 - 39 certification compliance reviews are in progress.
 - 6 DVBE subcontractor substitution requests are being processed.
 - 1 appeal case is currently active.
- SB/DVBE Training
 - On July 23, the Office of Small Business and Disabled Veteran Business Enterprise Services (OSDS) will launch the SB/DVBE cohort-based training designed to provide valuable and practical insights in bidding successfully on and increasing SB/DVBE readiness in state contracting.
- Statewide Advocacy Support
 - Formed a workgroup to propose AB 2019 remedial actions applicable to departments not meeting their SB and/or DVBE participation goals for 3 out of 5 years. The proposal is pending.
 - Developed a Partnership Program that pairs experienced advocates with less experienced advocates from departments who have requested additional support.
- Statewide Supplier Diversity Program (SSDP) Update
 - Disparity Study
 - DGS and MTA have completed its Industry Classification Briefing Meetings with the 143 state departments.
 - MTA is in the process of reviewing and analyzing data responses.
 - DGS released a 2-minute Ethnicity and Gender Survey to subscribers of OSDS Communications.
- Comments and Questions:
 - The Department of Water Resources seem that they don't want to deal with SBs. Is there a public report card of departments that are not meeting the 25% SB goal? (Zeke Patten).
 - Fred Jordan echoed the sentiment about the 25% goal.
 - AB 2019 does require a publication of the annual report with details on state agencies compliance with the goal. (Anda Draghici).
 - We would like to invite DGS and announce the 3rd Annual Unity in Diversity Business Summit, hosted by the Southern California Black Chamber of Commerce on October 16–18, 2025, at the Azure Hotel & Suites in Ontario, CA. This three-day event features workshops, networking,

and tailored support to help small businesses launch and grow. (Nikisha Bond).

- I am excited to hear how the pilot goes and what that becomes in the future. (Karen Nelson).

Caltrans State Partner Reports – Governor's Office of Business and Economic Development (GO-Biz) – Diane Lydon, Assistant Deputy Director, California Office of the Small Business Advocate (CalOSBA)

- Diane Lydon's internet connection was creating interference and the verbal update was unable to be provided at this time.

Action Item Log Review – David DeLuz

- **Action Item #2 from March 14, 2025**
 - This item will be completed after Gordon Wang's presentation at this, the July 18th meeting.
- **Action Item #1 from May 23, 2025**
 - The Department of Insurance will present at the September SBC Meeting. The Council was asked to provide questions for the presenter.
- **Action Item #2 from May 23, 2025**
 - The Division of Equipment will be attending either the September or November SBC Meeting and providing a presentation.
- Questions and Comments:
 - None.

Local Assistance Committee Reports – Lee Cunningham, Chair

- Lee Cunningham was having internet connection issues, so Anna Silva provided the update on her behalf.
- Pauline Valenzuela provided a presentation to the Local Assistance Committee, demonstrating that the Division of Local Assistance (DLA) focuses on DBE/federally funded projects. They do not monitor state funded projects.
 - There were not a lot of questions after the presentation.
- Bruce Giron has asked for some data regarding where the funds are going and how they are dispersed.
 - The large group discussion today will hopefully touch on that and answer some of those questions.
- OCR set up a meeting with Lee Cunningham, Zeke Patten, Marjani Rollins, and representatives from DLA, to put together a PIP on requested data.
- Comments and Questions:
 - None.

Professional Services Committee Reports – Trinity Nguyen, Chair

- The Committee did not reach the quorum.
 - Encouraged members to attend.
- Thank you to Wendy Hou for her updates.
- We have been trying to get a new platform for the new Look Ahead system and improve that information access.
- Talked about reasonable wages workshop.
- Discussed the panel interview process.
 - The in-person meeting provides better interaction between the panels and the consultants.
 - Most larger companies can afford to have people in the background. Being in the room is the better opportunity to evaluate team interactions.
- The Calmentor program has been good at strengthening relationships.
 - One of our goals is to turn that into a more actionable item.
 - Participation in Calmentor programs could be a criterion of selection.
- Looking forward to the next meeting in September to present many more actionable items.
- Appreciate the district reports on utilization. They offer valuable insight into areas of concern and highlight strong management practices.
 - Recommend using the format presented by District 4, which District 12 also followed.
 - Including narrative comments in the reports adds helpful context and makes it easier to extract high-quality information.
- Comments and Questions:
 - None.

Commodities Committee Reports – Zeke Patten, Chair

- The Committee has a lot of support in the meeting.
 - It was a productive meeting.
- Thank you to Small Business Liaisons for showing up.
- Comments and Questions:
 - None.

Construction Committee Reports – Debbie Hunsaker, Chair

- 36 attendees in the committee meeting.
- Discussed prompt pay, focusing on minor b. Some of the issues have been resolved.
- The next PIP will be on Insurance. The increase in insurance costs is a huge problem.
 - At our next committee meeting Veera Nanugonda will put a presentation.

- A subject matter expert will come and talk about our concerns and challenges. Our committee members have an action item to put together examples of workers compensation insurance and other issues and what that means as we do business.
- Safety
 - The goal is that there is someone on site that is dedicated to making sure that everyone is operating safely, whether it is the Prime all the way to the subs.
 - The approval of mobile barriers.
- We talked about Made in America, if part of the product is made in Canada, and if it is put together in the America, does it make it compliant? Some of it goes into effect in October 2025 with full implementation by October 2026.
 - Continuing to work through this. You don't want to bid on something that may not be certified as Made in America.
- Comments and Questions:
 - None.

African American DBE Participation Ad Hoc Committee – Nikisha Bond

- Thank you to Anna Silva for stepping in and running the Committee while I was running late.
- Discussed Minor B construction contracts.
 - The \$461,000 is too high for mini and micro businesses. Something under \$100,000 would be better.
 - Is this an issue about unbundling or training?
 - We know Caltrans has unbundled in the past and it didn't bear fruit. We think if we unbundled on a longer pathway and help the contractors on the way it would work.
- Discussed RFP training/capacity building.
 - There are internal Caltrans procedures, but not external, on how to fill out an RFP.
 - Adriana Ring is establishing MOUs with universities and engaging outside firms for more assistance. This will help our contractors.
- Mini/micro businesses do not have a lot of the staff on hand to deal with what Caltrans requires.
- Touched on the Trump administration settlement, currently marching forward with business as usual.
- Lee Cunningham brought up CUF training, making sure that there is clarity on that and DBEs.
- Comments and Questions:
 - We continually talk about unbundling. Caltrans needs to have a separate office to unbundle. It is brought up in all the committees. (Fred Jordan).

- It does add a burden to Caltrans. There is a balance we can set. We have to figure out who can unbundle. Considering pitching a pilot program that's longer to see the fruits of unbundling. (Nikisha Bond).
- Aaron Morgan gave us good historical information on what has happened when Caltrans unbundled. Does the cap on Minor Bs need to be lower? When we start talking about what we see as the big problem, its potentially the training and how to bid. We would suggest developing a PIP and formally making these requests and have a close out at the end. (Anna Silva).
- If the district councils report on unbundling strategies and actions to advance unbundling, perhaps the onus is on the individual councils, to take on the problem. We need to hear what strategies have been used and what the effects are. We need to hear from project decision makers. We need to see that strategies are being put to use. The district councils need to drive that. (Lamar Heystek).
 - With AI it is the perfect time to look at that. AI could help us unbundle. (Nikisha Bond).
 - District 4 is ready to lean into this. That is something Ayanna Nobles and myself, and the team here in D4 will contact you, Lamar and Fred. You as well, Nikisha. We will reach out. (Debra Nelson).
 - Thank you. D4 can be a leader throughout the state. (Lamar Heystek).

Break

- Break Start: 9:50 a.m.
- Break End: 10:00 a.m.

Office of Civil Rights Reports – Leland Smith, Data Analysis Branch, Analyst

- Federally Funded Contracts (OE, DPAC, DLA, DOTP, CMGC, and Design Build contracts)
 - DBE Participation as of June 30, 2025
 - Caltrans has awarded 217 FHWA-assisted contracts valued at \$2,891,656,483.86.
 - Total DBE commitment at award is \$661,758,177.69 or 22.89%.
 - Caltrans has awarded 2 FHWA-assisted CMGC contracts, valued at \$181,019,296.00.
 - Total DBE commitment at award is \$37,921,060.77 or 20.95%.
- DBE Participation (A&E-only numbers as of June 30, 2025)
 - Caltrans has awarded 32 FHWA-assisted A&E contracts, valued at \$489,864,130.74.
 - Total DBE commitment at award is \$120,203,759.56 or 24.54%.

- The SED groups that are performing above the Disparity Study Average:
 - Sub-Continent Asian at 1.44%, Hispanic at 9.73%, and Non-Minority Women Owned at 6.79%
- State Funded Contracts Including Minor B
 - SB/DVBE Participation (3rd quarter numbers for the fiscal year 2024-25; includes contracts and purchasing)
 - Total state expenditures: \$1,400,783,725
 - SB participation is 37.3 percent, or \$522,694,450.
 - DVBE participation is 2.4 percent, or \$33,156,771.
 - The top SB district's participation:
 - District 11 - 80.6% or over \$57,499,029
 - District 4 - 66.1% or over \$88,554,135
 - District 10 - \$41,815,037
 - The top DVBE district's participation:
 - District 7 - 4.7% or over \$8,179,540
 - District 2 - 4.0% or over \$1,812,191
 - District 11 - 3.7% or over \$2,665,815
 - State Fiscal Year 2024-25, Caltrans executed a total of 128 Minor B Contracts in the amount of over \$34.8 million.
 - Small Businesses awarded \$15,808,076 (45.3%) of the \$34.8 million.
 - Micro Businesses awarded \$16,710,155 (47.9%) of the \$34.8 million.
 - DVBE Businesses awarded \$1,612,881 (4.6%) of the \$34.8 million.
 - \$92,439 is also included in SB total as DVBE is Dual certified (13 contracts).
 - \$1,520,443 is also included in MB total as DVBE is Dual certified (9 contracts).
 - District 11 - \$8.1 million (23.3%) of the total Minor-B contract dollars.
 - District 10 - \$4.7 million (13.7%) of the total Minor-B contract dollars.
 - District 12 - \$3.9 million (11.4%) of the total Minor-B contract dollars.
- Comments and Questions:
 - The African American participation is so small. We must do more. We need to get some special programs. (Fred Jordan).

Local Agency Transportation Project Delivery Overview – Gordon Wang, PE, Office of Project Management Oversight Training Manager

- There is federal fuel tax and state tax at gas pumps.
 - US Highway Trust Fund for the federal portion and the State Highway Fund for the state portion fund.
- Laws, Rules, & Regulations

- Infrastructure Investment and Jobs Act (IIJA)
 - Caltrans Local Assistance makes sure to incorporate into the LAPM and the LAPG.
 - Title 23 United States Code (USC)
 - Code of Federal Regulations (CFRs)
 - Local Assistance Procedures Manual (LAPM)
 - Local Assistance Program Guidelines (LAPG)
- IIJA Programs – Continued Programs
 - Surface Transportation Block Grant Program (STP/STBGP)
 - Flexible funding for local agencies to use on a variety of projects
 - Congestion Mitigation and Air Quality (CMAQ)
 - Funding for congestion relief and air quality improvements. Agency must justify a project through calculations of air quality improvement and congestion relief.
 - Highway Safety Improvement Program (HSIP)
 - Transportation Alternatives (TAP)
- IIJA Programs – New Programs
 - Bridge Investment Program (BIP)
 - Bridge Formula Program (BFP)
 - Carbon Reduction Program (CRP)
 - Safe Streets for All (SS4A)
 - Once the local agencies have met the eligibility requirement, they look for the matching requirement. Some funding programs have 80% federal funds. There are some that have 100% eligibility for federal funding.
 - Not all local roads meet the federal funding requirements. The federal government divides roads into different classifications.
- Functional Classification
 - FHWA identifies Functional Classification as a key element which is used in determining federal funding eligibility.
 - On Federal-Aid System
 - Interstate and other freeways, expressways, arterials, major collectors
 - Off Federal-Aid System
 - Minor collectors and local streets and roads
- Federal Authorization – Definitions
 - Obligation - Federal government's commitment to reimburse State for federal share of project costs
 - Obligation Authority (OA) - total funds that may be obligated in a federal fiscal year (FFY)
 - Apportionment - Federal distribution of funds as prescribed by statutory formula

- August Redistribution - Additional OA that is received at the end of August in a given FFY.
 - Formal "Authorization to Proceed" from FHWA required prior to beginning work for which federal reimbursement will be sought (excluding At-Risk PE)
 - Separate "Authorization to Proceed" required for each phase:
 - Preliminary Engineering
 - Right of Way
 - Construction (prior to advertising contract)
 - Federal funding puts money into different buckets. Each program has a different bucket. The big bucket represents how much the state has to split between local agencies.
 - Project authorized means the money is there for you to spend. A formal authorization process is required before local agencies begin their work.
- Senate Bill 1
 - SB1 Road Repair and Accountability Act passed on April 28, 2017, to provide reliable funding for transportation infrastructure
 - Competitive Programs (including Locally Administered Projects)
 - Local Partnership Program (LPP-Competitive)
 - Provides funds to counties, cities, districts, and regional transportation agencies, helping to distribute revenue while balancing the economic impact of increased funding.
 - Solutions for Congested Corridors Program (SCCP)
 - Funds multimodal corridor plans for performance improvements along our highways.
 - Trade Corridor Enhancement Program (TCEP)
 - Provides funding for infrastructure improvements on certain federally designated roadways and other corridors that have a high volume of freight movement.
 - Active Transportation Program (ATP) funds non-motorized projects, or projects.
 - Project Types
 - Infrastructure: Capital improvements that will further the program goals
 - Non-infrastructure: Education and enforcement activities that further the program goals
 - Plans: The development of a bicycle, pedestrian, safe routes to school, or active transportation plan in a disadvantaged community
 - Combined: Infrastructure & non-infrastructure

- Section 190 Grade Separation Program
 - Allocations subject to requirements in the California Streets and Highways Code Sections 2450-2461.
 - provides \$15 million each year to local agencies for the construction of grade separation projects.
 - State Transportation Improvement Program (STIP)
 - A Five-Year Document, that contains a list of projects nominated by the Department (ITIP: 25%) or by the regions (RTIP: 75%) for funding updated every two years.
- Reimbursement Process
 - Contractor/consultant performs work
 - Local agency pays contractor and requests reimbursement from Caltrans
 - Caltrans reimburses local agency from State Highway Account
 - Caltrans requests reimbursement from FHWA.
- Resources
 - Caltrans Local Assistance Website and Blog
 - <https://dot.ca.gov/programs/local-assistance>
 - www.localassistanceblog.com
 - LTAP by California State University Long Beach
 - www.caltap.org
 - Compliance training and facilitates others
 - CTAP by University of California, Berkeley
 - <https://www.techtransfer.berkeley.edu/>
 - Technical training such as pavement, traffic lights, safety, inspection, etc.
- Comments and Questions:
 - For the gas example, where does that sales tax go that is collected on the fuel? (Zeke Patten).
 - It is collected by the state and then transferred directly to city and counties. A huge part of it goes into the general fund. (Gordon Wang).
 - I didn't know the funding didn't come from the Department of Transportation. I didn't know the process. I now understand it. Can we see this from start to finish from one city and send that to us? (Zeke Patten).
 - Can you put that into a PIP? (Anna Silva).

New Business – Anna Silva, (Sub) Chair

- We have a small business summit this Wednesday in San Francisco. I will put the information in the chat. (Dr. Matthew Ajiake).
 - The Diaspora Business Fair flyer was shared with the SBC after the meeting. The event is on July 23rd at the San Francisco Center from 3-5 p.m.

Public Comment

- There were no comments from the public.

Closing Remarks/Next Meeting – Anna Silva, (Sub) Chair

- The next SBC meetings are on September 11th and 12th, 2025.
 - These will be hybrid via WebEx and in-person at Headquarters, 1120 N. St., Sacramento, CA 95814.
- The meeting was adjourned at 10:44 a.m.

Council Members – Roll Call

- Dr. Matthew Ajiake, San Francisco Bay Area Small Business Council
- Nikisha Bond, SoCal Black Chamber of Commerce
- Raewyn Butcher, BuildOUT California
- Lee Cunningham, Women Construction Owners and Executives, CA Chapter
- Danny Garza, La Raza Roundtable de California
- Bruce Giron, National Association of Minority Contractors, NorCal
- Venessa Gleich, American Indian Chamber of Commerce of CA
- Debbie Hunsaker, Fresno Chamber of Commerce
- Johnathan Hou, Asian Business Community Development
- Fred Jordan, San Francisco African American Chamber of Commerce
- Rebecca Llewellyn, Women Construction Owners and Executives, USA
- Eddy Lau, Asian American Architects and Engineers
- Shaila Rao Mistry, National Association of Women Business Owners, California
- Karen Nelson, California Asian Pacific Chamber of Commerce
- Karen Rollandi, Women Construction Owners and Executives, CA Chapter
- Trinity Nguyen, Conference of Minority Transportation Officials, NorCal
- Rich Wallace, SoCal Black Chamber of Commerce
- Zeke Patten, Black Business Association