

Caltrans Statewide Small Business Council – Meeting Record

Conducted via WebEx, Office of Civil Rights, 1823 14th Street, Sacramento, CA 95811

May 20, 2022, 8:30 a.m. to 12:00 p.m.

Meeting called to order at 8:34 a.m. by David DeLuz, Chair and Deputy Director of Office of Civil Rights.			
	Who is responsible/ presented	Date Completed / By When	Status
Action Items from November 2021 Meeting			
Action Item #6: Develop a Lookahead summary that highlights various projects throughout the 12 Districts.	OCR	7/22/22	ASSIGNED: Ms. Lopez-Hardie has met with Council Members to review the Lookahead summary; she will be providing a demonstration of the summary during the July meeting.
Action Items from January 2022 Meeting			
Action Item #6: Develop a Bench-like pilot project for A&E in District 11. Council Members encouraged to participate in the development of this pilot project.	OCR, District 11, SBC	7/22/22	ASSIGNED: Work is still moving forward. Mr. DeLuz reported FHWA has approved SANDAG using job order contracting for their Bench Program for federally funded projects. District 11 is willing to transfer some Caltrans projects SANDAG for this purpose. This sets a precedent to move forward on using the Bench Program on other federally funded Caltrans projects. This could also apply to the SB set aside program OCR is submitting to FHWA for approval to continue boosting SB participation. Update during the July meeting.
Action Item #11: Research revising bid language to always include SB/DVBE in all bid postings.	OCR and OE	7/22/22	ASSIGNED: Construction is working on the necessary codes to input to revise language on the website, which will be transferred automatically to contract documents. Update during the July meeting.
Action Items from March 18, 2022			
Action Item #3: Provide a statement as to how the state will respond to the recent significant rise in cost of gas, supplies, and rental fees, which has been especially challenging for smaller contractors.	OCR, DPAC, DGS	5/20/22	CLOSED: Mr. DeLuz reported Caltrans Legislative Affairs has not seen any bills introduced to address this issue. Although DGS has the authority to look at contracts on a contract-by-contract basis, it does not have the authority to make statewide decisions regarding rising costs in gas,

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			supplies, or rental fees. If Council members know of other states addressing this matter, please send the information to OCR via Carole Ching. Otherwise, this matter would require a legislative fix, since it is not something Caltrans can change on its own. Closed on the date to the left of this entry.
Action Item #7: Provide Council members with information about the virtual Procurement Fair scheduled in November by the Northern Region Districts (1, 2, and 3).	OCR	7/22/22	ASSIGNED: This event is scheduled for late fall; Council members will be notified as more information becomes available.
Action Item #11: Research the development of an annual meeting of the SB advisory councils from DGS, HSR and OCR.	OCR	7/22/22	ASSIGNED: Mr. DeLuz has been meeting quarterly with his DGS and HSR counterparts. At this time, two events are being planned: a) an Executive Committee event in the fall; and b) a meeting for the full councils in 2023, Ms. Blair added they have been strategizing smaller to larger meetings; could be in-person or virtual. Update during the July meeting.
Action Item #14: Provide the African American DBE Participation Ad Hoc Committee a copy of the Uniform report on the utilization numbers being reported contingent upon submittal of the Information Request form.	OCR	5/20/22	CLOSED: Ad Hoc Committee will reassess whether the information from the uniform reports is still needed in the months to come.
Action Item from April Executive Committee meeting			
Action Item #1: Investigate whether separate goals for A&E and Construction can be used for Alternative Construction projects (includes CMGC and Design-Build). Additionally, separate DBE goals for A&E and Construction on federally funded Alternate Construction projects would	OCR & Construction	7/22/22	ASSIGNED: Update during the July meeting.

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provide SB and DBE firms Professional Services firms more opportunities to participate.			
Action Items from May 20, 2022			
Action Item #1: Provide a presentation on which policies are being applied to guide the expenditure of IIJA funds.	Caltrans Director's Office and OCR	7/22/22	ASSIGNED: Update during the July meeting.
Action Item #2: Provide the various links mentioned by Vincent Mammano, FHWA, regarding IIJA discretionary funds and the changes to the Buy America program.	OCR	6/13/22	COMPLETED: Links to IIJA and the Buy America program were sent to Council members via email on the date to the left of this entry.
Action Item #3: Regarding the Minor B report, provide a comparison of time periods to measure the impact of OCR's strategies implemented.	OCR	7/22/22	ASSIGNED: Update during the July meeting.
Action Item #4: Provide the PowerPoint presentation on the Mineta Summer Transportation Institute provided by San Jose State University.	OCR	5/20/22	COMPLETED: PDF of the PowerPoint presentation was sent to Council members via email on the date to the left of this entry.
Action Item #5: Include the number of contracts awarded to each SED group in the Commitment at Award reports.	OCR	7/22/22	ASSIGNED: Update during the July meeting.
Action Item #6: Provide the PowerPoint presentation on the CUF provided by Carl Josephson, DGS.	OCR	5/20/2	COMPLETED: PDF of the PowerPoint presentation was sent to Council members via email on the date to the left of this entry.
Action Item #7: Provide the DGS report provided by Danetta Jackson.	OCR	5/20/22	COMPLETED: The DGS report was sent to Council members via email on the date to the left of this entry.
Action Item #8: Provide the GO-Biz report provided by Chris Earl.	OCR	5/24/22	COMPLETED: The GO-Biz report was sent to Council members via email on the date to the left of this entry.
Action Item #9: Update the Procurement Fair Guidelines; distribute to DSBLs and the Council.	OCR	7/22/22	ASSIGNED: Update during the July meeting.

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Action Item #10: Provide the link to the Commodities reports on the OCR website.	OCR	6/20/22	COMPLETED: Link to the reports sent to Council members via email on the date to the left of this entry.
Action Item #11: Presentation on how OE sets goals.	OCR	7/22/22	ASSIGNED: Update during the July meeting.

Welcome and Roll Call – Council Chair, David DeLuz opened the meeting at 8:31 a.m.

Opening Remarks; Review of the Agenda; Meeting Record Approval – Chair DeLuz

- Chair David DeLuz welcomed everyone and thanked them for their participation.
- A review of the meeting agenda followed. Council Member Eddy Lau requested a moment of silence in honor of former Secretary of Transportation Norm Mineta's recent passing to be done at the conclusion of the meeting.
- DGS 22nd State Agency Recognition Award – This April, Caltrans was the recipient of two awards, a first for Caltrans: the Green Award, Gold standard; and Agency of the Year Award for work with SBs. These awards are in recognition for the work we have done and continue to do together to make sure SBs have an equal and fair playing field. This tells us we are moving in the right direction and we are excited about it. Mr. DeLuz recognized David Prizmich's work at DPAC: he implements the strategies on a daily basis; his staff always strive to get to "yes;" their advocacy in the utilization of minority and SBs has really gotten us these awards.
- Chair DeLuz then conducted the roll call of the Council members; a quorum was established.
- Review of the Action Item log was facilitated by Carole Ching, OCR; see pages 1-4 of this document.
- Chair DeLuz then called for approval of the meeting record for March 18, 2022: Amendment made to the Action Items to include the item discussed during the Executive Committee meeting. Motion to approve with amendment, Council Member Zeke Patten; seconded by Council Member Debbie Hunsaker; no further discussion; ayes, all, oppose, none; the March 18, 2022, meeting record was approved.
- Contractor Registry update – Michelle Lopez-Hardie, OCR, is the lead for this effort.
 - a. OCR has been looking at expanding the Contractor Interest Registry.
 - b. During a recent B2GNow conference, Mr. DeLuz spoke with the CEO of the company regarding emerging capabilities. B2GNow does have the ability to do a Contractor Registry module. OCR will be exploring this option which can be connected to the Certification module.
 - c. Whether a company is certified or not, OCR wants to identify vendors interested in working on Caltrans projects; we want to get companies that are ready, willing, and able to work on Caltrans projects.
 - d. There will be more to share about the B2GNow option.
- Coalition Strategy – Both Council Members Pete Varma and Jay King have agreed to fold their efforts into this year's topic of exploring partnering and teaming efforts.

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Discussion

1. Council Member Fred Jordan – Regarding the Contractor Registry, will ethnicity be included in the profile? Mr. DeLuz responded yes, it will; OCR wants to make sure any information relevant in Certification will be included.
2. Council Member Albert Leung – From the A&E perspective, will the Registry include Professional Services? Mr. DeLuz responded yes, that will be one of the profile factors. Any company in the CUCP database lists their line of business, so that will be a part of the Registry.

A. Director's Office Update – Steven Keck, Acting Director

1. Mr. Keck expects a permanent Caltrans Director will be selected within the next month, so this may be his last SBC meeting.
2. Safety continues to be Caltrans top priority, as emphasized by this month's events:
 - a. Annual Safety Awareness Week – This is a weeklong series of safety oriented online workshops provided throughout all districts.
 - b. Annual Workers Memorial at Caltrans Headquarters held in April – Caltrans safety partners, CHP, DMV, HSR, Traffic Safety and FHWA were at the event to memorialize 189 Caltrans workers who were killed on the job. Fortunately, over the past three years, there have been no deaths, but we won't stop our efforts to keep our workers and the travelling public safe. While Caltrans mourns the loss of our workers, it continues to do all it can to educate and inform the public; the Move Over law has contributed greatly to improving roadway work conditions.
3. Asian American and Pacific Islander Heritage Month – At Caltrans, Asian American and Pacific Islanders make up nearly 24% of the workforce. The celebration which began in May 1979 as a weeklong event, expanded in 1992 to the whole month of May. This month recognizes diverse communities and ethnicities across 48 nations in Asia and the Pacific. There are several ways to participate and enjoy Asian American and Pacific Islander Heritage Month throughout the state through online and in-person events.
4. IJJA update
 - a. Over \$1.2 trillion will be distributed over the next five years.
 - b. The California Transportation Commission (CTC) has taken over the responsibility of administering the state's IJJA funds, which will increase each year by 2%.
 - c. Local agencies and stakeholders statewide have agreed to a 60/40 split, which is consistent with traditional splits of federal funding in the past. Caltrans is now working with the CTC to apply funds to new and existing projects. Caltrans does not anticipate any difficulty in using these federal funds.
5. Clean California – Earth Day, now in its 52nd year, was celebrated with several ongoing efforts across the state.
 - a. All 12 Districts sponsored free Dump Days; focus was on picking up large items, such as appliances.
 - b. Since the launching of this statewide campaign, Caltrans has cleaned up nearly 607,000 cubic yards of trash, including 6 miles worth of tires.

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c. Nearly \$300 million in grants has been awarded statewide to clean up blighted areas through locally designed and run projects which should be completed by June 2024.

6. Staff appointments

a. Diane Morales, Acting District 8 Director – Mike Beauchamp, District 8 Director, will be retiring after 39 plus years with the state of California. Ms. Morales has been the Deputy Director of Programs and Project Management and has been with Caltrans for 22 years.

b. Angel Pyle, Acting Chief Financial Officer – Mr. Pyle will be the Acting CFO while Mr. Keck is the Acting Director. Mr. Pyle has been with Caltrans for over 12 years. He oversees two different divisions, including programs such as SB 1, Road Charge, and Asset Management.

Discussion:

1. Council Member Matthew Ajiake – Will social responsibility be part of the plans for IJJA funds? Mr. Keck responded since he is not the CFO at this time, he could not provide details.
 - a. All IJJA funds are subject to federal guidelines; Caltrans will be filtering projects through its climate and equity goals.
 - b. Mr. Keck proposed to have a presentation on this matter during a future SBC meeting. Mr. DeLuz agreed with this and noted a broader presentation would be good. There is an emphasis on how funds are being allocated.
 - c. While much of this is formula driven, distribution is in consideration of CTC priorities. There is flexibility in how money is used by Caltrans. IJJA has 20 sub working groups looking at planning and allocation of funds.
 - d. Equity and efficiency are at the top of the list when considering how best to use these resources.
 - e. Justice40 and state level proposals are also part of the discussion to make sure equity and accountability are in place; there is much policy driving decisions.
 - f. David Prizmich, DPAC – At DPAC, there are potential opportunities that can benefit SBs; DPAC wants to increase capacity with the influx of funds. In Construction, much of the funding is earmarked for local agencies. This is a big responsibility to emphasize equity.
 - g. Mr. DeLuz stated advocacy from the SBC will be critical in consideration of the funds needed to administer all the responsibilities related to execution of projects, promotion of equity, environmental needs, and supporting underserved communities – there is a need to be creative and innovative.

B. FHWA Update – Vincent Mammano

1. Federal funding is very volatile at this time – Typically, 90% is distributed according to formula, with 10% discretionary.
2. Highway Trust funds and advance discretionary funding, which is general fund money – A little different currently with different timelines.
3. Discretionary funding opportunities – Mr. Mammano urged Council members to look at the link for the Bipartisan Infrastructure Bill (IJJA) for information about the many other funding opportunities available to each state. The Safe Streets and Roads for example has many funding opportunities locals and non-trade partners are eligible to receive.

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- a. The key is knowing who the eligible applicants are and building a relationship with them.
 - b. Need to work with local entities to put in applications for bigger projects.
 - c. Look at the criteria – There is an equity component in all of the applications which must be addressed in the proposals.
 - d. Link to the website is key.
4. Funding for safety efforts – Need to focus on this; protecting our teams, the value of safety, and making sure we are all safe.
 5. Buy America changes – The interim waiver just came out on May 19; there are new changes regarding construction; need to reach out to Caltrans for more guidance.

Discussion

1. Dr. Ajjake – How can it be ensured local agencies are applying social responsibility and sustainability to discretionary funds? And what can be done to promote SBs relationship with local agencies? Mr. Mammano noted the federal government does not get involved with state projects, but once local agencies get involved, all must adhere to federal guidelines.
2. Council Member (Alternate) Danny Garza – Mr. Garza has been involved with getting minority companies ready, willing and able to get involved with Caltrans projects. When he contacted the Hispanic Chambers of Commerce, he was told they did not want to get involved and Caltrans was not helping him, either. Mr. Mammano asked Mr. DeLuz to work with District 4 to see how this situation could be facilitated.
3. Mr. DeLuz agreed; the Chambers are important strategic partners and OCR wants to work with Mr. Garza to certify firms, especially if they are interested in working on Caltrans projects. OCR is currently in the process of issuing outreach contracts to recruit firms. OCR is also working with all the ethnic Chambers to employ grassroots efforts. The California Black Chamber of Commerce has been engaging in this type of outreach on their own. Caltrans needs the Council's help in finding these firms. The local Chambers have the ability to find those contractors. Mr. Mammano added we need to understand the reasons why firms do not want to get involved with Caltrans work.
4. Council Member Annie Aguilar asked about the PPE loan forgiveness program and how the impact of that program has led some companies to not seek involvement in Caltrans projects. Mr. Mammano responded FHWA is working on this with Caltrans to resolve; they will be using all the rules to figure out the opportunity and flexibility. It is not just DBEs, but also smaller companies; larger companies have expressed concern for their DBEs.

C. OCR Reports – Michelle Lopez-Hardie, OCR, pointed out highlights of the April reports.

1. The reports covered April 2022 for current utilization. They include a breakdown of Race Conscious (RC) groups and the divisions that awarded to RC groups.
2. Council Member Zeke Patten asked about the non-minority groups – Ms. Lopez-Hardie responded they make up a small percentage of the SED (Socially and Economically Disadvantaged) groups. They are primarily white males that have demonstrated they are SED. Per Curtis Williams, OCR Certification, there is a diagnostic used to qualify individuals in this group. Mr. DeLuz commented this is done on a case-by-case evaluation. For example, there may be physical disability or other condition that the individual is able to demonstrate has resulted in them being disadvantaged or discriminated against.

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3. Minor B report – These reports show the amounts expended by district; District 11 showed the most utilization. Ms. Lopez-Hardie noted this report will evolve and welcomed feedback to improve it. They will be including DPAC figures in the future. Mr. DeLuz asked about a year to year comparison to which Ms. Lopez-Hardie responded they will be working on that.
4. Mr. DeLuz acknowledged producing this type of report requires a lot of work. In the future, he would like to compare time periods to measure the impact of Caltrans and OCR's policies, perhaps a progression from quarter to quarter. This single report does not show the impact of our 100% SB for Minor B projects, for example. The baseline on SED groups is a work in progress; he would like to see if we can get 3 to 5 years of data by the July meeting.

D. Mineta Summer Transportation Institute 2022 – Michelle Lopez-Hardie and Hilary Nixon, San Jose State University

1. Ms. Nixon provided a PowerPoint presentation which will be shared with Council members after the meeting.
2. The Summer Transportation Institute intent is to develop our transportation workforce.
3. This particular Institute is based at San Jose State University which has operated it over the past 10 years.
4. For three weeks – July 18 to August 5 - participants go through a non-residential university experience – Introduction to careers in transportation at all levels; each participant earns three units of college credit; they engage in real world experiences.
5. This year's Institute is hosted by High Speed Rail and the Department of Transportation at San Jose.
6. The curriculum also touches on nature and sustainable transportation.
7. The deadline to apply has been extended to next Monday, 5/23/22; open to students living in the Bay Area.
8. Council Member Jay King asked if the program was exclusive to South Bay – Ms. Nixon responded no, but because it is a non-residential program, for convenience participants need to get to and from the program each day without having to deal with extensive travel time and/or lodging arrangements.
9. Ms. Lopez-Hardie stated OCR plans to have a robust NSTI (National Summer Transportation Institute) program in the next federal fiscal year. OCR intends to bring colleges in northern, central, and southern California on board on an ongoing basis. Currently arrangements are being made with Cal State Fresno and Long Beach.
10. Ms. Nixon shared an anecdote of a participant who attended the Institute four years ago and went on to college majoring in traffic engineering; this student will be going into transportation engineering.
11. Council Member Albert Leung mentioned his organization offers scholarships for high school to post-graduate students; applications are being accepted until the end of May. Ms. Nixon appreciated this and will post the information on their website.
12. Council Member Shaila Rao Mistry re: the OCR reports noticed the Hispanic group has 7% participation – what are they doing right? Ms. Lopez-Hardie responded the numbers can swing from month to month. She cannot say exactly what the Hispanic group is doing that is especially different. It really depends on who is bidding and who is winning. Ms. Mistry asked if it was possible to graph who is bidding – Ms. Lopez-Hardie responded yes, it would go along with what Dr. Ajiake was requesting.

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13. Council Member Lee Cunningham asked if the numbers were in dollars only – Ms. Lopez-Hardie responded dollars and number of contracts. In the Executive Dashboard only the amount of dollars is shown; number of contracts would be another data set.

E. DGS Presentation: Commercially Useful Function (CUF) Abuse and Complaints – Carl Josephson, Compliance Manager, DGS; the featured PowerPoint will be sent to Council members after the meeting.

1. Mr. Josephson is a Compliance and Quality Assurance Service Manager with DGS.
2. All SB/DVBE that bid on state contracts must perform CUF; CUF must be determined prior to award; firms must continue to perform CUF for the duration of the work contracted. Refer to the list of five CUF requirements in the PP presentation.
3. CUF is evaluated by the awarding department through contract completion and during the contract close-out process.
4. CUF must also be demonstrated should there be a subcontractor substitution.
5. The PP presentation provided several relative regulations and the penalties associated with violating regulations. Penalties ranged from suspension from doing business with the State, to revocation of SB/DVBE certification, imprisonment, and fines.

Discussion

1. It was pointed out CUF is enforced to ensure a vendor is not a pass through.
2. Ms. Mistry asked about feedback on protecting businesses re: CUF.
3. Requirements do not help SBs – Mr. Josephson responded CUF requirements are not meant to be a burden; it is meant to be a protection from pass throughs and for those not performing CUF on the contract.
4. Ms. Cunningham asked who is responsible for checking on CUF – The awarding department is responsible.
5. It was noted state CUF requirements are different from federal government CUF requirements; Mr. Josephson is mainly familiar with the state's CUF requirements.

F. District Small Business Update Reports

There were no district highlights to present this month. Regarding the comments submitted by Council Member (Alternate) Rebecca Llewellyn, staff is currently working on a single response regarding those concerns, which will be shared with the Council.

G. Department of General Services (DGS) Update – Danetta Jackson; the DGS report will be sent to OCR for distribution to the Council members.

1. Ms. Jackson congratulated Caltrans on receiving its recent SARA awards, the Agency of the Year Award in particular, and High Speed Rail (HSR) for its award for Most Improved SB and DVBE Participation.
2. Bidder/Supplier Diversity Information Collection - Launch of this voluntary registry will allow the state to gain a better understanding of registered and certified business owners. Collected information will include ethnicity, race, gender identity, and sexual orientation. This information will inform where outreach and support are needed in the state's diverse communities. The link to the data collection program FAQ and more is included in the DGS report to be sent to the Council members.
3. DGS Small Business Advisory Council (SBAC) will be meeting on 6/8/22; this will be a hybrid event, with members having the option to attend in person or online. A link to the meeting is in the DGS report.

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4. Small Business Gross Annual Receipts report – Changes in gross annual receipts will be impacting requirements for SB, SB Public Works, SB Micro-Businesses. The online certification registration will be adjusted and effective by the end of May.
5. Brochure for businesses using DVBE subcontractors – Due to SB 588, new program requirements for reporting DVBE subcontractors were developed and released. The online brochure for primes to follow has been released. The direct link to the brochure is in the DGS report.
6. Fi\$Cal Purchase Order Payment History Search – launched earlier than expected this May; the search tool will provide payment history of Fi\$Cal-generated Purchase Orders on the Cal eProcure website.
 - a. Transparency of public information and assistance.
 - b. Allows tracking of payment dates and history whenever needed.
7. Mr. DeLuz asked if there was any effort to move away from the voluntary nature of the division data collection – Ms. Jackson responded Prop 209 prohibits DGS from making it mandatory. For the most part, DGS has not received many questions about the benefit of providing this information. The Department will be able to provide and update on the results of the initial data collection; DGS has been looking at innovative strategies to collect this data.

H. GO-Biz Office of Small Business Advocate (OSBA) Update – Chris Earl for Tara Lynn Gray; access the website by clicking [HERE](#)

A bulleted report will be provided to Council members after the meeting.

1. Small Business COVID 19 Relief Grant Program - \$150 million has been added to the program budget, which made Round 10 (closed) of funding possible and the ability to serve businesses that had been wait listed; no action is needed at this time, more of a FYI.
2. Micro Business COVID 19 Relief Grant Program – Aimed at the smallest businesses, sole proprietorships, throughout counties; grants are about \$2,500 each.
3. California Live Venues Grant Program – Awards are still being made; however, the applications window has closed.
4. iHub – Ten regional hubs have been designated; there is a dedicated website for this purpose.
5. California Dream Fund – Provides \$10,000 in seed money; must go through a training program via 17 participating centers.
6. Primary Technical Assistance Program – Received increases in funding; this is a collection of centers and local community based organizations which provide technical assistance to SBs through contracting with the federal government or private bank, either of which will provide matching dollars. RFPs will be available in 60 days.
7. Hard Hit Industries Grant program - \$500 million; construction was one of the ten areas of focus; \$10,000 to \$50,000 grants available; this program is still in the developmental stage; the program will be looking for existing businesses to receive an infusion of capital to build back business that have been hard hit in recent years.
8. SB Retail Theft Program - \$20 million being invested to provide up to \$25,000 in grants; guidelines for this program are still in the works.
9. Small Agricultural Drought Relief Grant Program – In partnership with the California Department of Food and Agriculture to aid those affected by drought; the Sacramento and San Joaquin Valley regions have been prioritized.

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10. Source Diverse Source Local – Developed by the San Diego and Imperial Valley Small Business Development Center Regional network and regional cohorts; more information in July; will be providing services related to general business development, procurement based access, bonding, teaming and partnerships, complementary services. The program is working closely with Danetta Jackson's team.

I. High Speed Rail (HSR) Update – Catrina Blair; the HSR report will be sent to Council members after the meeting.

1. Design Services for Central Valley Stations – RFQ released 4/29/22 which can be found on Cal eProcure; SOQ due on 7/19/22; to be awarded in October.
2. HSR Business Advisory Council meeting, 5/25/22; will be held online.
3. Caltrans DBE Workshop scheduled for 5/26/22; another is scheduled for June.
4. For further questions and/or information, please contact Ms. Blair via email – catrina.blair@hsr.ca.gov

J. Local Assistance/Professional Services Committee – Albert Leung, Chair; Johnathan Hou, Vice Chair

1. Mr. Leung reported there was good discussion during yesterday's meeting.
2. Goal 1, standardization of reporting forms – On hold until the roll out of B2GNow this summer.
3. Goal 2, pilot projects in Districts 4 and 11
4. Regarding unbundling and SB acquisition – Report provided recommendations.
5. Regarding separate A&E goals on Alternative Contracting – Currently on the Council Action Item log.
6. Goal 3 – Local Assistance has produced a report; the FHWA project approved list which is similar to a lookahead report; takes about six months from approval to award, which can be to SBs advantage.
7. The committee would like to see something similar to the District SB Update reports from Districts 43 and 59.
8. Work Code duplications and qualifying requirements – Council Member Richard Hernandez is currently researching.
9. Council Member Annie Aguilar – Regarding safe harbor rates, questions; Mr. DeLuz would like to include David Prizmich, DPAC, in the discussion offline.

K. Commodities Committee – Zeke Patten, Chair; Lee Cunningham, Vice Chair; Stephen McGlover, Secretary (to be confirmed)

1. Mr. Patten remarked the committee had a great meeting.
2. The District Small Business Liaisons are the “glue” between the SB community and Caltrans – Attending the meeting were liaisons from Districts 2, 3, 4, 8, and 11, who reported on upcoming procurement fairs and provided purchase data on past procurement fairs.
3. Procurement Fair Guidelines – The last revision of the guidelines was made in 2008; they need to be updated. Mr. Patten and Council Member Stephen McGlover collaborated to put the original guidelines together; Mr. Patten offered to assist in the updated version. He would like to see all the liaisons receive a copy.
4. Record of what is being purchased by Caltrans – Mr. Patten requested all Council members receive the link to the online Commodities report OCR has put together which he hopes will stimulate participation.
5. Currently, the only committee goal not being met is verification by Caltrans that a vendor is not a drop shipper.

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6. Per Council Member Lee Cunningham, their guest prime contractor, Malcolm International, will be attending the July Commodities Committee meeting.
7. They still would like a representative from the Maintenance Division to attend the July committee meeting.
8. The committee is seeking to know what was bought from whom and the sales this fiscal year thus far.
9. Lookahead Report for Commodities – Ms. Lopez-Hardie has already posted and updated.

L. Construction Committee – Pete Varma, Chair

1. Goal 1, education – This is important, covers the types of education needed by SBs. Caltrans has many training resources which the committee needs to review and determine what will be needed by SBs from SBs.
2. Smaller companies are having challenges when it comes to being paid on time. The B2GNow program tracking this will roll out in summer and will help expedite payments to SBs.
3. Partnering and teaming agreement on Caltrans projects – This is also done in other districts through their Meet the Primes events. The committee is partnering with District 11 in their launch of a Meet the Primes event scheduled for May 4. District 1 also held a Meet the Primes event; it is exciting to hear that the districts are doing this. Mr. Varma called upon Maria Ibarra in District 11 to share their post event information.
4. Ms. Ibarra reported there was a good turnout at their event held 5/4/22, for which they have collected post-event data. The Q&A panel featured representatives from Flatiron, Granite, and Skanska all of whom answered many questions. Participants included certified SBs, DBEs, and DVBEs.
5. CMGC opportunities – Mr. Varma noted there are many projects coming up, which provide good opportunities for smaller businesses.

M. African American DBE Participation Ad Hoc Committee – Council Member (Alternate) Will McClure for Jay King, Chair

1. Minor B discussion to involve SB and MB – Tony Tavares, District 7 Director, and Mr. McClure looked at how to break down Minor B contracts into smaller chunks; Mr. Tavares will be working on this. In this way, everyone benefits. The committee will be collaborating with the various Chambers and community based organizations.
2. Targeted outreach approach – The California Black Chamber of Commerce will be working with the Council to enhance African American participation. Media outreach will include radio stations and news publications such as The Sentinel.
3. Mr. McClure expressed appreciation for the District Small Business Liaisons who provided input from a district perspective. District 8, for example, uses mandated Pre-Bid Meetings as an effective way to increase participation through the opportunity to interact with the primes. District 4's Mentor Protégé Program is very beneficial and still assists in participation. District 11 is at 86% DBE participation; they shared their effective outreach strategies.
4. Letter to truckers inviting them to outreach workshops; the committee is also considering the feedback received from this community.
5. Regarding the District SB Update reports highlight of certain projects – Would it be possible to include the link to show potential sub opportunities, which might stimulate more interest? Mr. DeLuz will consult with staff to determine whether this is doable.

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6. Goal setting and how OE does it – possible presentation? Mr. DeLuz will look into this.

N. SB 1 Work Group – Dr. Matthew Ajiake, Chair; Bill Lavelle, District 10, reported the Minor B project is having their first pre-construction meeting; will reconvene and provide a final report during the July meeting.

O. 2022 SBC Topic #1: Improving and increasing relationship building through partnership and teaming strategies between SB/DBE/DVBE sub-contractors, primes, and Caltrans Districts – Large group discussion facilitated by Mr. DeLuz.

Mr. DeLuz opened by asking what are the goals to achieve this? What are the current barriers to achieving this? How can we improve these relationships?

1. Eddie Dillard (non-Council Member) - It is advantageous to consider joint ventures as a form of teaming; need to look into whether this can be done per Caltrans Legal. The majority partner would bring the bonding, knowledge; the minority partner gains the experience, etc. to build capacity.
2. Mr. Varma – From experience, we have seen learned from the Meet the Primes event participants, Skanska and Granite, they are looking for smaller companies with which to engage. Primes thought it important to bring their estimators to the meeting. The more we can engage, the better the relationship. In-person meetings are very effective; SBs participating in events of this kind are able to share their level of expertise and area(s) of specialty.
3. Council Member Fred Jordan – Regarding joint ventures: Mr. Jordan has personal experience in the positive aspects of joint ventures; he noted the selection process is critical. He encouraged joint venturing for all aspects of construction.
4. Council Member Karen Nelson – There is no replacement for in-person interaction, which is ideal. Her organization, CalAsian, has developed an online platform to create high touch. They are working with different centers to have business development managers follow vendors as they perform; the managers then create a portfolio of the outcomes of their work with these vendors.
5. Ms. Aguilar – Although she has yet to work with Caltrans, she thinks it is necessary to be on the team for large contracts; discussion of that needs to be included. In San Diego, the Bench Program uses task order contracting; DBEs are prequalified for the various tasks on a contract. There should be more opportunities for the primes to meet subs. The Meet the Primes events are very instrumental in making that happen.
6. Council Member Lynn Chen – NAICS and Work Codes are a big consideration. When a GC looks for subs, theirs is a short list. The challenge is to get qualifying subs on that short list. Oftentimes material, overhead, and such cause subs to miss the opportunity. Strategies such as set aside and similar approaches can help.
7. Mr. DeLuz mentioned AB 2271, which proposes a SB preference for the region LA Metro covers is such an approach – Includes incentives to select minority and SB firms. The Contractor Registry is another approach to make this happen for firms ready, willing, and able to do Caltrans work.
8. Council Member Paul Guerrero – Has experience with joint venture through the Medical Center towers in Oakland. The agency was both contractor and agency; would Caltrans be able to do something like that?
9. Mr. Varma – A language change to best practices and best value needs to occur.

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10. Mr. DeLuz asked Mr. Prizmich what the barriers are to changing our contracting standards as per Mr. Varma's suggestion – Mr. Prizmich responded it depended upon the contracting specifications; at the time of the RFQ, a SOQ must be provided. A&E uses the best qualified standard. Otherwise, selection is based on low bid or best value, which includes cost as the major factor in determining low bid. Caltrans must follow DGS and state processes, rules, and regulations in statute. This could be a possible presentation during a future SBC meeting.

11. This discussion should continue in the next SBC meeting; in the meantime, we should get input from DGS, DPAC, and other key divisions.

P. New Business - Carole Ching reviewed the new Action Items from this meeting; no other new business was brought forth by the members.

Q. Public Comment – Facilitated by Chair DeLuz

1. Abd Jahshan – What does equity mean in the execution of contracts for SBs? What is the advantage of applying equity? Mr. DeLuz responded race, ethnicity, gender, disability LGBTQ, all of these are considered; full information on equity is covered in the OCR and DGS websites.
2. Eddie Dillard – The Districts consistently do not acknowledge reports from the Disparity Study. African American contractors gets 1% of Caltrans contracts. This needs to go from HQ to the Districts. Black DBEs are not getting their fair share, which needs to be the focus; the message needs to go out loud and clear.

R. Closing Remarks – Chair DeLuz

Mr. DeLuz closed the meeting with thanking all who took the time to attend and participate. A moment of silence was observed in honor of the late Norm Mineta, former U.S. Secretary of Transportation.

Meeting Adjourned at 12:11 p.m.

Next Meeting: July 21 and 22, 2022; more information will be shared in June/July.

DOCUMENTS distributed previous to the meeting via email:

- Meeting agenda.
- Draft of meeting record for March 18, 2022.
- OCR Reports: Executive Management Dashboard; Commitment at Award, Construction; Commitment at Award, DPAC; District Monthly Contract Award; Monthly Contract Award.
- Districts 1 to 12, SB Update Reports.

PRESENT – Roll Call

Council Members:

1. Annie Aguilar, American Public Works Association, San Diego

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2. Ajjake, Dr. Matthew, San Francisco Bay Area Small Business Council
3. Bley, Ruth, Women Construction Owners and Executives, USA
4. Canete, Julian, California Hispanic Chambers of Commerce
5. Chaudhary, Arvin, American Council of Engineering Companies, California
6. Chen, Lynn, California Chinese American Construction Professionals Association
7. Cunningham, Lee, Women Construction Owners and Executives, California Chapter
8. Garza, Danny, Alternate, La Raza Roundtable de California
9. Guerrero, Paul, La Raza Roundtable de California
10. Hernandez, Richard, San Bernardino Chamber of Commerce
11. Hou, Johnathan, Asian Business Community Development
12. Hunsaker, Debbie, Fresno Chamber of Commerce
13. Jordan, Frederick, San Francisco Black Chamber of Commerce
14. King, Jay, California Black Chamber of Commerce
15. Lau, Eddy, Asian American Architects and Engineers, San Francisco Chapter
16. Leung, Albert, Asian American Architects and Engineers, Southern California
17. McClure, Will, Alternate, California Black Chamber of Commerce
18. Mistry, Sheila Rao, National Association of Women Business Owners, California
19. Nelson, Karen, California Asian Chamber of Commerce
20. Patten, Jr., Ezekiel, Black Business Association, Los Angeles
21. Varma, Pete, National Association of Minority Contractors, Northern California
22. Vela, Lisa Sunday, San Joaquin County Hispanic Chamber of Commerce
23. Wallace, Rich, Southern California Black Chamber of Commerce

Caltrans Staff

- | | |
|--|------------------------------------|
| 1. Keck, Steven, Acting Director | 8. Buynicki, Darlene, District 12 |
| 2. DeLuz, David, Deputy Director, Office of Civil Rights | 9. Casey, Bill, District 4 |
| 3. Acero, Gabriel, District 11 | 10. Ching, Carole, OCR |
| 4. Azima, Cindy, District 9 | 11. Collins, Glenda, OCR |
| 5. Barsanti, Adam, OCR | 12. Copeland, Aisha, OCR |
| 6. Blount, Denella, District 11 | 13. Crevin, Dan, OCR |
| 7. Brady, Matthew, District 1 | 14. Cugini, Matthew, Caltrans |
| | 15. Dallarda, Gustavo, District 11 |

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16. Dermody, Ryan, District 9
17. Doan, Hau, Local Assistance
18. Doyle, Chloe, District 6
19. Elkins, Susan, District 3
20. Fonseca, Olivia, OCR
21. Goudeau, Annette, Caltrans
22. Greutert, Tim, Construction
23. Hettick, Bobi, Caltrans
24. Himes, Amanda, District 5
25. Hopkins, Ramon, Construction
26. Ibarra, Maria, District 11
27. Kent, Bryan, Construction
28. Lam, Dee, Local Assistance
29. Lavelle, Bill, District 10
30. Long, Wenyi, Local Assistance
31. Lopez-Hardie, Michelle, OCR
32. MacDonald, Jason, District 12
33. Maloney, Pat, Construction
34. Mather, Eric, District 10
35. Mathis, Maecel, District 11
36. Moore, Dave, District 2
37. Morales, Diane, District 8
38. Morgan, Aaron, District 1
39. Morris, Esther, DPAC
40. Nobles, Ayanna, District 4
41. Olson, Kimberley, Caltrans
42. Peinado, Marcelo, District 11
43. Perez, Margie, District 11
44. Prizmich, David, DPAC
45. Raptis, Maria, District 7
46. Reynolds, Danella, OCR

47. Rollins, Marjani, OCR
48. Samani, Saad, Caltrans
49. Samuelson, Mark, Local Assistance
50. Scott, Micah, Caltrans
51. Silva, Anna, Construction
52. Smith, Leland, OCR
53. Spence, Robynn, District 3
54. Stamm, Taelor, OCR
55. Surfes, Adriana, Clean CA
56. Townsend, Everett, District 11
57. Tritt, Ray, Construction
58. Tuttle, Norman, OCR
59. Victoriano, Matthew, Caltrans
60. Vinson, Edwin, OCR
61. Whitfield, Jocelyn, District 8
62. Woolsey, Lindsey, Construction

Guests

1. Blair, Katrina, High Speed Rail (HSR)
2. Caliendo, Michael, FHWA
3. Deselle, Ray
4. Devine, Kate
5. Dillard, Eddie, NAACP Oakland
6. Earl, Chris, GO-Biz Office of Small Business Advocate
7. Galarza, Miguel, Yerba-Buena Engineers & Construction
8. Giron, Bruce, NAMC, Northern CA
9. Griffin, Bendu, Torma, LLC
10. Huth, Nancy, DGS
11. Jackson, Danetta, DGS

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12. Jahshan, Abd, PAL Engineering
13. Josephson, Carl, DGS
14. Mammano, Vincent, FHWA
15. Maxwell, Teresa, Skanska
16. Nixon, Hilary, SJSU
17. Taylor, Darcy, Ghirardelli & Associates
18. Wagner, Mario, NAMC, Northern CA