



## D4 Small Business Council Meeting Minutes

DATE: 11/19/08

TIME: 1:00 – 2:30pm

LOCATION: District 4, Executive Conference Room, 15-240  
111 Grand Ave., Oakland, CA

### **D4 CALTRANS STAFF PRESENT**

**Bijan Sartipi**, District Director  
**Dan McElhinney**, Chief Deputy District Director  
**Nader Eshghipour**, DDD, Maintenance  
**Dan Hess**, DDD, Administration  
**Lee Taubeneck**, DDD, Trans Plan/Local Assist.  
**Lenka Culik-Caro**, DDD, Division of Design  
**Nigel Blampied**, Division of Project Management  
**Barbara Condie**, Division of Construction  
**Bonny Nyaga**, Division of Construction  
**Saeed Safi**, Division of Construction  
**Sylvia Fung**, Local Assistance  
**Kim Le**, Maintenance  
**Trinity Nguyen**, Consultant Services  
**Romy Fuentes**, Consultant Services  
**Derek Pool**, Toll Bridge Program  
**Brian White**, Office of Business Management  
**Kim Byrne**, Office of Business Management  
**George Crosby**, D4 Small Business Liaison  
**Augusta Solano**, Small Business Branch  
**Adriana Harris**, Small Business Branch  
**Osayahde Nesbitt**, Small Business Branch

### **COUNCIL MEMBERS PRESENT**

**Paul Guerrero**, California Small Business Entrepreneurs  
**Leslie Sakai**, Asian American Architects & Engineers  
**Eddy Lau**, Asian American Architects & Engineers  
**Peter Ramirez**, Service Disabled Veteran Owned Corporation  
**Julian Camacho**, Hispanic Contractors Assoc.  
**Jesus Vargas**, Hispanic Chamber of Commerce / Women's Transportation Seminar

### **GUESTS**

**Pat Padilla**, Padilla and Associates  
**Rick Ohlrich**, East Bay Small Business Development Center  
**Raewyn Butcher**, Ghiradelli and Associates  
**Samson Wong**, Small Business Transportation Resource Center  
**Rachel Odessky**, Small Business Transportation Resource Center

### **Item #1: Introductions**

District Director Bijan Sartipi chaired the meeting of the November Small Business Council. Mr. Sartipi welcomed everyone, and the meeting attendees introduced themselves.

### **Item #2: Approval of Minutes**

#### **October 8, 2008 Meeting Minutes:**

Motion: Mr. Paul Guerrero; Second: Mr. Julian Camacho; Opposed: None; Approved: By consensus.

### **Item #3: District 4 Updates**

#### **Construction Update:**

Ms. Barbara Condie referred to the documents "Forecast of Upcoming Construction Projects in District 4 as of 11-14-08" and "Awarded Projects in District 4 as of 11-14-08" to brief the council on this topic. Referring to the section "Advertised and Upcoming Projects," Ms. Condie updated the council that the following bid opening dates have changed: for contract #129651, the BO date is now 12/17/08; for #3A0701, the BO date is now 12/9/08; and for #4A5201, the BO date is now 12/10/08. Regarding contract #448801, Ms. Condie updated the council that the apparent low bid is for \$5.2M, 42% under

engineer's estimate. There were 11 bidders. Referring to the section "Projects Ready To List But Not Funded Yet," Ms. Condie explained that CTC has not yet voted on these projects. She said that if available, a tentative advertising date was provided. Referring to the report "Awarded Projects in District 4 as of 11-14-08", Ms. Condie explained that this report shows the last two years' worth of awarded contracts in order by contractor. Mr. Julian Camacho asked how he can tell if a project is funded by state money, and Mr. Guerrero replied that the projects with DVBE goals are the ones funded by state money. Mr. Sartipi clarified that if there isn't a DVBE goal, the project has at least one dollar of federal funding. Mr. Lau asked if the DVBE goal increase to 5% has made any difference, and Mr. Sartipi said that it may be too soon to know and the council should look at that at the next meeting.

### **Maintenance Update:**

Ms. Kim Le referred to the documents "District 4 Emergency Contracts Small Business Utilization Report FY 08/09 Director's Order Force Account (11-07-08)" and "District 4 Emergency Contracts Small Business Utilization District Director's Order Force Account FY 08/09 Report (11-07-08)" to brief the council on this topic. Referring to the chart "District 4 Emergency Contracts Small Business Utilization Report FY 08/09 Director's Order Force Account (11-07-08)", Ms. Le updated the council that the final project had been awarded to Vanguard Construction, an SBE, and so the pie chart should reflect 0% Not Yet Awarded, 54% Non-SBE, and 46% SBE. She noted that the table on page 2 shows the county, route, post mile, EA, type, subcontractors, description of work, and contract value for each of the Director's Orders Force Account contracts. Referring to the chart "District 4 Emergency Contracts Small Business Utilization District Director's Order Force Account FY 08/09 Report (11-07-08)", Ms. Le reported that of the \$339,000 in Force Account contracts awarded, 87% or \$294,000 has gone to SBEs, 0% to Non-SBEs, and 13% or \$45,000 was Not Yet Awarded.

### **Design Update:**

Ms. Lenka Culik-Caro referred to the handout "Proposed Minor B Projects for Small Business, FY 08/09 (October 2008)" to brief the council on this topic. She said that there had been no changes since last month's report.

### **Architecture and Engineering A&E Update:**

Mr. Romy Fuentes referred to the document "Recently Executed A&E Contracts / Recently Executed Non-A&E Contracts / Upcoming New A&E Contracts (11-12-08)" to brief the council on this topic. Referring to the "Upcoming New A&E Contracts" section, Mr. Fuentes noted that since the October SBC meeting three contracts had been added: 04NEW291-09/04A3157 for land surveying (top ranked consultant is Chaudhary Associates), 04NEW285-08/04A3161 for traffic operations (top ranked consultant is DKS Associates), and 04NEW300-09 for program/project management tentatively scheduled to be advertised in January 2009. In the "Upcoming New Non-A&E Contracts" section, one contract had been added since the October meeting: 04NEW301-09 for Calmentor meeting facilitation. Mr. Vargas asked if Chaudhary Associates is a small business, and Mr. Fuentes replied that it is. Regarding contract #04NEW300-09, Mr. Vargas asked if it would span multiple small projects or staff augmentation for project management on site, and Ms. Trinity Nguyen replied that the scope would encompass both.

### **Toll Bridge Program Update:**

Ms. Pat Padilla referred to the following documents to update the council on this topic: "SFOBB Project SAS 04-0120F4 SB/DVBE Contractor Commitment Report (11-09-08)", "SFOBB Project OTD 04-

0120L4 SB/DVBE Contractor Commitment Reports (November 2008)", and "Post Award Survey". Drawing the council's attention to the document "SFOBB Project SAS 04-0120F4 SB/DVBE Contractor Commitment Report (11-09-08)", she highlighted that currently there are 28 certified SBEs (6 of which are also carrying DBE certification) and 3 certified DVBEs participating on the contract. In response to the council's prior request, Ms. Padilla reported that 21 of the 28 SBEs have their business offices located in District 4. The total value of the SBE/DVBE participation is in excess of \$11M. Ms. Padilla underscored that at the inception of the contract, there was a 1% DVBE participation requirement and a 0% SBE requirement. American Bridge/Fluor originally listed DVBE C&W Diving at 1.23% of the total contract award value at over \$17M. This has been voluntary on the part of American Bridge/Fluor. Ms. Padilla explained that the information on the reported commitment value comes from the bid summary, subcontracting request forms, and/or contractor-reported payment information. Ms. Padilla said that the next step is to report actual attainments. Mr. Ramirez asked if any of the three DVBEs were local businesses, and Ms. Padilla replied that Leland Saylor & Associates is the only local DVBE. Mr. Lau asked if Leland Saylor and Associates does inspection and testing, and Ms. Padilla said that she would review the documents that support the scope and verify this. Mr. Vargas asked Ms. Padilla to check the certification, and Ms. Padilla said that she would. Mr. Camacho questioned the distribution of the work since the bulk of the work seems to be concentrated with a few larger companies, and less work seems to be distributed among the smaller companies. Ms. Padilla underscored that most of the SBE/DVBE participation has been voluntary on the part of American Bridge/Fluor. Also, Ms. Padilla explained that the subcontractor commitment value reported by the contractor has been, in some instances, reflective of payments to date rather than reflective of the subcontracting agreement. In the future, Padilla and Associates is requiring from the contractor supportive documentation detailing the full commitment value. Ms. Padilla emphasized to the council the number and capacity of participating firms. Mr. Vargas complimented the level of SBE/DVBE participation on the SAS project, especially since most has been voluntary. He then asked Ms. Padilla if on her reports she could add a column showing women-owned business (WBE) participation, and Ms. Padilla said that she would review the feasibility of this request. Referring to the document "SFOBB Project OTD 04-0120L4 SB/DVBE Contractor Commitment Reports (November 2008)", Ms. Padilla highlighted that currently there are 27 certified SBEs (7 of which are also carrying DBE certification) and 1 certified DVBE participating on the contract. Ms. Padilla reported that 12 of the 27 SBEs have their business offices located in District 4. The total value of the SBE/DVBE participation is in excess of \$34M. Ms. Padilla underscored that at the inception of the contract, there was a 0% DVBE participation requirement and a 0% SBE requirement. All attainment on this contract has been voluntary on the part of MCM. Mr. Ramirez asked why the DVBE goal was so low, and Mr. Sartipi clarified that because so much of the work is being done internationally, there have been few opportunities for DVBEs. Mr. Sartipi pointed out that there was a numbering discrepancy on the document, and Ms. Padilla said that she would distribute an amended copy to the council. Mr. Camacho asked Ms. Padilla about CJC/All Counties Trucking, and Ms. Padilla responded that this is a joint venture entity that is not yet certified and currently going through the certification process. One of the firms is holding SBE certification status and the other is holding DVBE certification status. Mr. Camacho asked whether CJC/All Counties Trucking would be operating as both a contractor and as a broker, and Ms. Padilla confirmed this. Mr. Sartipi clarified that the DVBE/SBE achievement for CJC Trucking is being provided for the council's information in order to raise awareness about the level of small business participation and show the department's commitment to increasing small business. Because the joint venture is not yet certified, however, this achievement would not be reported to a government entity. Mr. Camacho observed that this signifies a *bona fide* good faith effort. Mr. Guerrero asked if this information would be reported to the governor, and Mr. Sartipi said that this would not be eligible for reporting. Mr.

Guerrero questioned the reason for the joint venture's delay in obtaining certification. Ms. Padilla said she is in communication with CJC/All Counties Trucking on this matter. Regarding the document "Post Award Survey", Ms. Padilla explained that the goal was to find out subcontractor training needs and the construction contract the sub is currently working on and in what capacity. Mr. Guerrero requested to have a listing of the Toll Bridge A&E contracts, and Mr. Sartipi asked Ms. Trinity Nguyen to extract the A&E Toll Bridge information from the A&E Quarterly Report and give this information to Mr. Derek Pool to report to the council as part of the Toll Bridge Program monitoring efforts. Mr. Lau observed that many of the firms were performing A&E services to the contractor, and he suggested that the firms be broken into two categories on future Toll Bridge reports. In response to Mr. Guerrero's next question, Mr. Sartipi asked Ms. Padilla to find out if it is possible to gather two pieces of information: 1) What tier (1<sup>st</sup>, 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup>) are the DVBE and SBE contractors listed on the SAS and OTD Contractor Commitment Reports?; and 2) Are the 4<sup>th</sup> tier contractors being paid promptly? [Action Item #4008]. In response to Mr. Camacho's question about the composition of the Toll Bridge Small Business Team, Mr. Derek Pool, the Small Business Manager, responded that the members of the team are the consulting firm of Padilla and Associates, senior engineer Mr. Fernando Velez, and himself.

**Action Item #4008** for Ms. Pat Padilla

#### **Over \$5K Service Contracts Update:**

Mr. George Crosby referred to the report "Upcoming Service Contracts over \$5K (10/6/08)" to update the council on this topic. Mr. Crosby noted that the only changes since the last report were the status of two contracts: contract #04A3101 is advertising from 11/13/08 to 12/16/08, and contract #04A3152 is advertising from 10/8/08 to 12/2/08. In response to Mr. Guerrero's and Mr. Lau's questions about bidding on homeless contract #04A3118 for \$940,000, Mr. Sartipi asked that Mr. Eshghipour get a copy of the CMAS contract to clarify the scope of work. Mr. Ramirez asked if there is any DVBE participation on service contracts, and Mr. Crosby replied that there is no DVBE participation yet. Mr. Sartipi asked if there was a DVBE goal for service contracts, and Mr. Crosby said that it was 5%. Mr. Ramirez asked where this information was located because he could not find it on the DGS website, and Mr. White said that it was in the advertisement on the DPAC website. Mr. Ramirez asked Mr. White to supply him with a copy of the advertisement for DVBE service contracts on the DPAC that shows the 5% DVBE goal, and Mr. White said that he would supply this to Mr. Ramirez.

#### **Item #4: Review of Past Action Items**

Mr. Dan Hess led a review of the action items carried over from the 10-8-08 SBC meeting.

**Action Item #3908** is complete: Mr. Derek Pool reported that final payment had been made to all of the OTD #1 subcontractors involved in the dispute.

#### **Item #5: New Business**

Mr. George Crosby announced that in October D4's Small Business Program was a finalist for the "2008 State Agency Recognition Awards." Mr. Crosby thanked everyone for their support of the Small Business Program and observed that this award reflects the commitment of the district as a whole.

Mr. Sartipi asked Mr. White to report the results of the November 4<sup>th</sup> annual procurement fair. Mr. White said that as a result of refocusing the approach to the procurement fairs, the Small Business Program was able to counter the effect of the ebb and flow of the budget by getting the commitment of the executive

team to work with their staff to reserve as much purchasing as possible for the procurement fair event. In the last procurement fair, \$477,000 in purchasing of materials for the district was committed in roughly 4 hours. In the November 4<sup>th</sup> procurement fair, there were 95 vendors and 125 participants from these vendors. The event was held at the Port of Oakland, and since District 4 partnered with the Port there was no cost for the venue, which saved overhead. Mr. White reported that as of November 19<sup>th</sup>, there were committed, confirmed purchases of \$943,000, and Mr. White is confident that the purchases will exceed \$1M once the final tally is completed. [NOTE: The final tally for the procurement fair was \$1.58M]. Mr. White commended Mr. Eshghipour for his leadership which contributed greatly to the success of the procurement fair, as the vast majority of the purchases were through the Division of Maintenance. Mr. Sartipi observed that this total is the highest in the state. Mr. Lau congratulated the district for this achievement. He then asked if these vendors will continue receiving contracts as a result of participating in the procurement fair. Mr. Crosby responded that his office is beginning to track which vendors continue to receive contracts, in addition to the district seeking new vendors through the Bay Area Chambers of Commerce. Mr. Lau reported that the last DGS procurement fair was disappointing in comparison to Caltrans' fair. Mr. Hess noted that a strategy that D4 is using is partnering with other agencies for procurement fairs; however, in general other agencies have not showed so much interest. Mr. Hess said that the November 4<sup>th</sup> fair had a lot of vendors, was held in a great venue, and generated a lot of excitement. Mr. Camacho observed that it is Mr. Sartipi's commitment to small business that makes D4's program a success. Mr. Camacho then emphasized the importance of knowing the ethnicity of DBEs in order to do effective targeted outreach for procurement fairs and other opportunities. Mr. Crosby said that identifying DBEs by ethnicity is not currently within Caltrans policy, but that outreach efforts are broad and inclusive and targeted to firms that provide services or products that Caltrans needs. Mr. Sartipi added that the success of outreach efforts is the extent to which the small business program is drilling down and really making sure that potential procurement fair attendees know what products are needed. Mr. Sartipi commended the small business program on its outreach efforts. Mr. Sartipi suggested that in the future reporting on procurement fair results includes purchasing by partners, not just the purchasing by Caltrans, in order to get the full picture of the total sales of the day for all agencies resulting from the fair. Mr. White said that he hopes that the success of the procurement fair will draw interested partners to Caltrans in the future.

Mr. Sartipi reported that the Construction Mentor Protégé program was kicked off. 27 out of 30 subcontractors attended. The subcontractors had a chance to sit down with a prime and talk with them, and the principals of the primes were present. Mr. Sartipi said that he looks forward to success in this program. Mr. Lau requested to see the list of participants in the Construction Mentor Protégé program and asked Ms. Kim Byrne to post this information on the website.

#### **Item 6: Adjournment and Announcements**

Mr. Sartipi adjourned the November meeting at 2:30pm and announced that the December D4 SBC meeting would be cancelled. He let the council know that next D4 SBC meeting would be on Wednesday, January 21<sup>st</sup>, 2009 at 1pm in the Executive Conference Room. Mr. Ramirez said that the DVBE list is delayed in the California Utility legal department, and he will keep the council informed. Mr. Derek Pool announced that at Friday's Statewide SBC meeting MCM will be recognized for its efforts to increase its use of small business. Mr. Samson Wong of Small Business Transportation Resource Center introduced to the council Ms. Rachel Odessky as his replacement as project director.

**District 4 Small Business Council Action Items as of November 19, 2008:**

<b>No.</b>	<b>Item</b>	<b>Assignee</b>	<b>Date</b>	<b>Status</b>	<b>Comments</b>
4008	In response to Mr. Guerrero's question, Mr. Sartipi asked Ms. Padilla to find out <b>if it is possible</b> to gather two pieces of information: 1) What tier (1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> , 4 <sup>th</sup> ) are the DVBE and SBE contractors listed on the SAS and OTD Contractor Commitment Reports?; and 2) Are the 4 <sup>th</sup> tier contractors being paid promptly?	Ms. Padilla	11-19-08	New	

**District 4 Small Business Council Items Deferred to Statewide Council as of November 19, 2008**

<b>No.</b>	<b>Item</b>	<b>Assignee</b>	<b>Date</b>	<b>Status</b>	<b>Comments</b>
1306	DDD Hess will follow up with HQ to ascertain services provided by GCAP as per contract received.	DDD Hess	3/8/06	Ongoing	Reinstated 8/9/06. Contract under review. Council members Guerrero and Altaha will serve on RFP review committee.
1706	DDD Hess will examine existing web-based registration for contractors with Office of Civil Rights	DDD Hess	4/12/06	Ongoing	8/9/06: Will need additional time for review and analysis.
3206	Elevate the concerns of the District 4 Small Business council regarding Caltrans' plan to implement the new insurance limits on January 1, 2007.	DDD Hess	9/13/06	Ongoing	Issue shared with Olivia Fonseca. Update provided on 10/11/06. Statewide SBC issue. Discussion included in 08/16/06 Statewide SBC minutes. Victor Salazar, HQ, is the lead on this issue.
1607	Mr. Finney agreed to research whether supply line items may be separated out of Prime contracts.	DDD Finney	3/14/07	Ongoing	An e-mail was sent to Deputy Fonseca on 5/16/07 by Mr. Hess. Mr. Hess will follow up on this item at the Statewide SBC meeting on 6/15/07.
2008	Reevaluation of the Good Faith Effort (GFE) Process for DBE and DVBE Outreach by HQ Civil Rights	Ms. LaCome & DDD Hess	4-16-08	New	DD Fonseca was informed of this action item on 4-18-08 by Mr. White and then emailed the text of it on 4-21-08
2508b	Mr. Guerrero wanted to know how quickly newly certified small businesses--who submit	DDD Hess	4-16-08	New	DD Fonseca was informed of this action item on 4-

	their names 'via the web'---get on D4 Maintenance's Emergency Contact Information list				18-08 by Mr. White and then emailed the text of it on 4-21-08
2908	Mr. Guerrero requested that that all of the action items deferred to Statewide SBC be followed up on and that the Statewide SBC report back to the D4 SBC as to how these action items have been dealt with or resolved.	DDD Hess	4-16-08	New	DD Fonseca was informed of this action item on 4-18-08 by Mr. White and then emailed the text of it on 4-21-08
3308	Mr. Lau asked that Caltrans break up contracts like 04NEW294-08 into further pieces. For example, Caltrans should break down the work into two categories: domestic US and international. Also, within the international category, Caltrans should break down contracts by countries. In addition, whoever gets the contract should use local talents, and international firms should use local qualified inspectors because this would save money as well as provide opportunities for local small business. He underscored that he is not asking for a sacrifice of quality.	Mr. Anziano	7-9-08	New	Also listed as District 4 Action Item #3308
3408	Via the Professional Services Committee, follow up with DPAC regarding outcome of the DPAC task force assigned to update the selection criteria for interview panel members for service contracts.	Mr. Lau	9-12-08	New	

### 2009 District 4 Small Business Council Meeting Schedule

<b>Type Meeting</b>	<b>Date &amp; Time</b>	<b>Location</b>
January Meeting, District 4 Small Business Council	Wednesday, Jan. 21, 2009 1:00 pm – 2:30 pm	Exec. Conference Room, District 4 Offices, Oakland
February Meeting, District 4 Small Business Council	Wednesday, Feb. 18, 2009 1:00 pm – 2:30 pm	Exec. Conference Room, District 4 Offices, Oakland
March Meeting, District 4 Small Business Council	Wednesday, Mar. 18, 2009 1:00 pm – 2:30 pm	Exec. Conference Room, District 4 Offices, Oakland
April Meeting, District 4 Small Business Council	Wednesday, Apr. 15, 2009 1:00 pm – 2:30 pm	Exec. Conference Room, District 4 Offices, Oakland
May Meeting, District 4 Small Business Council	Wednesday, May 20, 2009 1:00 pm – 2:30 pm	Exec. Conference Room, District 4 Offices, Oakland
June Meeting, District 4 Small Business Council	Wednesday, June 17, 2009 1:00 pm – 2:30 pm	Exec. Conference Room, District 4 Offices, Oakland
July Meeting, District 4 Small Business Council	Wednesday, July 15, 2009 1:00 pm – 2:30 pm	Exec. Conference Room, District 4 Offices, Oakland
August Meeting, District 4 Small Business Council	Wednesday, Aug. 19, 2009 1:00 pm – 2:30 pm	Exec. Conference Room, District 4 Offices, Oakland
September Meeting, District 4 Small Business Council	Wednesday, Sept. 16, 2009 1:00 pm – 2:30 pm	Exec. Conference Room, District 4 Offices, Oakland
October Meeting, District 4 Small Business Council	Wednesday, Oct. 21, 2009 1:00 pm – 2:30 pm	Exec. Conference Room, District 4 Offices, Oakland
November Meeting, District 4 Small Business Council	Wednesday, Nov. 18, 2009 1:00 pm – 2:30 pm	Exec. Conference Room, District 4 Offices, Oakland
December Meeting, District 4 Small Business Council	Wednesday, Dec. 23, 2009 1:00 pm – 2:30 pm	Exec. Conference Room, District 4 Offices, Oakland