

 **D4 Small Business Council Meeting Minutes**

DATE: June 19, 2013

TIME: 1:00- 3:00pm

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

<p><u>D4 CALTRANS STAFF:</u> Bijan Sartipi, District Director Lenka Culik-Caro, DDD Design Premjit Rai, DDD Administration Mark Weaver, DDD, Right of Way Kannu Balan, Consultant Services Ali Banani, Consultant Services Kim Byrne, Office of Business Mgmt George Crosby, Small Business Manager Romy Fuentes, Consultant Services Tom Fung, Consultant Services Damien Harris, Office of Business Mgmt Stanley Ng, Maintenance Ray Pang, Construction Derek Pool, Toll Bridge SB Program</p> <p><u>HQ/AGENCY STAFF</u> Mario Solis, HQ OBEO (via phone)</p>	<p><u>MEMBERS (Present/Absent)</u> Arvin Chaudhary (A) Marie De La Parra (A) Paul Guerrero (P) Diana LaCome (P) Eddy Lau (P) Victor Martinez (P) Peter Ramirez (A) Jesus Vargas (A)</p>	<p><u>REPRESENTING</u> ACEC CA OAACC - NCMSDC La Raza Roundtable NCA AAAE HCCAC SDVOC WTS</p>
	<p><u>ALTERNATES (Present/Absent)</u> Etta Jones (A) Michael Price (A) Miguel Barrigan (A) Leslie Sakai (A) Anthony DeVenuta (A) Shirley Douglas (A)</p>	<p><u>REPRESENTING</u> OAACC - NCMSDC La Raza Roundtable NCA AAAE SDVOC WTS</p>
	<p><u>GUESTS:</u> Pat Padilla, Padilla & Associates</p>	

Item #1: Introductions

Mr. Sartipi welcomed everyone to the June meeting and the attendees introduced themselves.

Item #2: Approval of Minutes

February 20, 2013 Meeting & April 17, 2013 Minutes:

Vote was postponed until the August meeting because there wasn't a quorum.

Item #3: District 4 Updates

Construction Update:

Mr. Ray Pang provided the Construction reports. Regarding contract #3E6101 in the Projects Awarded section, Mr. Pang added that the Certified DVBE Achievement is 5.025%. Mr. Paul Guerrero noted that the goals and achievement in some cases far apart, for example, in contract #3E3001 (goal: 5%, cert: 11.2%) and #1G0701 (goal: 4%; cert: 7.69%). He reiterated a point made at the last meeting by the council that the goals are set too low: the goals should be set according to what can be possibly achieved, rather than what is safely achievable.

Maintenance Update:

Mr. Stanley Ng presented the Maintenance reports. He provided the following District Director's Order updates: EA #0J2304 was awarded to ABSL, an SBE/DBE; EA #0J0204 was awarded to Cimarron, an SBE; and EA# 0J2704 was awarded to Anozira, an SBE. Mr. Guerrero asked if microbusinesses are ever awarded contracts, and Mr. Ng said that they are. Mr. Ng said that he reports on microbusinesses at the end of each fiscal year. Mr. LaCome observed that microbusinesses should be more competitive on the smaller emergency contracts. Mr. Sartipi said that he may have the report on microbusiness awards for the July Statewide SBC meeting, but if not, then Mr. Ng will give it at the next D4 SBC meeting in August.

Design Update:

Ms. Lenka Culik-Caro presented the Design reports. Regarding EA #2L6000, Mr. Lau asked if the prime contractor Stoloski & Gonzalez finished the job, because their bid was less than 50% of the engineer's estimate. Ms. Culik-Caro said that she would check on it. Mr. Sartipi said that the bid wasn't any lower than that other bids, so the engineer's estimate must be too high or the market must be hungry. Ms. LaCome asked what the rules were for using Best Value versus Low Bid and whether Best Value is ever used in D4. Mr. Sartipi said that Best Value is used in Design/Build projects. Ms. LaCome said that she would be interested in seeing the Design/Build Demonstration Program report.

A&E Update:

Mr. Romy Fuentes presented the A&E reports. He clarified that for contract #04A4151, prime contractor GANDA was a DBE. Mr. Fuentes noted that 6 of the 7 Recently Executed A&E Contracts have primes who are Calmentor members. He said that GANDA used to be a protégé to mentor CH2MHill and observed that this is evidence that the Calmentor Program is working. Mr. Sartipi asked if GANDA is the only former protégé to be awarded a contract as a prime, and Mr. Fuentes said that there were a few others in the past. Mr. Fuentes added 2 additional Upcoming New A&E contracts: 04NEW418-13 and 04NEW419-13. Mr. Ali Banani said that there had been an outreach for these two contracts on June 18th. Regarding Upcoming New A&E contract #04A4254, #04A4256, and #04A4255, Mr. Lau asked if these would be awarded before the end of the fiscal year, and Mr. Fuentes said that they are in the process of cost negotiation for those and the contracts will be executed by the end of the month.

Toll Bridge Program Update:

Mr. Derek Pool said that the Toll Bridge Small Business Program would be participating in the Bay Bridge Celebration in order ensure that participating businesses especially local businesses are acknowledged. Mr. Pool showed the council a blue "snapshot" summary sheet and asked the council for feedback on whether they like this style of presentation, saying there was real value to it. Ms. LaCome asked him to add DBEs to this new report, and Mr. Pool said he would. Mr. Guerrero asked to have SBEs and DBEs put into separate columns. Ms. Pat Padilla then presented the Toll Bridge reports. Mr. Pool noted the hard work that the Toll Bridge Small Business Program has done to encourage prime contractor ABF to increase small business participation. Ms. Padilla pointed out a typo in the YBITS2 project, noting that the last line should read DBE Commitment per Contract Value, not DVBE.

District 4 Small Business Update:

Mr. George Crosby provided the Small Business report. He said that there would be a Subcontractor Information and Bonding Seminar on June 26th from 1pm to 4pm at the District Office, with bonding assistance being provided by Bernida Reagan from Merriwether & Williams and by Scott Leslie from SBTRC. With regard to the tracking of small business contracts, Mr. Crosby said that he would be going to

a hearing at which there will be an attempted substitution. He announced that in August there would be a Mandatory Pre-Bid, as well as other outreach events.

Item #4: Review of Action Items

Mr. Premjit Rai led discussion of last meeting's action items:

Action Item #1512 is closed: *"Mr. Guerrero requested an action item to determine at what point in time the small business as referenced in 49 CFR 26.39 would be adopted and made a part of the bids."* Mr. Rai drew the council's attention to a letter from Mr. Vincent Mammano of FHWA dated March 27, 2013, approving Caltrans' DBE Small Business Element. Mr. Rai said that a copy of the plan would also be supplied to the council. Mr. Guerrero asked who would be doing the certification, and Mr. Rai said that the plan does not include certification because Caltrans does not have the resources. Mr. Guerrero said that this satisfied the action item, and he would raise the certification issue at the Statewide SBC.

Action Item #1013 is closed: *"Mr. Peter Ramirez requested an action item for Mr. Finney to review the Buy America provisions and report to the council on what is covered. Mr. Finney said that he would provide the council with a copy of the Buy America requirements and at least a link to MAP-21."* Mr. Rai drew the council's attention to an email in the meeting folders from Mr. Bob Finney providing the link to the MAP-21 complete document; a text excerpt of MAP-21 Section 1518; a link to MAP-21 Q&A on Buy America; and a link to CFR Title 23 Section 635.410 Buy America Requirements. Mr. Guerrero asked to have it emailed to him, and Mr. Rai said he would do that.

Action Item #1113 is closed: *"Ms. Culik-Caro said that she would consult with Mr. Mark Weaver, District 4's Right of Way Deputy, to get more information for the council on utility relocation issues on EA #0A7101 and #0A5341."* Mr. Mark Weaver provided a background on MAP-21. The action item was closed.

Action Item #1213 is ongoing: *"Mr. Lau asked if Caltrans could track protégés to see which ones got Caltrans jobs.... Ms. Culik-Caro said that Mr. Finney will provide to the council the contact information for the 8 protégés that graduated in 2011."* Mr. Rai noted that the list provided in the meeting folders was of contact information for the current protégés, not the 2011 graduates, so the action item was continued.

Action Item #1313 is closed: *"Regarding contract #04A4254, #04A4256, and #04A4255... Ms. LaCome said that she wanted to read the language in the RFP."* Mr. Kannu Balan made a presentation in which he provided DPAC's RFQ language: "The required goal for DBE participation in this solicitation is not less than 5%." Mr. Lau observed that it is different to say "is" versus "is not less than." Mr. Sartipi said that with regards to contract #04A4254, #04A4255, and #04A4256, Consultant Services will be tracking the contracts as part of Mr. Fuentes' usual A&E reporting.

Action Item #1413 is closed: *"The council asked that Mr. Fuentes provide again the methodology used to calculate the goals."* Mr. Fuentes reiterated the methodology used, and Mr. Rai closed this action item.

Action Item #1513 is closed: *"Mr. Guerrero asked that a contract manager give a presentation on how he or she sets the goal on a specific project."* Mr. Kannu Balan made this presentation. Mr. Guerrero said that Consultant Services is setting individual contract goals using the Annual Statewide Goal methodology, which is incorrect. Mr. Sartipi said that the first step is to verify whether the methodology Consultant Services is using is incorrect. Mr. Sartipi said the next question is: can Consultant Services be more

aggressive in setting the individual contract goals? Mr. Sartipi observed that there may be flexibility in setting individual contract goals, noting that the process being used by Consultant Services is not necessarily wrong, just not the most aggressive. Ms. Pat Padilla said that a good guideline to use is the Local Assistance Procedures Manual, which gives 5 variables for goal setting, Consultant Services' methodology being one of them. Ms. Padilla said that it is important to use the most reliable ---not the easiest---data, indicative of what participation could be, adding that the best pool to use is the list of previous bidders. Mr. Rai closed Action Item #1513.

Item #5: New Business

Mr. Victor Martinez announced that Hispanic Chamber of Commerce is having its Annual Meeting in Oakland in August, and he said that he would provide a flyer to Mr. Crosby to distribute to the council.

Item #6: Adjourn

Mr. Sartipi adjourned the meeting, and announced that the next meeting would be held on August 21, 2013.

District 4 Small Business Council Action Items as of June 19, 2013:

No. / Starting Date / Assignee	Item & Notes
#1213 on 04/17/13 for Mr. Finney	Mr. Lau asked if Caltrans could track protégés to see which ones got Caltrans jobs.... Ms. Culik-Caro said that Mr. Finney will provide to the council the contact information for the 8 protégés that graduated in 2011. On June 19 th , contact information for current protégés was provided and action item was continued.

2013 District 4 Small Business Council Meeting Schedule

All meetings will be held in the Executive Conference Room, 15-240, unless otherwise noted.

Month	Date & Time
August	Wednesday, August 21 , 2013 from 1:00 pm – 2:30 pm
October	Wednesday, October 16 , 2013 from 1:00 pm – 2:30 pm
December	TBD