



D4 Small Business Council Meeting Minutes

DATE: June 16, 2015

TIME: 1:00- 2:00pm

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

<p><u>D4 CALTRANS STAFF:</u> Dan McElhinney, Chief DDD Kim Byrne, Office of Business Mgmt George Crosby, Small Business Manager Romy Fuentes, A&E Program Adriana Harris, Small Business Program Damien Harris, Office of Business Mgmt Larry Jones, Design Osayahde Nesbitt, Small Business Prog. Stan Ng, Maintenance Ray Pang, Construction</p> <p><u>HQ/AGENCY STAFF:</u> Loi Tran, OBEO</p>	<p><u>MEMBERS (Present/Absent)</u> Arvin Chaudhary (A) Marie Roberts De La Parra (A) Paul Guerrero (P) Diana LaCome (P) Eddy Lau (P) Peter Ramirez (A)</p>	<p><u>REPRESENTING</u> ACEC CA OAACC - WRSDC La Raza Roundtable NCA AAAE SDVOC</p>
	<p><u>ALTERNATES (Present/Absent)</u> Raewyn Butcher (P) Sandie Anderson (P) Michael Price (A) Miguel Barrigan (A) Leslie Sakai (P) Anthony DeVenuta (A)</p>	<p><u>REPRESENTING</u> ACEC CA OAACC - WRSDC La Raza Roundtable NCA AAAE SDVOC</p>
	<p><u>GUESTS:</u> Chris Walker Clint Bourque Rod Kelly</p>	<p><u>REPRESENTING</u> BBC Electric BBC Electric BBC Electric</p>

Item #1: Introductions

District 4 Chief Deputy District Director Dan McElhinney welcomed everyone to the June meeting. Mr. McElhinney let the council know that District Director Sartipi was unable to attend due to an agency- level meeting in Sacramento but that he sends his regards. Mr. McElhinney noted that he has been co-chair of the SBC since 2002 and in that time has witnessed much success with the SBC for Caltrans' efforts in the Bay Area. He expressed appreciation for the council members for their commitment over the years, as well as for the Caltrans staff that support the program and meetings, including reports on A&E, construction, maintenance, design and small business outreach events. He highlighted that the mandatory outreaches for construction contracts have been very successful and that Design and Construction have presented well at quarterly outreach events. He noted the progressive development of the small business outreach for Director's Orders and design minor contracts. He also highlighted the successes of the Calmentor program, as well as the annual District 4 Procurement Fairs. After Mr. McElhinney's remarks, the attendees introduced themselves.

Item #2: Approval of Minutes

April 21, 2015 Minutes:

Motion: Mr. Paul Guerrero. Second: Mr. Eddy Lau. Opposed: None. Approved by consensus.

Item #3: District 4 Updates

Construction Update:

Mr. McElhinney introduced Mr. Ray Pang who presented the Construction report. Mr. Pang highlighted two large advertised projects, EA #297621 for \$42M and EA #264091 for \$51M. He noted that EA #2641A1 is state-funded, will advertise on 6/1/15, and has a DVBE goal of 5%. Mr. Pang pointed out that the bids on the projects currently awaiting award are coming in close to the engineer's estimates. **Mr. Lau asked why there is no DBE achievement listed for EA #1G5401. He noted that there is a 20% DBE goal, but the listed subs to storm water and striping work which he questioned that this would lead to 20% DBE achievement. Mr. McElhinney asked if maybe NorCal was a DBE, which would explain the higher percentage, and asked Mr. Pang to update the council on the DBE status of NorCal [Action Item #2015-01].** [UPDATE from Mr. Pang on 6-17-15: **The apparent low bidder Norcal General Construction is a certified DBE. The contractor was awarded the contract on 6-15-2015. The project has 100% DBE certification, meeting the goal of 20%.**] Mr. McElhinney underscored that 11 of 13 awarded projects had met or exceeded their goals. He noted that this kind of success is the result of continuous follow-through by the Construction team to remind the contractors to stay above the goal. Mr. McElhinney encouraged Mr. Pang to ensure that the techniques that led to these successes are shared with new contract managers. Mr. Guerrero commented that there may be a problem with the DBE goal setting methodology because the certified DBE is consistently higher than the DBE goals. Mr. Guerrero asked who set the goal, and Mr. Pang said that it was Headquarters that sets the goal. Mr. Lau said that soon DPAC will be reviewing the goal setting process. **Mr. Loi Tran from OBEO said that review of the goal setting process will be part of the upcoming Disparity Study and the goal setting methodology will be posted online later this month. The council will be notified when this happens, and will be invited to review and make public comments. Mr. Tran said that he would share the link with Mr. Crosby, who would share it with the council as soon as it is available [Action Item #2015-02].** Mr. McElhinney asked about the length of the comment period, and Mr. Tran said that he would find out and report to the council. Mr. Lau asked what firm had been selected to do the study this time, and Mr. Tran said he did not think that had been identified yet. Mr. Lau asked how a schedule could be set without having the contractor chosen, and Mr. Tran said he would get more information on this and share it with the council. Mr. McElhinney said that in the new fiscal year there are 45 upcoming projects valued at \$400M that will be ready to list after July 1, 2015. In the Not RTL Yet section, Mr. McElhinney asked Mr. Pang to add a column showing the "RTL Target Date." **Mr. Lau requested an update on the Construction Mentor Protégé Program at the next meeting [Action Item #2015-03],** and Mr. McElhinney agreed. Mr. McElhinney thanked Mr. Pang for his report.

Maintenance Update:

Mr. McElhinney introduced Mr. Stan Ng who provided the Maintenance report. Mr. Ng added 2 new District Director's Order – Force Account contracts to the report. A project on Solano 680 for \$281K was awarded to SBE Pacific Engineering Construction. Also, a project on Highway 123 in Oakland for \$281K has not yet been awarded. Mr. McElhinney thanked Mr. Ng for his report.

Design Update:

Mr. McElhinney introduced Mr. Larry Jones to provide the Design update. Ms. LaCome asked why some bidders were bidding higher than the \$300K ceiling for Minor Bs and above the \$281K maximum for projects Not Minor Bs, and Mr. Jones said that he did not know. Mr. McElhinney asked Mr. Jones if Caltrans can accept a bid like this, and Mr. Jones said if it falls within 10% it can be accepted, but otherwise he said that it could not be accepted. Mr. McElhinney asked Mr. Jones to check with DPAC to see if

contractors are informed about the ceilings for these projects. Mr. McElhinney thanked Mr. Jones for his report.

A&E Update:

Mr. McElhinney introduced Mr. Romy Fuentes to provide the A&E Report. Mr. Fuentes highlighted contract awards to SBE Earth Mechanics, Inc. and DVBE Alta Vista. He said this totals \$9M awarded to certified firms out of \$23M. Mr. Fuentes asked that the council update the report to show #04NEW467-15 as being for the South Region and #04NEW468-15 as being for the East Region. He noted that contract #04A4719 has been set aside for small business. On the DBE Utilization Quarterly Report, Mr. Fuentes clarified that Wreco is a UDBE. Ms. Raewyn Butcher asked what happens if it looks like the goals are not going to be met by the end of the contract, and Mr. Fuentes said the contract manager meets with the primes throughout the project to emphasize the importance of meeting the goals. Also, managers complete evaluations on the primes and submit them to DPAC. These may be used in the future in the award process. Mr. McElhinney thanked Mr. Fuentes for his report and efforts, and also thanked Deputy District Director Mr. Doanh Nguyen, Chief of Consultant Services Mr. Ali Banani, and all of the contract managers for continuing to remind the firms of their goals and achievement. Mr. McElhinney said that overall District 4 achievement remains quite impressive compared to Statewide achievement but he encourages D4's team to do better. Mr. Lau commented that the Statewide SBC is modeling its reports on District 4's A&E reports. Mr. Guerrero observed that District 4 is carrying a lot of districts on its back, statewide. Mr. McElhinney said that it starts with the basics, tracking and monitoring the data on an every other month basis at the SBC. Another component is keeping awareness amongst contract managers and management team of the importance of small business utilization, while realizing that there are a lot of challenges for the consultant firms and contractors. He noted that they are great at what they do. Mr. McElhinney noted that the continuous interaction and outreach program really helps. He observed that D4's achievement is a reflection of everyone's hard work. Mr. McElhinney thanked Mr. Fuentes for his report.

District 4 Small Business Update:

Mr. McElhinney introduced Mr. George Crosby to present the Small Business report. Mr. Crosby noted that the Small Business Program is supported by the District Director, Chief Deputy District Director, Deputy District Director, Office Chief, and all SBC members and Caltrans staff. He said that other districts should follow that lead. Mr. Crosby reported that the SB program will attend Owner's Night, Capital Program Updates on July 15th, sponsored by CMAA Northern California Chapter, in order to share small business opportunities with attendees. Mr. Crosby said a consortium is being developed by CPM Logistics for prime contractors, and the D4 Small Business Program is involved in this initiative. Mr. Crosby also reported that the March 5th Procurement Fair purchases totaled \$974K, and the next one is in October. Mr. Crosby let the council know that starting today, HQ OBEO will be reporting at the SBC meetings to update the council on statewide issues. Mr. Tran updated the council on the following topics: Uniform Report of DBE Commitments/Awards and Payments submitted recently to FHWA for the reporting period 10/1 to 3/31; the status of the DBE Supportive Services contract; Division of Local Assistance/OBEO training of local agencies on goal setting and Good Faith Effort review; Prime Contractor Training program; Caltrans North Region outreach event on June 25th; upcoming DEA Storm Water Services Contracts; and Caltrans Year-To-Date achievement. **Mr. Lau requested a copy of the FHWA report, and Mr. Crosby requested a written summary of Mr. Tran's talking points [Action Item #2015-04].** Mr. Lau also requested that any information about the upcoming Storm Water contracts outreach be shared with the Statewide SBC as soon as possible. Mr. McElhinney thanked Mr. Crosby and Mr. Tran for their reports.

Item #4: Review of Action Items

Mr. Damien Harris reported that there were no open action items.

Item #5: New Business

There was no new business.

Item #6: Adjourn

Mr. McElhinney adjourned the June meeting and said that the next meeting would be on Tuesday, August 18, 2015.

District 4 Small Business Council Action Items as of June 16, 2015:

No. / Starting Date / Assignee			Item Description (Originator)
#2015-01	6-16-15	Pang	DBE status of NorCal General Construction - EA #1G4501 (Lau)
#2015-02	6-16-15	Tran	Share hyperlink to Goal Setting – Disparity Study (Guerrero)
#2015-03	6-16-15	Pang	Update on the Construction Mentor Protégé Program (Lau)
#2015-04	6-16-15	Tran	Provide a copy of the FHWA report and a written summary of talking points (Crosby & Lau)

2015 D4 SBC Upcoming Meeting Schedule

August 18
October 20
December 15

The D4 SBC meets every other month in the Executive Conference Room 15-200, 111 Grand Avenue, Oakland, CA 94612. Meetings begin at 1pm and run until about 2:00.