



D4 Small Business Council Meeting Minutes

DATE: April 20, 2011

TIME: 1:00- 2:30pm

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

D4 CALTRANS STAFF PRESENT

Bijan Sartipi, District Director
Nigel Blampied, DDD, Prog/Proj Mgmt (Acting)
Nader Eshghipour, DDD, Div.of Maintenance
Bob Finney, DDD, Construction
Helena “Lenka” Culik-Caro, DDD, Design
Brian White, DDD, Administration (Acting)
Kim Byrne, Office of Business Mgmt
George Crosby, Small Business Program
Romy Fuentes, Div.of Prog/Proj Mgmt
Adriana Harris, Small Business Program
Yolanda Larkins, Small Business Program
Osayahde Nesbitt, Small Business Program
Stanley Ng, Div.of Maintenance
Ray Pang, Div. of Const. / Office Engineer
Derek Pool, Toll Bridge Small Business Program

COUNCIL MEMBERS

Arvin Chaudhary, ACEC California
Marie DeLaParra, OAACC / NCMSDC
Paul Guerrero, CAL-SBE
Diana LaCome, Nat’l Concilio of America
Eddy Lau, AAAE
Victor Martinez, HCC
Peter Ramirez, SDVOC
Leslie Sakai, AAAE
Jesus Vargas, WTS (**ABSENT**)

GUESTS

Jim Costello, Presidio Electric (DVBE)
Pat Padilla, Padilla & Assoc.

HQ/Agency

Olivia Fonseca, HQ Civil Rights (via telephone)

Item #1: Introductions

Mr. Bijan Sartipi welcomed everyone and the meeting attendees introduced themselves. Mr. Sartipi announced that this would be Mr. Brian White's last D4 SBC meeting because he was retiring in the beginning of June. Mr. Sartipi thanked Mr. White for serving as Acting Deputy District Director of Administration for the past year and for all of his contributions. Mr. Sartipi announced that the new DDD for Administration is Premjit Rai, who comes from Ms. Olivia Fonseca's office. Mr. Sartipi offered Mr. White the opportunity to address the council. Mr. White said that that council will be in continued good hands with Mr. George Crosby and with Mr. Premjit Rai on board. He reminded the council that Mr. Rai was involved in the SBC previously when Ms. Ruby Louie was the DDD for External Affairs. Mr. White thanked the council for keeping him on his toes the past few years. He said he learned a lot from the council and he hoped that D4 had made some strides in making it better for small businesses. Mr. White said that he is looking forward to retiring and he is thankful for the years he has put in. The council applauded for Mr. White, and Ms. LaCome said that the council would miss him. On another topic Mr. Sartipi discussed project delivery issues. He said the Division of Construction has 154 projects valued at \$4.7B. There are 36 projects at \$227B that may be under-delivered by the district and not in construction. Two of those projects valued at \$110M are bond-funded and because there won't be a spring bond sale those projects are not moving to construction until there is a sale in the fall. Statewide there is a much larger pool of projects on hold until a bond sale, so getting it will be very important. By the end of the calendar year, the district will deliver 70 projects valued at \$500M; 4 of these are bond projects valued at \$56M. Due to the lack of bonds and the good market, Caltrans is in discussions with MTC to arrange a private bond placement of \$200M. to move out a portion of Bay Area bond funded projects into construction. This plan is being negotiated among Headquarters, the MTC, and the Treasurer's Office. Also a result of the favorable market is \$75M to \$85M in savings in

bond projects in Northern California, and the region is looking for a series of projects in Northern California to put that money to work.

Item #2: Approval of Minutes

February 16, 2011 Meeting Minutes:

Motion: Ms. Diana LaCome; Second: Mr. Eddy Lau; Opposed: None; Approved: By consensus

Item #2: District 4 Updates

Construction Update:

Mr. Bob Finney referred to the documents “Forecast of Upcoming Construction Projects in District 4 as of April 14, 2011” and “Awarded Projects in District 4 as of April 14, 2011” to update the council on this topic. Referring to the Advertised and Upcoming Projects, Mr. Finney said that the bids opened on April 19th for \$17M (engineer's estimate) bond project EA #0A1841. The low bidder was Ghilotti Construction with a bid of \$10.7M. Other big bond projects advertising soon are EA #26461 for \$31M (engineer's estimate) and EA #0A8401 for \$15.7M (engineer's estimate). Referring to the Projects Bid Opened / Currently Awaiting Award, Mr. Finney noted that EA #235631 is also a large bond project with an engineer's estimate of \$24.3M and low bidder Granite Construction Company. Mr. Finney noted the goals and attainment for selected projects. EA #2E0801 with low bidder Granite Construction Company has an 8% UDBE/DBE goal and 8.1% attainment. EA #1E5701 with low bidder Half Moon Bay Grading & Paving Inc has a 5% DVBE goal and 4.40% attainment. Referring to the Projects Awarded (Since Forecast Spreadsheet Dated March 11, 2011), Mr. Finney noted EA #1E4501 awarded to American Civil Constructors West Coast Inc has a DVBE goal of 5% and 9.2% attainment. EA #3A4001 awarded to Granite Construction company has a UDBE /DBE goal of 8% and 10.1% attainment. EA #1E9801 awarded to Bay Cities Paving and Grading has a DVBE goal of 5% and 7.9% attainment. Mr. Paul Guerrero asked if it was possible to monitor one of the projects to ensure that the prime pays the sub, in particular he asked that the council monitor EA #1E5701 with low bidder Half Moon Bay Grading & Paving Inc to ensure that subcontractor Thomas and Pratt Highway Specialty Services is paid in full. Mr. Finney asked what Mr. Guerrero wanted exactly, and Mr. Guerrero said he wanted to check at the end of the project to see if T&P is paid fully. Mr. Finney said that he would check on that.

Maintenance Update:

Mr. Stanley Ng referred to the documents “District 4 Emergency Contracts-Small Business Utilization FY 10/11 Report (dated 4/13/11) - Director’s Orders Force Account” (with contract distribution bar chart and detailed information table), "Detailed Tracking for Contract #s 2G3404, 1G8104, 1G7204, and 2G3204," "District Director’s Orders Force Account FY 10/11 (dated 4/13/11)," and “Director’s Orders Informal Bid FY 10/11 (dated 4/13/11)," and “Doyle Drive Relocation FY 10/11 (dated 4/13/11)” (with expenditure distribution bar chart) to brief the council on this topic. Referring to the Director’s Orders Force Account, Mr. Ng said that of \$23.9M, 28% was awarded to SBEs and 72% was awarded to Non-SBEs. The bar chart below shows the distribution of the 14 contracts. Referring to the detailed information table, Mr. Ng said that there was 1 new contract since the last meeting. EA #2G5804 for \$3M was awarded to SBE Valentine. Mr. Ng updated the council that there was 1 new 4th quarter contract that came on line after the SBC report went to print. This is CC 680 at Mococo Road for \$450K to replace a joint seal assembly. Mr. Ng let the council know that more detailed tracking was being provided for the first 4 contracts (2G3404, 1G8104, 1G7204, and 2G3204), showing the amount awarded, the balance, the amount paid to Non-SBEs and the amount paid to SBEs. There was only data

for EA #1G8104 because it's the only contract underway that data is available for. Referring to the District Director's Force Account, of \$3.9M, 36% has been awarded to SBEs, 35% to Non-SBEs, 6% to DVBEs, and 23% are Not Yet Awarded. Mr. Ng said that below the pie chart was the bar chart showing the distribution of the 18 contracts. There were 5 new contracts since last month's reporting. EAs #1F5004, #1SS264, and #1F4904 for \$250K each are not yet awarded; EA #1F5104 for \$150K was awarded to Granite; and EA #1F5604 was awarded to SBE/DBE GD Nelson. Other updates are that EA #0G6104 for \$250K was awarded to a new contractor, SBE/DBE Siteworks, and the contract amount for EA #1F4004 awarded to Ghilotti Construction was increased to \$250K. Referring to the Director's Informal Bid, Mr. Ng reported that of \$1.69M, 28% has been awarded to SBEs, 0% to Non-SBEs, and 72% Not Yet Advertised. There was 1 new contract since last report. EA# 4S1304 for \$1.2M to install RSP and erosion control on SM 84 has a target advertisement date of 05.17.11 and a target bid opening date of 05/31/11. Referring to the Doyle Drive Utility Relocation, Mr. Ng noted that there were no new numbers to report since last meeting: of the \$22.8M budget, \$20.3M has been spent. Of \$20.3M, 31% has been paid to SBEs, 54% paid to Non-SBEs, and 4% paid to DVBEs, with 11% of the funds remaining.

Design Update:

Ms. Culik-Caro referred to the following documents: "Proposed Minor B Projects for Small Business, FY 10/11 (April 2011)" and "Proposed Projects under \$250,000 not funded from the Minor Program, to be Advertised under the Small Business Process FY 10/11 (April 2011)." Referring to the Minor B report, Ms. Culik-Caro said that Design had submitted the packages for all 17 contracts in February and DPAC is processing them. Results for 5 have been received. Contract #04A3713 with proposed estimated cost of \$110K had a bid opening date of 4/4/11. The most qualified bidder was small business Bentancourt Bros. Construction with a bid amount of \$64.9K. Contract #04A3683 with proposed estimated cost of \$66K had a bid opening date of 3/25/11. The most qualified bidder was small business Amland Corp. with a bid amount of \$63.9K. Contract #04A3710 with proposed estimated cost of \$106K had a bid opening date of 4/5/11. The most qualified bidder was small business Bentancourt Bros. Construction with a bid amount of \$41K. Contract #04A3711 with proposed estimated cost of \$45K had a bid opening date of 4/4/11. The most qualified bidder was small business Linear Options, Inc. with a bid amount of \$27K. Contract #04A3717 with proposed estimated cost of \$77K had a bid opening date of 4/1/11. The most qualified bidder was small business Norcal General Corp with a bid amount of \$24.7K. Ms. Culik-Caro said that all 5 were bid below engineering estimate. Mr. Sartipi underscored that all 5 contracts went to small businesses. Ms. Culik-Caro noted that for EA #04A3710 the engineering estimate was substantially higher than the bid amount of the most qualified bidder. She said that it is important to remember that the engineering estimate includes other costs such as supplemental funds, state furnished materials, and contingency. In this case, costs from state-furnished materials were very large. Taking these out, most qualified bidder comes in at only 30% below the engineering estimate. Mr. Paul Guerrero said that engineering estimates that include these other costs should not be made public because such information can negatively influence whether a prime is able to get bonded, and Ms. Culik-Caro said that this was an internal document. Mr. Guerrero said that once it is given to the council, the members share information widely with constituents, so it was not truly an internal document. Mr. Sartipi said that there are 3 figures that are each important and used for different purposes: the budgeted amount, the engineer's estimate, and the call number. The call number is the figure that is matched up with the bid and is the number that contractors should be looking at. Referring to the Not-Minor B report, Ms. Culik-Caro updated the council that EA #4S140 with proposed estimated cost of \$153K had funds allocated at the March CTC meeting and is not going to DPAC for processing.

Ms. Culik-Caro said that she discovered another project below \$250K to add to the list: EA #2642A with proposed estimated cost of \$211K is a two-year plant establishment project on SM 101. This project does not need to go to a CTC vote because funds come from local funds (75.600), and advertisement will be delayed until 8/25/11 to allow award and construction date of 10/30/11.

A&E Update:

Mr. Fuentes referred to the following documents dated 4/14/11 to brief the council: "Recently Executed A&E Contracts", "Recently Executed Non-A&E Contracts", "Upcoming New A&E Contracts", and "Upcoming New Non-A&E Contracts." Referring to the Recently Executed A&E Contracts, Mr. Fuentes updated the council on 4 newly executed contracts: 3-year, \$3M construction support contract #04A3610 was awarded to Tetra Tech; 3-year \$1.5M specialty surveying contract #04A3572 was awarded to D4 Calmentor member Psomas; 3-year, \$1.75M water quality contract #04A3629 was awarded to D4 Calmentor member DBE Wreco; and 3-year, \$2M landscape design contract #04A3645 (formerly 04NEW351-11) was awarded to D4 Calmentor member PB Americas. Referring to the Recently Executed Non-A&E Contracts, Mr. Fuentes updated the council on 4 newly executed contracts: 6-month, \$160K advanced emergency tree removal prior to construction contract #04A3685 was awarded to SBE Professional Tree Care Company; 3-year, \$3.7M specialty construction support contract #04A3570 was awarded to D4 Calmentor member Geocon Consultants; 6-month, \$270K emergency media buy out contract #04A3752 was awarded to SBE Pro Pose; and 3-year, \$1M Toll Bridge SB administration contract #04A3597 was awarded to SBE/UDBE Padilla & Associates. Referring to the Upcoming New Non-A&E Contracts, Mr. Fuentes said that there were no contracts being advertised. Referring to the Upcoming New A&E Contracts, Mr. Fuentes updated the council on 3 not yet advertised upcoming contracts: 3-year, \$3M construction support contract #04NEW368-11; 5-year, \$25M construction support contract #04NEW369-11; and 5-year, \$100M design contract #04NEW371-11. Regarding upcoming new A&E contract #04A3706 (formerly 04NEW367-11), Mr. Lau asked how this project was funded, and Mr. Fuentes said that this project was federally-funded. Mr. Lau asked why there were no goals listed. Mr. Sartipi asked what goals were in the advertisement, and Mr. Fuentes said that typically it is the minimum or above the minimum. Mr. Sartipi said that the goals should have been added to the report if the contract was already advertised, and Mr. Fuentes agreed. Mr. Nigel Blampied said that it seems that the goals were not copied into the row containing 04A3706 (formerly 04NEW367-11). Mr. Lau said that he had seen the short list for this contract and had heard that the top ranked firm had already been chosen. He asked that this name be listed in the A&E report because it is public information. Mr. Blampied said that it seemed that the row had not been fully updated and that he would send the updates to Mr. Lau. Mr. Lau said that he had a general issue regarding short-listing the A&E contracts. He said that it was his understanding that HQ Civil Rights does not look at the DBE, UDBE, or SBE participation on the short-listed firms; they only look at participation when the top ranked firm is selection. This is different from the way construction contracts are handled, where Civil Rights looks at participation for the top 3 or 4 firms, not just the top ranked one. Mr. Lau said that Civil Rights should step in and look at the participation of the short listed firms to ensure that all of them are meeting the goals before proceeding. Mr. Blampied said that this is very seldom a problem with A&E contracts. Ms. Fonseca clarified that her office reviews construction contracts of only the low bidder and evaluates whether they met the goal or demonstrated an adequate good faith effort. If OBEO determines that the low bidder has not met the goal or did not demonstrate an adequate good faith effort, then that determination goes to the Office Engineer who will notify the low bidder that OBEO has come to this determination and that the low bidder may request a reconsideration meeting. After the reconsideration, if the panel upholds OBEO' determination to disqualify the low

bidder, then OBEO reviews the packet of the second lowest bidder. Ms. Fonseca emphasized that her office does not look at the participation of the top 3 or 4 firms all at once, as Mr. Lau suggested; it's one at a time. Regarding EA #04NEW369-11 and #04NEW371-11, Mr. Chaudhary requested that there be a pre-proposal meeting, and Mr. Fuentes said that there will be a professional liaison meeting in May and contract managers will be invited to be there and provide more information.

Toll Bridge Program Update:

Mr. Derek Pool announced that the website now reflects what the Toll Bridge Small Business Program is doing, rather than what it intends to do. In addition, there is a plan to collect success stories of small businesses and contractors and post them on the website. Also, Toll Bridge Small Business Program will be interviewed by *The Small Business Exchange*, which is the largest Bay Area small business publication. Mr. Pool updated the council that the SAS situation has not changed, so updated numbers are still not available. Mr. Pool then introduced Ms. Pat Padilla who referred to the "SB/DVBE Project Commitment and Attainment Report D4 Council Member Summary dated April 20, 2011" to update the council. Regarding OTD1 04-0120L4 (Prime Contractor MCM) the current contract value is \$195.8M. There were no new subcontracts during this period; construction is complete and closeout is pending final contract value approval. The total SBE/DVBE/DBE Contractor Commitments are \$51.4M, representing a \$1.1M reduction from last month's report. Of \$51.4M, 69% is committed to Local SB/DVBE firms. To date 32 SBs and 2 DVBEs have participated on this project; \$49.5M has been paid to SB/DVBEs, representing 99% of the prime contractor's SB/DVBE commitment of \$49.5M. Regarding SSD/YBID 04-0120R4 (Prime Contractor CC Myers) the current contract value is \$475.7M. There were no new subcontracts during this period; construction is complete and closeout is pending final contract value approval. The total SBE/DVBE/DBE Contractor Commitments are \$53.8M, representing no change since last month's report. Of \$53.8M, 75% is committed to Local SB/DVBE firms. To date 67 SBs and 5 DVBEs have participated on this project; \$45.6M has been paid to SB/DVBEs, representing 100% of the prime contractor's SB/DVBE commitment of \$45.6M. Regarding SAS 04-0120F4 (Prime Contractor American Bridge Fluor JV) the current contract value is \$1.6B. There were no new subcontracts during this period. The total SBE/DVBE/DBE Contractor Commitments are \$66.7M, representing no change since last month's report. Of \$66.7M, 41% is committed to Local SB/DVBE firms. To date 52 SBs and 4 DVBEs have participated on this project; \$37M has been paid to SB/DVBEs, representing 79% of the prime contractor's SB/DVBE commitment of \$46.8M. Regarding YBITS1 04-0120S4 (Prime Contractor MCM) the current contract value is \$87.6M. There were no new subcontracts during this period. The total SBE/DVBE/DBE Contractor Commitments are \$15M, representing an increase of \$3.6K since last month's report. Of \$15M, 34% is committed to Local SB/DVBE firms. To date 21 SBs, 2 DVBEs, 7 DBEs, and 16 Local SB/DVBEs have participated on this project. The SB commitment percentage for YBITS1 is 7.64% and the DVBE commitment percentage is 4.94%. Regarding Antioch Bridge Seismic Retrofit 04-1A5214 (Prime Contractor California Engineering Contractors Inc) the current contract value is \$38.5M. There were no new subcontracts during this period. The total SBE/DVBE/DBE Contractor Commitments are \$1.2M, representing no change since last month's report. Of \$1.2M, 81% is committed to Local SB/DVBE firms. To date 8 SBs, 0 DVBEs, 0 DBEs, and 3 Local SB/DVBEs have participated on this project. The SB commitment percentage for Antioch Bridge Seismic Retrofit is 3.17% and the DVBE commitment percentage is 0%. Ms. Padilla said that Padilla and Associates is now officially authorized to work on this project, and Padilla and Associates has asked CEC for their list of all tiers of contractors. Padilla and Associates is meeting next week with Jeffco, which is doing a lot of the painting for the project. It appears that Jeffco meets the SB certification criteria, and Padilla and Associates will be working with

them to get them certified and potentially increase their participation. Regarding Dumbarton Bridge Seismic Retrofit 04-1A5114 (Prime Contractor Shimmick Construction Company Inc) the current contract value is \$48.6M. There was 1 new subcontract during this period: to SB Myers and Sons Construction in the amount of \$305K for polyester concrete overlay. The total SBE/DVBE/DBE Contractor Commitments are \$1.2M, representing an increase of \$305.7K since last month's report. Of \$1.2M, 75% is committed to Local SB/DVBE firms. To date 4 SBs, 1 DVBEs, 2 DBEs, and 3 Local SB/DVBEs have participated on this project. The SB commitment percentage for Dumbarton Bridge Seismic Retrofit is 1.46% and the DVBE commitment percentage is 1.13%. Mr. Guerrero asked Ms. Padilla if she was counting DBEs as a courtesy, and Ms. Padilla said that she was. Mr. Guerrero also asked how there could be 0% DVBE commitment on a state-funded project when a certain minimum is mandated by law, and Ms. Padilla deferred to Ms. Fonseca. Ms. Fonseca said that there is no mandate that there be a DVBE goal on every state-funded project. The law says that the Department will make efforts to achieve the overall goal, and it is up to the Department to establish the criteria to meet the overall goal. Caltrans has taken the position of setting a DVBE goal on certain sizes and types of contracts. So some contracts will have 0% DVBE goal if the work is so specialized and there aren't DVBEs available to do the work. Ms. Fonseca said that the other piece of it is that the DVBE must perform a commercially useful function, knowing how to get the work and how to do the work, and have the appropriate licenses. Mr. Guerrero said that there are a lot of disabled veterans who are out there who can do the work, and Ms. Fonseca said that that is why Caltrans continues to have goals on most of its state-funded contracts. Mr. Peter Ramirez commented that as an owner of a DVBE business, he has 8 California licenses and so he must be qualified to do something. Ms. Fonseca said that having licenses is one criteria, the other is performance; in other words, the DVBE must have the manpower and equipment to do the work. Mr. Guerrero said that in a \$48M contract there must be some portion that could go to DVBEs. Mr. Guerrero asked Ms. Padilla to put an "S" on the contracts that are state-funded, and Ms. Padilla agreed to make this change.

Proposed Service Contracts over \$5K Report:

Mr. Osayahde Nesbitt referred to the report "Proposed Service Contracts over \$5K-Maintenance, Administration, and Right of Way dated April 19, 2011" and "Division of Procurement and Contracts (DPAC) Weekly Contracts Status Report for Week of April 4, 2011 dated April 11, 2011." Referring to the DPAC Status Report, Mr. Nesbitt updated the council that the highlighted contracts had been newly added to the BidSync system and could now be followed and tracked at <http://www.bidsync.com>: #s 04A3654, 04A3668; 04A3672; 04A3677; 04A3684; 04A3696; 04A3723; 04A3724; 04A3726; 04A3739; and 04A3749. Referring to the Proposed Service Contracts report, Mr. Nesbitt let the council know that there were 3 new proposed contracts not captured on the previous report: a \$150K South Bay Region maintenance contract for culvert rehabilitation beginning 05/01/11 and ending 11/01/11; a \$20K Toll Bridge Region maintenance contract to replace safety glass at toll booths beginning May 1, 2011 and ending May 1, 2013; and a \$30K South West Region maintenance contract to service and clean 15 portable restrooms beginning 06/01/2011 and ending 05/31/2013. Mr. Nesbitt said that DPAC had added the functionality to the BidSync site to search by executed contract, which will remain on the report for 2 weeks.

D4 Small Business Update:

Mr. George Crosby provided the Small Business Program update. Mr. Crosby said that he continues to work with DPAC to produce small business usage reports since the EFIS system upgrade. The reports should be available within the next 3 or 4 months. Mr. Crosby reported that on April 6th there was a

Caltrans District 4 Contractors Workshop held in the District Office Auditorium that provided attendees with a better understanding of bidding and estimating; how to find upcoming or out-to-bid projects; to get certified; and to know what prime contracts to look for, what to expect from potential subs, and how the bidding process and labor compliance work. Mr. Crosby said that he was able to get good feedback from attendees. Prime contractors including O.C. Jones and Aztec were in attendance to answer questions. The event ran longer than expected due to the level of interest. Mr. Crosby said that he is planning other events for later in the year that have primes discussing their needs related to subcontracting. Mr. Crosby also noted that he attended an event for the Doyle Drive Mitigation – Dry Creek contract last week. In attendance were a number of small businesses there who were going to act as primes.

Item #4: Review of Action Items

Action Item #1510 is ongoing: Mr. White read into the minutes the text of the action item: “*Mr. Jesus Vargas asked Mr. Pool to provide the number of contractors who have received 17% of the work for the \$148M augmentation of the SAS contract.*” Mr. White also read a note from the 2/16/11 meeting: “*At the 2/16/11 meeting, Mr. Pool said that information was not obtainable at this time because of a confidential matter being handled internally.*” Mr. White said that Mr. Pool had alluded to this issue in his report and that this action item would still be labeled “ongoing” because the confidential matter is still in progress.

Action Item #1910 is closed: Mr. White read into the minutes the text of the action item: “*Mr. Eddy Lau asked how the District handles contract change orders and how the goals on SBEs, DVBEs, or DBEs are being handled.*” Mr. Lau said that he wanted to know Caltrans’ policy in handling change orders and in meeting the SBE, DBE, UDBE, DVBE goals. Ms. Fonseca said that her office receives the final utilization reports that compare original commitment at award and then what it is at conclusion of the contract. Ms. Fonseca said that based on these reports, while she couldn’t tell Mr. Lau a percentage, a good number of the reports indicate that DBE participation is greater than at commitment. Ms. Fonseca said that she also receives the total dollar value of the contracts which includes amendments for change orders and this also shows that DBE participation is usually more than the commitment. Ms. Fonseca said that for these reasons she doesn’t see this as a problem, and told Mr. Lau that if he knew of specific instances of this to please let her know so that she could address it. Ms. Fonseca said that if there is a contract change order for work that includes a DBE or UDBE already, the DBE or UDBE is going to get that additional work. If it’s a change order that is completely different from the original design, Ms. Fonseca said that the encouragement is that the contractor include additional small businesses for that additional work. Mr. Lau said that he does not have any particular case that shows that this is a problem. Mr. Finney said that this policy is found in manuals used for training and guidance by Caltrans’ resident engineers. Mr. Sartipi said that Caltrans’ policy is not to require use of small businesses, but to encourage and work with the contractor to achieve this. Mr. Sartipi said that it depends on what the CCO is and what area of the contract it is; if the CCO falls totally in the area of a small business, there is a strong encouragement to bring a small business in or add work to a small business already on the project. Mr. Lau said that he understands that there isn’t a requirement, and he said that this makes it very important for REs to get proper training. Mr. Sartipi said that the policy is reflected in the Caltrans *Construction Manual* and that this policy is an agenda item at resident engineer meetings and senior meetings throughout the year. Mr. Ray Pang distributed to the council a copy of this policy, which can be found in section 8-304A of the Caltrans 2001 *Construction Manual*, highlighting the following language: “Adding DBEs or DVBEs: Caltrans permits and encourages the contractor to

increase the amount of work to DBEs or DVBEs over what was originally listed for goal attainment.” Mr. Lau said that he was satisfied to close this action item.

Item #5: New Business

Mr. Romy Fuentes reported that the Calmentor Event was well attended by small and large firms, as well as local agencies. Certificates were provided to 15 graduates of the program. Mr. Lau commented that while he really supports the D4 Calmentor Program, he has heard of mentors having problems with big firms that refuse to even consider subcontractors who have not had Caltrans experience. Mr. Sartipi said that it is important for Ms. Trinity Nguyen to be made aware of this and to bring this up at the liaison meetings. Ms. Marie DeLaParra said that those of her constituent organizations that have participated in the Calmentor Program have been dissatisfied with it because they felt like they did not get any real benefit after having given up confidential business information. Other organizations were not able to get accepted into the Calmentor Program. In order to find out first-hand about the Calmentor Program, Ms. DeLaParra attempted to join it herself and was told that she would not be considered because the Calmentor Program did not like her website. Ms. DeLaParra said that this was irrelevant screening criteria. While Ms. DeLaParra consistently is able to land federal contracts, she is constantly having to explain why she is unable to get state contracts with Caltrans. Mr. Sartipi suggested that Ms. DeLaParra make a connection with Ms. Trinity Nguyen. Mr. Nigel Blampied said that the problem may have been that her firm did not market itself with enough of an A&E focus. Ms. DeLaParra responded that she was concerned about firms without the relationships that her firm has. She sees a real problem with the kind of feedback she received from the Calmentor Program, because this kind of screening criteria is not relevant to the work and is unfair, because it cuts out of consideration all firms without websites. Mr. Sartipi said that getting this feedback to the Calmentor Program is very important, and outside of that, Mr. Sartipi said that the Calmentor Program is a very successful program judging by what those who are in the program are telling him. Mr. Sartipi said that he has not heard any concerns from anyone about releasing confidential business information. He added that applicants are told before they apply that participation in the Calmentor Program is not a guarantee that protégés will get jobs, although often protégés do get jobs. Ms. DeLaParra said that Mr. Sartipi is unlikely to hear negative feedback because no one wants say that they don't like the Calmentor Program. Mr. Sartipi asked Mr. Fuentes how many firms are on the Calmentor waiting list, and Mr. Fuentes said about 25 mentors and 75 protégés. Mr. Sartipi said that every quarter, membership is increasing, so there is a lot of interest in this program. Mr. Lau said that one way to address this problem is to take the emphasis off of marketing gimmicks, like fancy websites, by prohibiting use of them in the Calmentor application process. Mr. Lau also said that the big firms should be encouraged to bring in smaller firms that have no experience working for the Caltrans; Caltrop is a good example of a big company that should be praised for doing this. Ms. LaCome asked that Ms. DeLaParra follow up and bring it back to the council for discussion because it is an important issue.

Item #6: Adjourn

Mr. Sartipi adjourned the meeting and let the council know that the next D4 SBC meeting would be on June 15, 2011.

District 4 Small Business Council Action Items as of April 20, 2011:

No.	Item	Assignee	Date	Status	Notes
1510	Mr. Jesus Vargas asked Mr. Pool to provide the number of contractors who have received 17% of the work for the \$148M augmentation of the SAS contract.	Pool	8/18/10	Ongoing	<p>NOTES:</p> <ul style="list-style-type: none"> At the 10/20/10 meeting, Mr. Vargas' 8/18/10 request was identified as an action item; and Mr. Pool said that the Toll Bridge Program had not completed its validation of these numbers. Mr. Pool said that he would continue pursuing this information. NOTE: At the 12/15/10 meeting, Mr. Pool was not in attendance. NOTE: At the 2/16/11 and 4/20/11 meetings, Mr. Pool said that information was not obtainable at this time because of a confidential matter being handled internally.

District 4 Small Business Council Items Deferred to Statewide Council as of April 20, 2011:

No.	Item	Assignee	Date	Status	Notes
1706s	DDD Hess will examine existing web-based registration for contractors with Office of Civil Rights	LaCome	4/12/06	Ongoing	
3206s	Elevate the concerns of the District 4 Small Business council regarding Caltrans' plan to implement the new insurance limits on January 1, 2007.	LaCome	9/13/06	Ongoing	
2008s	Reevaluation of the Good Faith Effort (GFE) Process for DBE and DVBE Outreach by HQ Civil Rights	LaCome	4-16-08	Ongoing	
2508s	Mr. Guerrero wanted to know how quickly newly certified small	Guerrero	4-16-08	Ongoing	

	businesses--who submit their names “via the web”---get on D4 Maintenance’s Emergency Contact Information list				
2908s	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.	Guerrero	4-16-08	Ongoing	6/16/10 Update: Mr. Guerrero said that he would follow up on this action item. Mr. White reminded the council that the Statewide Action Items are assigned to individual D4 SBC members and it is their responsibility to follow up and report back to the D4 SBC.
1009s	Mr. Guerrero requested that the HQ Office of Civil Rights ensure that DVBE goals are included in all state-funded projects.	Guerrero	1-21-09	Ongoing	
1709s	Caltrans does not track DBE participation (only UDBE), at the end of the year it would report -0-participation. If you achieve -0-participation by race neutral means, and fail to meet the race neutral goal, you have to go to a race conscious goal. Is this correct?	Guerrero & Camacho	6-17-09	Ongoing	
1710s	Regarding contract #0435E1 and #2A5431, Mr. Lau noted each contract’s very low achievement (0% and 1.90%, respectively) and the mundane /unspecialized nature of the work. Mr. Lau questioned Ms. Alicia Sequeira of HQ Civil Rights regarding why Civil Rights approved these contractors as fulfilling their Good Faith Effort. Mr. Lau said that from his perspective, Civil Rights should not have approved the Good Faith Effort on either contract.	LaCome	2-16-11	New	

“s” designates a Statewide SBC action item

2011 District 4 Small Business Council Meeting Schedule
All meetings will be held in the Executive Conference Room, 15-240

Month	Date & Time
June	Wednesday, June 15, 2011 1:00 pm – 2:30 pm
August	Wednesday, August 17, 2011 1:00 pm – 2:30 pm
October	Wednesday, October 19, 2011 1:00 pm – 2:30 pm
December	Wednesday, December 21, 2011 1:00 pm – 2:30 pm