



Caltrans Statewide Small Business Council November 16, 2007 – Meeting Minutes

Caltrans, Office of Civil Rights
1823 14th Street
Sacramento, CA
Telephone: (916) 324-0449

Statewide Council Members Present

Chaudhary, Arvin	CELSOC
Garcia, Rodrigo	SHPE
Guerrero, Paul	CAL-SBE
Hou, Johnathan	ABA
Hunsaker, Debbie	GFACC
Keller, Marty	GSBA
LaCome, Diana	NCA
Lau, Eddy	AAAE, SFO
Llewellyn, Rebecca	WCOE
Martinez, Mark	SJHC
St. Julien, Tracey	OSBA
Stone, Aubry	CBCC
Yang, William	AAAE, Southern CA

Caltrans Staff Present

Iwasaki, Randy	Directorate
Carrera, Angel	Civil Rights
Carroll, Patrice	Local Assistance
Delgado, Marilyn	Civil Rights
DeWatney, Bonnie	Civil Rights
Effinger, Robert	Construction
Einhorn, Joanne	District 11
Harrison, Marcella	Civil Rights
Hernandez, Debbie	District 6
Jackson, Otis	District 7
Mason, Anne	Civil Rights
Padilla, Robert	Civil Rights
Salazar, Victor	Risk Management
Sartipi, Bijan	District 4
Smelser, Jan	DPAC
Stout, Debra	District 11
White, Brian	District 4

Guests

Anthis, Keli	Cascade SBDC at Shasta College
Hanible, George	President & CEO of PST
James, John	NAMCSC
Johnson, Ricky	RCJ & Associates, Inc.
Martinez, Tim	
Meadows, Dick	
Molina, Jim	SJHCC
Peterson, Karren	San Joaquin Delta College SBDC
Roessler, Michael	COCC/EWDP
Rose, Chantel	AGC of California
Zweifel, Don	Registered Lobbyist

WELCOME/INTRODUCTIONS/OPENING REMARKS

In the absence of Chair Fonseca, Councilmember Guerrero agreed to Chair the meeting, welcomed all attendees and asked that each introduce themselves.

On behalf of Director Kempton, who was attending the State Route (SR) 125 Inaugural Ceremony in District 11 San Diego, Chief Deputy Director Iwasaki provided an update on the Southern California fires. Although there was significant damage, all roads in the area remain open. So far, 7 emergency contracts totaling \$11.1 million have been let. Of that, \$5.2 million, or 46.85 percent have been awarded to small businesses. Under federal regulation, these expenditures are deemed reimbursable to Caltrans by the Federal Highway Administration (FHWA) including imminent erosion control. Caltrans is also negotiating with Gene Fong, Division Administrator, FHWA, for mitigation funds affecting Los Angeles that can be banked for future needs.

Chief Deputy Director Iwasaki further announced Caltrans' pilot program for Mandatory Pre-Bid (MPB) conferences in District 2, 4, 6, 7, and 11 in an effort to increase small business participation. Each of the selected Districts will nominate 3-5 construction projects that lend themselves to subcontract opportunities and hold pre-bid meetings targeted to bring together prime and subcontractors. MPB meetings have been held in District 4 and District 7.

Chief Deputy Director Iwasaki also stated that he met with the Small Business Council (SBC) Executive Committee and provided an update of the Committee's discussion items, including timelier bidder's inquiries. The Chief Deputy Director spoke on Minor B contract openings in the Districts as opposed to Headquarters, conc zone safety, District Small Business Liaisons as Ombudsmen, Prompt Pay Act, Design-Build activity in other states, Architect & Engineer (A&E) MPB conference on Bay Bridge Project, and finally, Wrap-Around Insurance concerns.

ITEM 2 – Approval of September 21, 2007, Meeting Minutes

Motion: Councilmember Hou
Second: Councilmember LaCome
Approved by consensus.

ITEM 3 – District Updates

District 4, Bijan Sartipi, District Director

District 4 Director Sartipi introduced Brian White as the newly appointed Small Business Program Manager in District 4. The District currently has 147 contracts totaling \$6.2 billion of which 97 are highway contracts totaling \$1.3 billion. The District is planning a contractor's outreach event on November 27 in Emeryville, to announce 30 future projects valued at \$450 million. An MPB conference was held on the Benicia Bridge project on October 16 and a second conference is planned for the \$135 million 5th Avenue State Route project on January 17. The District held their annual Procurement Fair on October 24. There were 50 people registered and 40 of them attended, accounting for \$233,000 of Procurement. This total for Procurement is forecasted to increase to

more than \$400,000, when finalized. Surety Bonds were a part of the Toll Program November 15, 2007, outreach contracts workshop on the San Francisco Bay Bridge. Of 79 contracts, 41 contracts have achieved 20 percent Disadvantage Business Enterprises (DBE) participation. Actual invoiced amount for those contracts is \$154 million, of which \$31 million went to DBEs. Sixteen contracts for the same period have achieved 5 percent Disabled Veteran Business Enterprise (DVBE) participation. Both emergency informal bid – \$2.7 million – and emergency force account – \$6.9 million – contracts have achieved 100 percent small business participation.

District 7, Otis Jackson

Mr. Jackson announced the first MPB meeting was held Saturday, October 20 for the I-5 Bridge Tunnel repair. Ten prime contractors and 60 small business owners attended; low attendance due to emergency nature of project. The District is planning its Procurement Fair for November 30, 2007, and the next MPB for December 11, 2007.

District 11, Joanne Einhorn

Ms. Einhorn expressed her appreciation for postponing the SBC meeting in San Diego due to the fires suffered in the area. The next SBC annual planning meeting will be held in District 11 on January 17-18, 2008, and will feature a small business prime contractor luncheon. As previously mentioned, the SR-125 Inaugural Ceremonics are currently underway, with public opening on Saturday, November 17, 2007. In addition, the District was recently recognized for its Small Business Program and received an award presented by the San Diego Small Business Development Council. The District held a surety bonding and liability insurance workshop on Thursday, November 15, 2007, and will hold its next MPB meeting December 18, 2007.

Governor's Office of the Small Business Advocate, Marty Keller

Mr. Keller announced the Small Business Advocates held a meeting on November 15, 2007, at Department of General Services office in Sacramento. The meetings are held bi-monthly; SBC members who maybe interested in attending were invited. The Governor's Office of Planning and Research is focusing its attention to the impending \$10 billion deficit facing the State, requiring innovative approach and strategies for economic stimulus and recovery.

ITEM 4 – Statewide Committee Reports

Executive Committee

New action items were introduced.

Action Item

Councilmember Lau requested that the DBE 13.5 percent goal, DVBE 3 percent goal and SB 25 percent goal be placed on the first page of the respective contracts to remind contractors that, Caltrans has business goals.

Action Item

Develop a master calendar of statewide SB activities—including all District SBC meetings—distribute to all Council Members.

Action Item

Councilmember Garcia requested a summary of the letters and comments expressed in the Public Participation meetings, held for the Annual DBE Goal and Methodology.

Action Item

Councilmember Lau requested David Keen, BBC Research & Consulting, be invited to a Statewide SBC meeting to discuss the Disparity Study.

Construction Committee: Rebecca Llewellyn, Chair

New action items were introduced.

Action Item

Council Member Garcia requested a presentation on how to read and interpret the Award Tracker.

Action Item

Council Member Lau requested what basis is used to approve a contractor's Good Faith Effort when it does not meet the DVBE contract goal.

Action Item

Council Member Lau requested that the District SBC meetings also distribute the Award Tracker in their meeting packets. Also provide a copy of District 4's Award Tracker to the District SBCs.

Professional Services: Eddy Lau, Chair

Council Member Lau reported progress on Professional Services insurance requirements. A task force has been mobilized by Jan Smelser, Division Chief of Procurement and Contracts, and Accounting, in an effort to address A&E contract language.

Legislative Committee: Paul Guerrero, Chair

Council Member Guerrero mentioned Assembly Bill 761 (Coto) requires 25 percent small business participation in State procurement, related to Proposition 1B funding.

Supportive Services Committee: Rodrigo Garcia, Chair

Marcella Harrison and Mike Roessler provided an overview of the California Construction Coordination Program training services and a schedule of classes to be provided by the Small Business Development Centers (see handouts). New action items were introduced.

Action Item

Council Member Lau suggested that biographies on the trainers be provided.

Action Item

Council Member Lau also suggested that the Council be provided periodic report on performance measures, success, attainment, scope of work, number of attendees, and contracts awarded to participants.

Commodities Committee: Stephen McGlover, Chair

No meeting held.

ITEM 5 – Public Comment/Good of the Order

1. George Hanible, President and Chief Executive Officer of Procurement Solutions & Technology Inc. announced the DBE Program Administrators Summit will be held in San Diego, November 27-28, 2007, at the Island Palms Hotel & Resort. More information is available at www.caprojectconnection.org.
2. Guest Ricky Johnson of Ricky C. Johnson & Associates requested the SBC provide information on the \$3-4 million San Francisco Coordination Contract: 1) What is the status? 2) What are its deliverables and its purpose? District 4 Director Sartipi informed Mr. Johnson that Caltrans is unable to discuss the matter because the contract is currently under protest.

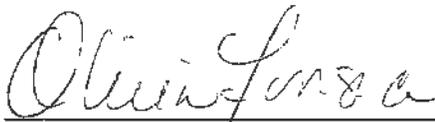
Disparity Study Update, Robert Padilla

Mr. Padilla reported the submission of the Goal and Methodology to FHWA on August 1, 2007. Caltrans held 16 Public Participation Meetings. Civil Rights staff attended a variety of community organization and industry association meetings in an effort to solicit public comment on its Goal and Methodology. On September 14, Caltrans received a request for and granted a two week public comment period extension. The office of Civil Rights has reviewed all public comments and is in the process of re-submitting its Goal and Methodology to FHWA which include a summary of the public participation meetings and consideration to include minority women in the women category, rather than the minority category.

Meeting adjourned: 11:30 a.m.

Next meeting: Thursday, Friday, January 17-18, 2008
Caltrans District 11, Headquarters Office
4050 Taylor Street
San Diego, CA

Approved by:



OLIVIA FONSECA
Deputy Director, Office of Civil Rights
California Department of Transportation