

Small Business Advisory Council (SBAC) Meeting Minutes

Date: Wednesday, September 5, 2018

Time: 12:00 p.m. – 2:00 p.m.

Location: Metropolitan Water District of Southern California

700 N Alameda Street, Los Angeles, CA 90012

Call to Order

Angela Shell called the meeting to order at 12:00 p.m.

Attendance

Members present in-person: Aubry Stone, Jerry Bircher, Betty Jo Toccoli, Alfredo Daniel Garza, Chris Chavez, Polo Contreras, William Osgood, Shaila Rao Mistry, Rachel Fischer, Julian Canete, Maria Solano

Members present via webinar: Don Stoneham, Phillip Vermeulen, Savita Farooqui, Lori Kammerer, Lee Cunningham, Azizza Davis Goines, Sharon Brown, Steven Simpson

Members present via phone: Paul Guerrero, Mitch Anderson

Members absent: Douglas Eldridge and Leonard Ortiz

DGS Staff: Angela Shell, Angel Carrera, Matt Zweier, Araceli Mohseni, Danetta Jackson, Anda Draghici, Tonia Burgess, Darvin Manuel, Robert Cosgrove, Carol Bangs, Carl Josephson, Tanya Little

Government Representatives present

Metropolitan Water District: Ken Ashford, Lydia McGee, Carmen Bracy, Wigs Mendoza, John Arena

Michelle Nguyen (GO-Biz)

Guests: Alie Cirgenski (Avisare)

Approval of Action Items – Angela

Aubry Stone moved to approve the June 27, 2018 SBAC Meeting Minutes. Seconded by Phil Vermeulen. None opposed, motion carries for approval of the minutes.

Introductions of New Members – Angela

- Chris Chavez and Polo Contreras
- Azizza Davis-Goines
- Welcome back Jerry Bircher

Past/Current Action Items - Aubry Stone

- Jason Kenney will present on contractual language on the current design build projects, specifically the Small Business and Disabled Veteran Business Enterprise (SB/DVBE) goals. He will also provide general updates on these projects.
- Janice Salais from Caltrans will present on Senate Bill 1 at the December meeting.

Legislative Update – Robert Cosgrove

- Assembly Bill 657
William Osgood: Does the SB Liaison only represent SBs or does the position also include DVBEs?
Response: Angel & Danetta clarified that yes, the SB Liaison position will handle both SB and DVBE issues, however, Robert looked into the bill, the language does not mention DVBEs.
- Assembly Bill 1205
A medium business enterprise is a company with a maximum of 250 employees and a maximum of 250 million in gross annual receipts. This is a local designation through the Los Angeles (LA) Metro Program. The program establishes competition for medium-size businesses between 12 to 25 million, exclusively for LA Metro. William Osgood supported the original AB 1205. Betty Jo Toccoli believes that it helps the middle-sized businesses and does not hurt small business. Some concerns about competition, however, Angela Shell clarified that this bill applies at the local level (LA Metro), but not on the state side.
- Senate Bill 605
Lee Cunningham: With the increase of the size of microbusinesses, will we do more outreach to microbusinesses? Lee is concerned that microbusinesses may not be able to compete against small businesses.
Action Item: Anda Draghici will ensure that DGS' marketing includes microbusiness outreach.
Anda also announced that the public comment hearing is happening now and will end Oct. 6. Anda will send the link to make available to members.
- Senate Bill 1 and Senate Bill 103
There is no additional legislation this year related to Senate Bill 1 or Senate Bill 103 that funneled these two programs down to the local level.
- It was noted that there is currently no consensus on the definition of "local small business." It was mentioned that legislation may be required next year to define this term. Angela encourages the council to reach out to Caltrans to talk about these current challenges.

Governor's Office of Business and Economic Development (GOBiz) Update – Michelle Nguyen

- Refer to handout provided by Michelle.
- Five regions were awarded funding totaling 3 million local cash match.
- **Action Item:** Michelle will provide the contact information of the colleague in charge of ihubs.
- It was mentioned that it would be great to see GOBiz engage in water projects. Michelle noted the comment and will work John Arena.

Contract Update – Carol Bangs

- Carol Bangs filled Steve Casarez' old position. She is the new Section Chief for the Contracts Management Section.
- Carol provided a handout of upcoming Leverage Procurement Agreements (LPAs) for Fiscal Year (FY) 18/19. Cal eProcure has a list of expiring LPAs. Carol also provided a link to the "Contract Index Listing."
- Angela commented that most state departments are now transacting in FI\$Cal. All data is available on Cal eProcure regarding past purchases. There is a new tool for SB/DVBE spend. This new dashboard will be presented at the next council meeting.
- LPAs do not display separately on Cal eProcure. However, these are listed on the DGS website. The link is provided on the PP presentation (Contract Index Listing).
- There will be an opportunity to hear from vendors on FI\$Cal usability.
- RESD handles its own advertisements. DGS' Office of Business and Acquisition Services (OBAS) will be asked to present on DGS' internal upcoming procurements at the next meeting.

California Water Fix Small Business Update – John Arena

- John provided a handout.
- Launch of a new portal for the Cal Water Fix project.
- This project consists of an \$11-13 billion project to build tunnels in the North under the delta just outside of Sacramento/Stockton and the SF Bay. The project will last about 13-15 years. Construction will start in four years. The website has all the information needed, www.CalWaterFix.com.
- This is a joint powers authority, like California High-Speed Rail Authority (CHSRA), this entity has been created with its own working board and staff. Currently there are only a few staff members but approximately 40 positions will be filled in the future.

- John was referred to Catrina Blair to get information on CHSRA's contracting goals.
- The Water Fix project will be adopting the state SB and DVBE goals after legal checks this out. Bill suggested to adopt the Caltrans five percent (5%) DVBE goal as opposed to the state's three percent (3%).
- It was mentioned that CHSRA has a 30% participation goal, 7% of which is DVBE. John thanked Paul for the input and he will be taking a look at all of these programs.

Participation on Committees – Angela Shell

Angela is meeting with the committee chairs on progress. She asked about attendance and how the committees are going. She encouraged members to select a committee to participate on.

New SBAC members have joined the following committees:

- **Processes:** Chris Chavez
- **Outreach and Education Committee:** Azizza Davis Goines and Maria Solano

Committee Updates – Committee Chairs

- **Processes – Rachel Fischer**
 - Rachel provided slides with updates. Reoccurring meetings are scheduled first Wednesday of the month (preceding the SBAC meetings) via Zoom meetings.
 - This committee is working to develop ways to encourage other agencies/departments to develop procurement forecasts.
 - CMAS has three tiers for IT. The delegated purchasing authority for each department/agency is linked on the DGS website.
 - Cal eProcure is forming a usability working group; the session will be held around December 2018. **Action Item** Look for an email invite.
 - Cannot convert back to NAICS as opposed to UNSPSC.
 - **Action Item:** DGS will develop a flyer on the SB/DVBE First Policy.
 - **Action Item:** DGS will provide the list of the top 20 agencies with the largest procurements.
 - **Action Item:** Committee Chairs will send Danetta their meeting schedules. DGS will disseminate the information.
 - **Action Item:** The UCs will be invited to the council meetings to provide updates on their small business program. Shaila will reach out (she serves on the committee).
- **Outreach and Education Committee – Julian Canete**

- Regular meetings are the fourth Thursday of each month.
CaneteJ@CHCC.com
- Committee Members: Betty Jo Toccoli, Aubry Stone, Rachel Fischer, Azizza Davis-Goines, Shaila Mistry, Maria Solano and Lori Kammerer.
- Goals for the committee are: Codify the 25% participation goal, further utilization, develop training on state contracts, discuss communication on accountability, clarify the definition of SB, provide online training and plan on how to better communicate the contracting opportunities.
- **CUF – Jerry Bircher** (refer to handout)
 - Items discussed are: CUF compliance, signing CUF under penalty of perjury, fear of retribution, disseminate CUF brochure, educate buyers regarding CUF.
 - Tanya Little expressed that before departments obtain their delegated authority, their buyers must be properly trained on CUF. Prime businesses must inform SBs on CUF.
 - There was a suggestion to gather real life examples of non-CUF compliant businesses to better educate the public.

Review of New Action Items – Angela Shell

1. SB 605 – Ensure that the outreach includes microbusiness.
2. Michelle Nguyen will provide the contact information of the colleague in charge of iHub.
3. Provide SB/DVBE dashboard demo at the next meeting in December.
4. Schedule a FI\$Cal user group on the supplier side.
5. Invite OBAS to report on DGS contracts.
6. Distribute CUF brochure to advocates and buyers.
7. Post forecasts of other agencies' upcoming contracts at DGS in one central location.
8. Provide a list of the top 20 agencies with the largest procurements.
9. Provide an update on what the UC Advisory Council is doing to encourage SB participation. Shaila will reach out (she serves on the committee).
10. Committee Chairs will send their meeting schedule and DGS will disseminate.

Public Comment Period – Members of the public

- Chris: Why are the SBAC meetings so few?
Response: Angela expressed that the bulk of the work happens during the committee meetings and they should meet regularly.
- Bill: How do we bring up a new item for discussion?

Response: You have three options, you can talk to your committee chair, you can contact Angela directly, or you can submit the new agenda item to Araceli. All new agenda items are reviewed and approved by Angela.

- Bill: USVBA is hosting with four partners an event at the Long Beach Convention Center, \$39 attendance fee and over 70 exhibitors; October 13.

Meeting Adjourned

Meeting Adjourned at 2:00 p.m. by Angela Shell, seconded by John.