

Small Business Advisory Council (SBC) Meeting Meeting Minutes

September 6, 2017

Call to Order

Ricardo Martinez, Council Co-Chair and Interim Deputy Director of the Procurement Division, called the meeting to order at 1:05 p.m.

Welcome and Introductions

Ricardo Martinez

Approval of June 6, 2017 meeting minutes

Attendees

Members present in-person: Aubry Stone, William J. Osgood, Jerry Bircher, Leonard Ortiz, Jerome Toliver, Shaila Rao Mistry, Frank Louie, Sharon Brown and Mitch Anderson

Members present via webinar: Savita Farooqui, Philip Vermeulen, Paul Guerrero, Justin Adams, Don Stoneham, Evelyn Graham, Lee Cunningham, Ruth Bley, Lori Kammerer, and Rachel Fischer

Members absent: Betty Jo Toccoli, Douglas Eldridge, Ruben Guerra, Frank Montez, Michael Daniel and Livier Ramirez

DGS staff present in-person and via webinar: Ricardo Martinez, Angel Carrera, Danetta Jackson, Tonia Burgess, Matthew Zweier, Anda Draghici, Tanya Little, Eric Mandell, Charleen Fain-Keslar, Darvin Manuel, and Jason Kenney

Other government representatives present in-person and via webinar: Lydia McGee, Ken Ashford, John Arena, Sid Voorakkara, and Jamie Jones

Guests: Maria Melinia Solano, Christine Frey, Ronald Lowe, Monika Medina, Sabra Purifoy, Carmen Torres and Gladys Morales

Past Action Items – Angel Carrera

- CalPIA organizational chart is posted on the SBC website.
- A representative from Office of Business Acquisition Services (OBAS) will speak at the December SBC meeting.
- Contract look-ahead report, SB Video Project and Commercially Useful Function (CUF) Ad Hoc Committee updates are later in the agenda.

Special Presentation – Danetta Jackson

- DGS honored the meeting's host, Metropolitan Water District of Southern California, Small and Regional Business Outreach Program, with a certificate of appreciation.

Contract Update - Eric Mandell

- Refer to PowerPoint presentation
<http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/ContractUpdate09062017.pdf>
- Referenced the contract look-ahead report from the previous SBC meeting. We are still working on it and will be adding procurement management print services in the near future.
- In April DGS awarded the IT Consulting Services Master Service Agreement. There were 254 vendors, more small businesses than they had total vendors.
- A bid will be going out this winter for IT research services.
- Maria Solano with the National Latina Business Women Association asked, "Are these opportunities online?"
- Eric responded, "Yes, it is on the DGS website."

UC SB Advisory Council – Aubry Stone

- The 10 campuses are decentralized and do their own purchasing.
- They invited Aubry and Danetta Jackson to represent California. They are also reaching out to different organizations to be a part of the Council.
- Aubry encouraged more Southern California participation.
- Ricardo said it this is a great opportunity. If interested, see Aubry or Danetta for more information on how to get involved.

Go-Biz Update – Sid Voorakkara

- An update was provided on four areas.
- The California Energy Commission has asked GoBiz and DGS to help them strategize on how to boost SB contracting as it relates to Senate Bill 350, the Clean Energy Act. They are still in the idea generating stage.
- GoBiz and OPR received a grant of \$2.9 million through the Department of Defense for cyber security and cyber resilience programs in the state of California. Over the next 18 months they will identify the workforce opportunities in cyber security in California as it relates to the defense industry.
- GoBiz Mexico Trade Mission events begin in October of this year. On October 17, GoBiz will be traveling to Mexicali with the Energy Commission. On 10/18 GoBiz will be going to Mexico City for the Sustainable Building Construction

Conference. The events will consist of business to business, government to government matchmaking opportunities.

- The State Trade Export Program (STEP), which is a federal program, will have \$2,500 of resources for any small businesses that wants to take part in the trip.
- The California Compete Tax Credit program incentive is administered by GoBiz for growing businesses. It is a credit on their corporate income tax. If you are interested in the program the next round will be open on January 2-22, 2018. There will be \$100 million available for the January round.
- 25 percent of resources for each round are set aside for small businesses that have \$2 million or less in revenue from the previous year.
- The program is up for renewal with the legislature. This is the time to speak with state legislators regarding what is working and what can be modified.
- Will Osgood asked, "How is the cyber security program accessed?"
- Sid responded, "We will have information put on the website within four weeks at the latest. Nothing has been launched yet."
- Sharon Brown asked, "When is the deadline for a business to apply for the program?"
- Sid's response, "October 18 is the deadline to apply for the Mexican trade organization. They are trying to identify businesses that can take advantage of it."
- The URL to get information is available at www.business.ca.gov. Sid's email address for any questions is sid.voorakkara@gov.ca.gov.

CA Water Fix Project - Christine Frey

Refer to PowerPoint presentation

at:<http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/MWDWaterFixProjectUpdate09062017.pdf>

- The California Water Fix project is a proposal by the state to modernize our water delivery infrastructure in the Sacramento Bay Delta.
- 30 percent of water in Southern California comes from the Sacramento Bay Delta.
- Infrastructure is old and the current system is harmful to the environment.
- The Metropolitan Board is seeking a vote on the Water Fix Project on September 26, 2017.
- The state and federal government have come forward with a number of permits needed to make this project viable.
- Angel Carrera asked, "Is there going to be a goal for SB, DVBE or supplier diversity participation on the construction cost over the next 13 years?"
- Christine responded, "The water contractors that would be paying for this project are looking to form a Joint Powers Authority (JPA). JPA will have two main areas

to work out the design and construction. The project would be owned and operated by the state. They are still negotiating the details of the JPA.

- A question was asked, “Has it been through environmental impact?”
- Christine responded, “Yes, in the last few months the state has certified it. The one permit that will not come in until next year is the point of diversion from the State Water Resource Control Board.”
- Another attendee asked, “What’s to protect it from possible terrorist contamination?”
- Christine responded, “I can’t speak on that specifically but we have a variety of security that monitors the facilities.”
- Leonard Ortiz asked, “How long is this project? I didn’t hear one commitment to get SB involved. So where is the commitment?”
- John Arena responded, “The back page of the handout has more detailed information. The commitment will start with the state of California.”
- **Action Item: Ricardo tasked DGS staff, Tanya Little to reach out to the Department of Water Resources (DWR) to start an open dialogue to begin exploring opportunities for the CA Water Fix Project.**
- Maria Solano asked, “In terms of the SB community, is there a plan to have prime events so that the SB community can meet the contractors?”
- William Osgood replied, “A lot of times the design phase is overlooked for DVBEs. There should be mandatory goals on the design as well as the construction phase.”

SB Video Project – Jerry Bircher

- Several years ago we started an effort to educate the administrators within the state. At that point we were working on a brochure. It turned out later that we had the ability to use videos. We wanted to get the message across as to why it is important to do business with small business. **The video can be viewed at: <https://youtu.be/BQzATevUpGs>** **Action item: include the video on the outreach website and send a broadcast bulletin out to the contracting reps of the state, it fulfills strategic goal #1.** **Action item: Per Ricardo, this video will be folded into the training for the accreditation program for the advocate certificate or how the state buys.**

Commercially Useful Function (CUF) Ad Hoc Committee Update – Jerry Bircher

- CUF forms are not standardized. We need to find a way to get departments to use consistent forms and ensure all forms are being signed under penalty of perjury.

- The committee suggested the following: Look at implementing random unannounced compliance reviews, set up meeting with Daniel Kim/Ricardo and get people who are violating CUF debarred.
- We need to ensure we confirm, verify and certify people correctly. There are actions we need to take. There needs to be another committee meeting within the next six weeks.
- Leonard Ortiz asked, “Did you say you have not finalized the definition of CUF?”
- Jerry responded, “Yes CUF has a definition. It’s not subjective.”
- John Arena asked, “If everything is funneled through the certification office, what are your concerns?” **Action Item per Ricardo: We can probably issue a policy encouraging departments to use one form under statement and perjury.**

Design Build Projects - Jason Kenney

- There are three significant DGS design-build projects in the works. Two of them are located in Sacramento called the O Street and P Street building projects. The third project is the Southern California Laboratory Consolidation for the Air Resources Board.
- The RFPs have been issued for all three projects. O Street was issued on July 21st , the P Street was issued on August 11th , and the Southern California Laboratory Consolidation was issued on July 26th.
- The 25 percent SB and three percent DVBE will be associated for all three projects.
- The O Street and P Street building projects are requiring a labor project agreement and trinity workforce agreement for construction.
- All three buildings will be built with zero net energy.
- The total budget for the O Street and P Street project is estimated at \$678 million. The Southern California Consolidation project is estimated at \$386 million with a \$100 million of that project budget going towards the vehicle testing and laboratory equipment materials.
- Aubry Stone said, “Based on the sheets I have, it looks like the primes have been selected.”
- Jason responded, “They are not selected yet it is a shortlist.”
- **Action Item: Invite Jason to attend SB meetings to keep Council updated on the projects.**

Charter Proposed Amendments – Danetta Jackson

- Danetta discussed the proposed changes to the SBC charter.
- Leonard 1st motion and Jerry 2nd motion to adopt the changes

Closing comments by Aubry Stone

- We need to research standing committees to see if they are viable for us to have them going into 2018.
- Thank you to DGS for the support at the CA Black Chamber of Commerce state convention.
- The SBC has three vacancies and if anyone would like to recommend someone to send an email to SBCcouncil@dgs.ca.gov. We would like to see vacancies filled by 2018. (Note: Since the meeting, we have verified that the SBC has only two vacancies)
- CALSEED is giving away a lot of grant money for people in stem and stem technology. Information can be found on the CALSEED website.

New Action Items

- Ricardo tasked DGS staff, Tanya Little to reach out to the Department of Water Resources (DWR) to start an open dialogue to begin exploring opportunities for the CA Water Fix Project.
- The SB First video will be folded into the training for the accreditation program for the advocate certificate or how the state buys.
- Issue a policy encouraging departments to use one CUF form under statement and perjury.
- Have Jason attend meetings to keep us updated on the projects.

Ricardo provided an online demo on the State Contracting and Procurement Registration System (SCPRS)

The meeting was adjourned at 3:05 p.m.