

California Department of General Services (DGS)

Small Business Advisory Council (SBAC) Meeting Minutes

Date: December 7, 2022

Time: 1 – 4 p.m.

Location: DGS Ziggurat, 8th Floor, Conference Room and Zoom

Meeting Facilitator: Angela Shell Deputy Director, DGS SBAC Co-Chair

Recorder: Joann Patty, Office of Small Business and DVBE Services (OSDS) Business Outreach Liaison

The regular quarterly meeting of the DGS SBAC was called to order by Co-Chair Angela Shell at 1:07 p.m. Attendance was taken; a quorum was present.

New Member Introduction

Debra Roak, new Council member was welcomed and introduced by Angela Shell.

Meeting Minutes and Past Action Items

A motion was made by Lori Kammerer and seconded by Don Stoneham to approve the September 7, 2022, meeting minutes. The motion passed without objection. William Osgood abstained.

Leslie Fritz, OSDS Business Outreach Liaison reviewed the Action Items:

- Anda will connect with FI\$Cal to see if late payment penalty can be automated into the new payment tracking system.
 - **Status:** This action item status is completed, item will be saved to remain in the council's focus.
 - Currently the tracking and counting of days in the FI\$Cal payment history tool is not possible because the dashboard came as an out of the box FI\$Cal element, is not a required field and it is not used consistently by departments. Only 4% of transactions show data in the date received field. There isn't a standard process for entering late payments in FI\$Cal, as each department uses its own accounting processes, and because of that, there is no FI\$Cal job aid.
 - FI\$Cal is exploring building an online invoicing workflow, which would include an approval process that can be tied to a date. FI\$Cal anticipates at least 12-24 months for this and will invite the SB community for feedback when the time comes to ensure it will capture prompt payment -related elements.
- CalOSBA will provide updates to Council on grant programs currently under development as they come out.
 - **Status:** This action item status is Ongoing. Currently CalOSBA provides updates at each of the SBAC quarterly meetings but not between meetings.

Members' Questions and Comments:

- A member asked: Is there a reason why the projection to build out additional Fi\$Cal features is so lengthy? This pertains to late payment penalties.
 - Angela answered: FI\$Cal is a massive system with a lot of requests for changes and enhancements to the system. We get into a que of requests, but there still must be time to schedule our suggested recommendations. FI\$Cal understands it is a priority, they are working on it.
- A member asked how many work requests they might have?
 - Angela answered: She does not know how many specific requests are currently submitted for our statewide system.
 - Anda responded: OSDS alone has about 20 items on the list and is re-prioritizing them because of the recent 2 new legislative bills.
- Member explained that she believes the prompt payment act does not have “any teeth.” FI\$Cal is working on a correction. She suggests a job aide as one way to help the penalty calculation formula so it can be correctly inputted in FI\$Cal.
 - Angela answered: We constantly look at ways to make enhancements. The SB/DVBE Training series and other ways of receiving payment will enhance small business success. DGS will continue to lean on this body for counsel.
 - Anda answered: FI\$Cal is also working on electronic funds transfers at this time.
- A comment was made by a member that the Procurement Processes Committee has worked heavily on this issue and the part they got stuck on was how to enforce that small businesses are paid by a specific date. For instance, paid net 10 without a penalty. A member stated that something needs to be done externally or internally without the state taking a discount from the small business payment. In addition, the payment has a mailing delay resulting in long periods until the payment arrives.
 - Angela responded: We need to do better outreach about how the payment process works - all of it is on the DGS website. Additionally, it is the state departments’ responsibility to make sure this happens.

DGS Updates

Angela Shell, Deputy Director, Procurement Division (PD) provided an update and reminders on DGS activity:

- DGS meetings are on the website – we will continue to determine if meetings will be held hybrid. Meetings for 2023 are scheduled for March 1, June 7, September 6, and December 6 from 1 – 4 p.m.
- Assembly Bill (AB) 2019: Communication was sent out to Council Members reporting that this bill was signed by the Governor with an effective date of January 1, 2023. The bill codifies the 25% small business participation requirement which has been an executive order since 2006 and will now be a statutory requirement for all state departments. AB 2019 also requires DGS to:
 - Conduct a disparity study within the next two years, and
 - Conduct outreach to disadvantaged business enterprises to explain the benefits of becoming DGS certified as small businesses.
- It was noted that the Disadvantaged Business Enterprise (DBE) is a federal program, while SB is a state program, and they have different requirements. This bill also:
 - Requires outreach specifically to certified DBEs about DGS certification.

- Allows applicant and certified firms to self-identify as diverse owned businesses.
- Allows DGS to display voluntarily provided business demographic information on public-facing business certification profiles.
- Does not allow the state to award based on Women-owned, minority, LGBTQ, etc preferences.
- Requires compliance measures for departments who are not meeting the 25% SB goals in 3 out of 5 years moving forward. This is not retroactive and gives DGS some time to work with state departments to ensure we are meeting these goals.

Strategic Goals: (2-year strategic plans) 2023 start date.

- Revamping information technology terms and conditions.
 - Continuing to update this process and working with a work group. SBAC will be hearing from a member of DGS Team in the future for feedback. Goal completion is the first Quarter of 2023.
- SB/DVBE Training: Develop training program for SBs and DVBEs on State Contracting.
 - We are working on a training program for our SB/DVBEs on how to get through the state contracting process. Currently, DGS has numerous online videos, outreach events and classes on how to do business with the state and how to get certified. The new training will go more in-depth on how the state contracts. The training is intended to dive into these elements and to be specific about general terms and conditions, and what you are agreeing to when you submit a bid.
 - The training series will provide each business learner with:
 - in-depth information of contract bidding requirements, and
 - an in-depth understanding of how they can apply the tools learned to be successful in state contracting
 - Training Modules are currently categorized as:
 - Pre-Bidding (*includes* Commercially Useful Function, Marketing to State Agencies, Sustainable Environmental Procurement Opportunities)
 - Bidding (Solicitation Approaches, departmental contracts, SB/DVBE Option, etc.)
 - Procurement and Contract Compliance (*includes Prompt Payment video, SB/DVBE reporting, etc.*)
 - Training series website is in development. Council members interested in testing our modules *with us* have an opportunity before we launch the program in 2023.
- DGS received a request from Caltrans and Highspeed Rail (HSR) to evaluate the similarities between the DGS, Caltrans, and HSR small business councils.
 - This idea resulted in a facilitated tri-council strategic planning session and included each council's Chairs, Co-Chairs, Committee Chairs, and their alternates.
 - The strategic planning session will convene for a three-council meeting in the first quarter of 2023 and may occur on an annual basis.
 - The meeting is an opportunity to share ideas on prompt payment, outreach and training, and participation of businesses with DGS, Caltrans, and HSR certifications in state contracting to increase diversity.
 - DGS participates on the other departments' councils to provide updates.

Members' Questions and Comments:

- A member asked if CalVet could be included in this tri-council opportunity.
 - Angela replied that OSDS will send the invite and CalVet could consider participation.

CalVet Update

Jamie Jones, Chief Veteran Outreach and Engagement for CalVet, provided the following updates:

- New DVBE Advisory Council members were appointed, and the council will convene in January 2023 and every other month thereafter.
- Cal Vet conducted targeted outreach to 1500 Veteran-owned businesses in California that are currently not certified as a DVBE. The inquiry asked why they were not certified, and how CalVet might help.
- 112 businesses were referred to DGS for certification. CalVet will follow these 112 businesses and create a report due to this effort. Feedback indicated they did not understand the state contracting processes once they were certified. If they did become certified, some businesses chose not to recertify because they didn't understand all the nuances of the process.
- Questions for CalVet can be directed to DVBE@calvet.ca.gov

Governor's Office of Business and Economic Development (GO-Biz)/CalOSBA Update

Chris Earl, Deputy Director & Southern California Regional Advisor California Office of the Small Business Advocate (CalOSBA), provided the following updates:

- CalOSBA Microbusiness COVID-19 Relief Grant Program (MCRGP) update:
 - \$50 million dollar allocation available that is providing \$2500 in funding to small businesses. Los Angeles County Business and Consumer Finance department is also offering a \$12 million dollar match for eligible applicants (\$5000 match to CalOSBA individual distributions), and this will provide approximately 5,000 grants.
 - [MBCRG County Contacts](#)
- CA Non-Profit Performing Arts Grant Program.
 - One-time \$50 Million grant program that will provide grants up to \$75,000 to eligible nonprofit performing arts organizations to encourage workforce development.
 - [California Nonprofit Performing Arts Grant Program - California Grants Portal](#)
 - Applications are open and active.
- Expanding Proposed Grant Opportunities.
 - Accelerate California: Inclusive Innovation Hubs (iHub2) Program has \$20 million to expand services from 10 to 13 iHubs and add acceleration grants to spur high-growth industries (Senate Bill 193).
 - [iHub2 | California Office of the Small Business Advocate \(CalOSBA\)](#)
 - RFP is coming in the first quarter of 2023.
 - California Venues Grant Program: Round 2 is now open through 1/31/2023. Awards are up to \$250,000.
 - [CalOSBA's California Venues Grant Program Opens New Round of Funding for Live Event Venues Impacted by COVID-19 | California Governor's Office of Business and Economic Development](#)
 - California Regional Initiative for Social Enterprises Program -\$25 million to accelerate economic mobility and inclusion for individuals who experience employment barriers (Senate Bill 193); more information in the CalOSBA newsletter.
 - [CA RISE](#)

- Women’s Business Center Enhancement Program is allocating \$8 million for technical assistance to women-owned businesses and women entrepreneurs over a three-year period (Senate Bill 154).
 - <https://calosba.ca.gov/wp-content/uploads/2022-23-WBC-Enhancement-Program-Announcement.pdf>
- Small Agricultural Business Drought Relief Grant Program has \$75 million to assist qualified small agricultural businesses affected by severe drought (Assembly Bill 157). Predicated on 2022 tax returns and activity will begin in approximately April 2023.
- Small Business and Nonprofit COVID-19 Supplemental Paid Sick Leave Relief Grant Program has \$150 million for qualified businesses and nonprofits with 26-49 employees that incurred COVID-19 supplemental paid sick leave costs from 1/1/22 -12/31/22 (Assembly Bill 152).
 - [Sick Leave Grant Program | California Office of the Small Business Advocate \(CalOSBA\)](#)
 - The RFP for a third-party administrator closed 12/19/2022 at 5 p.m. Here is the link: <https://caleprocure.ca.gov/event/0509/0000025261>
- AB 2019 –CalOSBA will report out annually on the state’s procurement activities across our state agencies. Goals:
 - Increased engagement role with the Liaisons across the state.
 - Potential personnel to support this.
- Link to newsletter: Cal OSBA sign up for our newsletter: <https://calosba.ca.gov/newsletter-signup/>

No Member Questions or Comments

Procurement Update

Carol Bangs, Acquisitions Branch Chief, Procurement Division, Department of General Services, provided the following updates:

- Carol discussed upcoming Leveraged Procurement Agreement (LPA) solicitations, which can be viewed here: [Upcoming Solicitations](#)
 - Some Master Service Agreements (MSAs) are new such as uniform laundry services.
 - Two contracting services that have been done previously are being redone: Confidential Destruction Services and Office Moving Services. These service contracts have been broken up regionally to be more accessible for small businesses.
 - Statewide commodity contracts: California Highway Patrol will have upcoming rainwear contracts for jackets, and pants. Others such as forklift, palettes, trucks, and jacks will be a rebid of the previous contract but separated for more opportunity.
 - Renewable Diesel was awarded by area.
 - Enterprise Technology – re-bid of an existing contract – IT hardware and data centers - awarded for different Original Equipment Manufacturer (OEM) brands, anticipating an RFI and some vendor contacts to be out in January 2023.
 - Award Notifications are posted on the [CA State Contracts Registry](#).
 - Be sure to respond to any requests for information to help develop solicitations.

Members’ Questions and Comments:

- A member asked if it was an RFI or RFP on the IT hardware data center and what kind of hardware?
 - Carol Answered: This opportunity will be both RFI and RFP opportunities, possibly looking for different OEMs. One suggestion is to look at the existing contracts for historical examples.

Legislative Update

Matt Bender, Deputy Director of the DGS Office of Legislative Affairs, provided the following legislative updates:

These bills were pending action by the Governor and since then have been signed:

- [AB 2019](#) codifies the 25% small business spending participation goal.
 - Requires state agencies to adopt economic equity first action plan & policy with specific elements. This new mandate goes into effect January 1, 2023.
 - Mandates DGS to conduct outreach and market the benefits of the state small business certification to the federally certified DBEs.
 - Requires OSDs to make available the option for an applicant or certified firm to voluntarily identify the business as minority-owned business, women-owned business, or LGBTQ-owned business.
 - Requires DGS to conduct a statewide procurement and contracting disparity study due January 1, 2025.
- [AB 2974](#) (JEDE) Creates additional outreach and requires SB participation on contracts funded with the Federal Infrastructure Investment and Jobs Act and compliments AB 2019.
 - Establishes a 25% SB participation goal for new contracts over \$500,000 financed in whole or in part with federal Infrastructure Investment and Jobs Acts funding (IIJA). This new mandate goes into effect January 1, 2023.
 - Allows for an exemption and a waiver process from the 25% SB goal on specific contracts, or in case of Caltrans - categories of contracts based on specific determinations made by the agency, to be reported to DGS.
 - Requires reporting of the SB participation contracts financed by the five federal IIJA funds on the Consolidated Annual Report and an improvement plan when SB participation is not met.
 - Requires information on training and technical assistance be provided to SBs.

Members' Questions and Comments:

- A question was asked about AB 1574, if it passed and its status.
 - AB 1574 went into effect on January 1, 2022. AB 2019 and AB 2974 go into effect January 1, 2023. AB 1574 updated the TACPA law and is a requirement to vary their use of/expand the pool of new and different certified small and micro businesses and DVBEs in state contracting. Awarding state departments must regularly seek out and identify certified firms that have not previously been awarded, or that are not regularly used in contracting to include them in soliciting offers, quotes, and bids. A [Broadcast Bulletin](#) was sent out on November 4, 2022 announcing the new policy, offering guidance, helpful reminders, strategies, and tools for implementation.

- A question was asked about compliance or enforcement for AB 2019.
 - Programmatic plans are being made by DGS and DGS is still working through the current executive orders (D-37-01 and D-43-01) in place as to how we help departments with requirements, etc. DGS is hoping to have compliance updates in the first quarter of 2023. DGS also must determine measures for departments that do not meet this requirement three out of five years. DGS can consider appropriate remedial action, but this bill does not state what actions must be taken. It only states in the bill that purchasing authority could be removed.

Statewide Supplier Diversity Program Updates

Danetta Jackson, Supplier Diversity Program Manager, Department of General Services, provided the following updates:

- [Supplier Diversity Data](#) since implementation in April of 2022 started with 965 bidders in July and 36 suppliers that have voluntarily entered their information. To date we have 4,286 bidders and 75 suppliers that have entered their information.
- Working on having the voluntary data collected reflected in a dashboard with a break down by ethnicity, race, gender and sexual orientation. Moving forward there will be various informational reports regarding those statistics.
- Interviews are ongoing for two positions, an analyst and research data specialist. On January 23, a new research specialist will join the team. Both positions will support the disparity study, prepare reports, and provide recommendations to management about the state's purchasing trends.
- Outreach is ongoing. DGS continues to look at opportunities to increase our presence in underserved communities. A recent effort included a partnership with the California Black Chamber of Commerce at the Economic Business Summit & Roundtable with 16 departments (in partnership with OSDS) on September 30, 2022, which features matchmaking with buyers, opportunities to pitch businesses, contracting information and more.
- Danetta recently spoke at the NAACP conference and the California Forward Conference.

Members' Questions and Comments:

- Question was asked if Danetta was still open to coming to San Diego to speak about Supplier Diversity. Danetta responded to reach out and she will try her best to support a request.

OSDS Program Updates

Darvin Manuel, Business Outreach Liaison, Department of General Services, provided the following updates:

Certification Updates

- As of 11/29/2022 the count of certified firms in the database include: 20,111 SB (including duals/triples) of which 14,273 Micro, 3,521 SB-PW and 1,691 DVBEs (including duals/triples).
- Effective January 1, 2023, the SB-PW average Gross Annual Receipts (GARs) cap will increase from \$37 million to \$38 million. The average GARs cap for SB will remain at \$16 million, and for Micro at \$5 million. This is based on the required biennial review of the three-year average GARs requirements for certified small business reflecting changes in the

California Consumer Price Index. Communication to all SBs and DVBEs was sent in May 2022. For more information, please see the Broadcast Bulletin [Announcing Biennial Review Adjustments to the Small Business \(SB\) Size Standards Gross Annual Receipts \(GARS\)](#) announcing the GARS increase to state departments.

- The proposed Small Business and DVBE regulations' public comment period took place between September 2 and October 17, 2022, closing with a Public Hearing on October 17. To review proposed SB/DVBE regulations, go to this DGS webpage: [Notice of Rulemaking for SB/DVBE](#). Several regulation changes were made in response to passed legislation of AB 1574, SB 588, AB 230, and AB 1365. The revisions also included a new section in response to AB 1574, which can be seen here: [Notice of Proposed Rulemaking](#).

Outreach Updates

- Reciprocity Partnership Renewals: OSDS is renewing MOUs with organizations that recognize the state SB, SB-PW and/or DVBE certifications in their own business enterprise programs. We anticipate the project will be completed by mid-2023.
- Past Events:
 - In the last three months OSDS participated in 54 outreach events in total: 19 in-person, 33 virtual events and 2 hybrid events. The month of November centered on many Veteran business-oriented events.
 - OSDS partnered with the University of California Office of the President, UC Davis, Compton Unified School District, SMUD, Sacramento Cultural Hub Foundation, NAACP, California Forward, National Association of Women Business Owners, Los Angeles (NAWBO-LA), and University of Southern California
- Upcoming events
 - The California Association of Public Procurement Officials annual in-person conference in Monterey from January 8 to 11, 2023.
 - Train the Trainer program in conjunction with Statewide Small Business Development Centers is targeted to launch first quarter of 2023.

You can learn more details about these and all our events on the Procurement Division Events calendar at <https://www.dgs.ca.gov/PD/Events>

Follow OSDS on LinkedIn at: <https://www.linkedin.com/company/dgs-osds>

Members' Question and Comments:

- How many certified DVBEs are there?
 - As of the end of November there were 1,691 DVBEs including dual and triple certified.
- Where do we find guidance issued to state departments?
 - Angela answered: Broadcast Bulletins are announced on the [Broadcast Bulletin webpage](#).

State Agency Recognition Awards

- Angela shared the State Agency Recognition Program (SARA) implemented by OSDS and the intentions behind the formal program. Angela asked to hear about an SB Advocate success

story outside of the SARA nomination process and OSDS would like emails sent to DGSSARA@dgs.ca.gov at any time of the year.

- Angela would also like to hear about success stories via the Angel Carrera Leadership Award. This award is in memory of Angel Carrera Jr., Chief of the Certification and Outreach Branch at DGS who passed away in 2019. The award recognizes and celebrates a leader in state procurement who, like Angel, supports small businesses and DVBEs in state procurement.

SBAC Committee Updates

Outreach, Marketing, Education, and Training Committee

Committee co-chair Mike Daniel presented the committee report:

- The committee reviewed their strategic goals in their last meeting:
 - Expand and increase the comprehensive technical training as needed for clarity and direction toward Procurement to ensure continuity and sustainability to be a successful contractor.
 - SBDC Train the Trainer is in development and scheduled to launch in quarter one of 2023.
 - Conduct outreach to chambers of commerce and business organizations and networks.
 - Outward facing push to be sure these organizations receive the training and event notifications and can share them with their members and networks.
 - Develop training for onboarding new businesses after certification.
 - Will continue discussing onboarding using different formats: virtual vs. in-person.
 - Create an incubator for businesses to pursue contract opportunities.
 - Standardize requests or proposal postings across platforms for SBs and DVBE to increase participation.
 - Create post-certification outreach events to specific industry, to highlight projects in the pipeline and how businesses can participate.
 - Create a training program about solicitation readiness to save businesses time and money in their efforts to win state contracts.
 - Jai Sharma, Council member, is putting together a proposed program.

No Member Questions or Comments

Procurement Processes Committee

Committee chair Charlotta Carter presented the committee report:

- The committee has been meeting monthly.
- The committee is focusing on these subjects:
 - Company Spotlight -- to get information from small businesses beside the Council member organizations.
 - Prompt payment issues – both prime and the state. Looking at penalties and opportunities for enforcement. Would also like to have a company or guest share with committee about other prompt payment issues. A lot of it is communication, where to track it, and where to go to get paid.

- Reviewed AB 1574, looking at where traction will occur and how we can track small business benefits and success.
- SB Challenges: Having all the information small businesses need in one place and submitting a bid in a short period of time.
- Creating more opportunities: AB 1574 and AB 2019 helps with new ideas the committee has discussed.

Members' Questions and Comments:

- Angela asked for clarification on timelines for RFP's and what is meant by a "short timeline."
 - Charlotta responded: RFPs can be extensive and the timeline for bid submission can be short, making it difficult for a business to respond. Charlotta expressed concern that the awarding department already has a contractor in mind. Charlotta will send specifics to Angela for review.
 - A member stated the Broadband submittals are different, the bid solicitations are out, rendered by December 27 and they are job bids. The contracts are different and overwhelming, no training on the bid was provided, which will prevent many small businesses from participating in multimillion-dollar contracts.

Commercially Useful Function (CUF) Committee

Committee chair Shaila Rao Mistry presented the committee report:

- The CUF committee is focusing on these areas:
 - New documentation on CUF and new language added to bidder declaration.
 - New training resources for compliance.
 - Creating a CUF webpage, brochure, video for small businesses.
 - Requiring existing and new suppliers to sign off on DGS training completion.
 - Addressing a third-party verification method to audit compliance.
- Bidder declaration and requirements:
 - DGS is making several implementation/changes to CUF language in the Bidder Declaration. CUF committee would like language to be specific on goods and services. CUF committee would like CUF training added as a requirement.
- Committee discussed exploration of the following ideas to enforce CUF:
 - State buyers must perform rigorous examination of bids for CUF compliance and receive critical training/instruction on CUF.
 - Third-party auditing of businesses: Create a third-party entity to annually audit businesses to ensure CUF compliance, which can include reviewing declarations as part of bid submissions and visits/inspections while executing a contract.
 - Data collection on CUF transgressions: We need data on how often CUF noncompliance is taking place. Measurement can be through existing portals and existing suppliers.
 - Publicizing CUF amongst small business owners: CUF needs to be publicized/distributed to known DGS supplier base, business communities, chambers, primes, etc.
 - DGS Policy and Resources: Update the CUF enforcement funding through legislation and reassign resources to fund audits. Train buyers and provide the needed tools and hold them accountable.
 - Penalties: The penalties for violating CUF need to be better known to all businesses.

- Work with DGS to create a better plan for training businesses on CUF.
- Institute a best practice for CUF compliance training to all businesses prior to bidding.
- Establish a process for DGS to sign-off or give a “stamp of approval” for businesses that view available videos or training opportunities.
- DGS has already made several excellent changes to CUF implementation including:
 - New documentation on CUF - including new language added to proposed bidder declaration.
 - New resources on CUF have been created by DGS – including (click links to view):
 - [CUF webpage](#),
 - [CUF brochure](#) and
 - [CUF video](#)
- CUF Committee priorities:
 - Proposal to change existing policy to include comprehensive language that pertains to CUF and the goods to be provided.
 - Requesting the prime to read each CUF Requirement.
 - Explain training modules are available to all businesses and training is being tracked.
 - Expand CUF Marketing to communities that are not normally reached.
 - Discuss with Angela the ability to sign off on training completion.
 - Get more background and options for 3rd party verification. This is required on Federal side but not state side for compliance.

Members’ Questions and Comments:

- A member asked for more details about when the sign-off would occur, and at what point in the bidding or contracting process.
 - Shaila’s answer: The first step is to affirm the business is CUF compliant based on the required forms and documents. The second step is for businesses to take training before the contract begins, which DGS then signs off as completed. The third-party verification is separate and occurs after being awarded a contract. A third-party auditing process could be added as it is common practice in many industries.
- A member expressed concerns that these practices would be detrimental to the IT small business industry and suggested a sub-committee be coordinated to include IT industry input and investigate further.
 - Angela responded: This kind of change would require changes to laws and regulations. DGS can direct council members to existing CUF laws and regulations. Angela briefly described the current process for evaluating CUF, including DVBE substitutions. Angela renewed request for data regarding CUF issues from SBAC members to help make change.

Caltrans Middle – Mile Broadband Network Initiative:

Hardeep Takar, Program Director, Middle-Mile Broadband Initiative, California Department of Transportation (Caltrans)

- This project brings broadband to underserved communities throughout the state and is being done in partnership with California Department of Technology (DOT).
- This project uses federal dollars and requires funds to be encumbered by December 2024 and projects must be finished no later than December 2026. The project uses job order contracting (known as a multiple award contracting).

- The project has a 25% SB goal and 3% DVBE goal.
- Timeline:
 - May 2022: CDT provides 10,000-mile Broadband Network map.
 - August 2022: Pre-construction begins on CDT- approved projects.
 - December 2024: Federal deadline for contract award.
 - June 2026: Deadline to complete construction.
 - December 2026: Federal deadline for project closeout.
- The project will include various construction services and a 12-month Master Agreement (awarded to the lowest responsive bidder), with the goal to select the construction manager in January or February 2023 and be in contract in early Spring 2023.
- Job Order Contract Invitation For Bid (IFB):
 - Comprehensive plan outlining contractors' commitment to meeting the states' goal.
 - Quarterly Reporting on SB/ DVBE Utilization relative to the plan. Currently advertised Construction, General, Manager, Construction, Manager, General Contracts (CMGC's) on Cal eProcure.
 - Additionally working to advertise four CMGC opportunities to be posted on Caltrans Look ahead report and will be advertised on Cal eProcure website.

For further information, visit <https://dot.ca.gov/programs/design/construction-manager-general-contractor>

Members' Questions and Comments:

- A member asked if there will there be professional services within these contracts?
 - Answer from Hardeep Takar: there will not be any design contracts with the state, but the districts may offer a professional services contract. Pre-Construction will have Engineering, and consulting to support the design services but that is a separate process.
- A member stated: For prime contractors that maintain a list of subcontractors/vendors that can commit to doing individual job order for agreed upon pricing, is there a possibility that those business will not get any work?
 - Response was given that a prime contractor will have SB/DVBE subcontractors that will work on specific job orders.

Review of New Action Items:

Leslie Fritz, OSDS Business Outreach Liaison, Department of General Services

Reviewed the new action items created by the discussion at this meeting. They are:

Action Item #1: Send the Broadcast bulletin subscription link to Council members to bookmark so members can convey updates to procurement professionals on policy, contracts and events sponsored by DGS.

Action Item #2: Please provide outstanding Small Business Advocate referrals/feedback to State Agency Recognition Award (SARA) Nominations for Advocate and Angel Carrera Leadership Award and send them to dgssara@dgs.ca.gov for tracking.

Action Item #3: DGS to share prompt payment resources webpage with Council members so they can share this resource with other small businesses as needed.

Action Item #4: DGS to send Caltrans Middle-Mile Broadband presentation to Council members.

No Member Questions or Comments

No Public Comment:

Adjournment:

- The next meeting is scheduled for Wednesday, March 1, 2023, and will be at the Ziggurat in West Sacramento with a hybrid option but that could change based on COVID mandates.
- The SBAC meeting adjourned at 4:02 p.m.