

Caltrans Statewide Small Business Council – Meeting Record

Conducted via WebEx, Office of Civil Rights, 1823 14th Street, Sacramento, CA 95811

July 16, 2021, 8:30 a.m. to 12:00 p.m.

Meeting called to order at 8:30 a.m. by David DeLuz, Chair and Deputy Director of Office of Civil Rights.			
	Who is responsible/ presented	Date Completed / By When	Status
Action Items from November 2020 meeting			
Action Item #5: Provide further clarification on a) who sets Professional Services goals for Caltrans projects, and b) whether there are separate goals for Construction and Professional Services.	OCR and DPAC	9/17/21	ASSIGNED: Cathrina Barros, OCR, has met with Contract Managers (CM) and DPAC. The main challenge is on-call vs A&E, which adheres to a Scope of Work (SOW). Ms. Barros will be talking with FHWA regarding the goal methodology proposed at one time a while ago. Update during the September meeting.
Action Items from March 2021 meeting			
Action Item #4: Develop a list of DBEs and SBs using their NAICS codes to identify and match vendors for possible involvement in Caltrans work.	OCR	7/16/21	CLOSED – Per Zeke Patten's request and replaced with July Action Item #9.
Action Item #5: Research development of a Coalition Strategy Work Group (ad hoc committee) to be brought forth as a motion to approve by the Council.	OCR & SBC	9/17/21	ASSIGNED: Jay King and Pete Varma provided a PowerPoint presentation on the Coalition Strategy during the July meeting, which was sent to members afterwards. First meeting to be scheduled in early September hosted by Mr. King's organization, the California Black Chamber of Commerce. Update during the September meeting.
Action Items from May 2021 meeting			
Action Item #1: Provide the goal setting manual developed by the Caltrans Division of Procurement and Contracts (DPAC).	OCR	8/31/21	CLOSED: According to DPAC, there is no goal setting manual for A&E being used. A process had been developed by OCR a few years ago, however, FHWA rejected it.
Action Item #3: Develop a public awareness campaign to emphasize the importance of contractors voluntarily submitting their data for state funded Minor B contracts.	OCR & Council	9/17/21	ASSIGNED: Awaiting an updated DGS form due to be completed by the end of this year. The revised form will be used to update Caltrans ADM 3023, which captures ethnicity, race and

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			gender. Once ADM 3023 is updated, work on the public awareness campaign will resume.
Action Item #4: Provide Council members with the list of job fairs organized by District 7 for the month of June.	District 7	6/9/21	COMPLETED: A flyer with a list of job fairs coordinated by District 7 during the month of June was sent to Council members via email on the date indicated to the left.
Action Item #5: Send Council members the DGS report presented by Angela Shell.	DGS	5/21/21	COMPLETED: The DGS report was sent to Council members via email on the date indicated to the left.
Action Item #6: Research the possibility of a rider to protect Micro-Businesses in consideration of potential size standard increases for firms working on Public Works contracts.	OCR	7/16/21	CLOSED: Chair DeLuz explained this cannot be done by Caltrans. However, members are encouraged to take concerns such as these as private citizens with the author(s) of legislation proposing changes in size standards.
Action Item #7: During pre-bid conferences, mention a) goal can be met by using suppliers; b) provide a list of items needed for the project; c) provide the Caltrans brochure regarding suppliers developed by DPAC.	OCR	7/16/21	COMPLETED: a) The OCR Outreach Branch has discussed with the district liaisons on how this information can be incorporated into events. Chair DeLuz is working with industry partners, AGC and UCON as well. Mr. DeLuz is considering a “Meet and Greet” format for projects of certain sizes, and perhaps making it a standard policy. b) Items needed for each project are listed in the bid summary and bid item list found online in the Caltrans Contractors Corner. c) completed – PDF of the brochure distributed sent to Council members via email on 7/2/21.
Action Item #8: Provide Council members with the PowerPoint presentation presented by Dr. Matthew Ajiake during the May meeting.	Dr. Matthew Ajiake	9/17/21	ASSIGNED: Update during the September meeting.
Action Item #10: SBC committees will meet between now and the July meeting to discuss specific recommendations for elements of the	SBC Committee Chairs	7/16/21	COMPLETED: Committee Chairs for Construction and Local Assistance/Professional Services met during June/July.

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Prequalification Program to be further discussed on July 16.			
Action Items from July 2021 meeting			
Action Item #1: Provide Council members with the link to the Caltrans Equity statement and the 4 P's.	Carole Ching	8/19/21	COMPLETED: The link to the Caltrans Equity Statement and Statement of Commitment which include the 4 P's was sent to Council members via email on the date to the left of this entry.
Action Item #2: Provide Council members with the link to the Governor's Clean California initiative.	Carole Ching	8/19/21	COMPLETED: The link to the Caltrans Clean California Initiative was sent to Council members via email on the date to the left of this entry.
Action Item #3: Provide data on the Supportive Services program results.	OCR	9/17/21	ASSIGNED: Update during the September meeting.
Action Item #4: Provide an update on the DGS Emergency Registry projected to launch in September.	DGS Angela Shell	9/17/21	ASSIGNED: Update during the September meeting.
Action Item #5: Provide Council members with a review of revisions to SB/DVBE policies per recently passed legislation.	DGS Angela Shell	9/17/21	ASSIGNED: Update during the September meeting.
Action Item #6: Provide Council members with further information on outreach efforts to register truckers in the DGS Emergency Registry to help with fire debris removal.	DGS Angela Shell	9/17/21	ASSIGNED: Update during the September meeting.
Action Item #7: Provide Council members with a copy of the PowerPoint presentation on the Coalition Strategy by Jay King and Pete Varma.	Carole Ching	8/19/21	COMPLETED: A PDF copy of the presentation was sent to Council members via email on the date to the left of this entry.
Action Item #8: Research the possibility of a Lookahead report for commodities.	OCR	9/17/21	ASSIGNED: Update during the September meeting.
Action Item #9: Provide clarification on how the Division of Equipment (DOE) prequalifies products.	OCR and DOE	9/17/21	ASSIGNED: Update during the September meeting.

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Welcome and Roll Call – Council Chair, David DeLuz opened the meeting at 8:34 a.m.

Opening Remarks; Review of the Agenda; Meeting Record Approval, – Chair DeLuz

- After welcoming everyone, Chair DeLuz noted Council policy emphasizes this meeting to be a time for Council members and their alternates to discuss and collaborate; unless called upon to do so, non-SBC members are asked to withhold their remarks until the Public Comment section at the end of the meeting.
- The Council Code of Conduct applies to this meeting whether commenting orally or in the Chat.
- Comments should be constructive, and dialogue positive towards finding solutions to areas of concern. OCR wants to remain and maintain the right frame of mind.
- Agenda review – The agenda was reviewed; no changes proposed.
- Chair DeLuz thanked the Council members for their positive and engaging energy towards developing constructive ideas. It is encouraging to see the members focus on finding workable solutions to challenges. Much can be done if we remain positive. He would like us to identify strategies to work on together and progress towards. By working steadily and in concert, we can get the needle to move.
- Action Item Log – Refer to pages 1-3 of this meeting record for the most current status of the Action Item Log.
- Approval, May 21, 2021 meeting record – Correction noted by Council Member Paul Guerrero; motion to approve the meeting record as amended for May 21, 2021 by Council Member Debbie Hunsaker; seconded by Council Member Dr. Mathew Ajiake. No further discussion; the motion passes with all ayes; the meeting record of May 21, 2021 is approved.

A. OCR Reports – Marjani Rollins, OCR provided highlights of the reports sent to members.

1. Dr. Ajiake commented African American participation is very low. Ms. Rollins responded they understand and are working on correcting the trend. Dr. Ajiake continued if this can be communicated to the Project Managers and others involved, there would be a real impact.
2. Mr. DeLuz added the African American DBE Participation Ad Hoc Work Group is also focused on this matter. Director Omishakin and others in management are concerned and want to improve participation. An example of efforts to increase participation is the change in the Minor B contracts as of June 1 of this year. We need to have continued commitment and partnership with all the organizations in the council to find the right strategy to get more firms to participate. We need to figure out what will encourage more firms to bid on Caltrans projects.
3. Ms. Rollins mentioned her office which manages the Supportive Services contracts will be addressing the gaps.
4. Council Member Fred Jordan pointed out the High Speed Rail (HSR) design/build program penalized those who do not meet goal.
5. Council Member Zeke Patten commented in the past, meeting goal for SB, women-owned, and DVBE firms has been met and met well. Prop 209 was devastating and debilitating to the SB community. Mr. DeLuz responded it is a huge hill to climb. Both Caltrans and DGS recognize the challenges and obstacles. Caltrans seeks to contract with a range of firms, not just the same

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ones that have received contracts in the past. However, we have to operate within the rules. Mr. DeLuz would like to focus on how to get DBEs to dual certify as a SB. While he advocates for changing the rules on state contracts, one must work within the existing rules. Regarding penalties on contracts not meeting goal: There is a penalty if a contractor does not meet goal. He would suggest focusing instead on how to communicate and connect with firms we can work with.

6. Council Member (Alternate) Tracy Stanhoff – This is important work, and she appreciated the efforts being made. We have a big task before we can move the needle. Organizations have to prove we have certified firms in the pipeline. There is a perception it is hard to work on Caltrans projects, which is the same thing we have been up against for the past 20 years. Unbundling can help.
7. Dr. Ajiake – Regarding Supportive Services contracts: how many African American businesses were engaged to participate? CMGC is low hanging fruit; is there any way to work with the companies to see the gravity of the situation [low African American participation]. Also, private companies do not have to deal with Prop 209 limitations.

B. Director's Office Update – Toks Omishakin, Director

1. Mr. Omishakin thanked the OCR team and Council Members for taking the time to participate in today's meeting – your efforts and advocacy are appreciated.
2. Also to be thanked are Vincent Mammano, FHWA and Angela Shell, DGS, for being good partners.
3. Mr. Omishakin is aware and shares the concern expressed for reports showing Caltrans is falling short of its overall goal, especially in regards to African American and Hispanic participation – we need to continue to try and change this, to make the push to improve the numbers. This is what the Council is about, especially the DBE goals. Mr. Omishakin appreciates the passion expressed because it pushes Caltrans to do better. He will continue to expect better results; his commitment to this does not change.
4. Caltrans Equity Statement and the four “P's” provide the areas Caltrans is focused upon to achieve. This stance has impacted the Caltrans strategic and long range plans. Long before it became in vogue, the Caltrans team has been committed to this work. As a result, equity is embedded into the agency's long range plans. The link to the Equity Statement will be sent to members by OCR.
5. Governor's Clean California Initiative – This is a many-faceted \$1 billion initiative to be conducted over the next three years. Includes education, job creation targeting underserved communities; Jerry Santos and Adriana Surfas have been appointed to oversee Caltrans role in the initiative. The link with details for this initiative will be sent to members by OCR.
6. California comeback – California's budget will be boosted by a large surplus of \$80 billion which it will be putting back into action.
 - a. 42,000 housing units – A \$12 billion investment over two years.
 - b. \$4 billion in direct grants to SBs.
 - c. \$500 million will go to Caltrans for non-traditional projects – Caltrans will be targeting underserved communities and investing in its green vehicle program.

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7. Federal Infrastructure Program – President Biden's bi-partisan program is about reconnecting communities. Within the large package is \$65 billion for rural and underserved communities. More to come on this as it makes its way through Congress.
8. Hawkins Burgers issue – The challenge came when the owner, Ms. Hawkins, expanded 500 square feet into Caltrans property. Caltrans notified the owner the expansion would have to be torn down in 60 days. At that point, various Council members intervened and the notification was put on hold. Since then, Caltrans has met with Ms. Hawkins to come up with a proposal to resolve the situation. Although Caltrans is people focused, understanding where people are coming from is not an easy task. In retrospect, had we sat down initially with Ms. Hawkins, things would not have gotten to this point. Mr. Omishakin thanked the Council members for their involvement.
9. Council Member Pete Varma thanked Mr. Omishakin for his leadership on the Hawkins Burgers issue. He added he would like to work with Mr. Omishakin and Mr. DeLuz on a workforce development project he and Council Member Jay King were developing together.
10. Mr. Omishakin and Deputy 7 Director Tony Tavares and his team have worked very hard on a proposal for Ms. Hawkins to consider. Regarding the workforce development project: Mr. Omishakin noted the Clean California Initiative will have 11,000 jobs available, so yes, it sounds good to be able to work together to make sure these jobs are equitably distributed.
11. Dr. Ajiake asked about the CDRV program – Mr. Omishakin responded Between 2010 and 2020, \$1 billion was invested in rebates; only 20% went to low income communities. Caltrans will be looking at this for the next period of investment.
12. Council Member Fred Jordan asked if Mr. Omishakin was able to issue executive orders regarding penalties in contracts and did he have executive power – Mr. Omishakin responded for Caltrans, yes, but for the state, no.

C. District Small Business Update Reports – Featuring District 5 special presentation followed by Q&A regarding the presentations and the district SB Update reports.

District 5 Director, Tim Gubbins led the presentation.

1. The district has been making great strides especially in Minor B projects.
2. Highway 1 in Big Sur – In August 2020, the Dolan Fire burned 125,000 acres. With winter coming, the district contracted with Chaves Construction, a certified SB based in San Luis Obispo, to prepare the area for winter rains. In late January, the roadway was closed temporarily due to an incredible amount of rain. The Rat Creek mudslide was dealt with by District 5 and its SB partners. Papich Construction of Arroyo Grande completed the emergency contract for this critical project. Areas south of Rat Creek impacted by debris and rock fall were repaired by Chaves Construction.
3. When the roadway closed, it caused a \$16 million loss in revenues and business in the area dropped 20 to 30 percent. It is important to work with the community to restore the roadway as quickly as possible. Mr. Gubbins also acknowledged their District 7 partners in restoring the roadway.
4. The Rat Creek project illustrates what Director Omishakin meant about turning to the community, local SBs, and other businesses to do the forward lifting.
5. Mr. DeLuz thanked Mr. Gubbins and his team for a great presentation and was glad to see the district's use of SBs.

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No further questions were raised about the presentation or the district reports distributed. Mr. DeLuz reminded members to feel free to reach out to the various District Small Business Liaisons who are available to support and connect the public to Caltrans and primes.

D. FHWA Update – Vincent Mammano

1. Mr. Mammano congratulated District 5 and the whole team of Caltrans, local businesses, and the community for giving access to the coast. He applauded Caltrans and the contracting/consulting community for holding up the edge of the continent – well done! What is even more noteworthy is that the job was done in a timely manner.
2. President's current proposal has a lot to it – Mr. Mammano reminded members this is an infrastructure project. While the FAST Act has been extended to 9/30/21, there is a difference between the two: the FAST Act needs separate authorization and must be reauthorized by the end of the federal fiscal year. \$547 billion has been proposed; it may be that earmarks are coming back.
3. Goal setting and methodology – Mr. Mammano has been working with Caltrans through a technical assistance program, part of which is included in goal methodology.
4. Dr. Ajjake asked how the federal government will look at earmarks and set asides. Also, approximately \$500 million has been spent on DBE Supportive Services contracts; is there a report on the success and challenges from contractors for that program? Mr. Mammano responded:
 - a. All of the funding that comes through the next legislation will go through his office and DBE goals applied to those funds.
 - b. As for the report on the DBE Supportive Services contracts: Caltrans would have the data and can discuss that program.

E. DGS Update – Angela Shell

1. Ms. Shell will be sure to give her report to Carole Ching to distribute to the members after the meeting.
2. Emergency Registry – Work continues on this in response to the increase in emergencies. DGS determined if it did not have emergency spend, it would have met the 25% SB goal. SBs and DVBEs can register for emergency work, facilities, food; buyers access the registry to quickly find SBs and DVBEs that provide such things. The registry will supplement the Caltrans Contractors Interest Registry. DGS expects to launch their Emergency Registry by 9/1/21; a demo of the registry can be provided at a future SBC meeting.
3. Office of Small Business and DVBE Services (OSDS) revisions – The OSDS has been incorporating changes; recently passed bills this year may cause further revisions. Public comment will be available. DGS plans to pre-review the revisions to the council during the September meeting.
4. Hiring a statewide supplier diversity manager – This is a first for DGS; intent is to assist the state with increasing diversity in contracting. In the pool of certified and non-certified businesses, DGS recognizes how Prop 209 hinders mandates, and is trying to find ways to work within that scope.
 - a. Mr. DeLuz asked if this is more an ombudsman type of position, to which Ms. Shell responded it was. DGS is still in the process of defining the role; there is a need to be careful regarding individual procurements. The intent is to provide better communication, more a 1:1 dynamic.

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- b. Council Member Pete Varma commented diversity managers have oftentimes been a roadblock to minority firms, because they are not knowledgeable. Ms. Shell responded the goal is to help DGS form ideas from a statewide perspective to help state agencies develop a more diverse vendor pool.
 - c. Dr. Ajiake commended DGS for their leadership and congratulated them on their diversity manager program. He agrees with Mr. Varma's concerns and hopes DGS will streamline its process.
5. DGS Small Business Advisory Council – Topics the council has been discussing include:
- a. Prompt payment – Ways to be more transparent in the process.
 - b. Commercially Useful Function (CUF) enforcement.
 - c. Identifying opportunities for SB that have not contracted with the state within the last three years and determining the path forward.
- Ms. Shell said much of this is related to state departments.
6. Mr. Varma asked if DGS was including MB under the term SB, which Ms. Shell responded SB includes MB.
 7. Council Member Fred Jordan asked about the effort to provide easier access to minority truckers in Los Angeles and Sacramento in response to ongoing clean-up of areas and highways after fires. Ms. Shell referred members to Cal Recycle which has been handling debris removal and other fire-related needs. It was recalled there was a major effort to register truckers for emergency work. Ayanna Nobles, District 4, expressed interest in organizing another effort.
 8. Council Member Paul Guerrero asked if the DGS statewide list is published – Ms. Shell stated DGS uses CalProcure to publicize the statewide list; CalProcure is accessed through a simple registration process available to the public.

F. Construction Committee – Pete Varma, Chair

1. The meeting was a very collaborative process between Caltrans staff and committee members.
2. Safety – There has been a policy change causing additional cost which is impacting smaller companies; there will be further discussion on this important issue.
3. Prompt payment – District 11 shared a model that can be used by other districts. Ray Tritt, Caltrans, noted B2GNow will help with prompt payment. More education on this could help smaller companies.
4. DVBE participation – The committee would like to see more participation in Minor A and B projects; many opportunities in all the districts. Training for new and emerging DVBEs could help increase their participation. More education is needed on working on Caltrans projects. It was suggested military and civilian efforts should be looked at by this community.
5. CMGC – This is a good area for smaller companies to participate through teaming and opportunities to engage in smaller contracts. The Coalition Strategy would be a good way to make this happen. Opportunities can grow capacity.
6. Teaming and partnering – Ongoing; Caltrans Legal is currently reviewing. This will ultimately help smaller contractors.
7. Mr. Jordan noted CMGC goals for construction are very low. What barriers will be addressed? Mr. Varma responded it is really per district. They would like to find a way to put a team together involving Contract Managers (CM) on smaller projects under \$20 million. It was suggested to have a joint meeting with the Local Assistance/Professional Services Committee.

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G. Local Assistance/Professional Services Committee – Albert Leung, Chair

1. Standardization of forms – Ongoing; working with Caltrans on this.
2. Increase DBE/SB/DVBE firms participating in Caltrans A&E projects – Discussion centered around development of a demonstration project possibly with Districts 4 and 10. The effort would encourage primes to bring emerging A&E firms into teams.
3. Unbundling project in District 10 – Focused on inspection and materials testing.
4. Design/Build project that appears not to have a specific goal for A&E – Mr. Jordan will be looking further into this.

H. Commodities Committee – Zeke Patten, Chair

1. The committee will be submitting its request for DSBL research questions.
2. The committee would like to request a verification process determining whether SBs are legitimate. DBEs have site visits; the SB verification process should have similar procedures.
3. Prequalification Program – Mr. Patten pointed out the Division of Equipment (DOE) and Material Services prequalify a vendor's products. The procedure used by DOE should be shared for suppliers in the Prequalification Program.
4. Mr. Patten would like to amend the Action Item he had proposed in March to the following: Provide an explanation of how the Division of Equipment (DOE) prequalifies products.
5. Lookahead Report for commodities that lists the name of the project, administrator of the project, list of items needed in a 6-month lookahead. Mr. Patten is looking for what is left for vendors to bid on after PIA and other contract compliance has been fulfilled.

I. African American DBE Participation Ad Hoc Committee – Jay King, Chair

1. Hawkins Burgers issue – Mr. King sent a video to Mr. Omishakin after which Caltrans decided to put the 60-day notice on hold so as to find a better way to resolve the situation. The actions taken point out the importance of the Council – members play an important role for our constituency.
2. The committee engaged in a robust discussion about building a coalition to support working with Caltrans to develop a pilot to show how the strategy works.
 - a. District 4 was suggested as a starting point.
 - b. Waivers for African American firms to get more work with Caltrans.
 - c. Firms must become more competitive as bidders and appealing to primes.
 - d. Council members must become more active and engaged; figure out better ways to work with each other and with Caltrans.

J. SB-1 Work Group – Dr. Matthew Ajjake, Chair

1. The committee met in June and July.
2. A new plan for 2021/2022 is being developed.
3. The charter has been reviewed and revised.

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4. For the new phase, the work group is considering an incubator pilot.
5. The work group is looking for firms to participate in Minor A and B projects.
6. A database is being developed to identify firms to provide information on bidding and other types of supportive services. Looking at strategic support, and if that process is successful, recommendations will be made.
7. Mr. DeLuz thanked District 10 Director, Dennis Agar, and SB Liaison, Bob Adams, for their work and thanked Dr. Ajiake for his leadership.

K. Prequalification Program – Large group discussion between the Council Members and Chair DeLuz

Chair DeLuz opened the floor to discussion with the Council members.

1. Mr. DeLuz wanted to make sure we are getting all ideas and suggestions from members; we want to find a way that makes small and minority firms easily identifiable.
2. Mr. DeLuz noted the word, “prequalification” should not be too weighty.
3. Primes have said they have a difficult time finding firms that are ready, willing and able; the intent is to find a strategy to address this such as a registry.
4. The members briefly reviewed the list of features suggested by members over the past couple of months.

Discussion:

1. Mr. Leung received the SANDAG Bench Program link from Council Member Annie Aguilar.
 - a. Three parts for their prequalification, which includes professional services, construction management, and planning services.
 - b. The concern has been that professional services has different requirements.
 - c. The SANDAG Bench Program website appears well structured.
 - d. It also seems like a good thing to incorporate into the Prequalification Program.
2. Council Member Arvin Chaudhary polled ACEC primes, who noted they were mainly interested in financial qualifications and affording the financial issues involved in order to submit. Even mid-sized firms have a difficult time participating in Caltrans projects. Regarding solutions: Mr. Chaudhary detailed the procedure that auditors use; otherwise, the risk is too great for the primes.
3. Ms. Aguilar asked what financial qualifications Mr. Chaudhary was referring – Mr. Chaudhary responded overhead calculation, control questionnaire, labor chart of accounts, billed and unbilled hour, certified payroll statements. Ms. Aguilar stated safe harbor rates can be used by smaller companies. As a new SB to Public Works projects, Ms. Aguilar can see the difficulty SBs would run into.
4. Mr. Jordan suggested help with financial literacy be included.
5. Council Member Lee Cunningham asked about a sliding scale for the size of a project. If a firm is working on a smaller project, would all of this still need to be submitted? Mr. DeLuz thought this was a good question and should be considered in the development of the Prequalification Program.

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6. Council Member Ruth Bley said it sounded as though we would be duplicating what a bonding company does. The bonding company assesses these financial aspects. Other things, like joint checks, letters from unions verifying paid dues, and so forth – this looks like a lot of paperwork. Mr. DeLuz would like to focus mainly on availability, skill, experience, and capacity to do the work.
7. Mr. DeLuz suggested pivoting to a registry concept as opposed to prequalification to give a different connotation and get away from financial concerns; maybe take a look at bonding as a way to cover the financial end.
8. Dr. Ajiake suggested a pool of accountants available to assist SBs to get all their paperwork done. Mr. DeLuz agreed and added the Chambers, Small Business Development Centers, and so forth could provide this type of support.
9. Ms. Aguilar asked if other districts have the capacity to train on issues raised by Mr. Chaudhary; District 11 has made an investment to obtain accounting software licenses. Perhaps training is the answer? Mr. DeLuz agreed, training and looking at other processes firms need to strengthen.
10. Mr. DeLuz stated the Prequalification Program is not a single strategy approach; training, resources, and so forth for the next generation of Supportive Services contracts are being considered.
11. Ms. Aguilar added the SANDAG program has been successful in District 11. Their registry is available for primes to download after SANDAG has vetted the firms; it is public information. If a firm is on the winning team, it has to provide its rates, but if it holds up the process, primes will not come back to ask again. This has been a successful strategy for Caltrans and Local Assistance projects.
12. Mr. Jordan was happy about the Prequalification Program, however, he would not change its name to a registry. He noted this is public money so everyone should have the opportunity to get a contract. This can be a first step to growing small firms to become primes. He also stated this type of program is already being done in many places.
13. Mr. Varma echoes what Mr. Jordan stated about keeping it as a Prequalification Program. It is very difficult for primes to take a risk; with a Prequalification Program, they will be able to find us. It addresses the complaint about not being able to find qualified companies. This is an especially good opportunity to get involved with Minor B projects.
14. Mr. DeLuz summarized the conversation:
 - a. Process should not be cumbersome or complicated.
 - b. The program should welcome new firms.
 - c. There should be different approaches for different kinds of firms.
15. Mr. DeLuz will be taking this feedback and putting together a brief report to collate input and design a Prequalification Program to pilot in one of the districts to test. There will be a report out on progress during the September meeting. If there are challenges or problems, OCR will be on top of that before rolling anything out.

L. Coalition Strategy – Council Members Jay King and Pete Varma

1. Background – Mr. King opened with saying the Coalition Strategy is a result of the two of them working together. They found they got more done and started partnering on other matters. They found they complemented one another in knowledge and

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strengths. They started discussing how a coalition strategy could be applied to the SBC and the communities each member organization represents. They talked about how Prop 209 had become a blockade, and what could be done to work around it. Some statistics: 95% of African American businesses are sole proprietors. They also looked at systemic issues responsible for this within the country and in the industry.

2. The Coalition Strategy can help us come together to make all the pieces work for us all. This can be the “gas” that can move the needle and have an immediate impact.
3. Presentation – Mr. Varma walked the members through a PowerPoint presentation. Mr. Varma spoke of the impact the coalition strategy could have when applied to the Council. By definition, a coalition is a diverse group of individuals and organizations that work together to reach a common goal. As a coalition, members can identify opportunities to increase participation and increase the number of certified DBEs.
 - a. Education and training are keys to success, bringing about stronger, sustainable companies.
 - b. The council members are the stakeholders and represent the communities they serve.
 - c. Policy makers – the Governor, Caltrans, the federal government, communities - must be involved and address concerns. Together a bigger voice is possible.
 - d. Commitment from DVBE, NAMC Northern California, California Black Chamber of Commerce, Women Construction Owners and Executives, and Caltrans.
 - e. Meeting space and Zoom offered by the California Black Chamber of Commerce. By communicating with one another, all stakeholders can develop the strategy.
 - f. This strategy can bring about policy changes that impact the SB community and provide information and solutions to members.
4. Coalition goals:
 - a. Collaborate with Caltrans for professional services, commodities, and construction projects.
 - b. Discuss community issues and provide solutions for the communities we serve.
 - c. Share information among Coalition members.
 - d. Accountability of the stakeholders and measure the success – celebrate.
5. The Workforce Development program is an example of a collaborative effort.
6. This is about working together, about coalition, and about the communities members serve.
7. Next steps:
 - a. Meeting in Sacramento or Zoom in early September.
 - b. Work on policies and procedures.
 - c. Developing measurable goals and objectives is key.
 - d. Develop a time line.
8. Members who voiced interest:

Caltrans Statewide Small Business Council – Meeting Record

Conducted via WebEx, Office of Civil Rights, 1823 14th Street, Sacramento, CA 95811

July 16, 2021, 8:30 a.m. to 12:00 p.m.

- a. Paul Guerrero, La Raza Roundtable de California
 - b. Annie Aguilar, American Public Works Association, San Diego
 - c. Lee Cunningham, Women Construction Owners and Executives, California Chapter; Ms. Cunningham noted this presentation has inspired her to do more; this will make a real difference in California and even the nation.
 - d. Lynn Chen, California Chinese American Construction Professionals Association; Ms. Chen asked for a simple synopsis of the strategy she can present to her board. Ms. Cunningham suggested a simple Memorandum of Understanding might suffice, which Mr. King agreed would work, and asked Ms. Cunningham to develop a draft.
9. Mr. DeLuz asked if the coalition was planning to involve prime contractors as members – Mr. King responded with an enthusiastic "yes."

M. New Business - Carole Ching reviewed the Action Items from this meeting; no other new business was brought forth by the members.

N. Public Comment – None.

O. Closing Remarks – Mr. DeLuz thanked everyone for their engagement and patience. OCR will be hosting public comment sessions to add to the Disparity Study, which is in its final stages. A draft goal and methodology document will soon be available.

Meeting Adjourned at 12:05 p.m.

Next Meeting: September 16 & 17, 2021; more information regarding the September meetings will be shared in August. The January 2022 meeting will be held in San Diego at the District 11 Office; unless otherwise advised, it will be held in person.

DOCUMENTS distributed previous to the meeting via email:

- Meeting agenda
- Draft of meeting record for May 2021
- OCR Reports: Executive Management Dashboard; Commitment at Award, Construction; Commitment at Award, DPAC; District Monthly Contract Award; Monthly Contract Award
- Districts 1 to 12, SB Update Reports

PRESENT – Roll Call

Council Members:

1. Aguilar, Annie, American Public Works Association, San Diego
2. Ajjake, Dr. Matthew, San Francisco Bay Area Small Business Council
3. Ruth Bley, Women Construction Owners and Executives, USA
4. Chaudhary, Arvin, American Council of Engineering Companies, California

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5. Chen, Lynn, California Chinese American Construction Professionals Association
6. Cunningham, Lee, Women Construction Owners and Executives, California Chapter
7. Guerrero, Paul, La Raza Roundtable de California
8. Hou, Johnathan, Asian Business Community Development
9. Hunsaker, Debbie, Fresno Chamber of Commerce
10. Jordan, Frederick, San Francisco Black Chamber of Commerce
11. King, Jay, California Black Chamber of Commerce
12. Kinsey, Sam, Alternate, California Black Chamber of Commerce
13. Lau, Eddy, Asian American Architects and Engineers, San Francisco Chapter
14. Leung, Albert, Asian American Architects and Engineers, Southern California Chapter
15. Little, Dr. Cassandra, Fresno Metro Black Chamber of Commerce
16. Lombard, Edwin, California African American Chamber of Commerce
17. McGlover, Pastor Stephen, California Connection
18. Mota, Adolfo, Society of Hispanic Professional Engineers, Los Angeles
19. Patten, Jr., Ezekiel, Black Business Association, Los Angeles
20. Saephanh, Maye, California Asian Chamber of Commerce
21. Stanhoff, Tracy, American Indian Chamber of Commerce, California
22. Varma, Pete, National Association of Minority Contractors, Northern California
23. Vela, Lisa, San Joaquin County Hispanic Chamber of Commerce
24. Wallace, Rich, Southern California Black Chamber of Commerce

Caltrans Staff

- | | |
|--|--|
| 1. Omishakin, Toks, Director | 10. Bouquin, Tom, District 11 |
| 2. DeLuz, David, Deputy Director, Office of Civil Rights | 11. Chambers, Cheryl, Local Assistance |
| 3. Adams, Bob, District 10 | 12. Ching, Carole, OCR |
| 4. Agar, Dennis, District 10 | 13. Chamberlain, Ryan, District 12 |
| 5. Andriessen, Christopher, District 9 | 14. Chasten, Gerald, OCR |
| 6. Azima, Cindy, District 9 | 15. Dallarda, Gustavo, District 11 |
| 7. Barros, Cathrina, OCR | 16. Doan, Hau, Local Assistance |
| 8. Beauchamp, Mike, District 8 | 17. Elkins, Susan, District 3 |
| 9. Biro, Jessica, District 5 | 18. Gomez, Diana, District 6 |
| | 19. Gongora, Michelle, District 11 |

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July 16, 2021, 8:30 a.m. to 12:00 p.m.

20. Gubbins, Tim, District 5
21. Herron, Keith, OCR
22. Hettick, Bobi, District 12
23. Himes, Amanda, OCR
24. Hull, Joe, District 11
25. Ibarra, Maria, District 11
26. Kent, Bryan, Construction
27. Luu, Bing, District 11
28. MacDonald, Jason, District 12
29. Martinez, Justin
30. Mathis, Maecel, District 11
31. Morgan, Aaron, District 1
32. Morris, Esther, DPAC
33. Porter, Denise, District 2
34. Nobles, Ayanna, District 4
35. Perez, Margie, District 11
36. Prizmich, David, Division of Procurement and Contracts
37. Rizzutto, Shawn, District 11
38. Rollins, Marjani, OCR
39. Singh, Sanjay, OCR
40. Spence, Robynn, District 3
41. Townsend, Everett, District 11
42. Tritt, Ray, Construction
43. Tuttle, Norman, OCR
44. Vargas, Mirley, District 12
45. Whitfield, Jocelyn, District 8

4. Shell, Angela, DGS

Guests

1. Altaha, Ali
2. Draghici, Anda, DGS
3. Mammano, Vincent, FHWA