

Small Business Advisory Council Meeting

Minutes

June 13, 2012

Call to order: Council Chair Jim Butler began the meeting at 1:03 pm.

Attendance: The meeting was attending by the following SBC members: Aubry Stone, Randall Martinez, Monika Frenz, Savita Farooqui, Renee White Fraser, Stephen Simpson, Paul Guerrero, Ken DeVore, Gabriel Mullen, Jerry Bircher, Holly Parks, Don Stoneham, Linda Sarno, Tracy Stanhoff, Evelyn Graham, Lee Cunningham, Patricia Linn, and James Brady

The following SBC members were absent: Ken Ashford, Tom Crawford, Douglas Eldridge, Ruben Guerra, Sandy Cajas, Stacey Heater Divine and Laura Harris.

The following DGS representatives were in attendance: Jim Butler (Chair), Alternate Chair Eric Mandell, Roger Anderson, Charleen Fain-Keslar, Catrina Blair, Tonia Burgess, Tasha Nomura and Wayne Gross.

Welcome and Opening Remarks

Council Chair Jim Butler thanked the members for the time and commitment to the Council. He requested that all in attendance introduce themselves. Butler introduced Holly Parks, Small Business Coordinator for the Sacramento Metro Chamber who was attending her first meeting.

Introduction of New Co-Chair / Honor Randall Martinez

Mr. Butler stated that Aubry Stone is the new co-chair of the Council and that it is a great privilege to have Aubry in his new role.

Mr. Stone stated that he wants all meetings be meaningful, topical and of vital interest to Council members. Some areas he would like to see covered are: Strategic Sourcing, small businesses becoming primes, and unbundling of contracts. Mr. Stone stated that the key to getting California back on track is promoting small business growth, including greater participation in State Procurements). He welcomed everyone and is looking forward to the upcoming year. Mr. Stone, Mr. Butler and Mr. Mandell proceeded to honor Mr. Randall Martinez for his distinguished services as Council Co-Chair and presented him with a plaque to commemorate his three years as Co-Chair.

Mr. Martinez, who will remain on the Council to finish his term, stated he had been part of many organizations and received many awards and that he was very honored to receive one from the Council.

Introduction of Rene Halverson, Assistant Deputy Director, Caltrans

Mr. Butler introduced Ms. Rene Halverson. Ms. Halverson has worked for the Caltrans for over 29 years and has replaced Olivia Fonseca as head of the Office of Business and Economic Opportunity. She has been working to make sure that their small business participation goals continue to increase every year. This includes better educating buyers within the department of the advantages of using a small business. Renee will Chair the Caltrans Small Business Council.

Mr. Stone stated that his organization, the California Black Chamber of Commerce, had an upcoming event and wanted to know if Caltrans could work with DGS to provide on the spot purchasing at their procurement workshop.

Approval of January 25, 2012 Meeting Minutes

Mr. Butler asked for a motion to approve the January 25, 2012 meeting minutes with the following edits: Page 3- Mr. Lott needing a new committee member but noting that Mr. Bircher would not be removed from the Council as the minutes may have mistakenly indicated, and Page 1 Mr. Guerra's name was spelled wrong.

Motion to approve made by Mr. Martinez and Mr. Paul Guerrero. Motion Seconded by Mr. Bircher. Minutes were approved.

Deputy Director Update

Mr. Butler had to leave to attend another meeting. Before departing and turning over the meeting to Alternate Chair, Eric Mandell, he stated that in the future DGS Procurement Division will engage the Council in discussions prior to the issuing of any proposed bids for Statewide Contracts. Mr. Roger Anderson of the Statewide Acquisitions Branch gave an overview of how this process will work and provided a presentation on the Maintenance Repair and Operations (MRO) Contract and the methodology that staff used in evaluating whether or not to re-bid this termed out contract.

Mr. Anderson explained that staff had done extensive analysis of spend data on the various items contained in this contract and walked the Council through that analysis. Based on the work of staff, DGS will not moving forward with a new MRO contract because of the low savings potential and the measurable financial impact on small businesses and DVBEs. DGS has told departments via eBlast to use the Western State Contracting Alliance (WSCA) or SB/DVBE option and Fair and Reasonable under \$5000 instead. The eblast will be provided to the Council as an FYI.

Mr. Mandell and Mr. Bircher gave kudos to contracting staff for the level of analysis and level of transparency that has gone into looking at the next steps for the MRO contract.

Fi\$Cal Update

Mrs. Kathy Hicks the Deputy Director for Change Management and Ms. Kelly Holtz gave an overview for the State's F\$Cal effort and its benefits. To view the presentation, go to: [http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/Fi\\$cal061312.pdf](http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/Fi$cal061312.pdf)

Fi\$Cal will replace Bidsync and will be fully operational by 2015. Benefits of this new comprehensive accounting and procurement system for SB/DVBE vendors include reduced timeframe for payment process & reduction in prompt payment penalties, accurate, timely and consistent reporting for statewide spend, increased transparency and improved analytics. Mr. Martinez asked if Accenture the Fi\$Cal vendor had met the State's small business participation goal in its bid. Ms. Hicks stated that they had.

Mr. Mandell thanked Kathy, Kelly, and the Fi\$Cal team for providing the presentation.

Greening of State Buildings – Governor's Executive Order B-19-12

Mr. Stone had a lot of questions regarding the greening of all State buildings. In response, Dan Burgoyne, Sustainability Manager for DGS Real Estate Services Division (RESA) gave a presentation on DGS' efforts to implement this effort. EO B-19-12 Builds off of and strengthens previous green initiatives. The mandate is to dramatically reduce electricity and other energy use in State Buildings by 2018.

Under this EO all Executive Branch buildings are directed to follow this new initiative.

To view the presentation go to:

<http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/CAGreenPresentation061312.pdf>. All new state building will require zero net energy after 2025. All new and major renovated buildings shall obtain LEED silver or higher certification (less than 10,000 sq. ft.). The State has 86 LEED building certifications as of May 2012.

DGS and other agencies will develop guidelines and policies for operation of existing buildings by July 2013.

Water efficiency and conservation- reduce water use by 10% in 2015 and utilize cost-effective alternative water sources.

Review of New Action Items

- Edits to the minutes
- Provide Green Power Bids information to the Council
- Send MRO broadcast to the Council
- What statewide contracts the Council would be interested in
- "How to get Certified" brochure to Paul Guerrero

Mr. Mandell thanked all the special guests for attending. Next meeting will be September 12 at the DGS.

Mr. Bircher asked about the attendance since 14 members were currently present and 20 name tents were still on the table. Mr. Mandell stated that members could not miss more than 2 consecutive meetings would be taken off the Council.

Again, Mr. Mandell thanked Mr. Martinez for his service as Council Chair and thanked all Council members who attended

Public Comment Period

No public comments.

Alternate Chair Eric Mandell adjourned the meeting at 2:42 p.m.