

## **Small Business Advisory Council Meeting**

### **DRAFT Minutes**

September 3, 2014

**Call to order:** Chair Jim Butler called the meeting to order at 1:05 p.m.

**Attendance:** The meeting was attended by the following SBC members: Aubry Stone, Lori Kammerer, Jerry Bircher, Julian Camacho, Leonard Ortiz, Debra Roak, Marty Keller, Evelyn Graham, Cecelia McCloy, Mark Bosse, and Savita Farooqui,

The following SBC members attended via webinar: Stephen Simpson, Ken DeVore, Don Stoneham, Jennifer Goode, and James Brady.

The following SBC members were absent: Gloria Rull, Lee Cunningham, Patricia Castillo Linn, Sandy Cajas, Stacey Heater Divine, and Alice Perez.

The following DGS representatives were in attendance: Alternate Chair Angel Carrera, Catrina Blair, Tonia Burgess, Tasha Nomura-Stewart, Danetta Jackson, Yolanda Hazewood, Charleen Fain-Keslar, Ricardo Martinez, Matt Bender, Jemhal Amen, Chuck Deyoe and Eric Mandell.

Special guests included: Barbara Vohryzek, of GoBIZ; Karen Massie, of the California High-Speed Rail Authority; and Valerie Williams, of the California High-Speed Rail Authority.

### **Welcome and Introductions**

Chair Jim Butler thanked DGS for setting up the new microphone system. He asked the Council to introduce themselves. Co-Chair Aubry Stone thanked Council member Jerry Bircher for holding the Program/Policy subcommittee meeting in his absence. Mr. Stone recognized Valerie Williams, as the new Small Business/Disabled Veteran Business Enterprise (SB/DVBE) Advocate for the California High-Speed Rail Authority.

### **Approval of March 5, 2014 Meeting Minutes / June 18, 2014 Strategic Plan Meeting Minutes**

Council Chair Jim Butler asked for a motion to approve both sets of meeting minutes. Co-Chair Stone made the motion. Council member Evelyn Graham second. Motion carried.

### **Review of Agenda and Deputy Director Update**

Council Chair Jim Butler reviewed the agenda and highlighted some of the day's speakers.

## **2014 Strategic Plan Review**

Alternate Chair Angel Carrera stated the Legislative and Program/Policy subcommittees met in August to discuss the newly drafted Strategic Plan. He explained both were well attended and he thanked Council member Lori Kammerer for taking notes at both meetings. Mr. Carrera stated DGS would take the recommendations under advisement but would not be able to push the issues forward for the Council.

### **Program / Policy Subcommittee Update**

Council member Jerry Bircher provided an update regarding the Program/Policy Subcommittee and stated input from the attendees was great. The subcommittee's discussed points were outlined at:

<http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/2014SPRecommendations090314.pdf>

Council member Bircher explained the main issue of discussion was Commercially Useful Function (CUF) compliance before, during and after a contract was awarded.

Number eleven (11) of the Strategic Plan suggested all Small Business councils be on the same page. Council Co-Chair Stone asked why this item was being addressed. Council member Bircher stated various councils were putting out information the DGS SBC could have used or been aware of. Council member Lori Kammerer asked Council Chair Butler if it was possible to set up a meeting with EDD, Caltrans, and CalVet. Council Chair Butler stated yes.

Number two (2) of the Strategic Plan discussed each state agency putting in place a SB/DVBE First Policy. Mr. Bircher stated there was a lot of discussion on this item and explained if the direction did not come from the top, then it would never happen. Council member Julian Camacho stated delegated authority was a good program. Mr. Butler explained that such authority was not often taken away because it caused more workload for DGS staff.

Number six (6) of the Strategic Plan outlined increasing SB and DVBE participation goals into phases. Mr. Bircher suggested putting something into a bill but he did not see the SB participation going to 30% and DVBE participation going to 6% at this time. He also stated efforts should be focused on getting those agencies who were not close to meeting the 25% SB goal to become closer. Mr. Butler stated the State Agency Recognition Award (SARA) ceremony was the most gratifying experience as a Deputy Director to recognize departments that were meeting the participation goals. He explained there were a few agencies who were habitually did not meeting their participation numbers. Co-Chair Stone stated there had to be a way to get agencies to meet their numbers and believed taking away their delegation was the only recourse. Council member Debra Roak asked what the difference between putting the

requirement into law versus an administrative order. Mr. Butler stated it was a pass / fail requirement and agencies would have to decide to put it into each of their contracts.

Number seven (7) of the Strategic Plan asked departments to set aside money for the SB/DVBE advocate in their annual budget. SB 1045 discussed focused outreach and encouraged departments to find money to focus on recruitment and travel. Mr. Butler stated the DGS monitors underperforming agencies during the year and when goals are not met or increased, this particular item is brought to the underperforming agency's attention.

Mr. Bircher discussed the unbundling of contracts, which was item #12 of the Strategic Plan. Mr. Bircher asked whether criteria could be generated for contracts that could potentially be unbundled. Mr. Butler explained the DGS had already begun unbundling several of the mandatory contracts and was the reason why there were no more statewide contracts for Maintenance, Repair and Operations Supplies (MROs), janitorial, etc.

Mr. Bircher stated DGS staff, Chuck Deyoe was to check on the bill which stated CSUs and UCs were going to use the state's mandated SB/DVBE participation goals. Mr. Deyoe said he asked but had not heard back yet.

Council member James Brady asked if there was a report showing vendors who provide services within specific districts / zones. Mr. Butler stated yes, using the State Contracting & Procurement Registration System (SCPRS) database; DGS would assist in getting him that requested information.

### **Legislative Subcommittee Update**

Council member Lori Kammerer stated Phil Vermuelen was to present the agenda item, but was unable to attend the meeting. She reviewed the Legislative Subcommittee's meeting minutes. A copy of these minutes can be found at:  
[www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/LegislativeSubcommitteeMinutes.pdf](http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/LegislativeSubcommitteeMinutes.pdf)

Council member Cecilia McCloy asked about set asides for SBs. Mr. Butler stated there were no set asides but preferences. Both Julian Camacho and Cecilia McCloy asked to join the Legislative subcommittee.

### **High-Speed Rail Authority Update**

Karen Massie, of the California High-Speed Rail Authority thanked DGS for the invitation to present. She explained the project was underway in the Central Valley. A copy of her presentation can be found at:  
<http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/HSRPresentation090314.pdf>

She also provided an overview of the following handouts:

<http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/HSRAugustNewsletter.pdf>  
<http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/CapTradeMap090314.pdf>  
<http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/HSRConstructionContractorsList090314.pdf>  
<http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/HSRConstructionPackage090314.pdf>

Ms. Massie explained there was a 30% SB participation goal and that the awarded contractor has already exceeded all set goals for participation

Ms. McCloy asked when SBs were informed about opportunities, what were some of the issues SBs were complaining about. Ms. Massie stated some SBs were finding becoming certified to be intimidating; some gave up after not winning a bid; or were not following up after the contract was awarded to find out why they did not win the bid.

Mr. Carrera asked about technical assistance regarding bonding. Ms. Massie stated bonding was a problem because SBs were reluctant, but needed to be unafraid to do it.

### **Legislative Update**

DGS staff, Chuck Deyoe provided a legislative update. To view the list of current bills discussed, go to:

[www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/LegislativeUpdate090314.pdf](http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/LegislativeUpdate090314.pdf)

### **RESD Update**

Yolanda Hazewood, of DGS' Real Estate Services Division, stated RESD outreach had been around for almost a year. She stated the Council could find a list of their upcoming solicitations on their web site at:

<http://www.documents.dgs.ca.gov/pd/events/RESDUpcomingSolicitations.pdf>.

Ms. Hazewood stated their unit received an award from Council Chair Aubry Stone at the Ron Brown Summit.

She also provided information about their upcoming event, the Meet the Buyers Expo ([http://www.documents.dgs.ca.gov/resd/RESDSmallBusinessDVBEOutreachProgram/ flyer\\_agenda.pdf](http://www.documents.dgs.ca.gov/resd/RESDSmallBusinessDVBEOutreachProgram/ flyer_agenda.pdf)) on September 16<sup>th</sup> at DGS. Ms. Hazewood explained they had 30 exhibitors registered and stated registration for attendees were still open. She stated there would be a bonding and contractor workshops, Subject Matter Experts (SMEs) would be available onsite for exhibiting; as well as a panel discussion.

Mr. Butler congratulated Ms. Hazewood on their outreach efforts. Ms. Hazewood stated they would be taking their Meet the Buyer event to Southern California's Inland Empire.

## **PD Contract Update**

DGS staff Eric Mandell discussed PD's current upcoming solicitations located at: <http://www.documents.dgs.ca.gov/pd/smallbus/SBCouncil/UpcomingSolicitations090314.pdf>

Mr. Mandell stated PC/Server equipment was being contracted through authorized dealers, as the manufacturers were the ones to fulfill the contract. He explained the contract was generating great DVBE numbers.

He also congratulated the California High Speed Rail Authority for acquiring Valerie Williams, f as their new SB/DVBE Advocate. Council member Savita Farooqui asked about the IT refresh and what was the timeframe. Mr. Mandell explained DGS would be announcing it within the next week; there was a six month window for the first IT refresh close to October.

## **GoBIZ SB Advocate Update**

Barbara Vohryzek stated she had accepted a CEO and President position with the National Association of Development Companies in Washington DC; she would begin her new role next month.

She explained the GoBIZ had acquired two new staff and explained Janelle Green would be her replacement until a new advocate was hired. She highlighted one of their upcoming events, the Coffee Break with GoBiz, which focuses on California Competes which would open in a couple weeks. Ms. Vohryzek explained California Competes joins with local SBDCs and local legislators. The first round had already been completed with 100 applications received. She was confident that the application process was easier online and competitive.

Mr. Stone stated he was very fortunate to work with both Council member Marty Keller and Ms. Vohryzek, as the Governor's SB/DVBE Advocate. Mr. Butler thanked Ms. Vohryzek for all her teachings and stated if any of the Council members knew of any candidates for Ms. Vohryzek's position, they could send the information to Michael Martinez at 916.445.4541 at [Michael.martinez@gov.ca.gov](mailto:Michael.martinez@gov.ca.gov)

Mr. Butler also stated the Deputy Director, Permitted Assistance was vacant and candidates for that position could be sent to Michael Martinez, as well.

## **Review of Action Items**

The following items would be addressed at the next SBC meeting in December 10, 2014:

- Set-up meeting with other SB/DVBE Council groups (Caltrans, Calvet, etc.)
- IT Refresh Numbers - *Completed*
- SCPRS report on contractor services for James Brady - *Completed*
- Change policy on off-ramp issue – sent out a broadcast bulletin and broadcast registration link - *Completed*
- SARA information to Council – *Completed*
- Update regarding bill which stated CSUs and UCs were going to use the state’s mandated SB/DVBE participation goals

**Public Comment**

N/A.

Council Chair Jim Butler adjourned the meeting at 3:26 p.m.

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