



## Small Business Council Minutes

**DRAFT**

**December 12, 2007**

**Call to Order:** Randall Martinez, Co- Chair, called the Department of General Services (DGS) Small Business Council (SBC) meeting to order at 1:10 p.m. Mr. Martinez turned the meeting over to DGS Procurement Division Interim Deputy Director and Council Chair, Adrian Farley who welcomed the group to this, the last meeting of 2007. Mr. Farley introduced himself and spoke of his past and current duties stating that one of his goals is to get more small business participation in the large contracts. Mr. Farley said he believes the State's SB and DVBE Programs are on the right track, but also feels there is more to be done. The schedule of meetings for next year was reviewed. Today's agenda was presented and the meeting was turned back over to Mr. Martinez.

**Attendance:** The meeting was attended by the following DGS representatives: Adrian Farley -Chair), Angel Carrera, Russ Guarna, Eric Mandell, Lori Okamoto, Bill Rich, Kathy Bryant-Rock, and Dave Owen.

The following members of the SBC were present: Randall Martinez, John Arena,, Linda Sarno, Chuck Lott, Jerry Bircher, Betty Jo Toccoli, Paul Guerrero James Brady, and Matt Yancey.

Others in attendance included: Robert Padilla, and Olivia Fonseca of Caltrans.

Department Small Business Advocates and 2007 State Agency Recognition Award (SARA) Winners in attendance: Sierra Nevada Conservancy - Vicky Key and Dennis Hutchinson; California Department of Veterans Affairs - Kevin Childers, Corinne Manley, and Steve Alston; Secretary of State - Andrew Lee (now with Department of Industrial Relations); Victims Compensation and Government Claims Board – Dennis Boydston, Lupe Rivera, and Ruben Ledesma; California Military Department - Alan McCord; DGS/Office of Legal Services – Pat Whitfield; DMV – Aimee Walker and Judy Jones

The following members' absences were excused: Erica Thompson, Rich Dryden Martha Montoya, Tracy Stanhoff, and John Eskel

Special guests included: Marty Keller and Michael Gonzalez of the Governor's Office of Small Business Advocate;

There were no members of the public present.

**Opening remarks and comments:**

Mr. Martinez acknowledged Ms. Betty Jo Toccoli for her outstanding past performance as SBC Co-Chair as well as her many other contributions to the small business community. The recent strategic planning effort of the SBC was one of her crowning achievements. Mr. Martinez presented Ms. Toccoli with a framed congratulatory letters from Governor Schwarzenegger and State and Consumer Services Agency Secretary, Rosario Marin and DGS Director, Will Bush.



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**Approval of Prior Meeting Minutes (Sept 11, 2007):** Motion was made to approve the minutes. The motion was seconded, voted on and the minutes were approved.

### Agenda Items:

**SBC Strategic Plan-** The meeting was turned over to Eric Mandell who asked the group to review the newly completed draft of the SBC Strategic Plan. Mr. Mandell said that the strategic plan involved a comprehensive effort by three sub-committees. This document represents the amalgamation of those subcommittee efforts into one cohesive plan. There is much common ground between the subcommittees. It is a living breathing document. He asked for comments from the council members regarding the plan. John Arena said it important for the members to have their group meetings outside the SBC meetings to stay on top of the plan and the associated due dates, which will need to be revised. . Ms. Toccoli wanted to know when established timelines would be presented. Mr. Mandell said these should be in place by the March 6<sup>th</sup> SBC meeting. Marty Keller said this should be considered a public document and that he could put the plan on his website blog for comments. Follow through is crucial to the success of this plan. Since this is a multi-year plan, the group knows that this will not be shelved and will develop over time.

Lorna Briscoe and Robin Borden were acknowledged for their support and contributions. Paul Guerrero had a question regarding awarding points on past performance. Russ Guarna said he would get with Paul to have further discussion.

Mr. Keller provided an update of SB/DVBE Advocacy efforts. The most recent SB/DVBE Advocate meeting was in January. He spoke of legislation requiring that each State Department with significant annual spending designate a Small Business Liaison within their department. The Liaison has a role in policy development as well as a role in procurement. John Arena asked Marty how many advocates attend the SB/DVBE Advocate meetings. Marty said that a recent meeting involved about 60 to 80 advocates. Marty indicated that the current \$100K limit may be raised legislatively in the future for the SB/DVBE Option.

Paul Guerrero motioned that the strategic plan be adopted. It was seconded and adopted.

Randall Martinez mentioned that \$500,000 of loan guarantees would be made available to Small Businesses affected by the fires in Southern California. He asked Marty if they were funded to Small Business. Marty said that he would find out. Marty mentioned that more information about disaster loan guarantees for Small Businesses and farmers impacted by the wildfires was available on his blog ([www.sba.ca.gov](http://www.sba.ca.gov)).

Randall asked that Marty provide a SB Advocate update as a standard Council agenda item.

### State Bond Projects:



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Randall Martinez stated that her raised this issue regarding state departments with Infrastructure Bond monies who in turn award project dollars to local government entities through grants. . Mr. Martinez wants to know if it is possible for state departments to pass on the 25% SB contracting golas to local governments. He asked how to incorporate Small Business language into the projects and would like the SBC to offer creative ideas.

Marty Keller is suggesting 25% levels of SB in AB 761 contracts, Infrastructure Bonds. There is significant interest at the local level, he mentioned that passage of infrastructure bonds involved specific language in the propositions and there are legal decisions that say this language cannot be altered.

Mr. Keller stated that in implementing AB 761, Caltrans is the main player with the bond money. Water bonds should include language for SB participation. SBA and Caltrans will be hosting a conference for state agencies and local governments to brain storm best practices, ideas, etc. and what the state will be doing to get 25% SB participation in government contracts. These meetings will be sometime in March, 2008 and will be reported to the SBC. Mr. Guerrero suggested that the bond money, if combined with other funds all be considered bond money, similar to that of the federal funds combined with state funds.

Olivia Fonseca of Caltrans stated that she would attend Marty's meeting. And that the bond dollars will have a 25% SB and 3% DVBE requirement. Advertisement will be done in various publications. Caltrans is on track to meet its goals and tracks SB participation. Mr. Keller was asked to take an active role in the bond money and how it relates to the SB/DVBE community and SBC.

Mr. Angel Carrera was introduced to the council as having been appointed by the governor. He stated that his focus is to help successfully implement AB 761.

### **SARA Awardees:**

A detailed press release indicating the SARA Award winning department's best practices is included in the SBC binder for this meeting. Mr. Mandell also pointed out an LA Times article featuring Randall Martinez, also included in the binder.

2007 SARA awardees who were present were asked to introduce themselves and speak about their achievements as well as answer questions from the council.

For future SARA awards, Mr. Keller recommended that local agencies be considered as award recipients. John Arena recommended that some large businesses be recognized as well.

### **Public Comment Period (open to the public, members will not comment):**

No public comments were received.

### **Next steps:**

The next meeting will take place in on Thursday, March 6, 2008, from 1:00 p.m. – 3:00 pm in West Sacramento p.m. Mr. Farley thanked the group and expressed that he is



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looking forward to working with the Small Business Council in the future. The Meeting adjourned at 2:54 p.m.