



**BUSINESS ADVISORY COUNCIL
MEETING MINUTES**

Thursday, February 13, 2014
1:00 p.m. - 4:00 p.m.
Sacramento, California

CALIFORNIA HIGH-SPEED RAIL Representatives:
Thomas Fellenz, Council Chair
Terry A. Marcellus, Program Management Team
Robert Magnuson, Director of Communications
Jose Camarena, Director of Contracts & Compliance
Robert Padilla, Small Business Advocate

Patricia Padilla, Small Business Team
Emily Ryan, Small Business Team
Lauren Padilla, Small Business Team
Ashley Marzano, Small Business Team
Olivia Fonseca, Small Business Team

PRIMARY MEMBERS Present :

<i>American Council of Engineering Companies (ACEC)</i>	<i>Arvin Chaudhary</i>
<i>Asian American Architects and Engineers (AAAE)</i>	<i>Eddy Lau</i>
<i>Asian American Architects/ Engineers Association -Southern California Ch. (AAa/E)</i>	<i>Linden Nishinaga</i>
<i>Associated General Contractors of California (AGC)</i>	<i>Sam Hassoun</i>
<i>California Black Chamber of Commerce (CHCC)</i>	<i>Aubry Stone</i>
<i>Disabled Veteran Business Alliance (DVBA)</i>	<i>Chris Cole</i>
<i>Elite Service Disabled Veteran Owned Business Network (ESDVOBN)</i>	<i>Bill Ulmer</i>
<i>Greater Fresno Area Chamber of Commerce (GFACC)</i>	<i>Debbie Hunsaker</i>
<i>Kern Minority Contractors Association (KMCA)</i>	<i>Marvin Dean</i>
<i>La Raza Roundtable de California (LRRT)</i>	<i>Paul Guerrero</i>
<i>National Concilio of America (NCA)</i>	<i>Diana LaCome</i>
<i>San Francisco African American Chamber of Commerce (SFAACC)</i>	<i>Fred Jordan</i>
<i>Women Construction Owners and Executives (WCQE)</i>	<i>Lee Cunningham</i>
<i>California Hispanic Chamber of Commerce (CHCC)</i>	<i>Jesus Vargas</i>
<i>Society of American Military Engineers (SAME)</i>	<i>Vida Wright</i>

PRIMARY MEMBERS Absent:

<i>American Indian Chamber of Commerce of California (AICCC)</i>	<i>Gretchen Cox</i>
<i>Asian Business Association (ABA)</i>	<i>Jason Kim</i>
<i>California Asian Chamber of Commerce (CAACC)</i>	<i>Scott Leslie</i>
<i>Latin Business Association (LBA)</i>	<i>Leonard Ortiz</i>
<i>National Association for the Advancement of Colored People – Sacramento (NAACP)</i>	<i>Betty Williams</i>
<i>US Pan Asian American Chamber of Commerce (USPAACC)</i>	<i>Clyde Wong</i>
<i>WTS International - Sacramento (WTS)</i>	<i>Stacey Alligie</i>

ALTERNATE MEMBERS Present:

<i>American Indian Chamber of Commerce of California (AICCC)</i>	<i>Adam Holt</i>
<i>Asian American Architects and Engineers (AAAE)</i>	<i>Winifred Au</i>
<i>California Asian Chamber of Commerce (CAACC)</i>	<i>John Nguyen</i>
<i>Elite Service Disabled Veteran Owned Business Network (ESDVOBN)</i>	<i>Rene Cota</i>
<i>Kern Minority Contractors Association (KMCA)</i>	<i>Robert S. Jones</i>
<i>National Concilio of America (NCA)</i>	<i>Patricia Preston</i>
<i>US Pan Asian American Chamber of Commerce (USPAACC)</i>	<i>Mayling Liang</i>

GUESTS:

Karen Massie, CHSRA
Dennis Domondon, CHSRA
Masao Kanno, Consulate General of Japan in San Francisco
Angel Carrera, DGS
Michael Aguillo, DGS

Bob Beamer, California Dept of Veteran Affairs
Parkash Daryani, Aurrga Corp.
Sharol Moore, 347 Group
Bobbi Park, California Dept of Veteran Affairs
Jeff Bare, Pinnacle Telecommunications Inc.

I. WELCOME AND INTRODUCTIONS

Mr. Fellenz, Council Chair, welcomed the BAC members and commenced the BAC meeting by asking Council members and guests to introduce themselves. The BAC meeting commenced at 1:11 p.m.

II. APPROVAL OF SEPTEMBER 12, 2013 MEETING MINUTES

Chair Fellenz solicited input from the Council to approve the meeting minutes from September 12, 2013. Motion to approve minutes requested.

Motion

Motion to approve September 12, 2013 meeting minutes.

Raised by: Marvin Dean

Seconded by: Debbie Hunsaker

Status: Passed

III. ADMINISTRATIVE ITEMS

- A. Chair Fellenz introduced Jose Camarena, Director of Contracts and Compliance. Mr. Camarena will oversee the Authority's Contract Compliance Division in Fresno, California and will be administering the Authority's Small & Disadvantaged Business Enterprise Program and Community Benefits Agreement.
- B. The informational meeting minutes for the 10/17/2013 BAC meeting were included in their meeting folders for review.
- C. Informed members that updated 2014 Business Advisory Council and Committees' meeting schedules were included in their meeting folders for review. It was noted that the Caltrans Statewide Small Business Committee meetings are scheduled to take place on the same day as the Authority's Business Advisory Council meetings for the 2014 calendar year. Chair Fellenz requested Council input on the current Business Advisory Council meeting schedule.
- D. Introduced Mr. Robert Magnuson, Director of Communications. Mr. Magnuson solicited input from the members on how to best disseminate pertinent high-speed rail information to the members and other stakeholders. Several members voiced their support of the HSR project. Members provided several suggestions on methods with which to best disseminate information regarding the project that the members could share with their respective associates and the public. Mr. Magnuson appreciated the input and agreed to provide members with project fact sheets, project updates, and press releases on a regular basis.
- E. Informed members that a revised copy of the Operating Guidelines with the tracked changes was included in their meeting folders for review. Suggested revisions include the addition of committee attendance requirements and clarifications regarding ad-hoc committees. Members Guerrero and LaCome commented to the points on business trade associations and non-profit status. Chair Fellenz, indicated that their comments will be considered for further revisions to the Operating Guidelines and re-presented at the next Council meeting.
- F. Informed members that the 2014 Reaffirmation of Commitment letters for continued interest in serving on the Council in calendar year 2014 were due on December 31, 2013. Organizations that submitted their letters were issued acknowledgement letters from the Chair to each organization and its respective representatives confirming receipt and inclusive of the Council's meeting schedule for the 2014 calendar year. New letters will be re-issued to include the recently revised 2014 meeting schedule.
- G. Announced that the Authority's Draft 2014 Business Plan Press Release was included in their meeting folders and may be found on the Authority's website. The members were encouraged to share this information with their respective organization associates and submit public comments. Public comments are accepted by email, phone call, website site comments, and at the monthly Authority Board of Directors meetings.

Motion

Motion to change the Business Advisory Council & Committee meetings to meet the months opposite of the Caltrans Statewide Small Business Committee meetings. The Business Advisory Council meetings will be conducted the 3rd Thursday of the month with the exception of December; which will be conducted on the 2nd Thursday of December.

Raised by: Bill Ulmer

Seconded by: Debbie Hunsaker

Status: Passed

IV. COMMITTEE PLANNING SESSION OUTCOMES

Mr. Lau, past Professional Services Committee Chair announced the 2014 Professional Service Committee Chair as Mr. Arvin Chaudhary. Mr. Chaudhary summarized the Professional Services Committee Meeting as follows:

- A. 10 members participated and 7 guests were in attendance.
- B. Ms. Olivia Fonseca attended the committee meeting and provided assistance with questions regarding the small business program.
- C. Ms. Patricia Padilla attended the committee meeting and facilitated the annual goals and objectives for 2014.
- D. Mr. Terry Marcellus provided project updates.
- E. The Professional Services Committee completed and achieved the following **Goals in 2013**:
 1. Apply Small Business Program to all new and amended contracts.
 2. Unbundle professional service contracts awarded by Authority including those awarded to the selected Design Builders to encourage small business participation.
 3. Inter-Agency Agreements to include 30/10/3 requirements with reporting and Authority oversight.
 4. Provide a single location for publishing and posting of future solicitations, status of current and newly awarded contracts, and schedules related to HSR.
 5. Encourage policy to promote SBE, DBE, and DVBE firms to bid as prime contractors.
 6. Clarify and determine applicability of the Conflict of Interest Policy.
- F. The Professional Services Committee **Goals for 2014 are**:
 1. Request the Authority to amend the Small Business Program Plan to separate the professional services (design) and construction (build) small business goals (30/10/3) for each scope including language for identification and tracking or separate participation.
 - Explicitly state 30/10/3 requirements apply to the professional services and construction portions of the Design-Build contracts.
 2. Request the Authority to unbundle specialty scope items in PCM 2-3 and issue separate solicitations for these services. Continue the progress of unbundling all professional service contracts awarded by Authority including those awarded to the selected Design Builders to encourage small business participation.
 3. Request Authority to implement a 28-Day payment provision for all prime consultants to pay their sub consultants once the Authority approves the prime's invoice.
 4. Encourage utility owners (PG&E, AT&T, and others) to report to the Authority their utilization of SB/DBE/DVBE on utility carve-out contracts.
 5. Provide transparency and timeliness in compliance and enforcement reporting:
 - Request the Authority provide a detailed utilization report including names of sub consultants used for SB/DBE/DVBE attainment. This report needs to be updated at least quarterly.
 - Request the Authority to issue award notices to SB/DBE/DVBEs identified with the winning proposals.
 6. Maintain a single location for publishing and posting future solicitations as well as the status of current and newly awarded contracts.
 7. Expand the use of contracting mechanisms and policies to promote SB, DBE, and DVBEs to bid as prime contractors.
 8. Extend program outreach and education to the small business community through the Authority's advance business services for the small businesses.

9. Create a mechanism for acknowledging Prime Contractors that meet and exceed small business goals and introduce creative strategies to remove barriers to small business participation.
10. Add requirement to the solicitation process to require proposing firms to provide past performance metrics in reporting the utilization of SBE/DBE/DVBE on past contracts and provide references that verify their reported attainment.

Mr. Sam Hassoun, past Construction Committee Chair, announced he accepted a second term as the 2014 Construction Committee Chair. Mr. Hassoun summarized the Construction Committee meeting as follows:

- A. The Construction Committee reflected on its 2013 goals (prompt payment, workforce training, and networking and teaming opportunities) and determined to focus its 2014 goals on areas where the committee members would have more control and greater impact.
- B. Mr. Jon Tapping attended the Construction Committee meeting and provided a presentation on Risk Management and Insurance Requirements. He discussed general insurance and submittal requirements associated with doing business with the Authority and welcomed input from the committee.
- C. The Construction Committee ***Goals for 2014 are:***
 1. Prompt Payment - ensure that prime and subcontractors are paid in accordance with existing law
 2. Bonds and Insurance for Small and Micro Business - provide opportunities for SBs and MBs to participate on the project/assist by providing related language and feedback to the Authority for consideration
 3. Networking and Communications - disseminate HSR information to member associates and each member is to host at least one event to which they will invite HSR staff/ reps.

Please note: Any requests for action require the completion and submittal of the Official Committee Request Form to the Committee Liaison for review and processing.

V. PROJECT UPDATE

Mr. Marcellus provided the following project update:

1. The CP 2-3 RFP for the Design -Build contract will be out third week of March.
2. The RFQ for Project Construction Management Services will follow the Design-Build RFP and is anticipated to be discussed at the March 11, 2014 Board Meeting.
3. The Authority awarded five Right of Way Engineering and Surveying contracts. As announced through the CHSRA press release, four of the five firms are certified small businesses.
4. The CP 1 groundbreaking is still in the planning stage.

VI. SMALL AND DISADVANTAGED BUSINESS ENTERPRISE PROGRAM UPDATE

Mr. Robert Padilla, Small Business Advocate, provided the following update:

1. Presented the Small Business Utilization Summary from July 1, 2006 - June 30, 2013. The report is posted on the CHSRA website. See handout.
2. Future reports will be shared with the BAC.
3. 13 Small Business Certification Workshops were conducted from April 2013 through November 2013 and over 200 individuals participated and became certified on-the-spot through these workshops.
4. Authority entered into eight (8) MOUs in 2013 and is working to secure more partnerships
5. Business Market Availability and Disparity Study is underway. The Consultant has begun the survey on the availability of SB/DBE/DVBEs. The Authority anticipates the Study to be completed by end of May 2014.

Mr. Jose Camarena, Director of Contracts & Compliance, provided the following update:

1. The Community Benefits Agreement and Letters of Assents are posted on the Authority website.
2. The Design Builder provides Form 103s, Monthly SB Subcontractors Paid Report Summary and Payment Verification.
3. A summary of the Form 103s for CP-1 will be shared with the BAC and posted on the Authority website.
4. Two (2) State employees will be added to the Contract Compliance Division in March 2014.
5. All contractors who are currently performing work have submitted a Letter of Assent (which have been posted on the website)
 - Workforce Update on CP-1 (pending formal validation)

Workers Dispatched as of 2/6/2014:

Total: 16

Targeted: 9

Disadvantaged: 2

Percentage of Man Hours as of 1/31/2014:

National Targeted Hiring: 49%

Disadvantaged Worker: 5.5%

6. CHSRA to provide SB Program training to the Design Builder in March 2014.
7. Noted concerns raised by members on the business entity—Golden State Right of Way who was awarded a Right of Way Services contract in March 2013. Chair Fellenz indicated the members concerns were previously researched, prior to award of the contract, and it was determined the award to Bender Rosenthal (Golden State Right of Way) was appropriate.

VII. BUSINESS ADVISORY COUNCIL REQUESTS/ACTION ITEMS

- Mr. Dean: requested that the alternate member have right to vote on Council matters along with the Primary member.

Please note: Any requests for action require the completion and submittal of the Official Request Form to the BAC Liaison for review and processing.

VIII. PUBLIC COMMENT

Chair Fellenz opened the floor for adhoc discussion and public comment.

- Mr. Dean announced the California Transportation Regional Summit will have a Public Agencies/Prime Contracting Outreach Forum from March 26-28, 2014 in Bakersfield, California. (Please see attached flyer)

- Mr. Nishinaga requested information on the Unsolicited Proposal Policy and its implementation. Chair Fellenz advised that the policy is on the website and policy implementation is still pending. Chair Fellenz indicated the intent of the policy is to be open to receiving unsolicited proposals and if the Authority may determine the proposal should move forward as a formal solicitation and competitive bid procurement process.

Meeting adjourned at 3:58p.m.