



CONTRACT MONITORING DIVISION OFFICE OF THE CITY ADMINISTRATOR



Edwin M. Lee, Mayor
Naomi M. Kelly, City Administrator

Veronica Ng, Director

LBEAC February 4, 2016 Meeting Minutes

1. Call to Order

Committee Members present: Emylene Aspillá, Darolyn Davis, Boris Delepine, Elahe Enssani, Miguel Galarza, Virginia Harmon, Robert Lo, Wayne Perry, Ruben Santana

Committee Members Absent: Matthew Ajiake, Stacey Camillo, Juliana Choy-Sommer, Alaric Degrafinried, Kieron Sinnette

Staff Present: CMD: Regina Chan, Nichole Truax

Other City Personnel: Lome Aseron, MTA; Jim Chiu, SFO; Reuben Halili, SFO; Dana Lang, SFO; Claudia Luquin, SFO; Judi Mosqueda, SFO; Rick Thall, SFO; Quoc Truong, SFO

Public Present: Clifton Burch, Empire Engineering & Construction

Chair Galarza called the meeting to order at 10:05 a.m.

2. San Francisco Airport's Contract Payment Process

- a. San Francisco Airport staff presented on the department's payment process and answered questions about payment issues.
 - i. SFO prefers not to flat out reject payment requests and instead, meets with project leaders to work out the issues.
 - ii. Ruben Santana requested that SFO consider contracting directly with LBE firms instead of jumbo contractors; LBEs subcontractors have had communication and payment issues with the jumbo contractors.
 - iii. With SFO contracts, Elations is the only electronic reporting system.

3. San Francisco MTA's Contract Payment Process

- a. MTA staff presented on the invoicing process and the enforcement of Prompt Payment
 - i. Under Chapter 4, subcontractors can opt out of the 3-day prompt payment requirement with locally funded contracts. Primes try to negotiate longer payment windows with the subcontractors.
 1. Payment issues arise because Primes do not always submit timely invoices. When invoices are not submitted, prompt payment rule does not help the subcontractors.
 - a. One suggestion is to have the project manager lean on the Prime contractor to submit timely invoices.
 - ii. With federally funded contracts, subcontractors cannot opt out of the 3-day prompt payment requirement.

- iii. MTA does not have an electronic payment system but in future, MTA will use SOLIS for construction contracts.

4. Approval of Meeting Minutes

- a. Darolyn Davis, seconded by Elahe Enssani, moved to approve the LBEAC Meeting Minutes of December 3, 2015. The motion carried by the following vote:
 - i. Ayes: 9 - Aspilla, Davis, Delepine, Enssani, Galarza, Harmon, Lo, Perry, Santana

5. San Francisco Port's Payment Process

- a. Boris Delepine presented the Port's invoice process.
 - i. As of January 2016, all formal contracts are processed through SOLIS but this may change with the FAMIS replacement in 2017.

6. Number of LBEAC Meetings and Absences for Members

- a. New LBEAC Members
 - i. CMD does not appoint new members; Staff will forward recommendations and resumes to the Mayor's Office.
- b. Suggestion to hold LBEAC meetings every other month and reduce the number of allowable absences since the number of meetings will be reduced.
- c. Virginia Harmon, seconded by Boris Delepine, moved to adopt bimonthly LBEAC meetings, and to revise the LBEAC Guidelines to reflect that on a member's third absence, a recommendation to remove the member will be sent to the Mayor's Office.

7. Suggestions from Committee Members on Future Agendas

- a. LBEAC Election will be held at the next meeting in April.
- b. Update on the Mentor/Protégé program
- c. SFPUC's Payment Process

8. Adjournment

The Committee adjourned at 11:24 a.m.