



CONTRACT MONITORING DIVISION OFFICE OF THE CITY ADMINISTRATOR



LBEAC March 5, 2020 Special Meeting Minutes

1. Call to Order

Chair Galarza called the meeting to order at 10:11 a.m.

Committee Members Present: Matthew Ajiake, Juliana Choy-Sommer, Darolyn Davis, Miguel Galarza, Bruce Giron, Dwayne Jones, Nicolas King, Iris Martin-Lopez, Stephanie Tang, Kimberly Wilson, Virginia Harmon

Committee Members Absent: Elahe Enssani, Wayne Perry, Ruben Santana

Staff Present: CMD: Romulus Asenloo, Jason Chow, Vivian Liu, Linda Rainaldi, Nichole Truax, Lauton Wells

Other City Personnel: Ken Nim, OEWD; Kyndra Cox, SFPUC; Greg Lyman, SFPUC; Ivy Fine, SFPUC

Public Present: Michael Gregory, HVYW8 Inc; Chrisoula Novo, HVYW8 Inc; Noelle Bonner, Bonner Communications; Padraic Ryan, Eco Bay; Oscar Perez- Forero, Montez Group; Oscar Zavaleta, Montez Group; Jay Rooney, D & A Communications; Lasonia Mansfield, Mansfield Construction; Nick Colina, Anco Iron; Ray Horne, R & I Glassworks; James Mabrey, YADEJS Inc; Bayard Fong, AACA; Hanson Lee, AACA; Stanford Chiang, AACA; Tricia Gregory, HVYW8 Inc; Lamar Heystek, Asian, Inc; Suzanne Souva, Bonner Communications; Alan Guy, Anvil Builders; Lina Tan, Pilot Construction Management; Finbar Brody, Precision Engineering; Alphonso Rhodes, AJS Painting

2. Discussion and possible action items regarding the proposed changes to the LBE program

- a. CMD Certification Manager La'uton Wells provided a breakdown of number of SBA-LBEs vs. the number of Small-LBEs vs. the number of Micro-LBEs (and there was a column that also combined the number of Micro & Small LBEs together) in the following 7 categories: Class A & B General Contractors; Specialty Construction Contractors, Trucking and Hauling; Goods Materials and Equipment Suppliers; General Service Providers; Architect/Engineering; Professional Services. Committee members should keep in mind the impact proposed changes will have on the Micro-LBE firms.
- b. The Committee asked whether the proposed changes will impact Construction Services only or will the proposed changes impact both Construction Services and Professional Services. It was clarified that Professional Services will adopt some of or similar proposed changes.
- c. Discussion on the Proposed Changes:
 - i. It was suggested and agreed upon that all the proposed changes should be discussed and reviewed collectively prior to voting on any individual proposed changes. The Committee was not able to vote on the proposed changes. More time and clarification are necessary to move forward.

- ii. The Committee could not come to a consensus regarding the language used for the proposed changes.
 - 1. Item #1: What metrics should be used to increase the Construction threshold? A suggestion was made to use the CPI formula in accordance with the Ch.6/21 contracting adjustments.
 - 2. Item #2 and #10: It was determined that these items will be further reviewed and resubmitted by Bonner Communications.
 - 3. Item #6: Will the Certificate of Preference apply to any other underserved communities in San Francisco?
 - a. The Committee asked if District Supervisors are aware of these proposed changes.
 - 4. Items #5, #7, and #11 were removed from the list of the proposed changes per Bonner Communications' request.

d. Public comments:

- i. Some of the proposed changes benefit LBEs that are already priming, not necessarily helping to grow Micro-LBEs.
- ii. Increase the Construction threshold will make it more difficult for Micro-LBEs to compete because it will add more restrictions to smaller firms and less on larger firms.
- iii. The LBE program was designed to assist Small/Micro disadvantaged firms. How many firms graduated to SBA are MBEs/WBEs vs. OBEs? There was a request from the public to evaluate how many Micro-LBE firms have graduated to the SBA level within the past 5 years since the last threshold was increased.
- iv. The public requested to add LBE trucking requirements based on scope of work to increase trucking participation on contracts.
- v. A request to standardize pre-qualification process was made. CMD nor the Ch. 14B Ordinance can mandate or standardize the pre-qualification process.
 - 1. Audited financials: the public noted that this is an expensive process and burden to the Small/Micro LBE firms. CMD advised Small and/or Micro LBEs to notify CMD if and when an LBE encounters this issue.

3. Staff Updates

- a. All are invited to the San Francisco City Contractor Liaison Event hosted by Public Works on March 18th at the SF Library from 8:30a-11am.
- b. The Annual Contractor's Breakfast is held on March 19th, 2020. Those who are interested in attending need to RSVP with Stephanie Tang.

4. Adjournment

The Committee adjourned at 12:01 p.m.

