



# CONTRACT MONITORING DIVISION OFFICE OF THE CITY ADMINISTRATOR



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

Romulus Asenloo, Acting Director

## LBEAC April 6, 2017 Meeting Minutes

### 1. Call to Order

Chair Galarza called the meeting to order at 10:03 a.m.

*Committee Members present:* Matthew Ajiake, Emylene Aspillá, Clifton Burch, Juliana Choy-Sommer, Boris Delepine, Elahe Enssani, Miguel Galarza, Alan Guy, Virginia Harmon, Wayne Perry

*Committee Members Absent:* Darolyn Davis, Robert Lo, Iris Martin-Lopez, Ruben Santana

*Staff Present:* CMD: Lupe Arreola, Romulus Asenloo, Mindy Lee, Veronica Ng, Stephanie Tang

*Other City Personnel:* David Bui, DPW; Nicolas King, DPW; Dana Lang, SFO

*Public Present:* Jenifer Colina, Anco; Nick Colina, Anco; Hirday Dhillon, McKee Electric; Jennifer Elmore, MWIS; Nicole Goehring, ABC NorCal; Jackie Ma, MC Metal; Steve McKee, McKee Electric; Leo Stewart, Aim to Please Janitorial; Lina Tan, Pilot Construction Management; Sam Xu, All Trusty Builders

### 2. Update on the Best Value Public Works Procurement

- a. Nicholas King of Public Works presented an update on the Best Value Public Works Procurement.
  - i. Focusing on technology and technical issues.
  - ii. In May, there will be a briefing for department heads.

### 3. Update on the Mentor-Protégé Program

- b. Lupe Arreola briefly presented on the demographics of the Program
  - i. Majority of the protégés are Minority Business Enterprise (MBE).
  - ii. 64% of protégés are in zip codes 94124 and 94134 -- industrial neighborhoods.

### 4. City's Bonding Financial Assistance Program

- a. Topic has been postponed because the presenter was unable to attend.

### 5. How to Increase Participation on City Contracts

- a. Boris Delepine provided summary of the current processes and invited suggestions on how to increase LBE participation and diversify the pool of LBEs.
  - a. Ideas include: reaching out to larger companies; look ahead to upcoming projects; adding subcontractors at different junctures.

### 6. Definition of Specialty Contractor

- a. Topic has been postponed.

7. Discussion of the Proposed PLA Legislation

- a. The initial reading of the proposed legislation will take place in a few weeks. Stated purpose of legislation is to ensure steady labor force and to ensure against labor strikes by acting as a mechanism for settling disputes between unions. It is likely the legislation will pass because it currently has seven cosponsors and only needs six to pass.
- b. Public comment:
  - a. Controller's Office previously reported that the PLA legislation is attempting to fix a problem that does not exist; the last labor strike was more than 30 years ago and collective bargaining agreements are in place for the next two years.
  - b. Requiring union labor would lead to labor shortage and ultimately, labor would have to be supplied by different cities, thereby harming local community.
  - c. With PLA in place, non-union apprentices will be excluded from City projects, which would mean exclusion of many San Francisco residents. Non-union workers receive the same training as union workers so no valid reason to exclude them.
  - d. By having to make union dues, construction firms would have less to compensate employees/construction workers.
  - e. The 1 million dollar threshold is adversarial to LBE firms. The legislation will effectively shut out LBE firms and ultimately destroy the LBE program.
  - f. The proposed legislation will very likely impact the LBE community but no input/suggestions were invited from the community or from the LBEAC.

8. Approval of Meeting Minutes

- a. Juliana Choy-Sommer, seconded by Clifton Burch, moved to approve the LBEAC Meeting Minutes of February 2, 2017. The motion carried by the following vote:
  - i. Ayes: Ajiake, Aspilla, CBurch, Choy-Sommer, Delepine, Enssani, Galarza, Guy, Harmon, Perry

9. Staff Report/Updates

- a. CMD certification staff is working to recertify as many LBE firms as possible before the FSP rollout.
- b. Since November 2016, the number of LBE firms has increased by fifty.

10. Suggestions from Committee Members on Future Agendas

- a. Possibly recommend that the Mentor-Protégé program be an option for the Community Benefits program.

11. Adjournment

The Committee adjourned at 12:00 p.m.