



CONTRACT MONITORING DIVISION OFFICE OF THE CITY ADMINISTRATOR



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

Romulus Asenloo, Acting Director

LBEAC August 4, 2016 Meeting Minutes

1. Call to Order

Committee Members present: Emylene Aspillia, Clifton Burch, Stacey Camillo, Juliana Choy-Sommer, Darolyn Davis, Boris Delepine, Elahe Enssani, Miguel Galarza, Alan Guy, Virginia Harmon, Robert Lo, Iris Martin-Lopez, Wayne Perry

Committee Members Absent: Matthew Ajiake, Ruben Santana

Staff Present: CMD: Romulus Asenloo, Regina Chan

Other City Personnel: Julie Ansell, Office of the Controller; Jennifer Johnston, Deputy City Administrator; Nicolas King, Public Works

Chair Galarza called the meeting to order at 10:00 a.m.

2. Introduction of the New LBEAC Members

- a. Iris Martin-Lopez has been a City and County of San Francisco employee for sixteen years and the Coordinator of Outreach at the San Francisco Public Utilities Commission for about eleven years.
- b. Alan Guy is a co-founder of the LBE firm Anvil Builders, which is located in the Bayview district.
- c. Clifton Burch is a native of Bayview and would like to be a voice for Micro LBE firms.

3. Financial Systems Replacement Project

- a. Julie Ansell from the Office of the Controller presented on the Financial Systems Replacement Project.
 - i. Peoplesoft, a unified system between City departments, will replace FAMIS in July 2017.
 1. All existing data will be poured into the new system.
 2. Current City applications will be phased out – Paymode, SOLIS, DPH's inventory system.
 - a. Certified Payroll of Elations will remain but LBEUTS will be replaced with the new system.
 - ii. The new financial system will have additional functionalities such as contracting and online invoicing.
 1. The system will serve as one-stop for vendors for all City departments. Vendors will be able to submit invoices online.
 2. Subcontractors must validate payments but there is no hard stop to the payment process.

3. When the prime contractor is paid, all its subcontractors will receive an email that the prime has received payment.
 - iii. There is about one year left in implementation; developers are currently building the design.
 - iv. The new system is 100% web-based and a mobile application will follow.
 - v. Instructor-led training and online training for the new financial system will be provided.
 - b. Any questions or comments should be sent to FSP@sfgov.org.
4. Update and Discussion on the Best Value Public Works Procurement
 - a. Nicolas King of Public Works presented an update on the Best Value Public Works Procurement.
 - i. The program has not been implemented; legislation went into effect on July 5th.
 - ii. City departments are communicating with each other to gauge the process. CMD is included in the process.
 - iii. The evaluation will apply to projects estimated to cost \$1.5 million and over.
 1. The \$1.5 million threshold was determined by Board of Supervisors.
 2. The threshold set by the State and University of California is \$1 million.
 - iv. The evaluation will be done during the prequalification stage and the bid amount will be divided by the evaluation score.
 - v. The evaluation will prompt the City to examine what matters to each particular project.
 - vi. The performance database will apply to all construction projects and is planned to be implemented by March 2017.
 - b. Nicolas King will present an update on the implementation progress at every LBEAC meeting.
5. Considerations in Changing the Rules and Regulations Applicable to Certification of Suppliers
 - a. The goal would be to encourage new LBE suppliers while differentiating supplier from brokers.
 - b. Definition of a supplier partly relies on defining the "direct relationship" a supplier has with a manufacturer.
 - i. Larger manufacturers do not want numerous "direct relationships" in one geographical area.
 - c. Miguel Galarza, seconded by Darolyn Davis, moved to create a working group to examine the issue of certifying LBE suppliers. The motion carried by the following vote:
 - i. Ayes: 13 - Aspillia, Burch, Camillo, Choy-Sommer, Davis, Delepine, Enssani, Galarza, Guy, Harmon, Lo, Martin-Lopez, Perry
 - ii. Alan Guy and Wayne Perry volunteered to be part of the working group.
6. Approval of Meeting Minutes
 - a. Miguel Galarza, seconded by Elahe Enssani, moved to approve the LBEAC Meeting Minutes of June 2, 2016. The motion carried by the following vote:

- i. Ayes: 13 - Aspilla, Burch, Camillo, Choy-Sommer, Davis, Delepine, Enssani, Galarza, Guy, Harmon, Lo, Martin-Lopez, Perry

7. Staff Report/Updates

- a. Deputy City Administrator Jennifer Johnston will release a statement regarding the appointment of Romulus Asenloo as Acting Director of CMD.

8. Suggestions from Committee Members on Future Agendas

- a. Strategies on how to add new firms to the pool of certified LBEs
- b. Issue of resident engineers being hostile against Micro LBE firms
 - i. Discriminatory if the resident engineer is treating the Micro LBE in a way in which s/he would never treat a big firm.
 - ii. There should be a program to train resident engineers just as there is a program to train new small businesses.
- c. Professional Services Threshold
- d. Regular updates from Nicolas King regarding the Best Value Public Works Procurement
- e. Presentation on SFPUC's payment process

9. Adjournment

The Committee adjourned at 11:59 a.m.