



CONTRACT MONITORING DIVISION OFFICE OF THE CITY ADMINISTRATOR



Local Business Enterprise Advisory Committee (LBEAC) May 24, 2022 Special Meeting Minutes

1. Call to Order/Introduction

Chair Galarza called the meeting to order at 9:33 a.m.

Committee Members Present: Matthew Ajiake, Miguel Galarza, Bruce Giron, Dwayne Jones, Greg Lyman, Queena Lu, Wayne Perry, Stephanie Tang, Todd Senigar.

Committee Members Absent: Juliana Choy-Sommer, Darolyn Davis, Elahe Enssani, Sailaja Kurella.

CMD Staff Present: Romulus Asenloo, Regina Chan, Jason Chow, Daniel Guarente, Mindy Lee, Vivian Liu, Ivan Oldenkamp, Linda Rainaldi, Kate Svyatets, Nichole Truax, La'uton Wells.

Other City Personnel: Kyndra Cox, SFPUC; Rachel Cukierman, City Administrators Office; Ivy Fine, SFPUC; Janice Levy, Controllers Office; Jeff Pomrenke, Controllers Office; Jae Shin.

2. Review and Discussion of Highlights from the Revised Rules and Regulations

- a. Chair Galarza provided an update on the pilot programs and background regarding changes to the new Legislation.
- b. Rachel Cukierman provided an update on how the Chapter 14B changes are progressing at the City Administrator's Office.
- c. Romulus Asenloo presented on the following Chapter 14B changes:
 - i. Phase 1, which became effective December 13, 2021, resulted in an increase to LBE certification thresholds.
 - ii. Phase 2 which becomes effective July 1, 2022, includes increasing the Threshold and Minimum Competitive Amounts, increasing Chapter 14B penalties for non-compliance, extending the bonding assistance program, allowing LBEs to exchange services for workspace as opposed to monetary rent, pilot programs, and new types of LBE requirements.
- d. Comments from the Committee:
 - i. A Committee member asked if departments already have projects in mind for the neighborhood preference pilot program.
 1. Evaluation criteria is not yet decided, once it is then projects will be chosen.
 - ii. Another member asked at what phase of contract development will the Micro-LBE trucking pilot program requirements be set for DB/CMGC projects.
 1. The DB/CMGC will sign a commitment letter to meet the LBE Micro-Set Aside Trucking Requirement during pre-award, but specific requirement will most likely be set after award.

- iii. Another member asked if LBE requirements and prime engagement for DB/CMGC contracts could begin before bids are in, so primes engage LBEs earlier in the planning stage.
 - 1. For large projects such as DB/CMGC, a presentation could be given to primes so that they understand the LBE requirements before bidding and so CMD could work with primes to increase LBE participation during the pre-award and planning stages.
 - iv. Another member asked why JOC and As-Needed contracts are not eligible for the neighborhood LBE pilot program.
 - 1. They are excluded because they don't have a specific location at time of award.
 - v. Another member asked if sharing an office counts as sharing equipment and what the justification is for allowing LBEs to provide services in lieu of cash for rent.
 - 1. Shared equipment refers to equipment required to complete scope of work, primarily intended for construction scopes. Shared offices are not intended to be prohibited under this rule.
 - 2. Exchanging services in lieu of rent is intended as a short-term fallback method to prevent LBEs from going out of business.
 - vi. A committee member said the African American Chamber is trying to provide workspaces and contractor development to African American firms. Can such firms be considered LBEs using these resources?
 - 1. Certification staff will evaluate this scenario.
3. Adjournment
- a. Meeting adjourned at 10:36 a.m.