



CONTRACT MONITORING DIVISION OFFICE OF THE CITY ADMINISTRATOR



Local Business Enterprise Advisory Committee (LBEAC) June 2, 2022 Meeting Minutes

1. Call to Order/Introduction

Chair Galarza called the meeting to order at 10:02 a.m.

Committee Members Present: Matthew Ajiake, Jason Chin, Juliana Choy-Sommer, Darolyn Davis, Elahe Enssani, Miguel Galarza, Bruce Giron, Dwayne Jones, Sailaja Kurella, Greg Lyman, Queena Lu.

Committee Members Absent: Wayne Perry, Todd Senigar, Stephanie Tang.

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

Other City Personnel: Tiffany Tatum, SFPORT.

2. Introduction of New Committee Members

- a. Chair Galarza introduced Jason Chin from the Department of Public Works as a new member to the Committee.

3. Recognition for CMD's Mentor Protégé Program

- a. Romulus Asenloo and Regina Chan thanked the staff who helped make the event possible.

4. Introduction and Discussion on the Implementation of Good Contractor Functionality on the CMD Website

- a. The proposed idea is to create a list of prime contractors where LBEs can check a prime contractor's record of LBE compliance. List would be embedded in the CMD website.
- b. What criteria should be considered?
 - i. Yelp-like instead of having specific criteria. Perhaps LBEs use stars to rate primes.
 - ii. On-Time Payment, scope respected, communicative, etc.
 - iii. Staff will create document with draft criteria, LBEAC committee members should send staff ideas for criteria.
- c. Public Comment
 - i. The rating system may increase risk aversion to taking on new LBEs because they may rate primes poorly.

5. Discussion on the Proposed Approaches for the Good Faith Efforts Requirement

- a. Romulus Asenloo presented on the latest draft of the Good Faith Efforts requirement:
 - i. The 35% exceedance of the established LBE sub requirement for exemption of good faith efforts cannot be changed. It is hard coded into Chapter 14B. No changes may be made.

- ii. Two new approaches are presented:
 - 1. New Approach B – If a Micro-LBE is used that the prime has not used within the last five awarded CCSF contracts, then Prime meets good faith efforts requirements.
 - 2. New Approach C – Awards points to primes for conducting outreach, 50 minimum points needed to meet good faith outreach requirements:
 - a. 1 point for each LBE contacted, up to twenty points awarded.
 - b. 10 points for each LBE negotiated with. No limit.
 - c. 30 points for each LBE contacted, negotiated, and listed. No limit.
 - b. Comments by the Committee:
 - i. A committee member stated that 50 points is too low for approach C; doesn't encourage enough new partnerships.
 - ii. A committee member stated that the low-bid environment creates a race to the bottom, so an approach that requires a new micro-LBE may increase risk.
 - 1. Staff clarified that primes may still meet good faith efforts requirement by using the 35% exemption or Approach C. There is no requirement to use new firms over existing partnerships.
 - iii. A committee member stated that often primes use the same partnerships, as there is not enough notice for projects to develop new relationships. Can departments try to provide earlier notice?
 - 1. PUC provides advanced notice about solicitations, in some cases about 6 months prior to actual advertisement, and through commission, a month or two prior to actual advertisement.
 - 2. DPW also has a projection for construction projects, however not on SF City Partner, will try to include on SF City Partner.
6. Review and Approval of the April 7, 2022 LBEAC Meeting Minutes and May 24, 2022 Special LBEAC Meeting Minutes
- a. Darolyn Davis, seconded by Bruce Giron, moved to approve the April 7, 2022 and May 24, 2022 LBEAC Meeting Minutes..
 - i. Ayes: Ajiake, Enssani, Galarza, Choy-Sommer, Jones, Kurella, Lyman, Lu..
 - ii. Abstain: Chin.
7. Meeting adjourned at 11:52 a.m.