

**BUSINESS ADVISORY COUNCIL
MEETING MINUTES**

Thursday, February 21, 2013
12:30 p.m.- 2:30 p.m.
Sacramento, California

**CALIFORNIA HIGH-SPEED RAIL
Representatives:**

Thomas Fellenz, Council Chair
Robert Padilla, Small Business Advocate
Terry Marcellus, Project Management Team
Patricia Padilla, Small Business Team
Olivia Fonseca, Small Business Team
Lauren Padilla, Business Advisory Council Liaison
Eileen Ta, Small Business Team

MEMBERS Present:

ABA: Johnathon Hou
ACEC: Arvin Chaudhary
AAAE: Eddy Lau
AAA/E: Linden Nishinaga
AGC: Sam Hassoun
CAACC: Scott Leslie
CABCC: Aubry Stone
DVBA: Chris Coles
ESDVOBN: Bill Ulmer
GFACC: Debbie Hunsaker
KMCA: Marvin Dean
LRRT: Paul Guerrero
NCA: Diana LaCome
WCOE: Lee Cunningham
USPAACC: Clyde Wong

MEMBERS Absent:

NAACP: Betty Williams
SFAACC: Frederick
Jordan
NAMC: Ingrid
Merriweather

ALTERNATES Present:

AAAE: Winifred Au
AICCC: Adam Holt
CCHCC: Mark Martinez
CSBA: Tom Crawford
LBA: Roy Perez
LRRT: Victor Garza
NCA: Patricia Preston
WTS: Julie Passalacoma
KMCA: Tshaka Toure
NCA: Patricia Preston

GUEST:

AMVETS Post 18: Don Zweifel

I. WELCOME AND INTRODUCTIONS

Mr. Fellenz, Council Chair, commenced the BAC meeting by asking Council members to introduce themselves and identify their associated business trade organizations. Three new organizations were introduced to the BAC; USPAACC, WTS and NAMC. Rosanne Goodwill, FRA was introduced as participating via teleconference call.

II. ADMINISTRATIVE ITEMS

Mr. Fellenz reviewed spreadsheet of Members who have submitted Reaffirmation Letter and those who have not with the Council (see attached) and encouraged members who have not submitted their required letters to get them in.

III. APPROVAL OF MINUTES

In an effort to approve the meeting minutes from January 10, 2013, Mr. Fellenz solicited input from the Council. The following revisions and comments to the meetings minutes were received:

- Mr. Dean requested that the public comment section (Part IX) be shown in more detail rather than summarized. Mr. Fellenz heard the recommendation and agreed to consider it in future meeting minute reporting.

Motion I

Motion to approve January 10, 2013 meeting minutes with discussed revisions.

Raised by: Ms. Hunsaker

Seconded by: Mr. Holt

Status: Passed

Motion II

Motion to open floor discussion to the location of the April 18, 2013 BAC meeting.

Raised by: Mr. Hassoun

Seconded by: Mr. Dean

Status: Passed

Discussion: Motion II

Discussion commenced regarding the pros of cons of holding the BAC meeting in Bakersfield. Some of the pros discussed included the importance of holding BAC meetings in the area of Bakersfield as the project will be commencing there and the BAC should allow for easier access to the public, in areas along the CHSR route, that would like to share their opinions with the BAC. Some of the cons discussed included the modes of transportation to Bakersfield are limited, requiring additional travel stay and the travel distance for several associations is extensive. Additionally, several concerns were shared about the amount of public involved in the Fresno (another location on the route outside of Sacramento) meeting and it's affects on the BAC achieving their overall mission.

Motion III

Motion to move the April 18, 2013 BAC meeting from Bakersfield back to Sacramento

Raised by: Mr. Hassoun

Seconded by: Mr. Guerrero

Status: **Failed**

IV. PROJECT UPDATE

Mr. Fellenz informed the BAC that all five (5) proposals Construction Bid Package 01 were submitted on January 18, 2013. Mr. Marcellus discussed the proposal evaluation process as well as provided the BAC additional information pertaining to the selection of the review panel consisting of five (5) State representatives . Mr. Marcellus informed the BAC that he has signed a non-disclosure and can only share with the BAC the same information the Public receives.

- Initiate process of evaluation; the high non-disclosure is a state run procedure
- Award is currently on schedule
 1. Notice Award to Board: June 2013
 2. Notice To proceed to Board: July 2013

Mr. Marcellus provided a brief update on Construction Packages 2-4

- BAC members requested a project schedule, Council was reminded that the Authority does not have a stable schedule to disperse, the schedule is tied to funding and the projection schedule will be released as soon as possible.
- Values of the submitted five (5) teams has not been made available, currently only the technical portion of the proposals have been opened, all input for the procurement review process on CP2 is open for submittal. Mr. Marcellus reminds the Council that their Constituents have input for the review process, now is the time to submit that input.
- BAC discussed further unbundling of contracts to allow smaller firms the opportunity to Prime.
- Mr. Marcellus answered BAC questions regarding the procurement appeal process.

V. DISPARITY STUDY AWARD UPDATE

Mr. Padilla provided the Council an update on the award of the Disparity Study procurement:

- Two (2) firms were qualified to move forward to opening their proposal
 - GCAP was selected as the lowest cost proposal and for recommendation of award; execution and packaging of all documents were sent to the procurement department.
 - DGS will have ten (10) days to review and approve contract
- Review of GCAP RFP
 - Questions pertaining to the RFP and Small Business goal percentage were presented, Ms. Fonseca reminded BAC members that the contract was still in procurement and could not be discussed further.

VI. SB SUPPORTIVE SERVICES RFP UPDATE

Mr. Padilla and Ms. Fonseca addressed the CHSRA Small Business Supportive Services activities:

- CHSRA has made efforts to team with partnering Agencies to ensure that the CHSRA outreach and technical assistance efforts are not being duplicated and that they are able to focus their resources in the most needed areas. Questions pertaining to Supportive Service Updates were addressed. BAC members recommended reaching out to Minority Chambers.

VII. SMALL AND DISADVANTEGED BUSINESS ENTERPRISE PROGRAM UPDATE

Ms. P. Padilla and Ms. Fonseca, with the Authority's Small Business Program, presented the following Small Business updates:

- Ms. Fonseca reviewed the Wong/ Harris RFP for small business participation. A handout was presented that provided the small and disadvantaged business subcontracts break down.

- Industry Forums are being planned for the upcoming Construction Bid packages. Potential primes will be hosting their own networking and marketing.
- Industry forum is anticipated to be held late enough to identify teams but early enough to inform SBs. CHSRA requested feedback from BAC in regards to the best time to hold the industry forum.
 - Suggestion of a reverse forum for SBs to showcase their services was made.
 - Suggestion for a panel discussion for questions from SBs to Primes was made.
 - Suggestion of matchmaking sessions rather than typical forums, to avoid “lines of cattle” scenario was made.
- BAC was informed that a SB Newsletter would be disseminated monthly; to include upcoming events that will support CHSRA goals and objectives. Dissimination of the newsletter to BAC members was requested.
- SB 1510 Bill was discussed with the BAC
 - SB 1510 was signed into law and is effective January 1, 2013. Changes in the law will require CHSRA to change its definition of a commercially useful function (CUF) for Small and Disabled Veteran Business Enterprise (SB/DVBE).
 - Verification of NAICS codes for SB/DVBE listed on projects are to be identified and firms who do not meet the identified work proposed will not be credited under this CUF change.

VIII. COMMITTEE UPDATE

Mr. Hassoun, Construction Committee Chair presented a list comprised of a number of the Construction Committee’s goals and objectives to assist in eliminating barriers for small businesses. Collectively, the Committee determined that its members would focus on the following three (3) identified goals:

- Prompt payment regardless of tiers
- Networking/Teaming Opportunities
- Supportive Services

Mr. Hassoun and the Construction Committee have collectively identified immediate action items (currently in draft form to be officially submitted) to bring to the attention of the Council, as follows :

- Administrative Sanctions
- Prompt payment to avoid paid when paid
- Request for HSR personnel for clarification for the questions that the Committee is seeking

Mr. Lau, Professional Services Committee Chair shared concerns and comments, as follows:

- Professional Services Committee Members expressed difficulties with prompt payment.
 - Mr. Fellenz advised Mr. Lau to direct these inquiries to Mr. Dennis Trujillo.
- Professional Services Committee Members would like separate goals for design and construction.
 - Mr. Fellenz advised a request to the Board is advised.

Mr. Lau and Mr. Ulmer have collectively submitted Official Requests of the Professional Services Committee to be brought to the attention of the Council and Authority, as follows:

- For the Authority to develop written debriefing guidelines for A&E contracts.
- For Authority to publically post all ‘intent to award’ and ‘final award’ information on the HSR public website and BidSync.
- For the Authority to unbundle the design and construction of the utility relocation out of current Design-Build Segment 1 solicitation through an additional Amendment to facilitate small business participation and allowing for this function to accelerate services under the “early work” concept.
- For the Authority to amend the SB Program Plan to separate the Professional Services and Construction SB goals (30/10/3) for each scope including language for identification and tracking or separate participation.

- For the Authority to set the current SB goals on any new task orders, any new task order modifications, and contract modifications for the active A&E contracts that were awarded prior to the Authorities current SB Program was in effect
- For the Authority to release information regarding the SB participation requirements on the KPMG contract
- For the Authority to post solicitation status for upcoming, current and awarded A&E contracts, including shortlisted and final ranking announcements.
- For the Authority to adopt a policy for automatic penalty (i.e. interest) payments to be made on late payments for A&E contract that primes must pass that penalty for late payment down to subcontractors.
- For the Authority to unbundle and/or issue multiple awards for the \$5M in surveying service contracts to aid in the support of SB participation and potential SB led teams.

Please note: Any requests for action require the completion and submittal of the Official Committee Request Form to Committee Liaisons for review and processing.

IX. BUSINESS ADVISORY COUNCIL REQUESTS/ACTION ITEMS

Mr. Fellenz reviewed the BAC Official Request Form Matrix with the BAC; and reminds BAC that all formal requests are to be submitted via BAC Official Request Form only so that they may be addressed and processed efficiently.

X. PUBLIC COMMENT

Mr. Fellenz opened the floor for adhoc discussion and public comment, to which a guest presented , as follows

- Mr. Zweifel expressed concern regarding bundling and encouraged the unbundling of contracts to encourage SB participation.