



# CONTRACT MONITORING DIVISION OFFICE OF THE CITY ADMINISTRATOR



## Local Business Enterprise Advisory Committee (LBEAC) August 3, 2023 Meeting Minutes

### 1. Call to Order/Introduction

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

*Committee Members Present:* Matthew Ajiake, Severino Caranto, Darolyn Davis, Miguel Galarza, Bruce Giron, Dwayne Jones, Sailaja Kurella, Kent Lim, Greg Lyman, Wayne Perry, Todd Senigar, Jae Shin.

*Committee Members Absent:* Elahe Enssani, Queena Lu, Tiffany Tatum.

*CMD Staff Present:* Michael Cagampan, James Chung, Selormey Dzikunu, Diane Mai-Tran, Ivan Oldenkamp, Stephanie Tang.

*Members of the Public Present:* See Guest Sign-In Sheet posted on LBEAC Meeting page.

### 2. Policy Updates: What's next for small business inclusion programs?

a. Colette Holt, General Counsel to the American Contract Compliance Association, explained how recent judicial rulings are affecting small business inclusion programs.

- i. With the *Students for Fair Admissions v. Harvard* case the court has set a precedent that programs must be narrowly focused, have a defined end point, and race can never be used as a "negative" factor.
- ii. Steps that agencies should take in light of recent rulings:
  1. Conduct thorough program assessment, regardless of funding source.
  2. Enhance Title VI procedures.
  3. Collect Data and educate DBE/MBE/WBEs about changing legal landscape.

b. Comments from the Committee and the Public:

- i. A member of the Committee asked how W/MBE goals can be implemented in the future, given the current situation.

### 3. Project Focus: SFMTA Potrero Yard Modernization

a. Chris Jauregui and Jennifer Trotter of the Potrero Neighborhood Collective, LLC presented the following information:

- i. The current bus maintenance yard in Potrero Hill was built in 1915 is not keeping up with the San Francisco's goal to be a transit-first city.
- ii. The replacement site will include 3 levels for electric bus maintenance with four buildings on top for workforce housing, affordable family housing, and affordable senior housing.
- iii. The General Contractor will have to meet the 20% LBE goal, identify set-asides for Micro-LBEs, bid out reduced scope subtrades, and regularly report LBE participation to SFMTA.

b. Comments from the Committee and the Public:

- i. A member of the committee asked how the developer will verify that LBEs are being used.
  1. A third party LBE liaison will be used to ensure LBE outreach and utilization in order to meet the LBE goal.

- ii. A member of the public asked about LBE opportunities post-construction.
    - 1. There is a 20% LBE goal for ongoing maintenance of the facility after it is constructed.
- 4. Opportunity and changes in Technology Marketplace
  - a. Committee member and Director of the Office of Contract Administration Sailaja Kurella briefed the community on the upcoming Technology Marketplace 3.0 solicitation.
    - i. Iterations of the Tech Marketplace have been procuring tech commodities for CCSF for 30 years, and they have morphed to provide professional services as well.
    - ii. The micro set-aside contracts for Tech Marketplace 3.0 will have a \$200,000 not-to-exceed limit but may be refreshed before the end of the contract; the \$9 Million and \$20 Million contracts will require 18% LBE subcontracting.
  - b. Comments from the Committee and the Public:
    - i. A member of the committee asked about the reason for reducing the size of the micro set-aside contracts between Tech Marketplace 2.0 and 3.0.
      - 1. Professional services set-asides are limited to \$200,000 by Chapter 21 of the SF Admin Code.
- 5. Review and approval of the June 1, 2023 LBEAC meeting minutes
  - a. Bruce Giron, seconded by Greg Lyman, moved to approve the June 1, 2023 LBEAC Meeting Minutes.
    - i. Ayes: Ajiake, Caranto, Davis, Galarza, Giron, Kurella, Jones, Lim, Lyman, Perry, Senigar, Shin.
- 6. Director's Report
  - a. CMD Director Stephanie Tang updated the community on the new version of the LBE Directory and the CAPP Pilot Program.
    - i. CMD worked with San Francisco CIF to increase the number of loans for LBEs from 2 to 5.
  - b. The CMD compliance team working on SFO contracts was introduced and made available for one-on-one help after the meeting.
- 7. Public Comment
  - a. A suggestion was made about changing small business participation goals to participation requirements on public-private projects.
- 8. Adjournment
  - a. The meeting was adjourned at 12:08 pm.