

CalVet DVBE Advisory Council

Minutes from 2nd Quarter Meeting	
Date: April 17, 2014	Time: 10:00 – 3:00 pm
Meeting Location: Medal of Honor Hall HQ	
	DVBE Advisory Council Meeting
Attendees	<p><u>Council Members:</u> Rene Cota, Dave Dickey, Bill Driscoll, Chuck Forrest, Rick Fowler, Richard Judd, Marty Keller (Rich Dryden Alternate), Levi Kinnard, Kevin O’Connor, Al Renteria, Ken Shoemake, Sandy Schneeberger, William Schroyer, Robert Vermillion,</p> <p><u>VSD Staff:</u> Keith Boylan, Angela Yamamoto, Robert Beamer, Stewart MacKenzie, Gloria Anderson</p> <p><u>DGS:</u> Diane Alfaro</p> <p><u>Guests:</u> Camy Ticknor, Steven Ticknor, Maureen Moss, Alex Galicia, Pete Prasad, Renee Mitchell</p>
Topics Covered In Meeting	
<p><u>CalVet Overview - Keith Boylan Deputy Secretary</u></p> <p>Deputy Secretary Boylan discussed the results of the DVBE State audit. He reported the results were positive regarding CalVet and the DVBE program. He said the conclusion drawn by the auditors indicating the top 30 DVBEs were getting 80% of the contract dollars is misleading and does not accurately reflect where the majority of the DVBE dollars are being spent.</p>	
<p><u>DGS Office of Small Business and Disabled Veterans Business Enterprises (OSDS)</u></p> <p><u>Diane Alfaro Staff Manager</u></p> <p>DGS is revising their report training in response, and to comply with, the State DVBE Audit. The total SB certifications extended for two years are 5,145 to date and 1,394 DVBEs. During the implementation of FISCAL, it is anticipated DVBEs will go to two year re-certifications and SB/DVBEs will recertify every three years.</p>	
<p><u>CalVet Audit Report Update - Stewart Mackenzie Special Projects Manager</u></p> <p>The CalVet DVBE Outreach Team will send a “Welcome Packet” of information to newly certified DVBEs within 90 days of their certification. CalVet will follow up 90 days hence with a phone call offering support and assistance. Every quarter CalVet will survey the most recently certified DVBEs to extract information on challenges and successes they may be having with state contracting. Mr. Boylan indicated the surveys and Welcome Packet are a response to issues brought up in the audit and CalVet needs to put together a curriculum for the DVBEs to better support and assist them in doing business with the state. CalVet has developed event logs to help coordinate business contacts at Outreach events with DVBE business entrepreneurs.</p>	
<p><u>CalVet DVBE First Policy - Gloria Anderson CalVet SB/DVBE Advocate</u></p> <p>In response to the directive from Under Secretary Michael Wells, starting July 1, 2014, all divisions in CalVet will adhere to the DVBE first policy for purchases over \$5,000, and up to \$281,000. They must award to a DVBE first, and a Small Business second. When they ask for a waiver, CalVet will assist them in searching for DVBEs and SBs. The West Los Angeles home is still new and needs help building their DVBE supplier lists.</p>	

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Advocate Workshops & Steering Committee - Bob Beamer DVBE Outreach Coordinator

In response to the DVBE audit, CalVet is taking a leadership role with the Advocate steering committee. The committee is now a facilitator based meeting format with CalVet and DGS coordinating to produce agendas and develop the mentorship program. Mr. Beamer said the mentoring program is gearing up quickly.

CCCVE Cemetery & Homes Update - Dave Gerard Assistant Deputy Secretary, Capital Assets and Facilities Management

Mr. Gerard reported Fresno and Redding are both open and accepting applications for residence. The Fresno home is about two years into the service and maintenance contracts and the warranties are expiring, which may provide some opportunities for DVBEs to contract with the home. The residential care for the elderly unit is open with plans to activate the skilled nursing care unit in about two weeks. The Redding home will activate a similar unit in June 2014.

The three main capitol project upgrades at Yountville are: 1) a central plant renovation, 2) a silt water renovation, and 3) a steam system renovation, which represents about \$30 million in spending.

Two new projects: central plant renovations and chilled water renovations which will be put out to bid in December and may total \$15 – 17 million.

The West L.A. home is still being activated and not yet operational, so this may be the best opportunities for DVBEs to contract with the state.

Gloria reported the food vendor for West L.A. has been bringing in meals, as the kitchen is not yet functional. They are looking at debundling the contract to provide more opportunities for small DVBEs to participate. Gloria stated that for any contracts under \$250,000 we want a DVBE prime contractor to have the first opportunity.

The CCCVC Cemetery in Fort Ord is in the Working Drawing Phase and the project may be put out to bid midsummer if the environmental impacts reports are accepted. They are hoping to secure grant funding to begin construction toward the end of the year. This has been an extraordinarily complex and politically sensitive project, but is moving toward completion.

Procurement Committee Report

Gloria Anderson reported the committee is working with DGS and Procurement (Outreach and Reciprocity Unit) to establish reciprocity partners for small businesses with local government agencies. DGS revamped the reciprocity web page to give equal importance to SB and DVBEs. Sandy Schneeberger said there should be a template that any DVBE can take to a local government and show that DGS certifications of SB/DVBEs are the gold standard and they should recognize the process.

Operating Guidelines Committee Report

Robert Vermillion reported the Operating Guidelines committee objectives and action items. The Committee will review the language that defines the roles and responsibilities of each committee, and recommend changes and clarification by the July 2014 Council meeting.

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Legislation Committee Report

The Legislative Committee will pursue change to Military & Veterans Code Section 999(b) (7) (B) by deleting “and solely for purposes of any contract entered into before that death or certification of a permanent medical disability.”

The first legislation is “survivorship” regarding what happens to a DVBE business when the veteran passes away. Quickly the legislation got complicated and controversial so the committee decided to focus on the proposed legislation from the state audit first.

William Schroyer reported the intent of the legislation is to protect the DVBE business from completely going under.

Discussion continued about how the federal legacy clause gives the surviving spouse (who does not remarry) ten years to carry on the business to help get the children through high school. Another approach may have the language read: “. . .until the end of any current contracts plus one year.”

Gloria reported that M&VC codes reads “solely for purposes of any contract entered into before that death or certification or medically disabled,” and the legislation committee was just trying to adjust this language. Many DVBEs do not sign the primary contract and act as subcontractors. If the language regarding existing contracts were removed, it would help survivors gain additional work in the ensuing three years. Deputy Secretary Boylan summarized the intent is to protect the surviving family and spouse. He directed the legislation committee to put together a proposal and present to the Council.

Membership Committee Report

The Membership and Operating Guidelines Committees held a joint conference call on April 8, 2014, and discussed the current language in the Membership Application which states:

“An applicant must be either a California certified DVBE representing a constituent group, a DVBE organization, a veteran affiliate organization, or a business, and have an interest in improving the DVBE program. Members serve a two-year term with the option to apply for additional successive terms. The CDVA will notify members in January of the second year of their terms of their need to re-apply. Members must then submit to the CDVA, within ninety (90) days from notification, a written request to serve an additional term.”

The Co-Chair CDVA will review current member’s request to serve an additional term and make recommendations at the July 2014 meeting.

Mr. Boylan commented on the current language in the membership application regarding the vacant council positions and the qualifications for those positions. He indicated these positions could be filled with veteran advocates and representatives from tangential veteran organizations. John Anderson will work with the council members to put together a list of potential candidates.

The Membership Committee and Operating Guideline Committee proposed adding the following language to the membership application regarding DVBEs:

“All 18 DVBE members on the Advisory Council must be a certified DVBE with DGS and the certification must be consecutive for the last three years.”

Discussion by the Council revolved around the business maturity of DVBEs certified for at least three years and the value this brings to the council.

Gloria Anderson offered that the most important qualifications are their desire to participate and willingness to come to all the meetings and conference calls and contribute to the DVBE program.

- Dave Dickey made the motion for the council to vote on the proposed new language regarding DVBEs certification. Robert Vermillion seconded.

Motion failed: Nay – 9; Yay – 3.

Nay: Sandy Schneeberger; Ken Shoemake; Levi Kinnard; William Schroyer;

Robert Vermillion; Rick Fowler; Kevin O’Connor; Chuck Forrest; Richard Judd.

Yay: Dave Dickey; Al Renteria; Roger Reed.

The qualification language for membership on the council will remain the same.

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California Public Utilities Commission (CPUC) Committee Report

Robert Beamer reported the committee is studying the investor owned utilities to learn how they distribute their money and contracts. Ken Shoemake stated that AT&T wants five years in business, three million dollars in annual revenue and a nation-wide footprint. Very few DVBEs can meet these goals. Therefore, it appears that the best course of action is to have a combined meeting to provide the CPUC commissioners with a clear understanding of our mission statement and ultimate goal of providing the DVBE community opportunities relating to the specific utilities. The meeting will be with CalVet Leadership, the investor owned utilities, and several members of the committee.

They are scheduling a meeting with Commissioner Sandoval for the second week of June.

Outreach and Education Committee Report

Robert Beamer reported the committee members have been pushing the envelope on how to raise funds. He explained looking into the CalVet "Vet Fund" as a source to fund the media plan in lieu of corporate funding. When CalVet web pages launch we can explore the media plan and run a test market.

Robert stated you could submit items to CalVet for inclusion in the CalVet newsletter as a means to advertise your outreach and veteran centric events. You may also have your events posted to the CalVet calendar and our CalVet face-book page.

Closing Remarks & Next Meeting Dates

Sandy Schneeberger, Next Meeting: July 17, 2014 – CalVet, Sacramento with Video Teleconferencing available at: West Los Angeles and Chula Vista Veterans Home

Adjournment

For questions, please contact:
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DVBE Outreach and Education Coordinator
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Next Meeting July 17, 2014. Medal of Honor Hall Veterans Affairs HQ

The following topics will be discussed at the next meeting

Membership eligibility for council members serving past their two-year term.

Council vacancies for representatives of the public at large.

Bagley-Keene Open Meeting Act update