

-MEETING MINUTES-

DATE: February 28, 2007

TIME: 2:00 p.m.

LOCATION: NJDOT, Trenton, NJ

SUBJECT: NJDOT / ACECNJ Small Business Committee Meeting

ATTENDING: Steven Manera, Program Manager - NJDOT Division of Project Management
Dana Hecht, Director's Office - NJDOT Division of Project Management
Karen Abbott, Manager, Bureau of Professional Services – NJDOT Division of Procurement
Martin Miller, Project Engineer, Bureau of Professional Services – NJDOT Division of Procurement
Nelida Valentin, Executive Director, Division of Civil Rights and Affirmative Action
James Purcell, Medina Consultants
John Emilius, GEOD Corporation
Eugene Weber, Cherry Weber & Associates
Kamal Shahid, KS Engineers
Joseph Aliseo, Naik Prasad
Ram Tirumala, Yu & Associates

The purpose of this meeting is to discuss:

1. What NJDOT might have on the horizon for small businesses
2. How the response from small businesses have been to NJDOT's efforts and solicitations
3. Where NJDOT and the community are in respect to the concept of set asides for small businesses

Executive Director Nelida Valentin stated that the public agenda is to provide more opportunity to small businesses. This public agenda has been set by the Governor's office and NJDOT's Division of Civil Rights and Affirmative Action is working with the Office of Economic Growth's Division of Minority & Women Business Development to develop increased participation.

A discussion took place related to the anticipated solicitations and the plans for design procurement between now and the end of this fiscal year. Manager Karen Abbott said that the Department is currently compiling the next list of Anticipated Solicitations for posting on April 1. The group discussed how to make this list more meaningful, since it has not been very accurate in the past. Karen suggested that the list could be more active and updated more frequently with comments such as "Delayed in Scoping" or "Delayed due to funding issues." Both Procurement and Project Management are also working on developing a list that is more realistic, based on the approved Capital Program and better data from Scoping.

Program Manager Steve Manera announced that his group is working on developing the next round of term agreement solicitations for Pipeline 3 general engineering services. These agreements will be for three years with a maximum of \$3,000,000, with a maximum per task cap of \$500,000. We requested that consideration be given to soliciting these similar to the bridge deck reconstruction projects - with a certain number of agreements as small business set-asides.

The Department was very disappointed in the small business response to Solicitation #626, with only 5 responses from a list of more than a dozen prequalified firms. We discussed the possible reasons for this lack of response and they included:

- Issuing a single solicitation for both set-aside and general procurement. The small businesses may not have been aware that there were set-aside selections included, although the posting itself identified this on the website.
- Lack of awareness on the part of the prequalified small businesses. Nelida stated that she reached out to some of the firms and they indicated that they were not even aware of the opportunity. Some of these firms do not have sufficient resources to monitor the NJDOT website and miss a lot of opportunities.
- Lack of resources to respond. Some firms may have felt that their chances were slim and did not want to expend the effort in preparing the response.

In order to overcome this, NJDOT asked that the ACECNJ reach out to the small firms that are prequalified and stress the importance of responding to these solicitations to keep the process meaningful. In return, NJDOT will initiate a procedure whereby they will email prequalified small businesses when solicitations are posted to alert them to the opportunity. A copy of the solicitation with small firms marked and a copy of the Technical Proposal Rating Sheet were provided by NJDOT to the Committee.

A discussion of goal reporting and tracking took place. In particular, there has been significant disappointment on the part of small firms in the distribution of work under term agreements. Although the prime consultants state that they will provide opportunities to small firms and agree to make an effort to fulfill the goals under the agreements, it is very rare that any work is provided to the small business subconsultants. Project Managers should be required to track the participation of the subconsultants and ask when assigning tasks whether the prime is providing an opportunity to the subs. Although this sort of tracking should be done through the Division of Civil Rights and Affirmative Action, they are short staffed and cannot handle this effort. We requested that CES ratings include an evaluation of the consultant's compliance with the participation goals and Karen Abbott stated that this was something that they could add to the system.

There was some discussion on how NYSDOT and NJ Transit track their program and there are many successes in their system. NYSDOT, for example, begins by notifying the subconsultants by letter when agreements are executed with the primes. They continue monitoring by requiring the primes to report participation at each invoice and have forms to complete. If the appropriate reports are not provided, then primes do not get their invoices processed. Kamal Shahid offered to provide these procedures to Procurement for their review.

A suggestion was made that the Division of Civil Rights and Affirmative Action hold regional meetings to discuss the participation of small businesses in the capital program. These meetings could serve to inform the small business community on the procedures they need to follow to get

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prequalified, how to become a subconsultant, how to monitor and track opportunities, and what to do to pursue opportunities and follow through. While recognized as a good idea, Nelida did not feel that her staff would be able to arrange these types of forums, but that they are participating in joint forums with other agencies that are similar in nature. It was agreed, however, that this idea deserves more consideration.

Action Items:

- * ACECNJ will contact the small firms that were prequalified to respond to Solicitation #626 and ask why they did not do so.
- * NJDOT will implement a process to keep the anticipated solicitations list active and updated so that it is more useful to the consultant community
- * NJDOT will begin emailing prequalified small firms to alert them to opportunities when solicitations for set-asides are posted
- * Procurement will work with Project Management to develop an additional rating category for compliance with project participation goals to be implemented in the next CES ratings cycle
- * Further discussion needs to take place related to small business procurement forums on a regional basis

These minutes of meeting are issued for review by all attendees. The preparer of these minutes believes them to be an accurate record of the meeting. Any comments or corrections should be forwarded to the preparer within five business days of receipt; comments or corrections, if any, will be incorporated into revised minutes and distributed to all parties.

Prepared by:

James J. Purcell, P.E.
Medina Consultants

If you would like a copy of "Solicitation #626 For Technical Proposals", you can contact ACEC-NJ Headquarters at 973-564-5848.