



**Local Business Enterprise Advisory Committee (LBEAC) VIRTUAL Meeting
July 2, 2026 Meeting Minutes**

1. Call to Order/Introduction

Chair Galarza called the meeting to order at 10:02 AM

Committee Members Present: Matthew Ajiake, Kyndra Cox, Miguel Galarza, Bruce Giron, Tricia Gregory, Kamal Hubbard, Queena Lu, Wayne Perry, Jae Shin, Ben Washington

Committee Members Absent: Darolyn Davis, Elahe Enssani, Sailaja Kurella, Kent Lim, Tiffany Tatum

CMD Staff Present: Regina Chan, Queena Chen, Helen Smolinski, Winnie Chen

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

Chair Galarza noted that a memo should be sent to all non-City staff LBEAC members to remind them of their obligation to attend LBEAC meetings, with only 2 excused absences permitted per year.

2. Discussion of Chapter 14B Pilot Programs

- a. CMD Director Chan explained what is *not* a Pilot Program under Chapter 14B – CMD’s authority to set separate LBE subcontracting participation requirements. Although part of the 2021 revisions, the separate requirements will not sunset in 2027 like the pilot programs.
- b. Pilot Neighborhood LBE Program: Meant to encourage participation by neighborhood businesses on City public works projects in their neighborhood. It applies to Chapter 6 contracts and only on those in excess of the Delegated Purchasing Amount of \$20,000 and less than or equal to \$10,000,000.
- c. Discussion centered around how the program is implemented, a request for program data based on application by neighborhood, a request that program data be reported by end of August to allow LBEAC members to work with the Board of Supervisors (BOS) to prevent pilot from sunseting, and, lastly, why professional services contracts are not included.
- d. Chair Galarza offered to work with Director Chan on getting program numbers to LBEAC members to help show the success of the pilot for advocacy efforts. The Chair also repeated a need for a professional services lead/ point person if folks want the program to include professional services contracts going forward.

3. Discussion on the Charter Amendment and Chapter 14B

- a. There was initially some confusion over an ordinance that was being proposed that would require project labor reporting every five years instead of every year and that more changes were being proposed without LBE input. Deputy City Administrator Stephanie Tang provided clarification:
 - i. There are three different Charter Reform amendments that will go before voters. They are not done deals. They have not yet even qualified for the November ballot.

- ii. The ordinance about reporting is being taken up by the BOS. BOS can take actions to change their own rules. This ordinance was considered by the BOS in the last week of June, but it is now paused. This is an entirely different process from the Charter Reform amendments.
 - b. Discussion included concern that LBEs are seen as “friction” in procurement and that LBEs are “on the wrong side” of these amendments. Committee recalled that Ward Connerly’s attack on affirmative action focused on eliminating reporting mandates.
4. Discussion of Retention on Professional Services Contracts
- a. Question was raised around why professional services contracts have retentions to begin with since margins are not high and services are done. What is the discretion of City departments on retention?
 - b. Per Kyndra Cox of SFPUC, PUC does have discretion with retention and changing the default to retention requires updating templates, as well as educating Project Managers.
 - c. Discussion entailed complaints that this is a city-wide problem that exists with SFO and DPW professional services contracts too. Ben Washington of PW suggested it is likely a template issue and encouraged consultants to contact him directly on this matter.
 - d. Attendees raised concern about PW’s As-Needed Contracts – LBE can hold multiple contracts and still not get any work.
 - e. Also, some contract requirements – like retention and umbrella insurance – are too stringent for professional services contracts. A member of the public gave an example of how she was required to have a high limit on her automobile liability insurance even though her firm would not be doing any driving.
 - f. Others reiterated their continued concern that the City has an overreliance on its in-house architects; they feel in competition for these As-Needed professional services contracts.
5. Review and approval of the June 4, 2026 LBEAC meeting minutes
- a. Tricia Gregory, seconded by Bruce Giron, moved to approve the June 4, 2026 LBEAC Meeting Minutes.
 - i. Ayes: Ajiake, Cox, Galarza, Giron, Gregory, Hubbard, Perry, Shin, Washington
 - ii. Nays:
 - iii. Abstain: Lu
 - iv. Motion carries.
6. Adjournment
- a. The meeting was adjourned at 12:00.