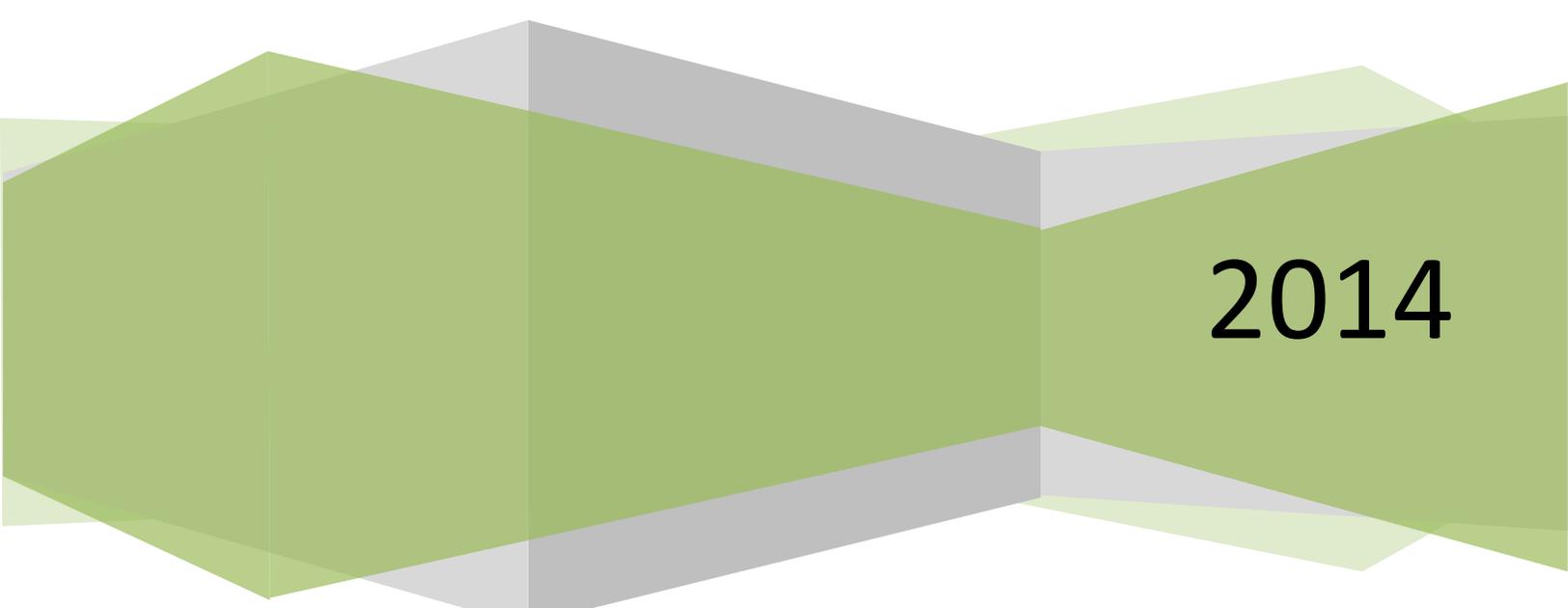


California Department of Transportation
Office of Business and Economic Opportunity

Disadvantaged Business Enterprise
Annual Element Report



2014

Introduction

The Disadvantaged Business Enterprise (DBE) annual element report includes information regarding organizational changes and program accomplishments in federal fiscal year (FFY) 2014 as well as goals for FFY 2015.

This report was prepared in accordance with 49 Code of Federal Regulations, Part 26.

I. Statistical Data

DBE Program and DBE Supportive Services	
Number of highway-related DBE firms (total)	2508
Number of highway-related firms active on federal-aid highway contracts	236
Total approved supportive services funding	\$866,954.96
Number of DBE firms receiving supportive services benefits*	N/A
African-American	N/A
Hispanic/Latino	N/A
American Indian/Alaskan Native	N/A
Asian	N/A
Native Hawaiian/Other Pacific Islander	N/A
2 or More Ethnicities	N/A

*Kickoff meeting for new DBE supportive services contract held on August 26, 2014.

II. Organizational Changes

Caltrans’ Office of Business and Economic Opportunity (OBEO) completed an organizational assessment in FFY 2013 to identify opportunities for streamlining business practices. One of the key outcomes of the organizational assessment involved a redistribution of staff and workload to more effectively structure the OBEO to respond to stakeholders’ needs. This action item was completed in FFY 2014.

As a result of the reorganization, the OBEO consists of the following six branches: Policy and Reports, Outreach and Training, Certification, Compliance, Program Operations, and Contract Evaluation.



Effective June 2014, Angela Shell was appointed Assistant Director of the OBEO. Ms. Shell replaced René Halverson, who retired in April 2014.

III. Accomplishments

Office of Business and Economic Opportunity

A. Contract Goal Setting

- Drafted revisions to the contract goal setting process for construction projects in order to maximize opportunities for DBE participation and ensure a narrowly tailored DBE program.
- Approved DBE contract goals for 256 major construction projects.

B. Disparity Study

- Secured funding and developed the scope of work for Caltrans' next availability and disparity study consultant services contract. Submitted the request for proposal package to the Division of Procurement and Contracts (DPAC) for processing.

C. Policy and Reports Branch

- Prepared monthly progress reports to document Caltrans' DBE commitment at award.
- Developed a district-level report of DBE commitment at award for major construction contracts.
- Created a "DBE Reports" web page at <http://www.dot.ca.gov/hq/bep/reports.htm>.
- Revised Caltrans' DBE policy (Director's Policy 13-R3); the policy is currently undergoing statewide review.
- Developed criteria for implementing a contractor recognition program to celebrate positive contributions to the DBE program.
- Hosted a DBE workgroup meeting every two months, attended by representatives from the Division of Engineering Services-Office Engineer (DES-OE), Division of Local Assistance (DLA), DPAC, Division of Construction, and Division of Mass Transportation. The purpose of the workgroup is to identify areas of concern within the DBE program and identify alternatives and solutions for mitigating risk.
- Provided data management training at annual labor compliance managers' meeting.
- Conducted DBE program compliance reviews for the cities of Whittier, Los Angeles, and Oxnard.
- Trained DLA staff to conduct DBE program compliance reviews of local agencies, including oversight of a DLA-led review of the County of Solano.
- Attended training in Microsoft Excel, Microsoft Access, and Adobe Acrobat Pro to improve data management business practices.

D. Outreach and Training Branch

- Developed and coordinated Caltrans’ second annual Statewide District Small Business Liaison (DSBL) Conference on September 11-12, 2014, in Sacramento. The training program included topics relevant to the DBE, Disabled Veteran Business Enterprise (DVBE), and Small Business (SB) programs.
- Hosted bimonthly DSBL conference calls to disseminate DBE, DVBE, and SB program updates, including policy and procedure changes, proposed legislation, etc.
- Participated in 15 outreach events.
- Developed the Caltrans Procurement Fair Guide.
- Utilized Facebook, Twitter, and LinkedIn to promote the 2014 DBE Supportive Services (DBE/SS) contract.

DBE Supportive Services

- Caltrans’ DBE/SS contracts for Northern and Southern California ended on December 31, 2013. During the six-month contract term, the consultant, GCAP Services, Inc. (GCAP), provided technical assistance, training, and outreach to DBEs and potential DBEs. Twenty-seven DBEs/potential DBEs received technical assistance and 206 unique DBEs/potential DBEs participated in training workshops, which were held in person and via webinar. GCAP attended seven outreach events on behalf of the DBE/SS program.
- Twenty DBEs/potential DBEs who participated in the DBE/SS program expressed interest in participating in Caltrans’ Calmentor/Mentor-Protégé programs. This information was referred to the OBEO’s Calmentor/Mentor-Protégé statewide coordinator for follow-up.
- Completed contract closeout, including final vouchers, for the two 2013 DBE/SS contracts.
- Received FHWA approval for Caltrans’ 2014 DBE/SS statement of work.
- Awarded the 2014 DBS/SS contract to GCAP and held a kickoff meeting on August 26, 2014.

Calmentor/Mentor-Protégé

- Provided support and oversight to statewide Calmentor/Mentor-Protégé program leads.

Calmentor Program	FFY 2014 Events
North Region: Districts 1, 2, and 3	2
Central Region: Districts 5, 6, 9, and 10	2
Southern California Alliance: Districts 7, 8, and 12	1
San Diego and Imperial counties: District 11	1

E. Contract Evaluation Branch

- Evaluated 251 contracts for the DES-OE.
- Evaluated 70 contracts for DPAC.
- Completed 47 good faith effort (GFE) evaluations.
- Streamlined the GFE process by revising the current evaluation document. Removed redundant aspects and added information that would assist in strengthening the analyst's final recommendation.
- Developed and implemented a contract evaluation checklist.
- Implemented a "peer review" process to ensure all work is accurate.
- Reduced processing times from 13 calendar days to 6 calendar days.
- Purged all contract files that were over 4-years-old.
- Created a contract evaluation desk manual.
- Created an instruction sheet for goal exemption requests.
- Participated in a group discussion with the DSBLs to answer questions regarding contract evaluation processes and procedures.
- Four analysts completed Caltrans' "Essentials for Excellence" training program.
- Attended training in Microsoft Access.

F. Compliance Branch

- Conducted 157 DBE on-site visits from February 1, 2014, to September 30, 2014.
- Conducted 6 risk-based DBE on-site visits from February 1, 2014, to September 30, 2014.
- Received and processed four DBE complaints.
- Developed a handout for the Resident Engineer Academy to convey the Compliance Branch's roles and responsibilities.

District Outreach Events

District Name	FFY 2014 Outreach Events
District 1	4
District 2	17
District 3	36
District 4	19
District 5	7
District 6	18
District 7	13
District 8	23
District 9	5
District 10	48
District 11	75
District 12	15

Division of Construction and Labor Compliance

A. Headquarters

- Promoted labor compliance participation in district pre-construction meetings as a means of providing DBE guidance.
- Provided support to district and headquarters staff on resolving substitution issues, prompt payment investigations, and complaints.
- Attended DBE program manager meetings and DBE workgroup meetings.
- Incorporated DBE subject matter into the following meetings/trainings:
 - Labor compliance manager meeting, March 3-7, 2014.
 - Labor compliance all-staff meeting, May 6-8, 2014.
 - Resident Engineer Academy, February 26 and March 13, 2014.
 - Maintenance Contract Manager training: May 12, May 22, June 11, and August 12, 2014.
- Provided labor compliance staff with information on decertified DBEs.
- Provided feedback to the OBEO regarding firms that misrepresented themselves and/or failed to perform a commercially useful function (CUF).

B. Central Region

- Attended all pre-construction meetings, either by phone or in person, and provided DBE information to resident engineers and contractors.
- Monitored contractors' compliance with DBE participation requirements throughout the course of all federal-aid contracts.
- Conducted DBE subcontractor substitution hearings per the contract specification.
- Maintained and provided DBE utilization information for primes and subcontractors.

C. District 11

- Provided all final DBE utilization forms to the OBEO and District 11's DSBL.
- Attended a statewide labor compliance training in May 2014 that included a presentation on DBE requirements.
- Provided DBE training to District 11's Small Business Manager in May 2014.
- Presented DBE information at the Resident Engineer's Annual Meeting in August 2014.

Division of Engineering Services-Office Engineer

- Maintained the Caltrans bidders list through the DES-OE internet-based survey.
- Submitted semi-annual reports of DBE awards or commitments for all federal-aid contract awards.

- Recommended DBE contract goals to OBEO on federal-aid major construction contracts.
- Attended DBE program manager and DBE workgroup meetings.
- Improved website tools to enhance opportunities for DBEs.
- Implemented electronic bidding statewide to streamline the bidding process and eliminate the need for in-person bid submittals.
- Reviewed the Caltrans 2010 Standard Specifications and developed updates to improve efficiency of the bid submittal process.

Division of Procurement and Contracts

- Provided to the OBEO a monthly report of federal-aid contract awards.
- Maintained a “look ahead” report to account for anticipated architectural and engineering contract advertisements. The look ahead report provides the DBE consultant community an opportunity to plan and network in preparation of upcoming contracting opportunities with Caltrans.

Division of Rail and Mass Transportation

- Provided instruction and technical assistance regarding DBE requirements to attendees of program workshops for Federal Transit Administration (FTA) programs 5310, 5311, 5316, and 5317.
- Updated and maintained the Division of Mass Transportation website with DBE program requirements.
- Provided training to new and existing subrecipient staff on their responsibilities in the DBE program.
- Provided training to headquarters and district staff on implementing the DBE program.
- Administrative staff participated in bimonthly DBE program meetings.
- Collected subrecipients’ biannual reports on contract awards/commitments and payments on DBE participation and submitted reports to the OBEO and the FTA.
- Executed a contract to complete a DBE market availability/disparity study and establish an overall DBE goal and methodology for FTA for FFY 2014-2015, 2015-2016, and 2016-2017.

III. Goals

Office of Business and Economic Opportunity

A. Contract Goal Setting

- Meet Caltrans’ current overall agency-wide DBE participation goal of 12.5 percent.

- Implement quarterly review of Caltrans' DBE goal setting methodology to determine if adjustments are needed to meet Caltrans' overall annual DBE participation goal.
- Develop a decision document to standardize goal setting procedures for architectural and engineering/professional services contracts.

B. Disparity Study

- Advertise, award, and execute a new disparity study contract.
- Develop and submit to FHWA for approval Caltrans' 2016-2018 overall DBE goal and methodology.

C. Policy and Reports Branch

- Update Caltrans' DBE Program Plan.
- Expand the OBEO's "DBE Reports" web page to include a breakdown of DBE commitment at award and DBE utilization by work type.
- Develop a fact sheet to educate internal and external stakeholders regarding DBE reporting requirements.
- Increase the frequency of DBE workgroup meetings from bimonthly to monthly.
- Develop and publish on the OBEO website a schedule for DBE policy updates.
- Develop and implement a communication plan for sharing DBE policy- and policy-related information with internal stakeholders.

D. Outreach and Training Branch

- Develop a mandatory pre-bid training course.
- Collect 50 percent of all sign-in sheets for all outreach events/workshops conducted throughout California.
- Implement a standard ten question evaluation survey for use by the DSBLs after each outreach event/workshop.
- Attend 75 percent of RE meetings throughout Caltrans' 12 districts.
- Increase collection and reporting of 1391 forms by 60 percent.

E. Contract Evaluation Branch

- Identify a replacement for the current FileMaker Pro database.
- Conduct monthly partnering meetings with counterparts in the DES-OE.
- Implement a program for cross-training.

F. Compliance Branch

- Conduct 350 on-site visits for new DBE certification applicants.
- Conduct 20 on-site visits of “most used” DBEs on Caltrans’ contracts.
- By January 2015, develop a risk-based contract monitoring process for all federal-aid contract awards.
- Conduct three DBE program reviews.

G. Program Operations Branch

- Revise the DBE Participation Committee’s charter.

District Goals

District 2

- Host quarterly North Region Calmentor meetings to facilitate networking among prime and subconsultants; share information regarding processes/procedures; and respond to requests for technical assistance.

District 3

- Increase the pool of certified DBE-certified firms in District 3 by 5 percent.
- Hold one “mock contract” workshop in the first quarter of 2015.
- Develop a “Doing Business with District 3” brochure.
- Participate in three local matchmaking events.
- Hold two or more business information seminars.
- Hold one procurement fair in spring 2015.
- Establish new relationships with organizations and groups whose members include actual and certification-eligible populations, particularly DBE contractors/construction suppliers.

District 8

- Participate in four industry outreach sessions with the Division of Construction.
- Conduct ten mandatory pre-bid meetings.
- Host at least three DBE certification workshops.
- Host two surety bond workshops
- Host three regional Small Business Council meetings.
- Attend at least one local chamber of commerce meeting.
- Develop and host one district procurement fair.
- Develop and launch a new District 8 small business-specific website that

- incorporates the use of social media.
- Host a meeting with prime contractors to better understand the successes and/or failures of the SB/DBE/DVBE program and utilization.
- Partner with the local Small Business Development Center to hold one small business workshop.

District 10

- Recruit at least two new public agencies to become members of the Stockton Regional Public Agency Consortium.
- Partner with the three Builders' Exchanges in our district to hold DBE certification workshops.
- Develop relationships with at least three Prime Contractors and host a "Meet the Primes" workshop.
- Utilize labor market information to encourage at least 30 local businesses to become DBE certified and attend informational workshops.

District 11

- Host one DBE certification workshop.
- Host one "mock contract" workshop.
- Host and/or attend a minimum of three certification/networking events in Imperial County to establish and maintain visibility and support.
- Attend and staff a booth at a minimum of three outreach events per month.
- Hold the first annual Prime and Subcontractors Outreach Event in partnership with the San Diego Public Agency Consortium.

Division of Construction and Labor Compliance

A. Headquarters

- Conduct four training sessions that incorporate a DBE program module into the presentation.

B. District 11

- Provide training regarding DBE program requirements to all division staff by the end of federal fiscal year 2015.