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August 20, 2008

Mr. Gene Fong
Division Administrator
Federal Highway Administration
California Division
650 Capitol Mall, Suite 4-100
Sacramento, CA 95814

Dear Mr. Fong:

Enclosed is the California Department of Transportation (Caltrans) Disadvantaged Business Enterprise (DBE) Overall Annual Goal and Methodology for Federal Fiscal Year (FFY) 2009.

Caltrans requests your review and approval pursuant to 49 Code of Federal Regulation (CFR) §26.45, to establish the overall DBE goal for its federally assisted highway projects. Following a 2005 Ninth Circuit Court of Appeals decision, Caltrans commissioned a Disparity Study (Study) to determine whether discrimination exits in the conduct of the State transportation program. Caltrans accepted the Study and its findings in July 2007. The Study results were used in formulating the goal and methodology contained in the documents submitted to you in FFY 2008 and in this submittal for 2009.

Caltrans has established a proposed overall DBE goal of 13.5 percent for FFY 2009. The overall goal is expected to be achieved, in equal proportions, through race-neutral/race-conscious measures. Additionally, as required by 49 CFR §26.15, for FFY 2008 Caltrans requested and received approval to a waiver to implement a race-conscious goal of limited application to four identified groups: African American, Asian Pacific American, Women, and Native American businesses. The Caltrans goal for FFY 2009 is identical to that of FFY 2008 as the methodology and approach for both years come from the 2007 Study submitted with the 2008 goal and methodology.

Caltrans initiated the 45-day public participation period for the FFY 2009 goal and methodology on June 9, 2008. This submission includes input obtained through public comments and consultation, which was conducted throughout the year.

If you have any questions, please contact Olivia Fonseca, Deputy Director, Civil Rights, at (916) 324-0990.

Sincerely,

WILL KEMPTON
Director

c: Olivia Fonseca, Deputy Director, Civil Rights

Enclosure

CALIFORNIA DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION
DISADVANTAGED BUSINESS ENTERPRISE GOAL AND METHODOLOGY

Federal Fiscal Year 2009

Executive Summary

For Federal Fiscal Year (FFY) 2009, the California Department of Transportation (Caltrans) 2009 Disadvantaged Business Enterprise (DBE) proposed goal is 13.5 percent, without any Step Two adjustments. This overall goal is expected to be achieved—in equal proportions of 6.75 percent—through race-neutral/conscious measures. Caltrans submits this FFY 2009 goal and methodology to the Federal Highway Administration (FHWA) for review and approval pursuant to 49 Code of Federal Regulation (CFR) §26.45, for federally-assisted highway contracts. Caltrans relied on the 49 CFR 26 regulation issued on February 2, 1999, subsequent guidance issued December 21, 2005, and the 2007 Availability and Disparity Study (Study), to ascertain this goal.

FFY 2009 Goal Setting Methodology – §26.45

Caltrans followed a two-step process for setting its overall DBE goal for FFY 2009.

- Step One describes the calculation of a base figure for the relative availability of DBEs.
- Step Two is the examination of all the evidence available to determine if an adjustment is needed to the base figure to arrive at the overall goal.

Step One Base Figure – §26.45(c)

In order to establish the base figure, Caltrans commissioned a Study which was completed by BBC Research & Consulting (BBC) in July 2007.

The Study:

- Analyzed utilization and availability of minority/women-owned firms in California transportation contracts.
- Examined other quantitative analysis of marketplace conditions.
- Reviewed anecdotal information from in-depth interviews with nearly 100 business owners and others across California.
- Analyzed oral and written testimony from businesses, trade associations, and other organizations at the 14 public hearings held by Caltrans in March and April 2007; two hearings in Los Angeles; and one hearing each in Eureka, Stockton, Bishop, Fresno, San Luis Obispo, San Diego, Sacramento, San Jose, Redding, Irvine, San Bernardino, and Oakland.

Summary of the Base Figure Analysis

To examine relative availability of minority/women-owned firms, a survey was conducted of business firms related to transportation contracting working in the California marketplace and analysis of more than 6,673 federally-assisted prime contracts and subcontracts from 2002 through 2006 and determined the following:

1. Thirty-two percent of firms available for federally-funded transportation construction and engineering work are minority/women-owned. Caltrans did not use this figure as

availability for the share of federal funds going to minority/women-owned firms, since not all of these firms are available for every type of transportation-related work.

2. The Study examined contract type, location, and award size of work involved in the Caltrans prime contracts and subcontracts; and firms available to do this work. BBC determined the dollar-weighted availability of minority/women-owned firms is 17.6 percent after considering the size, type of work, and locations of the federally-assisted transportation contracts and subcontracts in recent years. Caltrans weighted the availability by the dollars going to a number of different transportation work categories and whether the contracts were entered into by Caltrans or local agencies.

3. After excluding minority/women-owned firms that might be too large to meet the United States Department of Transportation (USDOT) DBE certification guidelines, the dollar-weighted availability figure for minority/women-owned firms was calculated to be 13.5 percent.

Available Firms Surveyed for Transportation Contracting Work

BBC concluded the Caltrans internal data on DBEs and minority/women-owned firms available to perform Caltrans contracts and subcontracts did not provide a comprehensive view of businesses available for Caltrans work. Therefore, BBC conducted a telephone survey of California business firms related to transportation contracting. BBC selected California as the relevant geographic market area for the availability analysis, because 95 percent of all 2002 through 2006 transportation construction and engineering project dollars going to prime contractors—or subcontractors went to firms with locations in California.

Firms contacted in the survey were those listed by Dun & Bradstreet as doing business most pertinent to Caltrans transportation construction and engineering contracts. BBC attempted to reach 49,276 business listings. Of these listings, 9,365 were out of business or otherwise did not have valid phone numbers, leaving 39,911 business establishments with valid phone listings. BBC successfully interviewed 18,675 (or about 47 percent) of the business establishments with valid phone numbers, a relatively high response rate for a business survey.

Of the 18,675 firms interviewed, 3,398 were for-profit firms reporting they performed work related to transportation construction, maintenance, or design. These firms are considered to be qualified and interested in performing transportation-related work for Caltrans and/or local governments in the future, or had attempted to obtain transportation-related work in the public or private sector. These firms also identified the regions of California in which they could perform work. Of these 3,398 firms in the transportation construction and engineering industry, 32 percent reported that they were minority/women-owned firms.

Weighted Relative Availability

In the base figure analysis, the Study weighted relative availability of minority/ women-owned firms using a methodology that builds upon the guidance USDOT provided in *Tips for Goal Setting in the Disadvantaged Business Enterprise (DBE) Program.*[1] BBC examined type of work, size, contract role, and location of work involved in federally-funded projects and the relative availability of minority/women/majority-owned firms to perform that work. The Study developed information for more than 6,000 FHWA-assisted contracts and subcontracts from 2002

[1] Tips for Goals Setting in the Disadvantaged Business Enterprise (DBE) Program, http://osdbu.dot.gov/?TabId=133

through 2006, including contracts using FHWA funds administered through Caltrans that were awarded by local governments or others in California.

The dollar-weighting process used in the Study builds upon the process Caltrans used to develop the FFY 2007 DBE goal, which was approved by FHWA. In the 2007 goal-setting process, Caltrans weighted availability by the dollars going to a number of transportation construction and engineering work categories that considered transportation contracting sub-industries and whether the contracts were let by Caltrans or local agencies. The Study examined relative availability of minority/women-owned firms for each of the more than 6,000 FHWA-assisted contracts, and then weighted overall results based on the dollar amounts of each contract and subcontract.

BBC determined 17.6 percent of dollars on FHWA-funded contracts would be expected to go to minority/women-owned firms based on the type, size, contract role, location, and time frame for these contracts and subcontracts; and refers to availability of all minority/women-owned firms, not just the firms that appear to meet the federal guidelines for DBE (49 CFR Sections §26.65 and §26.67). After excluding minority/women-owned firms that might be too large to meet the USDOT DBE certification guidelines, the dollar-weighted availability figure for minority/women-owned firms was calculated to be 13.5 percent.

FFY 2009 FHWA-assisted Contracts

Caltrans estimates it will receive $3 billion in federal-aid highway program assistance for FFY 2009 which is expected to be distributed as follows: $1.2 billion for Caltrans construction, $1 billion for support services, and $800 million for Local Assistance construction.

In addition, Caltrans expects the types of work, sizes, and locations of contracts to be similar to the FHWA-assisted contracts awarded statewide during FFY 2008; which includes roadway widening and rehabilitation, repair storm damage, bridge replacement, constructing high-occupancy vehicle lanes, install and/or repair median barriers, and two-lane conversion to four-lane expressway.

Resulting Baseline Goal

Caltrans considers 13.5 percent DBE participation as the base figure for its overall DBE goal for FFY 2009.

Step Two Adjustments - §26.45(d)

Caltrans examined a broad range of evidence in the Study when considering possible Step Two adjustments to the base figure. The Study contained the types of information for a possible Step Two adjustment that are outlined in the DBE Program, including:

- Current capacity of DBEs to perform work on FHWA-assisted contracts, as measured by the volume of work DBEs have performed in recent years.
- Data on employment, self-employment, education, training, and union apprenticeship programs.
- Information on the ability of DBEs to obtain financing, bonding and insurance.
- The base figure counts two types of firms as DBEs:
- Firms currently certified.
- Minority/women-owned firms that could potentially be certified as DBEs if they applied for certification.

About four out-of-five minority/women-owned firms counted in the base figure are non-certified. Caltrans experience, other state departments of transportation, and the Study research indicate that encouraging firms to become DBE-certified will continue to be a challenge. When a sample of DBE eligible—but non-certified minority/women-owned—firms were interviewed, most business owners knew of DBE certification and were interested in certification, but had not previously pursued certification. Common reasons for the lack of interest in getting certification are:

- Certification documentation requirements under 49 CFR Part 26 are complex.
- Documented proof of business ownership, control, and management is extensive and time consuming.
- Some business owners see the requirements to submit business and personal information as intrusive.

Furthermore, the primary incentive for firms to become certified as DBEs was removed in May 2006 when Caltrans discontinued setting a DBE contract goal on federally-assisted contracts.

Caltrans may only count certified DBEs in the DBE utilization reports prepared and submitted to FHWA. Although non-certified minority/women-owned firms are counted as DBEs in the base figure, they cannot be counted as DBEs in the utilization report; Caltrans properly took into account these facts when considering any Step Two adjustments to the base figure. This factor may lessen in importance in the future, if a larger number of minority/women-owned firms choose to become certified DBEs.

Caltrans also considered the disparities in business ownership rates as a factor that is quantifiable; however, that would increase the goal by 5.3 percent and bring the overall DBE base figure to 18.8 percent.

Some factors examined suggest a downward adjustment to the base figure. Those factors include past levels of DBE utilization, when race-conscious DBE goals were in place, and data concerning the number of eligible—but non-certified—minority/women-owned firms.

The Study reveals barriers to enter into the California construction and engineering industries:

- Low rates of business ownership.
- Lower earnings for certain groups.
- Access to capital.

Caltrans consulted with other local governmental entities and found they were initiating disparity studies; those studies where either incomplete or irrelevant for Caltrans to consider.

Taking all factors under consideration, Caltrans decided not to make any Step Two adjustments to the base figure for the FFY 2009 overall DBE goal. Caltrans will continue to encourage DBE certification and annually monitor the base figure for potential adjustment.

Public Participation §26.45(g)

Consultation

In establishing the overall goal for FFY 2009, Caltrans conducted year round consultation by hosting monthly Statewide Small Business Council (SBC) and committee meetings. In turn, the SBC members and committee members (Enclosure 1) meet with their individual organizations to provide feedback to Caltrans.

Additional consultation in the year included attending three Legislature-sponsored DBE hearings, as well as meetings with non-DBE organizations such as:

- Associated General Contractors
- San Diego Associated General Contractors
- Engineering & Utility Contractors Association
- California Engineering, Land Surveyors Consultants
- Southern California Contractors Association
- California Public Utilities Commission
- California Small Business Association
- Over 1,000 one-on-one discussions were held with small businesses (SB), DBEs and minority/women-owned firms as they sought out help on how to do business with Caltrans.

Caltrans also participated in the following statewide and local chamber of commerce meetings:

- California Hispanic Chamber of Commerce
- California Black Chamber of Commerce
- California Asian American Chamber of Commerce
- California American Indian Chamber of Commerce

Published Notice

On June 9, 2008, Caltrans published a public notice (Enclosure 2) requesting comment on the proposed FFY 2009 overall DBE goal and methodology. The FFY 2009 overall DBE goal and methodology was made available at the Caltrans Civil Rights office, via the Caltrans Website, and by email. The public notice was also listed in the following publications:

Asian Week
Bakersfield News Observer
Chinese Daily News
Construction Bid Source
Daily Pacific Builder
DBE Good Faith Effort, Inc.
Eureka Times
Fresno Bee
Green Sheet
La Opinion
Los Angeles Sentinel
Oakland Tribune
Orange County Register
National Association of Women in Construction
Record Searchlight
Sacramento Bee
San Bernardino Sun
San Diego Union
Small Business Exchange
Stockton Record

Comments

Caltrans reviewed the following public comments solicited by the public notice:

Parada Painting Inc.
In their June 16, 2008, email, they state that the Caltrans certification process is too overwhelming for a small company and very costly.

Trans Vision
In their June 16, 2008, email, Trans Vision requested Caltrans create a new category for Photogrammetry/Aerial Survey since they have not been getting any mapping jobs from prime contractors.

Miniutti & Associates

In their July 15, 2008, letter, they stated, "I completely agree with and have experienced, first hand, eleven out of the seventeen points (barriers below) listed, and feel I could add a couple more, especially regarding: 1. Insurance (from requirements to management issues), and 2. Support—or the lack thereof—from certification offices. The small percent (13.5) set aside for the DBE is not worth it."

Barbara Demery Gillam & Associates
In their July 17, 2008, email, they commented, "Although certified by Caltrans as a DBE or MBE for several years, they have not been able to obtain any deposition or court reporting assignments with the Caltrans legal department or law firms representing Caltrans."

Pacific Legal Foundation
In their letter of July 17, 2008, they contend that the Caltrans FFY 2009 goal contains the same fatal flaws as the FFY 2008 goal and urges Caltrans to revise its overall goal and submit a program with only race-neutral measures. As in their letter of September 7, 2007, they incorrectly contend that the proposed DBE goal violates Article I, section 31(a), of the California constitution. Specifically, they argue that the federal funding exception in Section 31 does not apply to the Caltrans implementation of the federal DBE Program. If Caltrans were to accept Pacific Legal Foundation's position, it would mean that Caltrans could not, under any circumstances, include any race- or gender-conscious remedies in its implementation of the federal DBE Program. Pacific Legal Foundation also contends the Caltrans DBE Program is not narrowly tailored.

Earth Mechanics, Inc.
In their July 17, 2008, email, they requested Caltrans explain why DBE percentages are not explicitly mentioned in the Caltrans Request for Qualification.

WRECO
In their July 22, 2008, letter, they stated, "It is our belief that the 4% goal for Federal Transit Administration should increase, in order to assist DBE firms further in their attempt to collaborate with large businesses. The DBE Program is vital to the survival of many small minority/women-owned firms in the State of California. Stressing good-faith efforts without establishing true requirements is not enough to ensure prime consulting firms will utilize the expertise of DBE sub-

consultants. Government agencies should also be encouraged to provide complete set-aside projects for DBE firms, qualified firms being constant."

Force Traffic Control, Inc.
In their July 24, 2008, letter, they contend Caltrans puts excessive emphasis on Disabled Veterans Business Enterprise (DVBE) requirements on State-funded work, with little attention to the plight of certified SB subcontractors who are not DVBEs.

Based on the public consultations throughout the year, DBEs and non-DBEs identified barriers as:

- Access to capital.
- Financial limitations.
- Bonding.
- Prompt payment.
- Access to insurance and/or limits requirements too high.
- Certification process is too long, too difficult, too costly, and need help to complete the application.
- Recertification should not require documentation be resubmitted unless there was significant business structure changes.
- Very few DBEs can act as primes as the projects are too large.
- DBEs have more success in the private sector as there is less competition, more profit, greater accessibility, and less bureaucracy.
- Primes do not engage in a genuine "good faith effort".
- Want enforcement of the "good faith effort" submitted by primes.
- Felt bidding process was costly and time/labor intensive.
- Methods of advertisement of projects should include more published notices and mailings.
- Lack of technical assistance and training.
- Internet access and knowledge.
- More user-friendly DBE directory.
- Auditing of public professional service contracts is not efficient and is unfair.

These comments obtained within the last year are identical to the comments received during the anecdotal interviews and public hearing testimony collected by BBC for the Study.

Overall DBE Goal for FFY 2009 and Race/Gender- Neutral/Conscious Measures - §26.45(e) and 26.51

Race-Neutral/Conscious Division

Based on the information collected and data reviewed, Caltrans established an overall statewide 13.5 percent DBE participation goal for FFY 2009. This overall goal is expected to be achieved in equal proportions. Conversely, following the adoption of the overall goal—as more data on the utilization of DBEs becomes available—future modifications to the proposed proportions may prove to be necessary. Future adjustments, if any, would be based on the adopted measure with respect to the various groups and the different geographical areas of the State. Gradual and increasing success of the Caltrans race-neutral measures in achieving the goal will obviate the need for race-conscious measures.

Information Relied Upon

BBC calculated a disparity index on the relative utilization and availability of minority/ women-owned firms. The disparity index for federally-assisted contracts with DBE project goals is 83 when an index of 100 is needed for parity. An index below 80 has been deemed by some courts to constitute a substantial disparity. BBC conducted additional disparity analyses for specific types of contracts by race, ethnicity, and gender ownership of firms and for different State regions. There was evidence of disparities for both:

- Construction and engineering.
- Prime contracts and subcontracts.

There were disparities across most Caltrans districts. Depending on the type of contract, disparities between utilization and availability were most severe (below the 80 disparity index) for:

- African American – Disparity Index 15
- Asian Pacific American – Disparity Index 31
- Women – Disparity Index 48
- Native American – Disparity Index 65

The Study identified African American, Asian Pacific American, Women, and Native American contractors and subcontractors that would require *narrow tailoring* of race-conscious measures. The Study identified an inference of disparity for the four groups. For FFY 2009, Caltrans will limit race-conscious measures to African American, Asian Pacific American, Women, and Native American-owned firms on transportation related construction contracts.

To narrowly tailor the Caltrans DBE Program to conform with Study results, Subcontinent Asian American and Hispanic American-owned firms will not be included in the individual race-conscious contract goal setting, unless—and until—future data gathering by Caltrans indicates that there is significant disparity between the percent of available contractors and subcontractors from these groups and the percent of contract dollars awarded to these groups.

Western States Paving 407 F.3rd 983, 993 (9th Cir. 2005), quoting *Grutter v. Bollinger, 539 U.S. 306, 339 (2003).*

> *"49 CFR, Part 26 does not require all possible race- and gender-neutral measures be implemented before a recipient can implement race- and gender-conscious measures, but rather the recipient meet the maximum feasible portion of the overall goal using race-neutral means."*

Race-Neutral Measures

Caltrans will continue its ongoing race-neutral measures to include:

- Business outreach and communication.
- Technical assistance.
- Improve contracting processes.
- Data collection, monitoring, and reporting.

One of the most successful measures in FFY 2008 has been partnering with the California Community College Chancellor's Office. They provide DBE Supportive Services through 10 Small Business Development Centers located throughout the State. The supportive services consist of technical training and one-on-one technical assistance to DBE firms.

Another successful measure has been the appointment of SB liaisons in each of the 12 district offices as a point of contact for SB firms—including DBEs—in those geographic areas as well as for focused outreach, such as local procurement fairs and SB events.

Caltrans continues to maintain a Bidders List on the Caltrans Office Engineer Website. Over the last five years, Caltrans identified 877 prime contractors and 2,000 subcontractors that make up the Bidders List. To comply with 49 CFR, Section 26.11 (c), Caltrans is currently reviewing the firms available to do Caltrans work as identified in the Study. Firms not already listed on the existing Caltrans Bidders List will be added.

Caltrans FFY 2009 efforts will focus on:

- Expand the Mentor-Protégé Program statewide to include construction, as well as architectural and engineering.
- Expand the Website for easier access to information needed by SB and DBE firms and links to other supportive services, local agencies, and technical assistance.
- Establish relationships with financial institutions, surety companies, and insurance companies to market Caltrans opportunities in conjunction with SB and DBEs.
- Look for opportunities to package smaller contracts.

A more detailed listing of race-neutral measures is included as Enclosure 3.

Race-Conscious Measures

The race-conscious goal will be achieved by:

- Setting a DBE goal on individual contracts based upon the type of work included in each contract and on the availability of the four targeted groups capable of performing such work.
- Using Appendix A—Good-faith Effort Standards—to justify the award when the goal is not met.
- Encouraging prime bidders to use DBEs—whenever possible—as a race-neutral component.

Waiver of Prohibition on the Use of Group Specific Goals – §26.15 (b) (1) and (2)
A portion of the overall goal will be met using race-conscious measures. As required, Caltrans consulted with the DBE community and hosted 12 public participation meetings, one in each district.

In addition to the 12 public participation meetings, Caltrans collected public comment on the waiver at the following meetings:

- City-County-State-Federal Cooperative Committee meeting, Sacramento, California
- Caltrans Statewide SBC meetings, Sacramento, California
- Electrical, Utility, and Contractor Association meetings, Sacramento, California
- Southern California Contractors Association meetings, Sacramento, California
- California Unified Certification Program Executive Committee meeting, Long Beach, California
- California Hispanic Chamber of Commerce Annual Convention and Business Expos, various cities in California
- Statewide Consulting Engineers and Land Surveyors of California meetings, Sacramento, California
- Statewide Associated General Contractors meetings, Sacramento, California

Caltrans proposes to apply the types of program elements included in the federal DBE Program, but to limit eligibility for any race/gender-conscious program elements to certain groups: African American, Asian Pacific American, Women, and Native American.

On August 7, 2008, Mary E. Peters, Secretary of Transportation, USDOT granted approval to apply race-conscious program elements for FFY's 2008, 2009, and 2010.

Caltrans developed the proposed implementation of the federal DBE Program based on conditions related to transportation contracting in California; information sources included were in the Study. The proposal represents Caltrans best efforts to prevent discrimination against any individual or group in access to contracting opportunities or other benefits of the program. Race/gender-conscious components of the proposed implementation of the program are narrowly tailored to the race, ethnic, and gender groups for which substantial disparities might exist in accessing Caltrans contracting opportunities without these measures.

This proposed implementation meets all FHWA program requirements and the federal DBE Program is consistent with applicable law, including the:

- Ninth Circuit Court of Appeals decision in *Western States Paving, Inc.*
- Seventh Circuit Court of Appeals decision in *Northern Contracting*.
- Eighth Circuit Court of Appeals decision in *Sherbrooke Turf.*

Caltrans Statewide Small Business Council Roster

Enclosure 1

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Department of General Services Angel Carrera Jr. Business Development Program Manager 707 3rd Street, 2nd Floor Cube 02-071/02-333 Sacramento, CA 95814	Telephone: (916) 375-5975 FAX: (916) 375-4545 angel.carrera@dgs.ca.gov	No alternate currently listed.		

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Southern California Native American Tribes Jeffrey "Lee" Jackson American Indian Apprenticeship Initiative 8 Elm Avenue Imperial Beach, CA 91932	Telephone: (619) 423-6610 FAX: (619) 839-3858 E-Mail: grassdancer@earthlink.net	No alternate currently listed.		COMMODITIES
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- **Travel Expense Claim Processing**

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Public Notice

Issue Date: June 9, 2008

The California Department of Transportation (Caltrans) is soliciting public comment on the 2009 overall annual overall Disadvantaged Business Enterprise (DBE) goal and methodology. The goal and methodology will be available for review on June 16, 2008 on the Caltrans website www.dot.ca.gov/hq/bep/index.htm, by contacting Sherri Gastinell at (916) 324-0514 or via email to Sherri.Gastinell@dot.ca.gov and at the Caltrans Office of Civil Rights, located at 1823 14th Street, Sacramento, California.

Please send comments, by July 24, 2008, to Sherri Gastinell, Disparity Study Program Manager, Caltrans, Office of Civil Rights, 1823 14th Street, Sacramento, CA 95811, by fax at (916) 324-8760 or by e-mail to Sherri.Gastinell@dot.ca.gov

The proposed overall goal for the 2009 Federal Fiscal Year is 13.5 percent DBE participation for Federal Highway Administration funded projects and 4 percent for Federal Transit Administration funded projects.

Enclosure 3

California Department of Transportation
DBE Race-Neutral Measures

1. Maintain One-Stop Disadvantaged Business Enterprise (DBE) certification with the California Department of Transportation (Caltrans) and 6 Local Agencies.

2. Continue paid advertisement in newspapers and in trade and focus papers to increase participation for all programs.

3. Maintain flow chart of Caltrans advertising, bid opening, awards, and approval on Caltrans program websites.

4. Continue California Community College Chancellor's Office contract to provide free supportive services and technical assistance to DBEs statewide through 10 Small Business Development Centers (SBDCs).

5. Continue Monthly Statewide Small Business Council and subcommittee meetings.

6. Host District Procurement Fairs.

7. Ensure District Small Business Liaisons (DSBLs) continue to conduct business communication, outreach events, and training on "How to do Business with Caltrans."

8. Host focused outreach events for small businesses, including DBEs.

9. Host project-specific outreach events for small businesses, including DBEs.

10. Market State Loan Guarantee Program statewide.

11. Continue contract administration training through the DBE Supportive Services Consultant.

12. Outreach and market DBEs for participation in Caltrans emergency contracts.

13. Routinely meet with construction and Architectural & Engineering (A&E) primes.

14. Increase number of DBE certifications by 500 annually.

15. Provide "Look Ahead" information to DBEs for proposed construction and A&E contracting opportunities.

16. Develop a Civil Rights Data Management System to capture all business contracting activities.

17. Improve communication channels between Caltrans Headquarters and Districts for real-time information and decision making.

18. Continue distribution of Caltrans Quick Reference Guide; i.e., Builder's Exchange.

19. Consider free A&E software for small businesses, including DBEs.

20. Consider free set of plans and specification for small businesses, including DBEs statewide.

21. Create a CT Business Development Unit that markets Caltrans opportunities, including working with banks, surety, and insurance companies, etc.

22. Develop a standard "Outreach Marketing Kit" for all Districts.

23. Standardize/improve HQ/District websites, connect to one another, consolidate all contract-type information on one website, and redesign Caltrans main Web page to highlight contracting opportunities.

24. Cross-train internal staff on functional contract requirements and process.

25. Streamline certification process by establishing On-Line DBE Certification Applications and Renewals.

26. Streamline certification process for firms already certified as SBA 8(a).

27. Send periodic e-mail blasts to small businesses, including DBEs, on "Look Ahead" contracting opportunities.

28. Produce a Compact Disk/Cassette/Digital Video Disk of "How to do Business with Caltrans" and make available online to include certification packages and Marketing Kits.

29. Explore ways to model certification queries on Web page after Department of General Services' Web site.

30. Implement Mentor-Protégé Program statewide for construction and A&E.

31. Maintain Director's Policy on Race-Neutral Measures to include and ensure District training and implementation.

32. Propose legislation to raise floor limits for Performance Bonds.

33. Discuss "On Shore" vs. "Off Shore" liability insurance with Department of Insurance to help small businesses.

34. Improve access to bid openings by teleconference, Web -based video or internet.

35. Consider small business contract goals and good faith efforts on federal and State funded contracts.

36. Explore administrative enforcement of prompt payment between prime and subcontractors.

37. Make more use of the Emergency Contractor Registry and remove barriers for registration.

38. Develop and offer "alternatives" or creative "incentives" to encourage DBE certification.

39. Balance Project Delivery (advertising and bid openings) so prime and subcontractors are not overloaded.

40. Breakdown A&E contracts into smaller units, including dollars and items of work.

41. Recognize prime contractors for hiring small businesses, including DBEs statewide.

42. Refer prime contractors who use small businesses, including DBEs statewide, as brokers, while claiming full credit.

43. Design and institute measurement standards for all race-neutral measures.

44. Explore Performance-Based Accountability to contracting practices.

45. Maintain Bidder's List from Disparity Study findings.

46. Improve DBE/Small Business Enterprise cross-registration with other State agencies and departments.

47. Report monthly small businesses, including DBE participation, on State and federal funded contracts, including Local Agencies, directly into database Data Management System.

48. Assign all bidders an identification number for capturing all businesses that bid Caltrans work.

49. Track and circulate DBE usage by District and discuss monthly at Directorate level.

50. Provide consistent and accurate data collection of DBE utilization.

51. Explore CHAMPS payment reporting system.

52. Explore use of construction management system for data collection.

53. Centralize tracking of all race-neutral activities District wide via Civil Rights.

54. Appoint staff for data collection, verification, measurement, oversight, technical assistance, and reporting, etc.

55. Explore partnership with Contractor's State License Board to provide DBE certification information to small businesses and add information to our database.

56. Mandate utilization data reporting of all small businesses, including DBEs, on all State and federal-aid contracts.

57. Consider using small business set-asides; i.e., set aside certain contracts for competition only among small businesses, regardless of race or gender under race-neutral measures program.