

# **DBE Performance Plan**

## **Plan Goals**

The California Design-Builders Team pledges to demonstrate leadership through innovative programs that support and empower the Disadvantaged Business Enterprises. We will achieve the Department's goal of 16.2% DBE participation of the total contract. This will be accomplished through a variety of methods, as well as through the established, successful relationships between the California Design-Builders Team members and DBE companies in the local area.

California Design-Builders Contractors DBE commitment for each segment of the work is as follows:

**Design:** California Design-Builders Commitment of 29.8% of the total contract price for Design of all construction work; plus

**Construction:** California Design-Builders Commitment of 14.5% of the total contract price for all Construction Work.

Major subcontractors and vendors will be obligated to provide DBE participation through the term of their contracts. During the bidding process, California Design-Builders will evaluate all bid packages to determine the potential for inclusion of DBE participation in the specific scope of work. Not all trade packages can achieve the 16.2% minimum requirement, yet others may have opportunities for 100% participation.

California Design-Builders will specifically include in contracts an agreed minimum participation and a goal for each major subcontract and require monthly reporting of dollar amounts awarded and paid to DBE subs to ensure that the inclusion goals are being met. Failure to comply in good faith with the inclusion goals will be addressed with prompt and effective remedial action by California Design-Builders. Any contractor that fails to provide requested documents or misrepresents facts in such documents will be deemed to be non-compliant and added retention on their monthly payments may be held until proper documents are submitted. All plans will be monitored for compliance by the California Design-Builders Team.

## **Plan Implementation**

Members of the California Design Builders Team have been involved in many major projects in which the owner or a governmental jurisdiction established overall DBE or other participation goals for subcontracting and workforce participation. Our success in meeting subcontracting goals on signature past projects, illustrates our commitment to the design and implementation of effective and meaningful participation programs resulting in exceeded project goals.

California Design-Builders believes that by maximizing opportunities for DBE participation, we will establish long-lasting, successful business relationships, while helping to promote often underdeveloped local small businesses.

California Design-Builders has developed an aggressive plan to ensure maximum participation of DBE firms for the Department's Project (Project). The Team is firmly committed to the goals established for the Project and will aggressively recruit DBE's and other qualified local subcontractors and suppliers

throughout the life of the Project. Our strong commitment to meet or exceed the goals requires different approaches during design, construction and operation phases of the overall contract.

## **DBE Design Commitment**

California Design-Builders’ DBE Design commitment consists of utilizing the following design subconsultants working for our overall Principal Design Subcontractor ACME.

<b>Subcontractor or Supplier</b>	<b>Type of Work</b>	<b>%DBE Credit</b>	<b>DBE Design</b>	<b>%DBE Commitment of Design</b>
Smith Engineering	Civil Design	100%	\$850,000	11.0%
Stop Light, Inc.	Traffic Engineering	100%	\$1,450,000	18.8%
Total Design – DBE Commitment			\$2,300,000	29.8%
Total Design Price			\$7,700,000	

## **DBE Construction Work Commitment**

California Design-Builders has selected the following major construction subcontractors that exceed the 0.5% of contract value: Current, Inc. (Electrical Subcontractor), Striping, Inc. (striping), Corral Corporation (fencing) and Level Line (grading). Striping, Inc., Level Line and Corral Corporation are DBE subcontractors that are currently working with California Design Builders.

Additionally California Design-Builders has selected Equipment Plus to negotiate price, determining quality and quantity ordering the material and paying for the material itself. Equipment Plus is a recognized DBE regular dealer who has provided this service to California Design-Builders’ parent company, Century Construction, for the Sacramento International Airport expansion. Additionally Equipment Plus has worked on LA-60 Freeway Interchange Modification, San Joaquin Hills Transportation Corridor, and San Diego Expressway projects. On these projects Equipment Plus provided materials, equipment, electrical, radio communications, lighting and other items. Equipment Plus has been in business since 1966. Equipment Plus will provide the staff required to handle the complete procurement of digital message signs, toll equipment, electrical equipment, transponders, signs and sign structures.

California Design-Builders also had identified Zap Consulting (DBE) to provide the services of a Third Party Utility Coordinator. Led by Ted Lightfoot, PE, Zap Consulting has 10 years of experience providing third party and utility coordination for a full-range of transportation projects in the public sector. Recent project experience includes the Sacramento Light Rail Project, the Stockton Interchange Project and the Fresno Freeway Widening Project.

California Design-Builders foresees additional DBE construction opportunities in purchasing drainage material and office security tracking.

Additionally, California Design-Builders will commit to meeting the Department’s DBE goal of 16.2% for the Provisional Sum Work. California Design-Builders’ Construction Work DBE commitment is shown below:

Subcontractor or Supplier	Type of Work	%DBE Credit	DBE \$s Construction	%DBE Commitment
Striping, Inc.	Striping	100%	700,000	1.0%
Level Line	Grading	100%	1,000,000	1.5%
Corral Corporation	Fencing/Traffic Control Items	100%	600,000	1.0%
Zap Consulting	3 <sup>rd</sup> Party Utility Coordinator	100%	100,000	0.2%
Equipment Plus	Sign, Sign Structures, Digital Message Signs, Tool Equipment	60%	4,100,000	6.5%
Current, Inc	Electrical Equipment	60%	600,000	1.0%
DBE Subtotal to Named Firms			\$7,100,000	11.2%
<b>TO BE SELECTED ITEMS</b>				
To Be Selected	Trucking	100%	30,000	0.1%
To Be Selected	Drainage Material	100%	30,000	0.1%
To Be Selected	Dowel Bars	100%	20,000	0.1%
To Be Selected	Bridge Demolition	100%	30,000	0.1%
To Be Selected	Clear and Grub	100%	20,000	0.1%
To Be Selected	SWPP	100%	275,000	0.5%
To Be Selected	Landscaping	100%	90,000	0.2%
To Be Selected	Office - Security	100%	300,000	0.5%
To Be Selected	Office - Cleaning	100%	100,000	0.2%
To Be Selected	Schedule Consultant	100%	25,000	0.1%
To Be Selected	Traffic Consultant	100%	100,000	0.2%
To Be Selected	Vibration Monitoring	100%	25,000	0.1%
To Be Selected	Potholing	100%	100,000	0.2%
To Be Selected	Provisional Sum	16.0%	525,000	0.8%
DBE Subtotal "To Be Selected" Items			\$1,670,000	3.3%
<b>Total Construction DBE Commitment</b>			<b>\$8,770,000</b>	<b>14.5%</b>
<b>Total Construction Price</b>			<b>\$60,500,000</b>	

## DBE Utilization

The following table outlines our committed DBE subcontractors.

Subcontractor or Supplier	Type of Work	DBE Contract Amount
<b>CONSTRUCTION</b>		
QC Associates	Quality Control	\$1,500,000
<b>Total DBE Construction</b>		<b>\$1,500,000</b>
<b>DESIGN</b>		
Rock Associates	Geotechnical	\$100,000
TMS Inc	Traffic Management/Signing	\$400,000
<b>Total DBE Design</b>		<b>\$500,000</b>

## Summary of Goal Attainment

In summary, a total commitment of sixteen point two percent (16.2%) of the total contract price will be committed to DBE's as shown in the following table.

	California Design-Builders Price	California-Design Builders DBE Commitment \$s	DBE Commitment % Based on Total Price
<b>Design</b>	\$7,700,000	\$2,300,000	3.4%
<b>Construction</b>	\$60,500,000	\$8,770,000	12.8%
<b>Total</b>	<b>\$68,200,000</b>	<b>\$11,070,000</b>	<b>16.2%</b>

The estimated dollars amount to be awarded to DBE firm per year is show below.

<b>Design</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
DBE	2,800,000	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>2,800,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Construction</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
DBE	4,300,000	5,200,000	770,000	0	0	0	0	0
<b>TOTAL</b>	<b>4,300,000</b>	<b>5,200,000</b>	<b>770,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## DBE Program Administration

To manage the activities affecting the procurement and utilization of DBE firms, California Design-Builders will identify a DBE Compliance Manager. This person will be assisted by representatives of each team member firm in implementing DBE compliance throughout the Project. This individual will report to the Project Manager, and will serve as liaison to the Department's designated DBE liaison. The DBE Compliance Manager will integrate the administrative details of DBE subcontractor procurement, monitoring, and reporting to the overall project procurement and administrative organization.

## Strategies for Achievement of Goals

The goals will be achieved through a multi-tiered approach, including activities in these main areas:

- Public Awareness Program
- DBE Database Management
- Capacity Building for DBE Business
- Tracking and Reporting

Activities in each of these areas are described below. Portions of the plan have already been implemented in preparation of our proposal and will continue to be followed by all construction management staff and subcontractors/consultants working on the Project. In addition, we will conduct DBE compliance training for our project management team to ensure that the team members are knowledgeable about the goals and objectives and actively involved in the plan's implementation.

## **PUBLIC AWARENESS PROGRAM: Getting the word out**

The California Design-Builders Team knows from experience that public awareness is an essential element of any plan to maximize DBE participation on major projects. Our goal, from pre-construction through completion, will be to keep all lines of communication open with local businesses and the community-at-large to raise awareness about project opportunities. The California Design-Builders Team has already been active in the communicating with the subcontracting community with regard to the opportunities available on the Project. We have attended the Department's DBE workshop and have contacted out hundreds of DBE certified forms. DBE response and interest has been tracked and a significant effort has been made to ensure that they remain interested in the opportunity.

While we have implemented a significant outreach program for the preparation of this proposal, we realize that this is an on-going effort. We will continue the public awareness program after award to ensure that DBE's are aware of additional opportunities available to them with major subcontractors. This will further expand opportunities for DBE's and help our major subcontractors meet their DBE goals.

In conjunction with the Department, we will develop the following communication tools: a website; Business Opportunity Fairs; and targeted outreach to business and community organizations. We have utilized many of these methods already, and will continue to utilize them throughout the life of the Project.

### **Website**

With the approval of the Department, California Design-Builders will utilize the Project website to enhance advertisement of contracting and procurement opportunities to DBE firms. We will also share information on the Project team's involvement in local community events to help gain a positive focus for the Project in the community.

Information on the website will include:

- Contact information for critical California Design-Builders staff responsible for overseeing DBE participation;
- Invitations to all public meetings, with special emphasis on those relevant to the DBE community;
- Bidders/proposers pre-qualification criteria/requirements and DBE required commitments;
- Access to technical assistance resources, such as small business loan programs, bonding assistance programs and other business development programs;
- Profiles of DBE subcontractors who are working on the Project and how they became involved; and
- Links to other related Web sites of interest.

The website will provide an interactive resource where contractors can report their interest in the Project and provide information on their qualifications. The website will be promoted through mailings, emails and newsletters distributed to DBEs, business and DBE advocacy groups, religious and community organizations, and the news media.

## **DBE DATABASE MANAGEMENT: Keeping Track of Potential Subcontractors**

The California Design-Builders Team maintains and regularly expands a database of DBE firms in Southern California. Thanks to our work on projects throughout the Los Angeles region, we have developed database of local businesses—and, as a result, the capability to identify available businesses to perform tradeswork. The California Design-Builders Team will employ a number of qualified DBE sub consultants, preferably local to the Project area, to supplement our engineering, and project management efforts. Through our principal designer, ACME the California Design-Builders Team has a relational database of local DBE consulting firms known to the Team and/or listed in the qualified directories of the Department and other local public transit operators.

## **CAPACITY-BUILDING: Helping DBE Firms Succeed and Grow**

Through training, mentor-protégé relationships and technical assistance referrals, California Design-Builders will help build the capacity of these firms to succeed, both on this project and in the future. Programs that the California Design-Builders Team will offer to assist DBE firms include:

### **Educational Seminars**

California Design-Builders will offer educational seminars for participating DBE subcontractors to strengthen their business management capacity in areas from project management and scheduling to estimating.

Among the educational offerings for DBE firms will be workshops on how to successfully do business with California Design-Builders on the Project. In these sessions, participants will learn what it takes to compete successfully for opportunities on the Project. Other workshops will cover such topics as: construction contracting and requirements; professional services contract award process and requirements; bonding and insurance requirements; prequalification, bidding and invoicing; and financing/access to capital.

### **Bonding Capacity**

In addition to offering training and support in both technical and administrative areas, California Design-Builders will facilitate access to independent bonding lines by developing a program that includes overviews of insurance, bonding and selected banks which will allow qualified subcontractors to take the next step and become prime contractors. This step will increase control within the DBE community and offer a more meaningful participation within the business community without being tied to a specified project or contractor.

## **TRACKING AND REPORTING: Documenting our Progress**

California Design-Builders will implement a system for tracking and reporting progress toward the Department's goals for DBE participation. We know from experience that an effective tracking and reporting system requires active participation on the part of all members of the construction team, including project managers, subcontractors and other stakeholders. We also understand the importance of keeping the Department fully informed about DBE participation on a regular basis.

## **DBE Participation Reporting**

Our DBE Compliance Manager will be responsible for coordinating the compilation of DBE participation reports. The primary goal of this reporting will be to track the dollar amounts awarded to prime contractors, and to summarize DBE participation in both dollar and percentage terms. These reports will be used to keep all stakeholders informed of the level of DBE involvement in the Project and to demonstrate compliance with the performance. In addition to tracking the level of DBE participation in the Project, California Design-Builders will maintain records of all outreach efforts to local, small and disadvantaged business, including: organizations contacted to identify DBEs; source lists and other data used to identify DBEs; lists of solicitations and responses; and records of participation in trade conferences.

In California Design-Builders' experience, these reports can prove particularly useful in identifying broader contracting trends as well as opportunities for stepped-up outreach to local, small and disadvantaged businesses. As a result, all reports will be shared with California Design-Builders' project managers and the Department. The goal: to stimulate a collaborative effort to identify and respond to opportunities to maximize DBE involvement in the Project.

Our DBE Performance Plan Compliance Manager will prepare monthly, annual and final reports on DBE participation for the Project. This report will include all aspects of the implementation of the California Design-Builders Plan. In addition, at the conclusion of the Project, California Design-Builders will prepare and submit a final report on DBE participation, reflecting final contract amounts and payments.

## **Post-Award DBE Contract Monitoring**

The Team's DBE Compliance Manager will lead the Team's efforts to monitor DBE contracts once they have been awarded. Contract compliance monitoring will include, but will not be limited to:

- *Establishing and maintaining the integrity of contract compliance files and incorporating contract compliance DBE records into the master contract file.* The Team's DBE compliance staff will work with the other Team members to make sure that contract memoranda, decision memoranda, and correspondence to and from prime contractors and DBE contractors are routinely reviewed, analyzed, responded to, noted in the computerized database, and properly filed in the contract file.
- *Making sure that all DBE firms awarded contracts have appropriate DBE certification.* The Team will make sure that all firms projected to satisfy DBE goal requirements secure appropriate certification approval. The DBE Compliance Manager will routinely review the current certification status of the submitting firms to make sure that only certified firms participate on contracts as the identified DBE firm. This individual will implement corrective action, as required, to make sure that the selected team members are apprised of the certification status of DBE firms participating on contracts.
- *Making sure that appropriate DBE utilization plans have been submitted, reviewed, and approved.* DBE compliance staff will review original DBE utilization plans and the monitor the continued utilization of DBE firms. In addition, site/field monitoring staff will notify the DBE Compliance Manager of all contractors, suppliers, and consultants providing service, on a routine basis or upon request, to facilitate complete capture of all contract participation.
- *In the event projected DBE firms are denied certification, contract compliance staff will make sure that appropriate requests for replacement/substitution are secured.* California Design-

Builders Team staff will routinely review, update, and approve all modifications to DBE utilization plans. The DBE Compliance Manager will review DBE participation opportunities as a result of all change orders or modifications to contracts and evaluate their impact on the DBE utilization plan; this information will be relayed to the appropriate parties to make sure that we are aware of the status of DBE firms participating on contracts.

- *Making sure that appropriate periodic DBE progress reports have been submitted and reviewed and that payments to DBEs have been verified and approved.* The California Design-Builders Team will make sure that periodic DBE progress reports are submitted by service firms, contractors, and suppliers, as required. Such reports will be reviewed on a monthly basis to make sure that DBE firms are being meaningfully employed in a manner that is consistent with the submitted DBE utilization plan. Site/ field monitoring staff will take direction from the DBE Compliance Manager to facilitate the timely submission of all forms. The California Design-Builders Team will review the periodic reports to make sure that DBEs are performing on the Project and are receiving payment for their services. The DBE Compliance Manager will prepare and distribute communication procedures and reports to make sure that the Team members are aware of the status of DBE firms participating on specific contracts.
- *Implementing corrective actions as required to maintain compliance.* The DBE Compliance Manager will implement corrective actions, as required, to make sure that all interested parties are aware of the status of firms participating on contracts. These actions will be reviewed with the appropriate California Design-Builders Team members.