

trucks it owns, insures, and operates using drivers it employs.

(4) The DBE may lease trucks from another DBE firm, including an owner-operator who is certified as a DBE. The DBE who leases trucks from another DBE receives credit for the total value of the transportation services the lessee DBE provides on the contract.

(5) The DBE may also lease trucks from a non-DBE firm, including from an owner-operator. The DBE who leases trucks from a non-DBE is entitled to credit for the total value of transportation services provided by non-DBE lessees not to exceed the value of transportation services provided by DBE-owned trucks on the contract. Additional participation by non-DBE lessees receives credit only for the fee or commission it receives as a result of the lease arrangement. *If a recipient chooses this approach, it must obtain written consent from the appropriate Department Operating Administration.*

For official Questions & Answers on DBE Program regulations, visit the US Department of Transportation (USDOT), Office of Small and Disadvantaged Business Utilization at www.osdbu.dot.gov/dbeprogram/dbeqna.cfm.

Prevailing Wage.

State (CA Labor Code 1720-1815) and federal (Davis-Bacon and related Acts) labor laws require contractors working on public works contracts to pay prevailing wages to their employees. Prevailing wages are predetermined hourly rates for each craft that are set by both the California Department of Industrial Relations and the US Department of Labor. In addition, these laws set guidelines for such things as:

- Overtime.
- Length or shifts of workday.
- Substantiation of wages.
- Fringe benefits paid.
- Covered work (work done under contract and paid for in whole, or in part, out of public funds thus requiring the payment of prevailing wages) and non-covered work.

To obtain state or federal prevailing wage determinations, go to:

- www.dir.ca.gov/dlsr/DPreWageDetermination.htm
- www.wdol.gov

For more information on prevailing wage requirements, go to:

- www.dir.ca.gov/dlse/PWManualCombined.pdf
- www.dol.gov/whd/recovery/pwrb/toc.htm

Prompt Payment.

All federal-aid and US DOT-assisted projects include a specification that directs bidders' attention to California Public Contract Code Sections 10262 and 10262.5. These sections direct prime contractors to pay all subcontractors

for work within 7 days of the prime contractor's receipt of payment for the subcontractor's work. When payment is not made promptly, you should file a stop notice. A stop notice link is included on the OE website, in the contractor information page (also, for more information, please see the "Educate Yourself" section in this brochure).

Supportive Services.

Caltrans provides free training and technical assistance to all small businesses, including DBEs. Supportive services include one-on-one counseling, outreach events and pre-bid meetings to increase your awareness and ability to compete for highway construction and professional services contracts. In addition, Caltrans has partnered with the US Small Business Administration (SBA) to help California small businesses bid on construction projects. This joint Bonding Assistance Initiative helps qualified small businesses access bond guarantees that are required on Caltrans construction contracts and are difficult for small businesses to attain. Visit this SBA website for additional information: www.sba.gov/about-offices-content/1/2891.

A&E Contracts.

Go to Caltrans Department of Procurement and Contracts Architectural and Engineering (A&E) contracts webpage (<http://caltrans-opac.ca.gov/aeinfo.htm>) for information to assist consultants. You'll find links to A&E Look Ahead reports and currently advertised A&E contracts as well as upcoming networking events.

Local Agency Projects.

For DBEs interested in contracts with local agencies, go to Caltrans Division of Local Assistance website (www.dot.ca.gov/hq/LocalPrograms/Reports_db.htm) for reports that show future contracts (Local Agency Construction and Preliminary Engineering Projects Authorized), which are updated monthly and show authorizations for the last six months, and existing consulting and construction contracts (DBE Report of Contracts Awarded).

Contacts.

Need additional assistance? We have a comprehensive network of small/disadvantaged business liaisons in each of our 12 Caltrans districts to help you. To find one in your area, visit www.dot.ca.gov/hq/bep for a link to our District Small Business Liaisons contact list.

For individuals with disabilities, this document is available in Braille, large print, audiocassette, or computer disc. To obtain a copy in one of these formats, please e-mail us at smallbusinessadvocate@dot.ca.gov.

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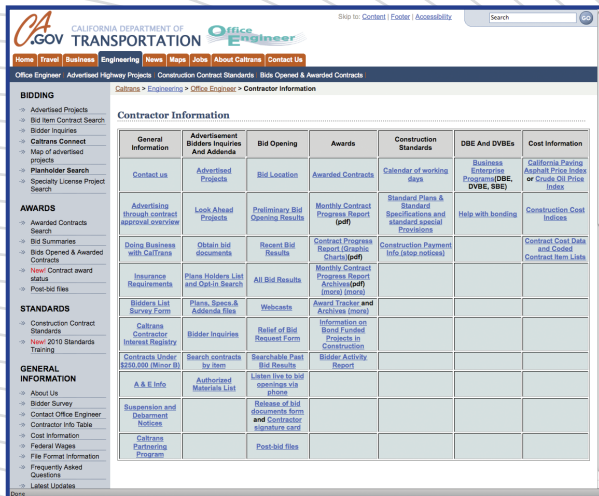
Be Proactive.

Becoming certified as a DBE provides an opportunity for you to market your business; however, it does not guarantee contract work.

Educate Yourself.

Learn how to navigate Caltrans Office Engineer (OE) website: www.dot.ca.gov/hq/esc/oe/. You will find currently advertised projects here; look for contracting opportunities. Study how other DBEs market themselves. Helpful questions to ask yourself: is there a demand for what you do and who needs your services?

“Opt in” as a sub for any currently advertised project. Projects are sorted by Caltrans District number, and new projects are added every Monday morning.



Also on the OE website, at www.dot.ca.gov/hq/esc/oe/contractor_info, is instant access to:

- Contract information.
- Bid summaries.
- Insurance requirements.
- Construction payment (stop notices).
- Bonding information.
- Standard provisions, plans and specs.

Create a CALTRANS CONNECT account at www.dot.ca.gov/hq/esc/oe/connect/register.php. Once registered, CALTRANS CONNECT lets you manage which projects you're interested in, which projects you've opted in on, which projects you're advertising for help on, and modify the information you've entered for those projects. While logged in, you can also download bid documents.

Event Calendar.

View our event calendar at www.dot.ca.gov/hq/bep/calendar2. You'll find upcoming workshops and networking opportunities.

Market Your Firm.

Develop and emphasize your firm's image (your personnel/performance, certifications, website, associations/affiliations, publications/presentations, statement of qualifications.)

You will need business cards. Primes meet many subs so make sure your cards are memorable and include:

- Your federal and/or state business certification number.
- Your contractor license number.
- The top three services or skills your firm does best on the reverse side.

Network.

People want to do business with people who communicate well, meet a specific goal, and have a strong reputation. How are your social skills in face-to-face conversations? To team with a prime, you must bring value that will help the prime win the contract. Do your homework. Look for opportunities through websites, printed media, networking, associations or affiliations, and existing relationships.

Attend Mandatory and Non-Mandatory Pre-bid Meetings in your area. Bring business cards, your resume that covers at least three years of relevant work, and your capability sheet. Go early and view the project plans. Give your business cards to the bidding primes and collect cards from other subs you may want to contact for future reference. Primes gauge how prepared you are and use this impression as a measure for consideration of doing business with you.

If you have a good reference from another job, bring copies with you and staple your business card to it along with your resume and capability sheet. Many primes keep a list of subs with whom to consider doing future business.

Business runs on word-of-mouth referrals. Good news travels in these circles as easily as bad news. Concentrate on doing your best work at all times – it's good insurance for future job opportunities.

Be Prepared.

When ready to bid, make sure that your resumes and proposal documents are relevant, concise and persuasive. Prime contractors are busy. Respect this fact and keep your resume and capability sheet to one page each.

- **Resume.**
 - If you have previously worked on government projects, list the job name, its size, and a contact for each one.
 - Include your contact information. Provide a telephone number where you can be reached at almost any time.

- Attach a current print out of your federal and/or state business certification.
- **Capability sheet.**
 - Include your contact information and contractor license number.
 - List the services you offer in short descriptive phrases (for example, asphalt paving).
 - State your bonding capacity and insurance.

You will submit your capability sheet to primes when you submit your bid.

If invited to interview, prepare and practice! Identify your firm's strengths and what differentiates you from the rest. Demonstrate value.

Contract Award.

Congratulations! Your determination has paid off, but there's still lots to do! Be able to justify fringe benefits, overhead, general and administrative costs, and profit. Maintain the proper insurance. Understand and adhere to the contract terms and conditions.

Commercially Useful Function.

A DBE must *always* perform a commercially useful function (CUF). *Caltrans will evaluate whether a DBE is performing a CUF on a particular contract every time the DBE is listed to work on a contract.* A business performs a CUF when it is:

- Responsible for the execution of a distinct element of work in the contract.
- Carrying out its obligation by actually performing, managing, and supervising the work involved.
- Performing work that is normal for its business, services, and function.
- Performing or exercising responsibility for at least 30 percent of the total contract with its own work force and is not further subcontracting a portion of the work that is greater than that expected to be subcontracted by normal industry practice.

Additional requirements apply to trucking operations:

Title 49 CFR 26.55 (d) — The following factors are used in determining whether a DBE trucking company is performing a commercially useful function:

- (1) The DBE must be responsible for the management and supervision of the entire trucking operation for which it is responsible on a particular contract, and there cannot be a contrived arrangement for the purpose of meeting DBE goals.
- (2) The DBE must itself own and operate at least one fully licensed, insured, and operational truck used on the contract.
- (3) The DBE receives credit for the total value of the transportation services it provides on the contract using