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June 20, 2017

File Number 8000161

Bing Luu
 District Local Assistance Engineer
 Caltrans - District 11
 4050 Taylor Street, Mail Station 124
 San Diego, CA 92110

MEMBER AGENCIES

- Cities of
- Carlsbad
- Chula Vista
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- and
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ADVISORY MEMBERS

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- California Department of Transportation
- Metropolitan Transit System
- North County Transit District
- United States Department of Defense
- San Diego Unified Port District
- San Diego County Water Authority
- Southern California Tribal Chairmen's Association
- Mexico

Dear Bing Luu:

SUBJECT: San Diego Association of Governments Annual Disadvantaged Business Enterprise and Corresponding Exhibit 9-B "Local Agency Disadvantaged Business Enterprise Annual Submittal Form," Exhibit 9-C "Local Agency Americans with Disabilities Act Annual Certification Form" for FFY 2017/2018, and the "Disadvantaged Business Enterprise Program Organizational Structure"

The San Diego Association of Governments (SANDAG) herein submits its Annual Disadvantaged Business Enterprise (DBE) documents – Exhibits 9-B and 9-C for FFY 2017/2018, and the DBE Program Organizational Structure.

SANDAG is confident that it has fully complied with all Caltrans stipulated requirements and looks forward to a favorable response from Caltrans regarding the SANDAG submittals.

Should you have any questions regarding this submission and corresponding attachments, please contact me at (619) 699-6947, or via email at laura.cole@sandag.org. You also may contact Elaine Richardson, Manager of Small Business Development at (619) 699-6956, or via email at elaine.richardson@sandag.org.

Sincerely,

LAURA COTÉ
 Director of Administration, DBE Liaison Officer

- Attachments:
1. Exhibit 9-B "Local Agency Disadvantaged Business Enterprise Annual Submittal Form"
 2. Exhibit 9-C "Local Agency Americans with Disabilities Act Annual Certification Form"
 3. Disadvantaged Business Enterprise Program Organizational Structure

cc: Elaine Richardson, SANDAG
 Alexia Spivey, SANDAG

**INTERIM EXHIBIT 9-B
LOCAL AGENCY DISADVANTAGED BUSINESS ENTERPRISE
ANNUAL SUBMITTAL FORM**

To: Caltrans - District 11
Bing Luu, District Local Assistance Engineer

The information for Exhibit 9-B presented herein, in accordance with Title 49 of the Code of Federal Regulations (CFR), Part 26, and the State of California Department of Transportation (Caltrans) Disadvantaged Business Enterprise (DBE) Program Plan.

The City/County/Region of the San Diego Association of Governments (SANDAG) submits our annual 9-B information for the Federal Fiscal Year beginning on October 1, 2017, and ending on September 30, 2018.

Disadvantaged Business Enterprise Liaison Officer (DBELO):

Ms. Laura Coté
Director of Administration
401 B Street, Suite 800
San Diego, CA 92101
Phone: (619) 699-6947
Fax: (619) 699-4890
Email: laura.cote@sandag.org

Planned Race Neutral Measures

SANDAG plans to implement the following race-neutral measures to comply with 49 CFR 26.51 and Section V of the Caltrans DBE Program Implementation Agreement for Local Agencies:

1. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate participation by DBEs and other Small Businesses (SB) (e.g., unbundling large contracts to make them more accessible to small businesses, requiring or encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces). Planned race-neutral measures include holding pre-bid conferences for federally-aided projects, which include a networking component to promote teaming opportunities between prospective prime contractors and the DBE and SB contracting community.
2. To meet the requirements under 49 CFR 26.39 "Fostering SB Participation," SANDAG developed a "Diversity in Small Contractor Opportunities Program" (DISCO). A strategic plan has been developed that addresses all elements of the SANDAG SB Program.
3. Providing assistance in overcoming limitations such as inability to obtain bonding or financing (e.g., by such means as simplifying the bonding process, reducing bonding requirements, eliminating the impact of surety costs from bids, and providing services to help DBEs and other

SBs, obtain bonding and financing). Planned race-neutral measures include referring the DBE and contracting community, through the SANDAG website, to the Small Business Administration bonding assistance programs, providing technical assistance, and other services to potential proposers and bidders. Carrying out information and communication programs on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs and other small businesses on recipient mailing lists of bidders, and ensuring the dissemination of lists of bidders on prime contracts). Additional planned race-neutral measures include soliciting DBEs and small businesses within the SANDAG market area utilizing any or all of the following means: issuing solicitation flyers/letters to promote upcoming bid opportunities through email blasts, postcards, website posting, and an electronic vendor database system.

4. Implementing a supportive service program to develop and improve immediate and long-term business management, record keeping, and financial and accounting capability for DBEs and other SBs. The planned race-neutral measures include providing educational and technical assistance through the San Diego Contracting Opportunity Center and the North County Small Business Development Center. SANDAG has also co-hosted with Caltrans three-two hour workshops to educate small businesses on the new fiscal requirements for participating in the A&E contracts. These workshops covered recent changes to the federal and state fiscal requirements, the Safe Harbor Indirect Cost Rate test program, SANDAG billing rate review procedures (also known as The Cost Analysis), and how to develop an Indirect Cost Rate.
5. SANDAG attends up to thirty outreach events each year reaching nearly four-thousand registered attendees to share information about SANDAG and its opportunities. Additionally, SANDAG hosts training events for our consultants to ensure they are aware of all the resources made available to them for optimizing DBE and SB participation on their contracts.
6. Providing services to help DBEs and other SBs, improving long-term development, increasing opportunities to participate in a variety of types of work, handling increasingly significant projects, and achieving eventual self-sufficiency. Planned race-neutral measures include co-sponsoring Caltrans District 11 Calmentor Program for small firms that are in the Architecture and Engineering (A&E) categories. The Calmentor Program establishes a mentoring program that pairs SBs with large and medium sized firms. The goal is to enhance SB operations to achieve their growth potential and create more SB opportunities to provide more meaningful participation on transportation projects.
7. Ensuring distribution of the Caltrans DBE directory through referencing the California Unified Certification Program (CUCP) electronic directory of certified DBEs to the widest feasible universe of potential prime contractors. Planned race-neutral measures include advising the contracting community of the availability of the CUCP database website at: <http://californiaucp.org/>.

SANDAG also has established an online electronic vendor registration and procurement management system. This system contains over 8,300 registered firms who can review and download procurement documents, submit bids, and receive specific SANDAG notifications relating to outreach events, news, and upcoming procurements. Additionally, the system

provides SANDAG with specific company detail, including DBE and SB certification status, NAICS codes, license numbers, company type and contact information.

SANDAG also developed an online electronic vendor registration system specifically for the Mid-Coast Corridor Transit Project. The Mid-Coast database provides a firm's certification status (DBE or SB) and other pertinent information that the prime contractor may be searching for in contracting the needs of this project. Currently, there are over 3,100 firms registered in the Mid-Coast Transit Corridor project vendor database.

8. Utilizing the SANDAG Bench Program is another race-neutral measure. In 2012, SANDAG awarded multiple contracts totaling over \$300 million for On-Call Environmental Planning and A&E Design services. These contracts are used for transportation infrastructure projects including transit system improvements, freeway and bridge enhancements, landscape design, freeway corridors, and other design efforts. The Bench Program was initially developed to assist certified small and disadvantaged businesses in their efforts to participate on SANDAG A&E contracts. To participate in the SANDAG Bench Program, firms must be an architecture or engineering firm and certified as either a DBE by the CUCP or an SB by the Department of General Services (DGS). The Bench Program is open to DBE and SB firms that provide a variety of professional A&E services and can serve as a pool of certified firms that prime consultants will be able to access through a simplified process to work on SANDAG projects. In 2017, SANDAG awarded a new series of A&E On-Call contracts. A total of 17 contracts were awarded with an anticipated value of approximately \$360 million.

The SANDAG Bench program has now been expanded to include Construction Management (CM) services. SANDAG has executed over \$200 Million of CM services. The CM Bench procurements consist of contracts for Professional and Technical Construction Management and Engineering services, and related services to support the development and construction of various proposed capital improvement and maintenance projects.

9. Another measure SANDAG has put in place is the unbundling of large On-Call Services procurements. The A&E (both 2012 and 2017 series), CM, and Marketing On-Call Services contracting groups have designated several small dollar contracts with requirements that could be attainable by small businesses. The existing SANDAG A&E On-Call Services contracts awarded six contracts to certified Small Business, with one awarded to a DBE. These A&E On-Call contracts to small and disadvantaged businesses was a first for SANDAG. SANDAG has a new A&E procurement that awarded five contracts to certified Small Businesses.

Additionally, SANDAG executed ten CM contracts, and three were awarded to small businesses. The Marketing On-Calls awarded a total of twenty-four contracts while allocating 16 to small businesses.

By awarding contracts to small businesses, SANDAG has helped create more opportunities for the small and disadvantaged community. This is another successful race-neutral measure in outreaching to small and disadvantaged businesses to do work on SANDAG projects.

Prompt Payment

Federal regulation, 49 CFR 26.29, requires one of three methods be used in federal-aid contracts to ensure prompt and full payment of any retainage kept by the prime contractor or subcontractor to a subcontractor.

The SANDAG designation is set forth in this report.

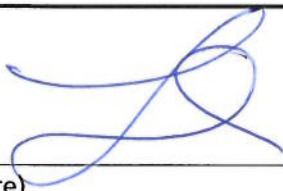
Prompt Pay Enforcement Mechanism

49 CFR 26.29(d) requires providing appropriate means to enforce prompt payment. These means may include appropriate penalties for failure to comply with the terms and conditions of the contract. The means may also provide that any delay or postponement of payment among the parties may take place only for good cause with the local agency's prior written approval.

A brief description of the SANDAG monitoring and enforcement mechanisms in place to ensure that all subcontractors, including DBEs, are promptly paid is provided below.

SANDAG has implemented a web-based contract Compliance Information System (CIS) to track and monitor subcontractor participation/payments. CIS allows SANDAG to collect and review real time reports regarding the race-neutral/race-conscious DBE and SB participation. Each month, prime contractors are required to report all subcontractor payments into CIS. This system allows for the quick and easy communication, reporting, monitoring, and analysis of SANDAG prime and subcontractor payments, DBE/SB participation, and prompt payment. A summary of key features and steps taken to implement CIS include the following:

- Online secure tracking of SANDAG payments to prime contractors, prime contractor payments to subcontractors, and subcontractor payment verification.
- Allows tracking of several subcontractor groupings; including SB, Minority Business Enterprise, DBE, local business, women-owned, and other categories of subcontractor participation on SANDAG contracts.
- Monthly verification of DBE and SB certifications using the CUCP and the California Department of General Services databases.
- Real time reporting of contract goals and DBE commitments/awards for each contract.
- Tracks contract specific prompt payment requirements to subcontractors. Subcontractors are required to confirm their payments and enter the actual date they were paid. Prompt payment reports are available to ensure prompt payment requirements are fulfilled.
- Provides a convenient web-based 24/7 access to the system for reporting, tracking, and verifying information.
- Provides an array of reports, both standard and ad hoc, that enables users to easily find out information regarding their contracts or agency.
- Allows for customized notifications to be sent when specific actions are taken.
- CIS also reduces future costs to prepare reports, perform analysis, and conduct Disparity Studies.



(Signature)

6/22/17

Date

Laura Coté - Director of Administration
ADMINISTERING AGENCY
(Authorized Governing Body Representative)

619-699-6947
Phone Number



(Signature of Caltrans District Local Assistance
Engineer)

7/10/17

Date



(Attachment)**Prompt Payment of Withheld Funds to Subcontractors**

Federal regulation (49 CFR 26.29) requires one of the following three methods be used in federal-aid contracts to ensure prompt and full payment of any retainage kept by the prime contractor or subcontractor to a subcontractor.

Please check the box of the method chosen by the local agency to ensure prompt and full payment of any retainage.

SANDAG will use either Method 2 or Method 3 for negotiated procurements and Method 3 for low bid procurements.

- Method 1:** No retainage will be held by the agency from progress payments due to the prime contractor. Prime contractors and subcontractors are prohibited from holding retainage from subcontractors. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating contractor or subcontractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.
- Method 2:** No retainage will be held by the agency from progress payments due the prime contractor. Any retainage kept by the prime contractor or by a subcontractor must be paid in full to the earning subcontractor in 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating contractor or subcontractor to the penalties, sanctions, and remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.
- Method 3:** The agency shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by the agency of the contract work and pay retainage to the prime contractor based on these acceptances. The prime contractor or subcontractor shall return all monies withheld in retention from all subcontractors within 30 days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by the agency. Any delay or postponement of payment may take place only for good cause and with the agency's prior written approval. Any violation of these provisions shall subject the violating prime contractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative or judicial remedies otherwise available to the contractor or subcontractor in the event of: a dispute involving late payment or nonpayment by the

contractor; deficient subcontractor performance and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

EXHIBIT 9-C LOCAL AGENCY ADA ANNUAL CERTIFICATION FORM

Local Agency ADA Annual Certification Form
49 CFR 27: Nondiscrimination on the Basis of Disability in
Programs or Activities
Receiving Federal Financial Assistance

Local Agency: San Diego Association of Governments

Program Year: FFY 2017/2018

Date Certification submitted: June 2014

I. Name of ADA Liaison Officer: Laura Coté
Telephone Number: 619-699-6947
E-mail Address: laura.cote@sandag.org

II. ADA Complaint Procedure Adopted:
Yes: Date of Adoption: June 27, 2013
No: Planned Date of Adoption: _____
Final Completion Date: Amended May 1, 2014

III. Self-evaluation completed:
Yes: Date of Completion: January 3, 2011
No: Planned Date of Completion: _____
Final Completion Date: January 2011
System established for periodically reviewing and updating the evaluation: As Required

IV. Transition Plan completed:
Yes: Date of Completion: January 3, 2011
Date of Implementation: January 3, 2011
No: Planned Date of Completion: _____
Final Completion Date: January 2011

V. Policies, procedures, and criteria for implementing ADA compliance improvements in maintenance and capital improvement programs have been reviewed and the required revisions have been made:
Yes: No:

VI. Division of State Architect (DSA) Checklists are used to verify compliance of design packages, standard plans and field inspections to ensure compliance with both State and federal accessibility standards:

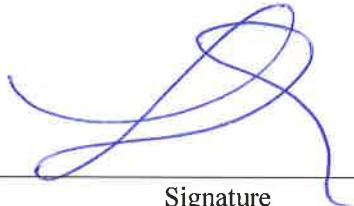
Yes: X No: _____

DSA website: http://www.dsa.dgs.ca.gov/Access/ud_accessmanual.htm

Reminder: State of California Government Code Section 4454 requires Division of State Architect (DSA) review and approval of the plans and specifications for local agency pedestrian projects using State funds.

VII. Standard Plans are reviewed and updated on an ongoing basis for full ADA and California Accessibility compliance:

Yes: X No: _____

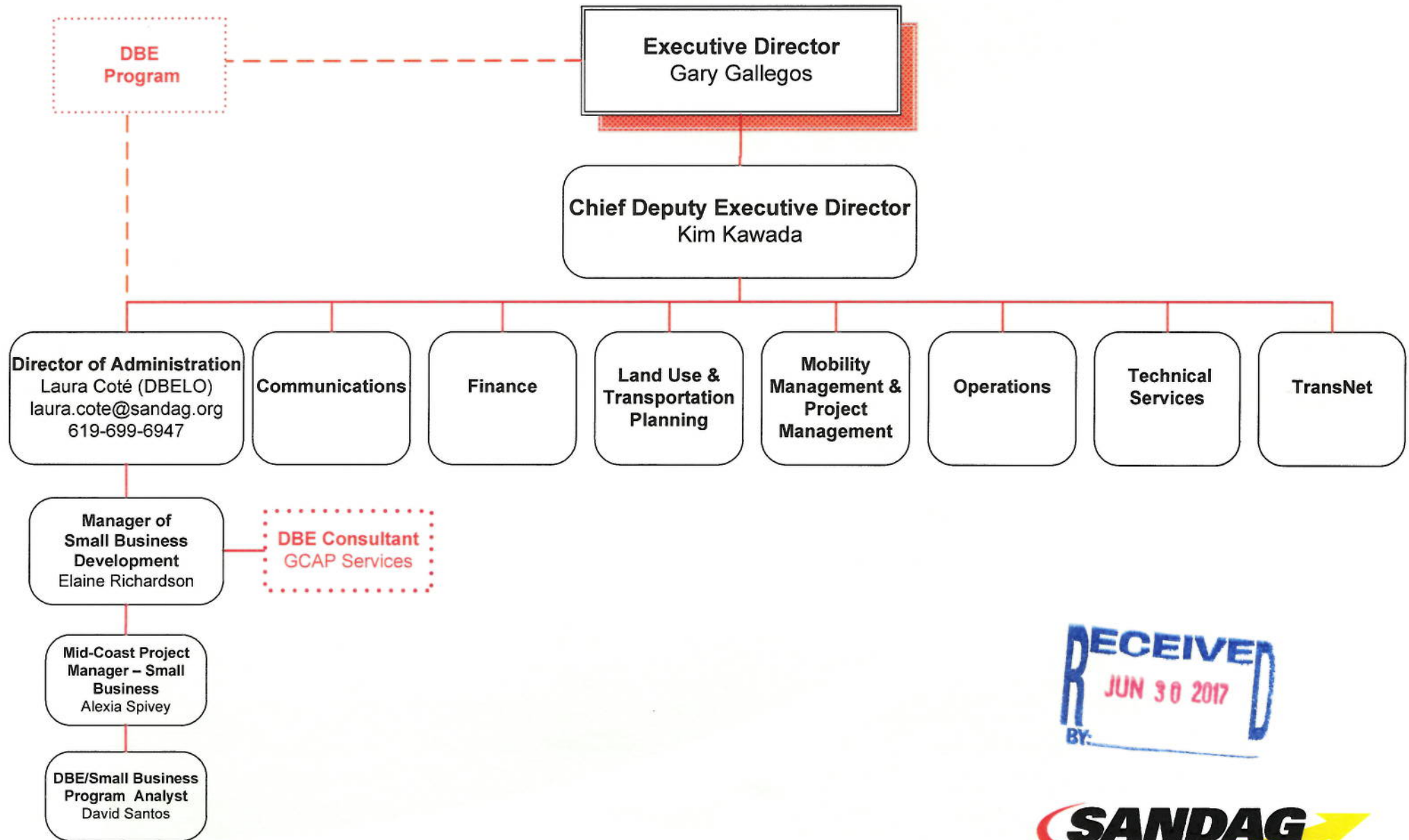


Signature
(ADA Liaison Officer)

Date: 6/22/17

Distribution: (1) Original - DLAE

DBE PROGRAM ORGANIZATIONAL STRUCTURE



RECEIVED
JUN 30 2017
BY: _____

