

**TO:** James L. App, City Manager  
**FROM:** Doug Monn, Interim Public Works Director  
**SUBJECT:** Disadvantaged Business Enterprise (DBE)  
Federal Mandate  
**DATE:** November 15, 2005

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**NEEDS:** For the City Council to update the DBE Program and authorize staff to advertise the program for public review.

- FACTS:**
1. Local agencies that receive Federal Aid grants are required to establish a Disadvantaged Business Enterprise (DBE) Program.
  2. To date, the City has received Federal grants for the Veterans Memorial Bridge, the Airport, and the North County Transportation Center. In addition, staff actively submits grants to fund and supplement the City's Capital Improvement Program.
  3. Caltrans has reviewed the City's updated DBE Program and has authorized the City to begin the public participation period.

**ANALYSIS  
AND**

**CONCLUSION:** In order to satisfy the Federal requirement to have a DBE Program, staff updated the attached DBE Program in accordance to Caltrans' requirement. Once the City Council adopts this Program, staff will solicit public comments through advertising in a local newspaper to meet the Federal process.

**POLICY**

**REFERENCE:** Adopted Capital Improvement Program

**FISCAL**

**IMPACT:** Requiring contractors to meet the DBE goals may increase construction costs and/or reduce the pool of qualified bidders. However, the requirement only applies to those projects funded with Federal Grants.

- OPTIONS:**
- a.** Adopt Resolution No. 05-xx:
    - 1) Approving the Disadvantaged Business Enterprise (DBE) Program;
    - 2) Authorizing staff to publish the resolution to solicit comments from the public;
    - 3) Authorizing staff to forward the signed DBE Program to Caltrans; and
    - 4) Authorizing staff to implement the program once it has been approved by Caltrans.
  - b.** Amend, modify or reject the above option.

Attachments: (2)

- 1) Updated DBE Program
- 2) Resolution

**DEPARTMENT OF TRANSPORTATION**

50 HIGUERA STREET  
SAN LUIS OBISPO, CA 93401-5415  
TELEPHONE: (805) 549-3111  
TDD (805) 549-3259  
<http://www.dot.gov/dist05>

**RECEIVED****SEP 28 2005****Public Works Dept**

September 27, 2005

Ditas Esperanza, P.E.  
Capital Projects Engineer/  
DBE Liaison Officer  
City of El Paso de Robles  
1000 Spring Street  
Paso Robles, CA 93446

Dear Ms. Esperanza:

Thank you for submitting your draft methodology for the 2005/06 DBE Program for our review.

After reviewing your draft, we have no comments so you may begin your public participation period.

When posting your public notice, please use your name and address as the only contact for any comments in order to avoid duplicate comment submission. Once you have completed the public participation period, please submit proof of publication, and any comments received, along with proof of adoption of your DBE Program.

Please contact Mikie Wickersham, of my staff, at (805) 549-3074 if you have any questions concerning the DBE Program.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael A. Giuliano".

MICHAEL A. GIULIANO  
District Local Assistance Engineer



# CITY OF EL PASO DE ROBLES

*"The Pass of the Oaks"*

September 23, 2005

DEPARTMENT OF TRANSPORTATION  
ATTN: MICHAEL A. GIULIANO, DISTRICT LOCAL ASSISTANCE ENGINEER  
50 Higuera Street  
San Luis Obispo, CA 93401-5415

SUBJECT: DISADVANTAGED BUSINESS ENTERPRISE (DBE)  
FISCAL YEAR 2005-2006

Dear Mr. Giuliano,

Attached is the City's update of its DBE Program for Fiscal Year 2005-2006. The City's goal for this fiscal year for utilizing DBE contractor on its project is 2.0%. Attached are the documents that determined this conclusion.

Please let me know if you need anything else.

Thank you.

Sincerely,

  
Ditas Esperanza, P.E.  
Capital Projects Engineer

**City of Paso Robles  
Update of Annual DBE Program  
October 2005**

Methodology

The City of Paso Robles began compiling a "Bidders List" for all projects advertised for bids, receiving bids from a total of 10 different contractors. Based on this, the City has calculated the DBE goal for fiscal year 2005/2006 to be as follows:

- The City received a total of 10 bids from contractors/subcontractors who were Non-DBE certified.
- The City received a total of zero bids from contractors/subcontractors who were DBE certified.

Percentage Goal = 0%.

Attached is a copy compilation of the Bidders List.

Breakout of Estimated Race-Neutral and Race-Conscious Participation

Establishing an annual 0% goal for DBE participation, the City of Paso Robles will still attempt to meet 2% of the goal utilizing race-neutral methods, including making efforts to assure that bidding and contract requirements facilitate participation of DBEs and other small businesses, unbundling large contracts to make them more accessible to small businesses; encouraging prime contractors to subcontract portions of the work that they might otherwise perform themselves; and providing technical assistance, and other support services to facilitate consideration of DBEs and other small businesses.

Prompt Payment of Funds Withheld to Subcontractors

The City will include the following language in its federal-aid contracts during this fiscal year:

The City shall hold retainage from prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by the City 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 a subcontractor within 30 days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by the City. Federal regulation (49 CFR 26.29) requires that any delay or postponement of payment over 30 days may take place only for good cause and with the City's prior written approval. Any violation of this provision shall subject the violating prime contractor or subcontractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business and Professions Code. These requirements shall not be construed to limit or impair any contractual, administrative, or judicial remedies otherwise, available to the prime contractor or subcontractor in the event of a dispute involving late payment, or nonpayment by the prime contractor, deficient subcontract performance, or noncompliance by a subcontractor. This provision applies to both DBE and non-DBE prime contractors and subcontractors.

**NON-DBE CONTRACTORS**

**OCTOBER 2005**

<b>Project</b>	<b>Contractor Name</b>	<b>Address</b>	<b>City State Zip</b>
<b>Airport Paving</b>	R. Burke Corp.	PO Box 957	San Luis Obispo, CA 93406
	Central Coast Fence	540 So. 4th Street	Grover Beach, CA 93433
	Central Coast Striping	PO Box 311	Atascadero, CA 93423
	Lee Wilson Electric	1151 El Camino Real	Arroyo Grande, CA 93420
	Glick Corporation	1641 E. Tulare Ave	Visalia, CA 93292
	Rubberized Crackfiller Sealing	800 E Walnut	Fullerton, CA 92831
	Walter C. Smith	PO Box 1047	Clovis, CA 93613
<b>13th Street Bridge Mitigation Planting</b>	Plowboy Landscapes	2190 N Ventura Ave	Ventura, CA 93001
<b>24th &amp; Vine Signal</b>	Precision Concrete	759 Hartnell Rd	Santa Maria, CA 93455
	Central Coast Striping	PO Box 311	Atascadero, CA 93423
	Lee Wilson Electric	PO Box 93421	Arroyo Grande, CA 93421
<b>Potholing</b>	MGE Underground	PO Box 4189	Paso Robles, CA 93447

RESOLUTION NO. 05-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES  
ADOPTING A DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM

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WHEREAS, local agencies receiving Federal Aid grants must adopt a Disadvantaged Business Enterprise (DBE) Program; and

WHEREAS, the City continues to supplement its Capital Improvement Program with Federal grants; and

WHEREAS, the City is required to solicit public input to its DBE Program; and

WHEREAS, individuals are invited to review and comment on the DBE contract goal and the rationale for establishing this goal, which is available at the City Clerk's Office at 1000 Sprint Street, Paso Robles, CA; and

WHEREAS, comments should be submitted to the Public Works Department, to the attention of Ditas Esperanza, Capital Projects Engineer; and

WHEREAS, deadline for comments shall be 5:00 pm on Friday, February 3, 2006.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. That the City Council of the City of Paso Robles does hereby approve the attached DBE Program establishing an overall goal of 2% and authorize the City Manager to sign on behalf of the City.

SECTION 2. That the City Council of the City of Paso Robles does hereby direct staff to advertise and publish this Resolution in the local newspaper.

SECTION 3. That the City Council of the City of Paso Robles does hereby authorize staff to forward the signed DBE Program to Caltrans.

SECTION 4. That the City Council of the City of Paso Robles does hereby authorizes staff to implement the program once it has been approved by Caltrans.

ADOPTED by the City Council of the City of El Paso de Robles this 15<sup>th</sup> day of November 2005 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Frank R. Mecham, Mayor

ATTEST:

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Sharilyn M. Ryan, Deputy City Clerk