



DBE GOAL AND METHODOLOGY

FEDERAL FISCAL YEARS 2021-2023

Date: Revised March 29, 2021

**COUNTY OF LACKAWANNA TRANSIT SYSTEM DBE GOAL AND METHODOLOGY
FEDERAL FISCAL YEARS 2021-2023**

County of Lackawanna Transit System (COLTS) has determined that its overall triennial Disadvantaged Business Enterprise (DBE) goal for federal fiscal years 2021-2023 (October 1, 2020 through September 30, 2023) is 1.0 percent of federal monies expended in Department of Transportation (DOT) assisted contracts (exclusive of Federal Transit Administration (FTA) funds to be used for transit vehicles). COLTS estimates that its overall goal will be obtained 100 percent from race-neutral participation.

COLTS understands that it must submit to the FTA for approval any adjustment it decides to make to the DBE goal during the three (3) year period based on changed circumstances. COLTS will also request use of project-specific DBE goals as appropriate, and/or will establish project-specific goals as directed by the FTA.

This document contains COLTS DBE goal setting and methodology for federal fiscal years 2021, 2022 and 2023. This report provides the following:

1. Federal dollars planned to be spent by project using North American Industry Classification System (NAICS) codes
2. Description of COLTS' market area
3. Process and calculations used to establish a base figure and goal
4. Identification of sources (primary and supplemental) used to identify ready, willing and able DBEs for COLTS' planned projects
5. Goal review process and applicable adjustments
6. Race-neutral and race-conscious breakdown of goal
7. Description of meaningful consultation process
8. Proof of publication

1. Identify Federal Dollars to be Spent Using NAICS Codes

The following table shows the planned available federal funds for COLTS' DBE program for combined federal fiscal years 2021, 2022 and 2023:

FISCAL YEARS 2021, 2022 & 2023 AVAILABLE FUNDS	
Total Federal Funds	\$4,229,046
Less 3 fixed route CNG buses	- \$1,710,000
Balance	\$2,519,046

COLTS has identified corresponding NAICS codes associated with its anticipated projects and assigned a weight based on project funds to total funds as depicted in the next table.

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FEDERAL FISCAL YEARS 2021-2023 PLANNED PROJECTS			
Description of Work	NAICS Code	Amount	Weight
Farebox Technology Upgrade	334514	\$ 645,046	0.2561
Fuel pumps, instruments, windshield wiper pumps/systems, etc.	336320	\$ 265,000	0.1052
Steering columns and wheels, struts, etc.	336330	\$ 220,000	0.0873
Brakes, calipers, pads, cylinders, hoses, etc.	336340	\$ 250,000	0.0992
Engines, etc.	333618	\$ 305, 000	0.1211
Transmissions, axles, drive shaft, gears, etc.	336350	\$340, 000	0.1350
Thermostats, gas tanks, filters, exhaust systems, wipers, etc.	336390	\$ 170, 000	0.0675
Tire Lease	423130	\$180,000	0.0715
Security Surveillance Service	561621	\$ 48,000	0.0191
Support Vehicle	441110	\$ 40,000	0.0159
Wrenches, sockets, other tools	423120	\$10,000	0.0040
Air and Power Tools	423710	\$6,000	0.0024
Lift & Jack	333999	\$40,000	0.0159
Total 2021-2023		2,519,046	1

2. Identify Market Area

FTA-assisted contracting for fiscal years 2021 - 2023 is expected to consist of 13 projects, exclusive of contracts for the purchase of transit vehicles, which are not subject to the goal-setting process. In determining the market area, COLTS reviewed the projects, procurement history and took into consideration the procurement process for the projects. The following summarizes the projects as they relate to the procurement process:

- Farebox Technology Upgrade will be purchased through request for proposal.
- Tire Lease project is under contract until June 30, 2021.
- Support Vehicle project will be purchased through Pennsylvania’s Department of Transportation’s COSTAR contract.
- Over 70 percent of planned federal expenditures are for preventative maintenance items. These items are for transit vehicle parts and are procured on an as-needed basis. Some of the parts are required to be purchased from the manufacturer while others will be purchased locally. Because the parts are purchased "as needed" the purchases are small.

COLTS has determined its market area to be the Pennsylvania counties of Bucks, Lackawanna, Lehigh, Luzerne, Monroe, Montgomery, Pike, Schuylkill, Wayne and Wyoming. The list below summarizes how the market area was determined:

- Reviewed procurement history for the last three years to identify the location of vendors and contractors for similar projects.

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- Determined that the vendors that primarily provided warranty related parts required by the manufacturers of transit vehicles should not be included in the market area.
- Reviewed planned projects and, based on history, identified where the substantial majority of potential vendors and contractors are located and who may be interested in providing COLTS with planned products or services.
- Determined that the majority of projects forecasted for the next three years are not large enough to attract attention from firms outside the immediate market area.

Additional projects may be undertaken if additional funds become available; the overall DBE goal will be adjusted if necessary.

3. Establish a Base Figure

Step 1 A - Determine the weight of each type of work by NAICS Code:

To arrive at a base figure for the planned projects, COLTS first identified its planned projects and the amount of anticipated FTA-assisted contracting opportunities and the associated federal funds for each project excluding transit vehicle purchases. A weight was calculated for each project based on project funds to total funds.

The following table shows how the weight for each project was determined:

PROJECT WEIGHT				
	NAICS Code	Description of Works	Amount DOT funds on project:	% total DOT funds
1	334514	Farebox Technology Upgrade	\$ 645,046	0.2561
2	336320	Fuel pumps, instruments, windshield wiper pumps/systems, etc.	\$ 265,000	0.1052
3	336330	Steering columns and wheels, struts, etc.	\$ 220,000	0.0873
4	336340	Brakes, calipers, pads, cylinders, hoses, etc.	\$ 250,000	0.0992
5	333618	Engines, etc.	\$ 305, 000	0.1211
6	336350	Transmissions, axles, drive shaft, gears,	\$340, 000	0.1350
7	336390	Thermostats, gas tanks, filters, exhaust	\$ 170, 000	0.0675
8	423130	Tire Lease	\$180,000	0.0715
9	561621	Security Surveillance Service	\$ 48,000	0.0191
10	441110	Support Vehicle	\$ 40,000	0.0159
11	423120	Wrenches, sockets, other tools	\$10,000	0.0040
12	423710	Air and Power Tools	\$6,000	0.0024
13	333999	Lift & Jack	\$40,000	0.0159
Total FTA-Assisted Contract Funds			\$2,519,046	1.0000

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Step 1 B - Determine the relative availability of DBEs by NAICS Code:

To complete step 1B, COLTS determined the number of DBE firms and the total firms ready, willing, and able to perform the planned projects in its market area (Bucks, Lackawanna, Lehigh, Luzerne, Monroe, Montgomery, Pike, Schuylkill, Wayne and Wyoming counties). The number of DBE firms was identified for each project by NAICS code and market area using the Pennsylvania Unified Certification Program (PA UCP) website (<https://www.dotsbe.pa.gov/PAUCPWeb/paucp>). The total number of all firms in the market area was obtained from the US Census, 2017 County Business Patterns (NAICS) database. COLTS used the US Census website (<https://factfinder.census.gov/>) advanced search feature to obtain County Business Patterns dataset by topic and counties.

To determine relative availability of DBEs, the number of DBE firms was divided by the number of total firms to determine the availability of DBE firms. The table below shows the calculations.

PROJECT DBE AVAILABILITY					
	NAICS Code	Project	Number of DBEs available to perform this work	Number of all firms available (including DBEs)	Relative Availability
1	334514	Farebox Technology Upgrade	0	13	0.0000
2	336320	Fuel pumps, instruments, windshield wiper	1	26	0.0385
3	336330	Steering columns and wheels,	0	5	0.0000
4	336340	Brakes, calipers, pads, cylinders, hoses, etc.	0	0	
5	333618	Engines, etc.	0	6	0.0000
6	336350	Transmissions, axles, drive	0	14	0.0000
7	336390	Thermostats, gas tanks, filters, exhaust systems, wipers, etc.	0	38	0.0000
8	423130	Tire Lease	1	129	0.0078
9	561621	Security Surveillance Service	7	273	0.0256
10	441110	Support Vehicle	0	1089	0.0000
11	423120	Wrenches, sockets, other tools	1	510	0.0020
12	423710	Air and Power Tools	6	242	0.0248
13	333999	Lift & Jack	0	83	0.0000
Combined Totals			16	2428	0.0066

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Step 1C – Determine Weighted Base Figure

(Weight) x (Availability) = Weighted Base Figure

The weighted base figure was determined by multiplying the weight for each project (step 1A) by the availability of each project (step 1B). The base figure for each project was added and the total was rounded to two decimal places to determine base figure. The table below shows the calculations.

WEIGHTED BASE FIGURE						
	NAICS	Description of Work	Weight	x	Availability of DBEs	Weighted Base Figure
1	334514	Farebox Technology Upgrade	0.2561	x	0.0000	
2	336320	Fuel pumps, instruments, windshield wiper pumps/systems, etc.	0.1052	x	0.0385	0.0040
3	336330	Steering columns and wheels, struts, etc.	0.0873	x	0.0000	
4	336340	Brakes, calipers, pads, cylinders, hoses, etc.	0.0992	x		
5	333618	Engines, etc.	0.1211	x	0.0000	
6	336350	Transmissions, axles, drive shaft, gears, etc.	0.1350	x	0.0000	
7	336390	Thermostats, gas tanks, filters, exhaust systems, wipers, etc.	0.0675	x	0.0000	
8	423130	Tire Lease	0.0715	x	0.0078	0.0006
9	561621	Security Surveillance Service	0.0191	x	0.0256	0.0005
10	441110	Support Vehicle	0.0159	x	0.0000	
11	423120	Wrenches, sockets, other tools	0.0040	x	0.0020	0.0000
12	423710	Air and Power Tools	0.0024	x	0.0248	0.0001
13	333999	Lift & Jack	0.0159	x	0.0000	
					Total	0.0052
					<i>Expressed as % (*100)</i>	0.52%
					Rounded, Weighted Base Figure:	0.5%

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4. Identify Sources and Supplement PA United Certification Program Data

Ready, willing and able DBEs were identified using the PA UCP website (<https://www.dotsbe.pa.gov/PAUCPWeb/paucp>), searching on the NAICS codes within the market area counties. To supplement the PA UCP, COLTS contacted businesses and organizations as well as conducted an internet search for additional DBEs in COLTS' market area. The supplemental activities did not result in the identification of additional sources and/or DBEs. Due to the COVID-19 pandemic, COLTS outreach was conducted by e-mail and Zoom meetings.

COLTS communicated its DBE Program as well as the possibility of DBEs and small businesses participating in its planned projects with the following agency representatives via email:

- Frank Knorek, Compliance Officer, Luzerne County Transit Authority (LCTA)
- Ralph Sharp, Director, Hazleton Public Transit Authority (HPT)
- Donna Simpson, University of Scranton Small Business Development Center
- Frank Migreco, Senior Government Procurement Manager, Northeast PA Alliance (NEPA)
- Brianna Florovito, Workforce & Entrepreneurial Development Specialist, Greater Scranton Chamber of Commerce

COLTS also conducted three face-to-face Zoom meetings.

1. First meeting was with Frank Migreco of Northeast PA Alliance (NEPA) along with two of his support staff, Tyler Day and Kara Smith both Government Procurement Specialists.
2. The second face-to-face Zoom meeting was conducted with the Chamber of Commerce and Lackawanna Country Procurement staff.
3. We expanded participants at the third meeting to include neighboring Luzerne County representatives. Attendees included representatives from Hazelton Public Transit, Hazleton School District, Chamber of Commerce, Luzerne County Council Member, Scranton Chamber of Commerce as well as the Vice President of The Society of Hispanic Professionals.

Based on the contacts, COLTS was unable to identify additional DBEs for its planned projects and it was also unable to identify minority business associations in COLTS' market area.

COLTS researched the internet for disparity studies locally and regionally, but found none. An internet search was also conducted to identify DBE businesses for the planned projects that were not identified on the PA UCP website and the results were unsuccessful.

5. Review and adjust goals

The following table represents the amount of federal funding spent each year for the last five years along with the amount of DBE participation:

COLTS' DBE PARTICIPATION			
Fiscal Year	Federal Funding	DBE Participation	DBE Percentage
2015-2016	\$ 559,096	0	0%

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2016-2017	\$1,154,832	0	0%
2017-2018	\$780,028	0	0%
2018-2019	\$1,097,604	0	0%
2019-2020	\$890,211	0	0%

Based on research and outreach, COLTS will adjust the goal (round up) to 1 percent based on the following:

- COLTS believes there will be opportunities DBE participation with their Tire Lease, computer software upgrade and security system upgrade projects.
- COLTS will work with neighboring transit agencies to obtain DBE participation.
- COLTS will work with Northeast Pennsylvania Alliance (NEPA) on outreach opportunities hosted by NEPA. COLTS will collaborate with NEPA in researching DBE opportunities and assist DBEs to become certified.
- COLTS will work with the Chamber of Commerce to identify DBEs and small businesses to participate in COLTS' procurements.
- COLTS has aggressively researched its market area and believes the goal is reasonable and achievable.
- COLTS research and outreach did not result in identifying any past effects of discrimination.

6. Race-Neutral / Race-Conscious Breakdown*

COLTS believes it will be able to obtain its goal through race-neutral means and will monitor its goal annually. Following are new actions COLTS will implement in order to achieve this:

- Work with NEPA to assist in identification of DBE and Small Business firms as well as refer firms to NEPA to assist with certification.
- Monitor Tire Lease contract quarterly for potential DBE participation.
- Consult transit agencies as well as educational and governmental organizations for potential DBE firms.
- Train maintenance supervisors, finance and procurement staff on DBE procedures and need for outreach.
- Review website features and enhance the DBE page.
- Annually review DBE participation and take additional actions based upon the amount of DBE participation.

COLTS will annually review its DBE participation to determine if it can achieve its goal through race-neutral participation and, if not, COLTS will review remaining projects to employ race-conscious measures, i.e. specific DBE contract goals.

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7. Meaningful Consultation

After establishing its goal, COLTS advertised its goal and solicited public comments. The goal was advertised on COLTS' website and the local newspaper, *The Scranton Times-Tribune*.

Meaningful consultation was conducted via e-mails and Zoom meetings. Base topics included: COLTS' DBE Program and goal, availability of DBE and non-DBE, effects of discrimination, efforts established to achieve a level playing field, initiatives to encourage DBE participation as well as potential DBEs and small businesses to participate in COLTS' procurements. The bullets below provide additional consultation information:

- Due to COVID-19, we contacted, via email and telephone calls the following: Frank Knorek, Compliance Officer, LCTA; Brianna Florovito Workforce & Entrepreneurial Development Specialist, Greater Scranton Chamber of Commerce; Ralph Sharp, Hazleton Public Transit Authority (HPT); Donna Simpson, University of Scranton Small Business Development Center; and Frank Migreco, Northeast PA Alliance (NEPA).
- COLTS was invited to exhibit at the NEPA Government Contracting Opportunities Showcase which would have enabled staff to talk directly with minority and small business owners. Unfortunately, due to Covid-19, the Showcase was cancelled. COLTS plans on participating in future Showcases.
- A scheduled face-to-face meeting was conducted via Zoom with Frank Migreco and two additional staff members from NEPA, Tyler Day and Kara Smith. In addition to the base topics, COLTS discussed with NEPA our DBE goal as well as efforts taken and actions we would like to take in the future along with challenges. NEPA offered ideas and suggestions they could do to support COLTS' goal in the future. Their suggestions included such items as COLTS' planned projects being included in e-mail marketing and newsletters to their clients to gauge interest in obtaining DBE and SBE certification for conducting business with COLTS. NEPA could assist potentially interested vendors in becoming DBE and SBE certified. COLTS also requested from NEPA to be included any discussion or new resources they become aware of while working with other area transportation agencies.
- A second scheduled face-to-face Zoom call was conducted with the Chamber of Commerce and Lackawanna County Procurement staff. In addition to the discussion of the base topics, representatives of Chamber of Commerce indicated their willingness to assist COLTS with DBE and small business participation in procurements. They discussed a program they have through Metro Action which is a statewide small business grant program. They stated there are currently 50-60 businesses in this program who are always looking for new opportunities, especially in these difficult times. The Chamber suggested sending them project details as they arise so they can reach out and have discussions with applicable businesses who they work with.
- A third scheduled face-to-face Zoom meeting was conducted expanding participants to include representatives from Luzerne County. In addition to COLTS' staff, the following people participated in this meeting: Joe Zeller, Director of Community Development, City of Hazleton; Mary Malone, President, Hazleton Chamber of Commerce; Fermin Diaz, Vice President of The Society of Hispanic Professionals; Robert Shnee, Luzerne County Council Member; Ralph Sharp, Executive Director of Hazleton Public Transit; and, Renee Craig, Administrator Assistant/ Program

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Coordinator.

The list below summarizes results of COLTS' consultation:

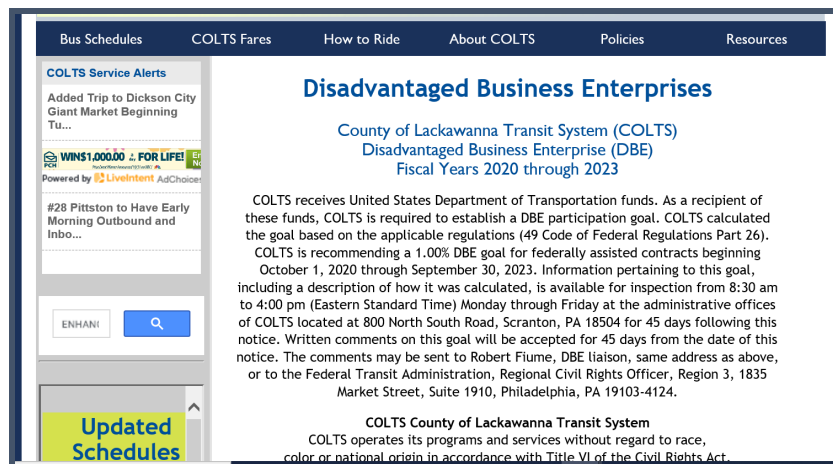
- COLTS' DBE goal appears to be reasonable and achievable.
- Neighboring transit agencies have not been very successful in finding DBEs for preventive maintenance supplies and / or services.
- Working with the Chamber of Commerce sending project details may result in increasing DBE and SBE participation.
- Participation in NEPA outreach programs may result in increasing DBE participation.
- Collaborating with NEPA in researching DBE opportunities as well as assisting DBEs to become certified may increase DBE participation.
- There were no additional DBEs identified for COLTS' planned projects.
- There were no additional minority organizations identified in COLTS' market area.
- There may be opportunities in future COLTS' projects for DBE participation.

COLTS did not receive any public comments from its goal advertisement and the consultation processes did not result in any comments to adjust the goal.

8. Proof of Publication

On June 24, 2020, COLTS advertised its DBE goal on its website as well as placing an advertisement in *The Scranton Times-Tribune*, the agency's local newspaper. The DBE goal is posted under the Policy section on the website. The following is a screen shot of the DBE website section and we are also attaching a copy of the legal advertisement from Times Leader.

Website:



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Local Newspaper:

The Scranton Times (Under act P.L. 877 No 160. July 9, 1976)
Commonwealth of Pennsylvania, County of Lackawanna

COLTS
700 NORTH SOUTH RD
SCRANTON PA 18504-1495

Account # 5203
Order # 82454592
Ad Price: 228.40

LEGAL ADVERTISEMENT COUNT

Sharon Venturi

Being duly sworn according to law deposes and says that (s)he is Billing clerk for The Scranton Times, owner and publisher of The Scranton Times, a newspaper of general circulation, established in 1870, published in the city of Scranton, county and state aforesaid, and that the printed notice or publication hereto attached is exactly as printed in the regular editions of the said newspaper on the following dates:

06/24/2020

Affiant further deposes and says that neither the affiant nor The Scranton Times is interested in the subject matter of the aforesaid notice or advertisement and that all allegations in the foregoing statement as time, place and character or publication are true Sharon Venturi

Sworn and subscribed to before me
this 3rd day of August A.D., 2020

Kathleen Weaver
(Notary Public)

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
Kathleen Weaver, Notary Public
City of Scranton, Lackawanna County
My Commission Expires June 14, 2021

LEGAL ADVERTISEMENT
County of Lackawanna Transit
System (COLTS) Disadvantaged
Business Enterprise (DBE)
Fiscal Years 2020 through 2023

COLTS receives United States Department of Transportation funds. As a recipient of these funds, COLTS is required to establish a DBE participation goal. COLTS calculated the goal based on the applicable regulations (49 Code of Federal Regulations Part 26). COLTS is recommending a 1.00% DBE goal for federally assisted contracts beginning October 1, 2020 through September 30, 2023. Information pertaining to this goal, including a description of how it was calculated, is available for inspection from 8:30 am to 4:00 pm (Eastern Standard Time) Monday through Friday at the administrative offices of COLTS located at 800 North South Road, Scranton, PA 18504 for 45 days following this notice. Written comments on this goal will be accepted for 45 days from the date of this notice. The comments may be sent to Robert Flume, DBE liaison, same address as above, or to the Federal Transit Administration, Regional Civil Rights Officer, Region 3, 1835 Market Street, Suite 1910, Philadelphia, PA 19103-4124.

COLTS
County of Lackawanna
Transit System
COLTS operates its programs and services without regard to race, color or national origin in accordance with Title VI of the Civil Rights Act.