



# **DBE GOAL AND METHODOLOGY**

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**FEDERAL FISCAL YEARS 2018-2020**

**Date: July 6, 2017**

**COUNTY OF LACKAWANNA TRANSIT SYSTEM DBE GOAL AND METHODOLOGY  
FEDERAL FISCAL YEARS 2018-2020**

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County of Lackawanna Transit System (COLTS) has determined that its overall triennial Disadvantaged Business Enterprise (DBE) goal for federal fiscal years 2018-2020 (October 1, 2017 through September 30, 2020) is 1.5 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 2018, 2019 and 2020. 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 2018, 2019 and 2020:

<b>FISCAL YEARS 2018, 2019 &amp; 2020 AVAILABLE FUNDS</b>	
<b>Total Federal Funds</b>	<b>\$5,980,256</b>
<b>Less 9 fixed route CNG buses (3 per year)</b>	<b>- \$4,054,670</b>
<b>Balance</b>	<b>\$1,925,586</b>

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 2018-2020 PLANNED PROJECTS			
Description	NAICS Code	Amount	Weight
Computer Replacement	423430	9,141	0.475%
Preventive Maintenance:			
Fuel pumps, instruments, windshield wiper systems, etc.	336320	202,500	10.516%
Steering, wheels, struts, etc.	336330	243,000	12.620%
Brakes, calipers, pads, cylinders, etc.	336340	202,500	10.516%
Engines, etc.	333618	310,500	16.125%
Transmissions, axles, etc.	336350	243,000	12.620%
Thermostats, gas tanks, filters, exhaust systems, etc.	336390	148,500	7.712%
Support Vehicle	423110	26,445	1.373%
Tire Lease	423130	180,000	9.348%
Bus Shelters	332311	20,000	1.039%
Computer Software Upgrade	423430	240,000	12.464%
Bus Route Signs	423990	28,000	1.454%
Security System Upgrade	561621	72,000	3.739%
<b>Total 2018-2020</b>		<b>1,925,586</b>	<b>100.000%</b>

**2. Identify Market Area**

FTA-assisted contracting for fiscal years 2018 - 2020 is expected to consist of 12 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:

- Computer Software Upgrade project and Bus Route Signs project will both be sourced using Requests for Proposals.
- 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.
- Bus Shelter project will be procured through current vendor to maintain branding.
- 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.
- Security System Upgrade is a small project.

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

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- Reviewed procurement history for the last three years to identify the location of vendors and contractors for similar projects.
- 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. These vendors are out-of-state.
- 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 - 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 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	Project	Amt. DOT funds on project:	% total DOT funds
1)	423430	Computer Replacement	\$9,141.00	0.475%
2)	Preventive Maintenance:			
	336320	Fuel pumps, instruments, windshield wiper systems, etc.	\$202,500	10.516%
	336330	Steering, wheels, struts, etc.	\$243,000	12.620%
	336340	Brakes, calipers, pads, cylinders, etc.	\$202,500	10.516%
	333618	Engines, etc.	\$310,500	16.125%
	336350	Transmissions, axles, etc.	\$243,000	12.620%
	336390	Thermostats, gas tanks, filters, exhaust systems, etc.	\$148,500	7.712%
3)	423110	Support Vehicle	\$26,445.00	1.373%
4)	423130	Tire Lease	\$180,000.00	9.348%
5)	332311	Bus Shelters	\$20,000.00	1.039%
6)	423430	Computer Software Upgrade	\$240,000.00	12.464%
7)	423990	Bus Route Signs	\$28,000.00	1.454%
8)	561621	Security System Upgrade	\$72,000.00	3.739%
<b>Total FTA-Assisted Contract Funds</b>			<b>\$1,925,586.00</b>	<b>100.000%</b>

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**Step 2 - Determine the relative availability of DBEs by NAICS Code:**

To complete step 2, 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, 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, 2014 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)	423430	Computer Replacement	4	49	8.163%	
2)	Preventive Maintenance:					
	336320	Fuel pumps, instrument, windshield wiper systems, etc.	0	4	0.000%	
	336330	Steering, wheels, struts, etc.	0	0	0.000%	
	336340	Brakes, calipers, pads, cylinders, etc.	0	0	0.000%	
	333618	Engines, etc.	0	1	0.000%	
	336350	Transmissions, axles, etc.	0	2	0.000%	
	336390	Thermostats, gas tanks, filters, exhaust systems, etc.	0	5	0.000%	
3)	423110	Support Vehicle	0	58	0.000%	
4)	423130	Tire Lease	0	29	0.000%	
5)	332311	Bus Shelters	0	0	0.000%	
6)	423430	Computer Software Upgrade	4	49	8.163%	
7)	423990	Bus Route Signs	4	57	7.018%	
8)	561621	Security System Upgrade	4	52	7.692%	
<b>Combined Totals</b>			<b>16</b>	<b>306</b>	<b>5.228%</b>	

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**Step 3 – Determine Weighted Base Figure**

**(Weight) x (Availability) = Weighted Base Figure**

The weighted base figure was determined by multiplying the weight for each project (step 1) by the availability of each project (step 2). 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	Project	Weight	x	Availability	Weighted BF
1)	423430	Computer Replacement	0.475%	x	8.163%	0.0004
2)	Preventive Maintenance :					
	336320	Fuel pumps, instruments, windshield wiper systems, etc.	10.516%	x	0.000%	0.0000
	336330	Steering, wheels, struts, etc.	12.620%	x	0.000%	0.0000
	336340	Brakes, calipers, pads, cylinders, etc.	10.516%	x	0.000%	0.0000
	333618	Engines, etc.	16.125%	x	0.000%	0.0000
	336350	Transmissions, axles, etc.	12.620%	x	0.000%	0.0000
	336390	Thermostats, gas tanks, filters, exhaust systems, etc.	7.712%	x	0.000%	0.0000
3)	423110	Support Vehicle	1.373%	x	0.000%	0.0000
4)	423130	Tire Lease	9.348%	x	0.000%	0.0000
5)	332311	Bus Shelters	1.039%	x	0.000%	0.0000
6)	423430	Computer Software Upgrade	12.464%	x	8.163%	0.0102
7)	423990	Bus Route Signs	1.454%	x	7.018%	0.0010
8)	561621	Security System Upgrade	3.739%	x	7.692%	0.0029
					<b>Total</b>	0.0145
					Expressed as % (*100)	1.45%
<b>Rounded, Weighted Base Figure:</b>						<b>1.50%</b>

**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

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additional DBEs in COLTS’ market area. The supplemental activities did not result in the identification of additional sources and/or DBEs.

COLTS spoke with the following individuals via telephone:

- Frank Knorek, Compliance Officer, Luzerne County Transit Authority (LCTA)
- Rich Schlameuss, Assistant Executive Director, Monroe County Transit Authority (MCTA)
- Joan Davadge, Chief Financial Officer, MCTA
- Renee Craig, Controller, Hazleton Public Transit Authority (HPT)
- Keith Yurgosky, University of Scranton Small Business Development Center
- Karen Ostroskie, Northeast PA Alliance (NEPA)
- Kathy DelPrete, Business Office, Scranton School District
- Lyndsay Grady, Workforce Development & Special Projects Coordinator, Greater Scranton Chamber of Commerce

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. In speaking with Lyndsay Grady at the Greater Scranton Chamber of Commerce, and after doing an internet search, it was determined that there are no minority business associations in the Northeast Pennsylvania region. Searching for women’s business groups, the National Association of Women Business Owners Northeast Pennsylvania chapter was located. COLTS spoke with Megan Alpert, past president and owner of Alpert, Yanoski & Associates. She said she believes there are many opportunities for women business holders in the Northeast Pennsylvania area. She has found there to be a level playing field with non-DBE and non-Women-owned Business Enterprise (WBE) peers.

**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:

<b>COLTS’ DBE PARTICIPATION</b>			
<b>Fiscal Year</b>	<b>Federal Funding</b>	<b>DBE Participation</b>	<b>DBE Percentage</b>
2011-2012	\$ 537,282	0	0%
2012-2013	\$ 1,146,611	0	0%
2013-2014	\$ 517,395	0	0%
2014-2015	\$ 465,647	0	0%
2015-2016	\$ 559,096	0	0%

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Based on research and outreach to date, COLTS will not adjust the goals based on the following:

- 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.
- COLTS believes there will be an opportunity for DBE participation with their bus route sign, 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.

### **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.

### **7. Meaningful Consultation**

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

Face-to-face meetings were conducted to discuss COLTS' DBE Program and goals as well as identify potential DBE and small business opportunities for COLTS. Face-to-face meetings were held in May 2017 with the following: Frank Knorek, Compliance Analyst, LCTA; David Bulzoni, Business Administrator, City of Scranton; Lyndsay Grady, Director of Workforce Development, Greater Scranton



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Chamber of Commerce; and Thomas Preambo, Deputy Director, City of Scranton's Office of Economic and Community Development. COLTS exhibited at the NEPA Government Contracting Opportunities Showcase which enabled staff to talk directly with minority and small business owners.

The list below summarizes results of COLTS' face-to-face consultation:

- COLTS' DBE goal appears to be reasonable and achievable.
- LCTA has not been very successful in finding DBEs for preventive maintenance supplies and / or services.
- 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.
- Greater Scranton Chamber of Commerce will continue to work with COLTS to identify DBEs.
- There may be opportunities in future COLTS' projects for DBE participation.

COLTS did not receive any public comments from its goal advertisement.

### **8. Proof of Publication**

On May 19, 2017, 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 DBE goal advertisement.

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The screenshot shows the COLTS website header with the logo, contact information, and social media icons. The main navigation bar includes links for Bus Schedules, COLTS Fares, How to Ride, About COLTS, Policies, and Resources. A sidebar on the left contains service alerts and a search bar. The main content area features a language selection dropdown and a Google Translate notice. The primary heading is "Disadvantaged Business Enterprises" with two sub-links: "Disadvantaged Business Enterprises (DBE) Program and Policy" and "Legal Advertisement DBE".

**Legal Advertisement**  
**County of Lackawanna Transit System (COLTS)**  
**Disadvantaged Business Enterprise (DBE)**  
**Fiscal Years 2018 through 2020**

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 1.50% DBE goal for federally assisted contracts beginning October 1, 2017 through September 30, 2020. 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 30 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 Fiume, DBE liaison, same address as above, or to the Federal Transit Administration, Regional Civil Rights Officer, Region 3, 1760 Market Street, Suite 500, 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.**

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The following are legal notices for COLTS' DBE Goal legal advertisement placed in *The Scranton Times-Tribune*.

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

COLTS  
NORTH-SOUTH ROAD  
SCRANTON PA 18504-1495

Account # 5203  
Order # 82083729  
Ad Price: 214.75

**LEGAL NOTICE COUNTY OF LA**  
Gina Krushinski  
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:

05/19/2017

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 *Gina Krushinski*

Sworn and subscribed to before me  
this 19th day of May A.D., 2017

*Sharon Venturi*  
(Notary Public)

**LEGAL NOTICE**  
County of Lackawanna Transit System (COLTS) Disadvantaged Business Enterprise (DBE) Fiscal Years 2018 through 2020

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 1.50% DBE goal for federally assisted contracts beginning October 1, 2017 through September 30, 2020. Information pertaining to this goal, including a description of how it was calculated, is available for inspection from 8:30am 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 30 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 Fiume, DBE liaison, same address as above, or to the Federal Transit Administration, Regional Civil Rights Officer, Region 3, 1760 Market Street, Suite 500, Philadelphia, PA 19108-4124.

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

COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Sharon Venturi, Notary Public  
City of Scranton, Lackawanna County  
My Commission Expires: Feb. 12, 2018  
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES

**Pennsylvania Public Notices**  
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Tuesday, May 30, 2017

**LEGAL NOTICE COUNTY OF LACKAWANNA TRANSIT SYSTEM (COLTS)**

LEGAL NOTICE County of Lackawanna Transit System (COLTS) Disadvantaged Business Enterprise (DBE) Fiscal Years 2018 through 2020 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 1.50% DBE goal for federally assisted contracts beginning October 1, 2017 through September 30, 2020. Information pertaining to this goal, including a description of how it was calculated, is available for inspection from 8:30am 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 30 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 Fiume, DBE liaison, same address as above, or to the Federal Transit Administration, Regional Civil Rights Officer, Region 3, 1760 Market Street, Suite 500, Philadelphia, PA 19108-4124. COLTS County of Lackawanna Transit System COLTS operates its programs and services without regard to race, color or national origin in accordance with Title V of the Civil Rights Act.

Appeared in: *Scranton Times* on Friday, 05/19/2017