Doing Business with SEPTA
SAME Philadelphia
Small Business Conference

March 2, 2020
Doing Business with SEPTA

Diane D. McCarthy
Contract Administrator
Procurement, Supply Chain & DBE Division

Nicholas J. Esposito
Senior DBE Program Specialist
Procurement, Supply Chain & DBE Division

March 2, 2020
Diane D. McCarthy
Contract Administrator/SEPTA
Construction, Architecture and Engineering

Diane has been in the Procurement Department at SEPTA as a Contract Administrator in the Construction and Engineering Group since March of 2018. Prior to joining SEPTA, she was a Contract Manager for a large international helicopter company in the aviation industry, an Office Manager for a small manufacturing company recognized by the SBA as an WOSB, and also a broker and trader on the floor of the Stock Exchange.

In her contract role, Diane negotiated and maintained all contracts and long term agreements, did the quoting for sales, and submitted bids and proposals through many a procurement portal. Diane is able to offer valuable feedback from being on both sides of the procurement and submittal process and feels strongly about teamwork--emphasizing the importance of sound vendors on the team at SEPTA.

Diane holds a Bachelor of Science in Business Management and Organizational Leadership, and is in the homestretch for her MBA with a Transportation Leadership Specialty. Diane is a member of Women in Transit at SEPTA and also Women’s Transportation Seminar.
Nicholas J. Esposito  
Disadvantaged Business Enterprise (DBE) Program Specialist/SEPTA

Nick has been a DBE Program Specialist with SEPTA’s DBE Program Office since 2014. He processes DBE applications from woman- and minority-owned businesses who seek Federal Department of Transportation DBE Certification. He helps develop outreach plans and presents at DBE events both at SEPTA and with other regional agencies. Nick provides business development strategies and technical assistance services to certified DBE firms. Prior to joining SEPTA, Nick has worked with two small, DBE-certified businesses in Philadelphia including Synterra, Ltd. and Portfolio Associates, Inc. He was an Affirmative Action and Community Outreach Coordinator during the rebuilding of the Market-Frankford El in West Philadelphia. He earned a Community Relations Commendation from SEPTA Government Affairs while working on the El Reconstruction Project. Nick is a frequent SEPTA Ambassador, a Service Emergency Response Team (SERT) volunteer, a member of SEPTA’s BASCSC Morale & Camaraderie Team and a member/supporter of SEPTA’s Women In Transit Group.
SEPTA AT A GLANCE

- 5th largest mass transit system in U.S.
- 9,500 employees
- $1.4B operating budget
- $675M capital budget
- 1 million weekday riders (300 million annually)
- 2,800 vehicles
- 285 subway & rail stations
- 13,000 bus & trolley stops
- 150 routes
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PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

- Opportunities at SEPTA
- Safety Protocol at SEPTA
- Broad Range of Needs at SEPTA

PROCUREMENT AND ELECTRONIC PROCUREMENT SYSTEM-ePS

- Accessing Procurement Information via our Internet
- Registering on SEPTA’s ePS (Electronic Procurement System)

DISADVANTAGED BUSINESS ENTERPRISE PROGRAM

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Procurement

PROCUREMENT AND SUPPLY CHAIN MANAGEMENT
GROWING THE SYSTEM

- New rail projects
- Redesigning locations
- Improving sustainability
- Restoration
- Equipment upgrades
- Artificial Intelligence
- Information Technology
- Business Systems
- Acquiring properties
PASSenger Safety:

- 18,000 cameras in vehicles and stations
- Threatening items prohibited on SEPTA property
- Education programs: Safety Day, Respect the Train Program, Operation LifeSaver Program (nationwide program)
- Bus Turn Alert
- State of Good Repair & Reliability
- PTC (Positive Train Control)
- SEPTA Transit Police
- Awareness Communications (Call boxes and app)
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Broad Range of Needs

- Suppliers of materials
- Suppliers of services
- Business partners
- Proactive collaborators
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Upcoming Plans

FISCAL YEAR 2020 OPERATING BUDGET
Fiscal Year 2021-2025 • Financial Projections

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Upcoming Plans


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Electronic Procurement System

Choose Your Service
- Regional Rail
- Market-Frankford Line
- Broad Street Line
- Trolley Lines
- Norristown High Speed Line
- Buses
- CCT Connect

Procurement
- Business Integrity Policy
- Bid & RFP Opportunities
- Business Directory
- Electronic Procurement System (ePS)
- Material Sales
- Procurement and Supply Chain Comment Form
- Terms & Conditions

Please see our new Business Integrity Policy

Google Transit

From
To
2/21/20
Submit System Map

Southeastern Pennsylvania Transportation Authority
Serving Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties

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DISADVANTAGED BUSINESS ENTERPRISE PROGRAM OFFICE (DBE)
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- DBE Certification/SBE Verification
- Establish SEPTA's Annual DBE Goal, Contract Goals and Monitoring
- REBUILDING the System Workforce Reporting
- Technical Assistance, Business Development, & Outreach

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The DBE Program is a **Federal Program** regulated by the United States Department of Transportation’s Title 49 Code of Federal Regulations, Parts 26 and 23

- Applicants must meet eligibility criteria to be certified as a DBE
- A DBE is a for-profit small business that is at least 51%:
  - Owned,
  - Managed and
  - Controlled by one or more socially and economically disadvantaged individuals

- In the case of a corporation, 51% of the stock must be **owned** by one or more such individuals
Social Disadvantage – members of the following groups are presumed to be disadvantaged:

- Women
- Black Americans
- Hispanic Americans
- Native Americans
- Asian-Pacific Americans
- Subcontinent Asian Americans
- Other minorities found to be disadvantaged by the U.S. Small Business Administration (SBA)

Persons who are not members of the presumed groups may be eligible if they establish their “social” and “economic” disadvantage.
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Economic Disadvantage:
- Personal Net Worth (PNW) must not exceed $1.32 Million
- Firm’s three-year average annual gross receipts (including affiliates) must not exceed the overall size limit of $23.98 Million
  - Must also meet the size standard of firm’s NAICS Codes

For Interstate certification, applicant firms must be DBE certified in their home state

SBE Verification
- Must meet the same size standards (PNW and gross receipts) as DBEs
- Social disadvantage is not a criteria
SEPTA is one of five certifying participants in the PA UCP

- SEPTA – DBE Program Office
- Philadelphia International Airport, Office of Business Diversity
- Port Authority of Allegheny County
- Allegheny County Department of Equity and Inclusion
- Pennsylvania Department of Transportation, Bureau of Equal Opportunity
PA UCP’s website:  www.paucp.com

- All firms listed on the PA UCP website are certified DBEs
- Contractors/consultants source the PA UCP website when seeking to fulfill DBE participation requirements on contracts
- Firms apply on-line for DBE certification (must obtain login credentials)
- Once certified, all DBE certification maintenance (e.g., annual updates, contact information, change in structure, ownership, etc.) is done via the electronic system
Minority Business Enterprise (MBE) and Women’s Business Enterprise (WBE) Certifications

- Generally State or City government regulated programs for minority and women owned businesses
- Varying criteria for certification
- Certified firms count towards respective agency’s contracting goals
- Agencies often accept third-party certification for reciprocal certification approval

DBE Certification

- Guided by 1 Regulation Nationwide (49 CFR Part 26)
- Federal program implemented by state agencies
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Certifications

Popular MBE/WBE Programs

- Women's Business Enterprise Center – WBE
- The Enterprise Center – MBE, WBE and Disabled Business Enterprise (DsBE)
- Eastern Minority Supplier Development Council – MBE
- New Jersey Department of Treasury – MBE and WBE
DBE Participation (Federally-funded Projects)

<table>
<thead>
<tr>
<th>Federal Fiscal Year</th>
<th>DBE Goal</th>
<th>Total Contract Dollars</th>
<th>Total DBE Dollars</th>
<th>Total DBE %</th>
<th>Total Prime Payments</th>
<th>Total DBE Payments</th>
<th>Total DBE %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>14%</td>
<td>$7,513,195</td>
<td>$1,079,101</td>
<td>14.4%</td>
<td>$28,209,291</td>
<td>$4,215,609</td>
<td>14.9%</td>
</tr>
<tr>
<td>2018</td>
<td>15%</td>
<td>$8,233,738</td>
<td>$1,290,611</td>
<td>15.7%</td>
<td>$23,597,662</td>
<td>$2,952,369</td>
<td>12.5%</td>
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<tr>
<td>2019</td>
<td>15%</td>
<td>$19,595,489</td>
<td>$3,348,688</td>
<td>17.1%</td>
<td>$24,772,487</td>
<td>$5,729,991</td>
<td>23.1%</td>
</tr>
</tbody>
</table>

Committed Dollars (New Awards)

<table>
<thead>
<tr>
<th>Total DBE Payments</th>
<th>Total DBE %</th>
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<tbody>
<tr>
<td>$76,579,440</td>
<td>16.8%</td>
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Paid Dollars (Closed Contracts)

DBE Certification

- Since February 2018, SEPTA has processed more than 150 DBE certification applications, approving certification for 90 new DBEs, and 2 Small Business Enterprises (SBE)
- Currently responsible for the annual review of over 470 DBEs, and 5 SBEs
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Conclusion and Thank You!