



# SMALL DIVERSE BUSINESS PARTICIPATION SURVEY

ACT 13 of 2012



**pennsylvania**

DEPARTMENT OF GENERAL SERVICES

July 29, 2013

**Sheri Phillips**  
Secretary of General Services

## **Introduction**

The Pennsylvania Department of General Services (DGS) is required under Section 2316 of Act 13 of 2012 to send all unconventional natural gas producers a survey to collect data for the purposes of preparing a report to the General Assembly to measure the producer's efforts in providing maximum practicable contracting opportunities to Small Diverse Businesses (SDBs).

SDBs include minority, woman, veteran and service-disabled veteran owned business enterprises.

On March 1, 2013, DGS forwarded a survey to 77 companies identified by member organizations and/or the Pennsylvania Department of Environmental Protection (DEP) as a "Producer" involved in unconventional natural gas extraction. A copy of the survey is attached hereto and marked Exhibit "A."

The reporting period for purposes of this survey was April 1, 2012 through March 31, 2013. Pursuant to the Act, Producers were required to respond to the survey within 90 days or on or before May 30, 2013. DGS is required to submit an annual report to the respective State Government Committees in the General Assembly. This report is intended to meet the mandates of the Act.

## **Producer Responsiveness**

DGS is reporting on responses regarding the opportunities available to those companies which are certified/verified diverse small businesses with the Commonwealth of PA as defined by the Act.

Twenty one (21) producers responded to the survey which corresponds to a survey response rate of 27%. Two of the 21 producers reported that they were no longer operating in PA and therefore would not be submitting. A total of 19 producers submitted a completed survey. One producer submitted a survey past the due date which was received on June 26, 2013.

## **Use of the DGS Database**

Of the 19 producers that submitted a completed survey, 13 producers responded "NO" when asked if their company utilized the DGS database to identify diverse small businesses (Survey Question #9). Of the 13 providing a negative response, the top three most selected reasons for producers not utilizing the DGS database were as follows:

- (1) "Already had their subcontractors/suppliers" selected eight times;
- (2) "Geographical limitations" selected four times; and
- (3) "Other" selected six times.

**Small Diverse Business Participation**

Of the 19 producers that submitted a completed survey, 10 producers reported no utilization of SDBs for this reporting period. Eight (8) of the producers provided a listing of utilized SDBs totaling 124 contractors and subcontractors. The following is a breakdown of the responses:

Of the 124 contractors and subcontractors listed:

- Minority-owned business enterprises(MBE) 42
  - Woman-owned business enterprises (WBE) 64
  - Veteran-owned business enterprises(VBE) 1
  - Service-disabled veteran-owned business enterprises (SDVBE) 2
  - Non-Small Diverse business enterprises 15
- Total =124

**Type of Services Utilized**

Of the 124 contractors and subcontractors listed, 62 were DGS verified/certified SDBs. Below are the DGS certified/verified SDBs listed by class and their specific service industries.

**MBE** 20

- Construction and Building = 2
- Drywall = 1
- Maintenance and Repair = 1
- Office Furniture = 1
- Plumbing and Sprinkler = 1
- Professional Services = 10
- Project Management = 1
- Staffing and Labor = 1
- Warehousing, Shipping and Logistics = 1
- Waste, Recycling and Remediation = 1

**WBE** 42

- Accelerometers MFG. =1
- Accommodation, Recreation & Food = 1
- Agriculture, Forestry = 1
- Casework Installation = 1
- Chemical and Environmental Services. = 1

- Construction and Building = 3
- Consumer Goods and Supplies = 6
- Event Coordination Services = 1
- IT Services = 1
- Machines, Electronics and Equipment = 1
- Mining, Drilling and Excavating = 2
- Pipe Installation = 1
- Professional Services = 16
- Portable Restrooms = 1
- Scientific and Technical = 1
- Security = 1
- Staffing and Labor Support = 2
- Waste, Recycling and Remediation = 1

**VBE**                      0

**SDVBE**                      0

**Total = 62**

**Outreach Efforts**

Of the 19 producers that submitted a survey, 12 responded “NO” when asked “did you participate in, or provide networking events, outreach efforts or job fairs for SDBs?”

For those producers that answered “YES”, the type of outreach effort was classified as follows:

- (1) “Networking events” selected seven times;
- (2) “Job fairs” selected four times;
- (3) “Internet information on bidding opportunities” selected two times;
- (4) “Pre-bid/post-bid meetings for subcontractors and suppliers” selected four times; and
- (5) “Other” selected four times.

## **Conclusion**

The Department of General Services intends to perform outreach efforts with unconventional producers of natural gas and the Marcellus shale industry aimed at increasing opportunities for small diverse businesses. The department is available to answer any questions from members of the respective State Government Committees.

# EXHIBIT A

## Act 13 of 2012 – Small Diverse Business Participation Survey

Q1 Producer Company Name: \_\_\_\_\_

Q2 Producer Company Address: \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Q3 Producer Contact First Name: \_\_\_\_\_

Last Name: \_\_\_\_\_

Q4 Survey Preparer First Name (if different from above): \_\_\_\_\_

Last Name: \_\_\_\_\_

Q5 Producer Contact Email Address: \_\_\_\_\_

Q6 Producer Contact Telephone: \_\_\_\_\_

Q7 Does your company maintain a policy prohibiting discrimination in employment and contracting based on gender, race, creed or color? YES NO

Q8 If your company's policy is maintained publicly, please include a link to the policy. (Optional) \_\_\_\_\_

Q9 Does your company use the database available on the Internet website of the Department of General Services to identify certified/verified small diverse businesses, including minority-owned business enterprises, women-owned business enterprises and veteran-owned businesses, as potential contractors, subcontractors and suppliers for opportunities related to unconventional natural gas extraction? YES NO

Q10 If you selected No to Q9, please indicate why you did not use the database available to identify certified small diverse businesses by selecting or entering reasons here:

- 100% Self-performed contracts
- Subcontractors/suppliers already selected
- Geographical limitations of available subcontractors
- Other, please identify:

Q11 Use the chart on the next page to record your company's small diverse business participation in contracting opportunities for the reporting period of April 1, 2012 through March 31, 2013. You may also report small diverse business utilization in lower tiers of supply or subcontracting (subcontractors to subcontractors as well as suppliers to contractors and subcontractors) provided that a small diverse business is not the initial subcontractor/supplier. Commitments to small diverse businesses cannot be double-counted regardless of tiers.



Q12 As part of your efforts to provide maximum practicable contracting opportunities for small diverse businesses, have you conducted public outreach via networking events, job fairs, or provided other services such as publicly accessible bidding opportunities? YES NO

If you answered Yes to Q12, please indicate the types of outreach or services provided by selecting or entering text below.

Network events      Internet information on bidding opportunities      Other - please specify below:  
Job Fairs      Pre-bid/Post-bid meetings for subs and suppliers

Q13 By signing this survey, I certify that the information entered here is true and correct. \_\_\_\_\_  
(Type in name of preparer)

The survey responses are due on or before **May 30, 2013** and must be provided via email to [gnuppнау@pa.gov](mailto:gnuppнау@pa.gov).

If you have any questions, please contact Gayle Nuppнау at 717-346-8105.

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