



U.S. Department
Of Transportation
**Federal Transit
Administration**

REGION X
Alaska, Idaho, Oregon
Washington

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Federal Building, Suite 3142
Seattle, WA, CA 98174-1002
206-220-7945
206-220-7959 (fax)

November 14, 2014

Jeff Davidson
Kitsap Transit
60 Washington Ave, Ste. 200
Bremerton, WA 98337

Re: Kitsap Transit DBE Program Concurrence (Recipient ID #1746)

Dear Mr. Davidson,

This letter is to confirm that the Federal Transit Administration (FTA) has received Kitsap Transit's Disadvantaged Business Enterprise (DBE) program on July 14, 2014. This submission is required pursuant to the Department of Transportation DBE regulations found at 49 C.F.R. Part 26.

We have reviewed your program and determined that it meets the requirements set out in the DOT's DBE regulations. The DBE program status in FTA TEAM-Web has been updated to reflect this concurrence. You do not have to submit regular updates of your DBE program, as long as you remain in compliance. However, you must submit significant changes in the program for FTA review and concurrence.

If you have any questions regarding this concurrence, please do not hesitate to contact me directly at 206-220-4462 or at Christopher.MacNeith@dot.gov.

Sincerely,

Christopher C. MacNeith, Regional Civil Rights Officer

cc: Rick Krochalis, Regional Administrator, TRO-10 (Electronic)
Ken Feldman, Deputy Regional Administrator, TRO-10 (Electronic)
Monica McCallum, Regional Operation Division Chief (Electronic)
John Clauson, Executive Director, Kitsap Transit (Electronic)
Steffani Lillie, Administrator, Kitsap Transit (Electronic)
Recipient TEAM profile (1746) (Electronic)

KITSAP TRANSIT DBE PROGRAM

POLICY STATEMENT

Objectives/Policy Statement

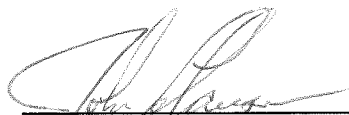
Kitsap Transit has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. Kitsap Transit has received Federal financial assistance from the Department of Transportation, and as a condition of receiving this assistance, Kitsap Transit has signed an assurance that it will comply with 49 CFR Part 26.

It is the policy of Kitsap Transit to ensure that DBE's defined in part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. It is also our policy:

1. To ensure nondiscrimination in the award and administration of DOT – assisted contracts;
2. To create a level playing field on which DBE's can compete fairly for DOT-assisted contracts;
3. To ensure that the DBE Program complies with applicable laws;
4. To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate in the DBE Program;
5. To help remove barriers to the participation of DBE's in DOT assisted contracts;
6. To assist the development of firms that can compete successfully in the market place outside the DBE Program.

The Grants and Compliance Coordinator has been delegated as the DBE Liaison Officer. In that capacity, the Grants and Compliance Coordinator is responsible for implementing all aspects of the DBE program. Implementation of the DBE program is accorded the same priority as compliance with all other legal obligations incurred by Kitsap Transit in its financial assistance agreements with the Department of Transportation.

Kitsap Transit has disseminated this policy statement to the Board of Commissioners of Kitsap Transit and all of the department directors of our organization. This policy statement will be sent to DBE communities, agencies and minority development groups that perform work for us on DOT-assisted contracts.



John Clauson, Chief Executive Officer

11/17/2014
Date

SUBPART A – GENERAL REQUIREMENTS

I. Objectives

The objective of the program is to achieve a "level playing field" for ready, willing and able Disadvantaged Business Enterprises (DBE's) seeking to participate in DOT-assisted contract activities.

II. Applicability

Kitsap Transit is the recipient of federal transit funds authorized by Titles I, III, V, and VI of ISTEA, Pub. L. 102-240 or by Federal transit laws in Title 49, U.S. Code, or Titles I, II, and V of the Teas-21, Pub. L. 105-178.

III. Definitions

The following definitions are referenced in 49 CFR Part 26.5:

1. Affiliation has the same meaning the term has in the Small Business Administration (SBA) regulations, 13 CFR part 121.
 - a. Except as otherwise provided in 13 CFR part 121, concerns are affiliates of each other when, either directly or indirectly:
 - i. One concern controls or has the power to control the other; or
 - ii. A third party or parties controls or has the power to control both; or
 - iii. An identity of interest between or among parties exists such that affiliation may be found.
 - b. In determining whether affiliation exists, it is necessary to consider all appropriate factors, including common ownership, common management, and contractual relationships. Affiliates must be considered together in determining whether a concern meets small business size criteria and the statutory cap on the participation of firms in the DBE program.
2. Alaska Native means a citizen of the United States who is a person of one-fourth degree or more Alaskan Indian (including Tsimshian Indians not enrolled in the Metlaktla Indian Community), Eskimo, or Aleut blood, or a combination of those bloodlines. The term includes, in the absence of proof of a minimum blood quantum, any citizen whom a Native village or Native group regards as an Alaska Native if their father or mother is regarded as an Alaska Native.
3. Alaska Native Corporation (ANC) means any Regional Corporation, Village Corporation, Urban Corporation, or Group Corporation organized under the laws of the State of Alaska in accordance with the Alaska Native Claims Settlement Act, as amended (43 U.S.C. 1601, et seq.).
4. Compliance means that a recipient has correctly implemented the requirements of this part.
5. Contract means a legally binding relationship obligating a seller to furnish supplies or services (including, but not limited to, construction and professional services) and the buyer to pay for them. For purposes of this part, a lease is considered to be a contract.
6. Contractor means one who participates, through a contract or subcontract (at any tier), in a DOT-assisted highway, transit, or airport program.

7. Department or DOT means the U.S. Department of Transportation, including the Office of the Secretary, the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), and the Federal Aviation Administration (FAA).
8. Disadvantaged business enterprise or DBE means a for-profit small business concern—
 - (1) That is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals; and
 - (2) Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.
9. DOT-assisted contract means any contract between a recipient and a contractor (at any tier) funded in whole or in part with DOT financial assistance, including letters of credit or loan guarantees, except a contract solely for the purchase of land.
10. DOT/SBA Memorandum of Understanding or MOU, refers to the agreement signed on November 23, 1999, between the Department of Transportation (DOT) and the Small Business Administration (SBA) streamlining certification procedures for participation in SBA's 8(a) Business Development (8(a) BD) and Small Disadvantaged Business (SDB) programs, and DOT's Disadvantaged Business Enterprise (DBE) program for small and disadvantaged businesses.
11. Good faith efforts means efforts to achieve a DBE goal or other requirement of this part which, by their scope, intensity, and appropriateness to the objective, can reasonably be expected to fulfill the program requirement.
12. Home state means the state in which a DBE firm or applicant for DBE certification maintains its principal place of business.
13. Immediate family member means father, mother, husband, wife, son, daughter, brother, sister, grandmother, grandfather, grandson, granddaughter, mother-in-law, or father-in-law.
14. Indian tribe means any Indian tribe, band, nation, or other organized group or community of Indians, including any ANC, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians, or is recognized as such by the State in which the tribe, band, nation, group, or community resides. See definition of "tribally-owned concern" in this section.
15. Joint venture means an association of a DBE firm and one or more other firms to carry out a single, for-profit business enterprise, for which the parties combine their property, capital, efforts, skills and knowledge, and in which the DBE is responsible for a distinct, clearly defined portion of the work of the contract and whose share in the capital contribution, control, management, risks, and profits of the joint venture are commensurate with its ownership interest.
16. Native Hawaiian means any individual whose ancestors were natives, prior to 1778, of the area which now comprises the State of Hawaii.
17. Native Hawaiian Organization means any community service organization serving Native Hawaiians in the State of Hawaii which is a not-for-profit organization chartered by the State of Hawaii, is controlled by Native Hawaiians, and whose business activities will principally benefit such Native Hawaiians.

18. Noncompliance means that a recipient has not correctly implemented the requirements of this part.
19. Operating Administration or OA means any of the following parts of DOT: the Federal Aviation Administration (FAA), Federal Highway Administration (FHWA), and Federal Transit Administration (FTA). The "Administrator" of an operating administration includes his or her designees.
20. Personal net worth means the net value of the assets of an individual remaining after total liabilities are deducted. An individual's personal net worth does not include: The individual's ownership interest in an applicant or participating DBE firm; or the individual's equity in his or her primary place of residence. An individual's personal net worth includes only his or her own share of assets held jointly or as community property with the individual's spouse.
21. Primary industry classification means the North American Industrial Classification System (NAICS) designation which best describes the primary business of a firm. The NAICS is described in the North American Industry Classification Manual—United States, 1997 which is available from the National Technical Information Service, 5285 Port Royal Road, Springfield, VA, 22161; by calling 1 (800) 553-6847; or via the Internet at: <http://www.ntis.gov/product/naics.htm>.
22. Primary recipient means a recipient which receives DOT financial assistance and passes some or all of it on to another recipient.
23. Principal place of business means the business location where the individuals who manage the firm's day-to-day operations spend most working hours and where top management's business records are kept. If the offices from which management is directed and where business records are kept are in different locations, the recipient will determine the principal place of business for DBE program purposes.
24. Program means any undertaking on a recipient's part to use DOT financial assistance, authorized by the laws to which this part applies.
25. Race-conscious measure or program is one that is focused specifically on assisting only DBEs, including women-owned DBEs.
26. Race-neutral measure or program is one that is, or can be, used to assist all small businesses. For the purposes of this part, race-neutral includes gender-neutrality.
27. Recipient is any entity, public or private, to which DOT financial assistance is extended, whether directly or through another recipient, through the programs of the FAA, FHWA, or FTA, or who has applied for such assistance.
28. Secretary means the Secretary of Transportation or his/her designee.
29. Set-aside means a contracting practice restricting eligibility for the competitive award of a contract solely to DBE firms.
30. Small Business Administration or SBA means the United States Small Business Administration.
31. SBA certified firm refers to firms that have a current, valid certification from or recognized by the SBA under the 8(a) BD or SDB programs.

32. Small business concern means, with respect to firms seeking to participate as DBEs in DOT-assisted contracts, a small business concern as defined pursuant to section 3 of the Small Business Act and Small Business Administration regulations implementing it (13 CFR part 121) that also does not exceed the cap on average annual gross receipts specified in §26.65(b).
33. Socially and economically disadvantaged individual means any individual who is a citizen (or lawfully admitted permanent resident) of the United States and who is—
- a. Any individual who a recipient finds to be a socially and economically disadvantaged individual on a case-by-case basis.
 - b. Any individual in the following groups, members of which are rebuttably presumed to be socially and economically disadvantaged:
 - i. "Black Americans," which includes persons having origins in any of the Black racial groups of Africa;
 - ii. "Hispanic Americans," which includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;
 - iii. "Native Americans," which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;
 - iv. "Asian-Pacific Americans," which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the Commonwealth of the Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Juvalu, Nauru, Federated States of Micronesia, or Hong Kong;
 - v. "Subcontinent Asian Americans," which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka;
 - vi. Women;
 - vii. Any additional groups whose members are designated as socially and economically disadvantaged by the SBA, at such time as the SBA designation becomes effective.
34. Tribally-owned concern means any concern at least 51 percent owned by an Indian tribe as defined in this section.

IV. Non-discrimination

Kitsap Transit will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any contract covered by 49 CFR part 26 on the basis of race, color, sex, or national origin.

In administering its DBE program, Kitsap Transit will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE program with respect to individuals of a particular race, color, sex, or national origin.

V. Records and Reports

1. Reporting. Kitsap Transit will report DBE participation to the FTA using the Uniform Report of DBE Awards or Commitments and Payments, found in Appendix B to the DBE regulation. DBE participant report shall be submitted semi-annually to FTA on June 1st and December 1st of each fiscal year. These reports will reflect commitments and payments made to DBE's on DOT-assisted contracts.
2. DBE's Bidders List. Kitsap Transit will create a bidders list, consisting of information about all DBE and non-DBE firms that bid or quote on DOT-assisted contracts. The bidder list will include the name, address, DBE non-DBE status, age of firm, and annual gross receipts.

VI. Assurances

Pursuant to 49 CFR Part 26.13, Kitsap Transit has signed the following assurances, applicable to all DOT-assisted contracts and their administration:

Kitsap Transit shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any DOT assisted contract or in the administration of its DBE Program or the requirements of 49 CFR part 26. The recipient shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of DOT assisted contracts. The recipient's DBE Program, as required by 49 CFR part 26 and as approved by DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to Kitsap Transit of its failure to carry out its approved program, the Department may impose sanction as provided for under part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 *et seq.*).

Pursuant to 49 CFR Part 26.13, Kitsap Transit will ensure that the following clause is placed in every DOT-assisted contracts and subcontracts:

The contractor, sub-recipient, or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

SUBPART B – ADMINISTRATIVE REQUIREMENTS

VII. DBE Program Updates

Since Kitsap Transit's US-DOT assisted activities typically exceed \$250,000 in a federal fiscal year, Kitsap Transit will continue to carry out this program. Kitsap Transit will provide to DOT updates representing significant changes in the program.

VIII. DBE Liaison Officer

Kitsap Transit has designated the Grants and Compliance Coordinator, Jeff Davidson, as our DBE Liaison Officer (DBELO):

In that capacity, the DBELO is responsible for implementing all aspects of the DBE program and ensuring that Kitsap Transit complies with all provisions of 49 CFR Part 26. The DBELO has direct, independent access to the Executive Director of Kitsap Transit concerning DBE program matters. An organization chart displaying the DBELO's position in the organization is found in Attachment I to this program.

The DBELO is responsible for developing, implementing and monitoring the DBE program in coordination with Capital Development department. The DBELO duties and responsibilities include the following:

1. Gathers and reports statistical data and other information as required by DOT.
2. Reviews third party contracts and purchase requisitions for compliance with this program.
3. Works with the Capital Development department to set overall annual goals.
4. Ensures that bid notices and requests for proposals are available to DBE's in a timely manner.
5. Identifies contracts and procurements whereby contract goals are applied and administered and ensuring that those contract goals are included in solicitations.
6. Analyzes Kitsap Transit's progress toward attainment of goals and identifies ways to improve progress.
7. Is available to participate in pre-bid meetings.
8. Advises the Executive Director, Capital Planning Director and the Kitsap Transit Board of Commissioners on DBE matters and goal achievement.
9. Upon request, the DBELO will assist DBE's with the necessary information in preparing bids, obtaining bonding and insurance.
10. Participates in DBE training seminars.
11. Ensures the agency provides outreach to advise participants of KT opportunities.
12. Ensures that a updated directory on certified DBE's, which is maintained and published by the Washington State Office of Minority and Women's Business Enterprises, is available for reference at the administrative offices of Kitsap Transit. Refer to Section XI. below for additional information.

IX. DBE Financial Institutions

Pursuant to 49 CFR Part 26.27, Kitsap Transit shall make reasonable efforts to engage banks and lending institutions owned and controlled by minorities and women. Kitsap Transit will also encourage prime contractors to make use of such DBE financial institutions. Currently, the state of Washington has no minority or women-owned banks. Kitsap Transit shall review potential DBE financial institutions annually.

X. Prompt Payment Mechanisms

Kitsap Transit will include the following clause in each DOT-assisted prime contract:

1. Prompt Payment. The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contract receives from Kitsap Transit. The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractors work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for

good cause following written approval of Kitsap Transit. This clause applies to both DBE and non-DBE subcontracts.

2. Retainage. The prime contractor agrees to return retainage payments to each subcontractor under this prime contract within 30 days after the subcontractors work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of Kitsap Transit. This clause applies to both DBE and non-DBE subcontracts.

Kitsap Transit has established mechanisms to monitor and enforce that prompt payment and return of retainage is in fact occurring. This may include one or more of the following mechanisms:

1. Direct observation by Kitsap Transit staff,
2. Indirect observation with a professional engineering or project management consultant,
3. Kitsap Transit staff confirmation with the DBE,

Kitsap Transit will require prime contractors to maintain records and documents of payments to DBE's for three years following the performance of the contract. These records will be made available for inspection upon request by any authorized representative of Kitsap Transit or DOT. This reporting requirement also extends to any certified DBE subcontractor.

Kitsap Transit may perform interim audits of contract payments to DBE's. The audit will review payments to DBE subcontractors to ensure that the actual amount paid to DBE subcontractors equals or exceeds the dollar amounts states in the schedule of DBE participation.

XI. Directory

In order to assist contractors in the selection of eligible DBE firms, a DBE Directory is maintained and published by the Washington State Office of Minority and Women's Business Enterprises (OMWBE). The directory is published in hard bound copy quarterly and made available on its website to contractors, proposal holders, and bidders to facilitate the identification of DBE's with capabilities relevant to highway construction, and other construction and development projects. The directory lists the name, address, telephone number, name of contact person, standard industrial classifications (SIC codes*), and activity descriptions of each business certified by OMWBE as eligible to participate as a DBE. The DBE Directory is referenced in this program as Attachment II and is available upon request from Kitsap Transit's administrative office or by directly contacting the OMWBE.

XII. Over concentration of DBE's

Pursuant to 49 CFR Part 26.33, Kitsap Transit has not identified that overconcentration exists in the types of work that DBE's perform. Kitsap Transit will re-evaluate for overconcentration annually.

XIII. Business Development Programs

Pursuant to 49 CFR Part 26.35, Kitsap Transit has not established a business development program. Kitsap Transit will re-evaluate the need for such a program annually.

Kitsap Transit, upon request by the DBE, will assist DBE's with the necessary information to prepare bids, obtain bonding and insurance and other essential information in order to achieve a "level playing field" for DBE's. Kitsap Transit currently has not established a dedicated business development program.

XIV. Monitoring and Enforcement Mechanisms

Kitsap Transit will take the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 26:

1. Kitsap Transit will bring to the attention of the Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so that DOT can take the steps (e.g., referral to the Department of Justice for criminal prosecution, referral to the DOT Inspector General, action under suspension and debarment or Program Fraud and Civil Penalties rules) provided in 26.109.
2. Kitsap Transit will consider similar action under our own legal authorities, including responsibility determinations in future contracts.
3. When contract goals are applicable, Kitsap Transit will also provide a monitoring and enforcement mechanism to verify that work committed to DBE's at contract award is actually performed by the DBE's. This may include one or more of the following mechanisms:
 - a. direct observation by Kitsap Transit staff.
 - b. indirect observation with a professional engineering or project management consultant.
 - c. Kitsap Transit staff confirmation with the DBE.

Kitsap Transit will require prime contractors to maintain records and documents of payments to DBE's for three years following the performance of the contract. These records will be made available for inspection upon request by any authorized representative of Kitsap Transit or DOT. This reporting requirement also extends to any certified DBE subcontractor.

Kitsap Transit may perform interim audits of contract payments to DBE's. The audit will review payments to DBE subcontractors to ensure that the actual amount paid to DBE subcontractors equals or exceeds the dollar amounts states in the schedule of DBE participation.

XV. Fostering Small Business Participation

Pursuant to 49 CFR Part 26.39, Kitsap Transit will take reasonable steps to facilitate fair competition by incorporating small business concerns into its federal procurement practices. As part of this effort, Kitsap Transit will include the following race-neutral strategies to eliminate obstacles to small business participation in DOT-assisted contracts.

1. In an effort to facilitate the availability of contracts of a size and nature that fosters small business participation, Kitsap Transit will not include unnecessary and unjustified bundling of contract requirements that may preclude small business participation in procurements as prime contractors or subcontractors.
2. To meet the portion of Kitsap Transit's overall goal through race-neutral measures, Kitsap Transit will ensure that a reasonable number of prime contracts are of a size that small businesses, including DBEs, can reasonably perform.
3. Kitsap Transit will encourage small businesses to list themselves on the small works roster and architects/engineers on-call list.
4. Kitsap Transit will actively seek bids from qualified small businesses on the small works roster and architects/engineers on-call list.
5. In the bidding process, Kitsap Transit will encourage prime contractors to provide subcontracting opportunities of a size and nature that small businesses can reasonably compete and perform effectively.

SUBPART C – GOALS, GOOD FAITH EFFORTS, AND COUNTING

XVI. Set-asides or Quotas

Pursuant to 49 CFR Part 26.43, Kitsap Transit does not use quotas in any way in the administration of this DBE program.

XVII. Overall Goals

Pursuant to 49 CFR Part 26.45, Kitsap Transit will submit its triennial overall DBE goal to the FTA for their review and approval no later than August 1 of the year preceding the new triennial period.

Kitsap Transit will also request use of project-specific DBE goals as appropriate, and/or will establish project-specific DBE goals as directed by FTA.

A description of the methodology to calculate the overall goal can be found in Attachment III to this program.

The purpose of the overall goal is to achieve a "level playing field" for ready, willing, and able Disadvantaged Business Enterprises (DBE's) seeking to participate in Kitsap Transit federally-assisted contracts. In an effort to reach this level playing field, Kitsap Transit will examine its relevant local markets, then determine the amount of participation DBE's would be expected to achieve in the absence of present and past effects of discrimination.

49 Code of Federal Regulations (CFR) Part 26.45 requires recipients of USDOT federal aid to utilize a multi-step process in the development of their Overall DBE Goals:

Step One: Calculate the base DBE goal based on the relative available certified DBE firms that are ready, willing, and able to work on DOT-assisted contract and/or agreements by each NAICS code likely to benefit from Kitsap Transit DOT-assisted projects.

Step Two: Examine evidence available in the jurisdiction to determine what adjustment, if any, is needed to the base figure calculated in Step one. Evidence may include, but is not limited to, past DBE participation, the current capacity of DBE's to perform the work, or evidence provided from disparity studies.

In establishing an overall goal, Kitsap Transit will publish a notice of the proposed overall goals, encouraging public participation and informing the public that the proposed goal and its rationale are available for inspection during normal business hours at your principal office for 30 days following the date of the notice, and informing the public that Kitsap Transit and the DOT will accept comments on the goals for 45 days from the date of the notice, thereby allowing sufficient time for DBE's to consult with Kitsap Transit and address potential questions or concerns regarding the proposed DBE goals and program. The 45 day comment period must be followed by a public hearing.

Kitsap Transit's overall goal and program documents must be submitted to its Board of Commissioners for approval after sufficient time has passed for public comment and a public hearing has been held to address comments.

Provided that there is sufficient time for public comment and consultation and the Board of Commissioners have approved the overall DBE goal, Kitsap Transit will submit its overall goal to DOT on August 1 of each year. The overall goal submission to DOT will include: the goal, a copy of the methodology, worksheets, proof of publication of the goal in media outlets, and a summary of information and comments received during this public participation process and our responses.

Kitsap Transit will begin using our overall goal on October 1 of the specified year, unless there are other instructions received from DOT.

XVIII. Transit Vehicle Manufacturers Goals

Pursuant to 49 CFR Part 26.49, Kitsap Transit will require each transit vehicle manufacturer, as a condition of being authorized to bid or propose on FTA-assisted transit vehicle procurements, to certify that it has complied with the requirements of this section. Alternatively, Kitsap Transit may, at its discretion and with FTA approval, establish project-specific goals for DBE participation in the procurement of transit vehicles in lieu of the TVM complying with this element of the program.

XIX. Meeting Overall Goals/Contract Goals

Kitsap Transit, upon request by the DBE, will assist DBE's with the necessary information to prepare bids, obtain bonding and insurance and other essential information in order to achieve a "level playing field" for DBE's.

XX. Good Faith Efforts Procedures

A. Solicitation of Bidder/Offeror

Each solicitation for which a contract goal has been established will require good faith effort procedures pursuant to 49 CFR Part 26.53. The bidder/offeror can demonstrate that it has done so either by meeting the contract goal or documenting good faith efforts. Evidence of good faith efforts may include the following:

1. Evidence the bidders attended any presolicitation or prebid meetings that were scheduled by Kitsap Transit to inform DBE's of contracting and subcontracting or material supply opportunities available on the project;
2. Evidence the bidder identified and selected specific economically feasible units of the project to be performed by DBE's in order to increase the likelihood of participation by DBE's;
3. Evidence the bidder advertised in general circulation, trade association minority and trade oriented, women-focus publications, concerning the subcontracting or supply opportunities;
4. Evidence the bidder provided written notice to a reasonable number of specific DBE's, identified from the OMWBE Directory of Certified Firms for the selected subcontracting of material supply work, in sufficient time to allow the enterprises to participate effectively;
5. Evidence the bidder followed up initial solicitations of interest by contacting the DBE's to determine with certainty whether they were interested. This may include the information outlined below:
 - (a) The names, addresses, and telephone numbers of DBE's who were contacted, the dates of initial contact, and whether initial solicitations of interest were followed up by contacting the DBE's to determine with certainty whether the DBE's were interested;

- (b) A description of the information provided to the DBE's regarding the plans, specifications, and estimated quantities for portions of the work to be performed;
 - (c) Documentation of each DBE contacted but rejected and the reason(s) for that rejection;
6. Evidence that the bidder provided interested DBE's with adequate information about the plans, specifications, and requirements for the selected subcontracting or material supply work;
 7. Evidence the bidder negotiated in good faith with the DBE firms, and did not without justifiable reason reject as unsatisfactory bids prepared by any DBE;
 8. Evidence the bidder advised and made efforts to assist interested DBE's in obtaining bonding, lines of credit, or insurance required by Kitsap Transit or the contractor;
 9. Evidence the bidders efforts to obtain DBE participation were reasonably expected to produce a level of participation sufficient to meet the goal or requirements of Kitsap Transit;
 10. Evidence that the bidder used the services of minority community organizations, minority contractor groups, local, state, and federal minority business assistance offices and other organizations and advocates for disadvantaged, minority, and women businesses that provide assistance in the recruitment and placement of disadvantaged, minority, and women business enterprises.

The DBE Liaison officer is responsible for determining whether a bidder/offeror who has not met the contract goal has documented sufficient good faith efforts to be regarded as responsive.

Kitsap Transit will ensure that all information is complete and accurate and adequately documents the bidder/offer's good faith efforts before Kitsap Transit commits to the performance of the contract by the bidder/offeror.

B. Information of Successful Bidder

Kitsap Transit treats bidder/offers' compliance with good faith efforts' requirements as a matter of responsiveness.

Each solicitation for which a contract goal has been established will require the bidders/offerors to submit the following information:

1. The names and addresses of DBE firms that will participate in the contract;
2. A description of the work that each DBE will perform;
3. The dollar amount of the participation of each DBE firm participating;
4. Written and signed documentation of commitment to use a DBE subcontractor whose participation it submits to meet a contract goal;
5. Written and signed confirmation from the proposed DBE that it has been approached by the bidders/offerors to participate in the contract as provided in the prime contractors commitment and
6. If the contract goal is will not be met, evidence of good faith efforts.

The following language will appear in each solicitation for which a contract goal has been established:

The requirements of 49 CFR Part 26, Regulations of the U.S. Department of Transportation, apply to this contract. It is the policy of the Kitsap Transit to practice nondiscrimination based on race, color, sex, or national origin in the award or performance of this contract. All firms qualifying under this solicitation are encouraged to submit bids/proposals. Award of this contract will be conditioned upon satisfying the requirements of this bid specification. These requirements apply to all bidders/offerors, including those who qualify as a DBE. A DBE contract goal of ____ percent has been

established for this contract. The bidder/offeror shall make good faith efforts, as defined in Appendix A, 49 CFR Part 26 (Attachment 1), to meet the contract goal for DBE participation in the performance of this contract.

The bidder/offeror will be required to submit the following information: (1) the names and addresses of DBE firms that will participate in the contract; (2) a description of the work that each DBE firm will perform; (3) the dollar amount of the participation of each DBE firm participating; (4) Written documentation of the bidder/offeror's commitment to use a DBE subcontractor whose participation it submits to meet the contract goal; (5) Written confirmation from the DBE that it has been approached to participate in the contract as provided in the commitment made under (4); and (5) if the contract goal is not met, evidence of good faith efforts.

C. Administrative Reconsideration

Within 10 business days of being informed by Kitsap Transit that it is not responsive because it has not documented sufficient good faith efforts, a bidder/offeror may request administrative reconsideration. Bidder/offerors should make this request in writing to the following reconsideration official: the Capital Planning Director. The reconsideration official will not have played any role in the original determination that the bidder/offeror did not document sufficient good faith efforts.

As part of this reconsideration, the bidder/offeror will have the opportunity to provide written documentation or argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so. The bidder/offeror will have the opportunity to meet in person with our reconsideration official to discuss the issue of whether it met the goal or made adequate good faith efforts to do so. Kitsap Transit will send the bidder/offeror a written decision on reconsideration, explaining the basis for finding that the bidder did or did not meet the goal or make adequate good faith efforts to do so. The result of the reconsideration process is not administratively appealable to the Department of Transportation.

D. Good Faith Efforts when a DBE is replaced on a contract

Kitsap Transit will require a contractor to make good faith efforts to replace a DBE that is terminated or has otherwise failed to complete its work on a contract with another certified DBE, to the extent needed to meet the contract goal. Kitsap Transit will require the prime contractor to notify the DBE Liaison officer immediately of the DBE's inability or unwillingness to perform and provide reasonable documentation.

In this situation, Kitsap Transit will require the prime contractor to obtain prior approval of the substitute DBE and to provide copies of new or amended subcontracts, or documentation of good faith efforts.

If the contractor fails or refuses to comply in the time specified, our contracting office may issue an order stopping all or part of payment/work until satisfactory action has been taken. If the contractor still fails to comply, the contracting officer may issue a termination for default proceeding.

XXI. Counting DBE Participation

Kitsap Transit will count DBE participation toward overall and contract goals as provided in 49 CFR 26.55.

SUBPART D & E – CERTIFICATION

XXII. Certification Standards and Procedures

DBE certification standards are defined in 49 CFR Part 26.

The Office of Minority and Women's Business Enterprises (OMWBE) is the sole authority in the state of Washington to perform certification and verification of all minority business enterprises, women business enterprises, and socially and economically disadvantaged business enterprise programs administered by any state, local, or federal agency throughout the state of Washington. This statutory authorization extends to and binds all U.S. Department of Transportation DBE program recipients in the state of Washington.

For information about the certification procedures or to apply for certification, firms should contact the Office of Minority and Women's Business Enterprises.

SUBPART F – COMPLIANCE AND ENFORCEMENT

XXIII. Information, Confidentiality, Cooperation

Kitsap Transit will safeguard from disclosure to third parties information that may reasonably be regarded as confidential business information, consistent with Federal, state, and local law.

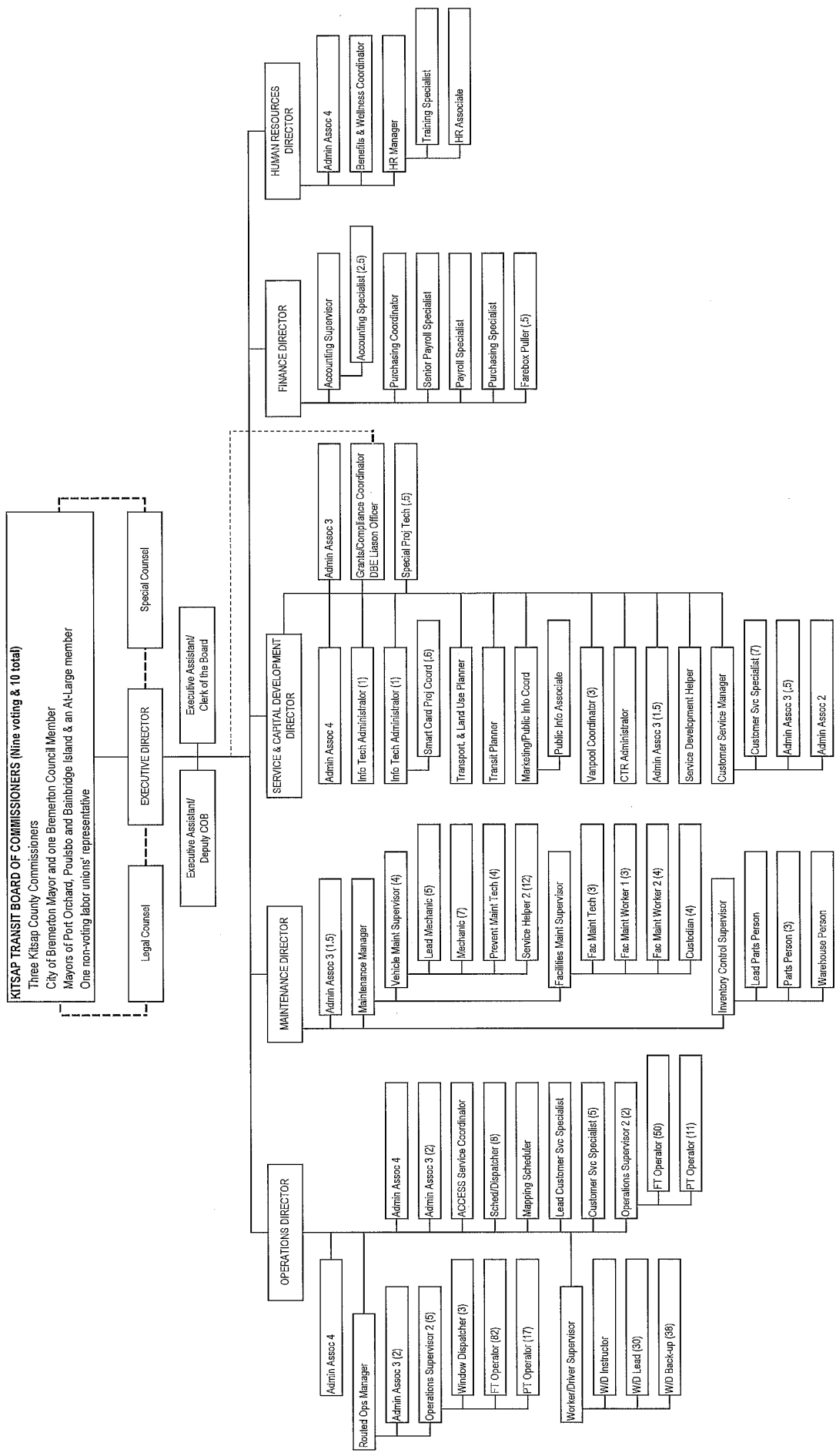
Notwithstanding any contrary provisions of state or local law, Kitsap Transit will not release personal financial information submitted in response to the personal net worth requirement to a third party (other than DOT) without the written consent of the submitter.

ATTACHMENTS

Attachment I	Kitsap Transit Organizational Chart
Attachment II	Office of Minority and Women Business Enterprise DBE Directory (Available upon request)
Attachment III	Overall goal-setting methodology
Attachment IV.	Regulations: 49 CRR part 26 (May be downloaded from the following link http://osdbu.dot.gov/business/dbe/dbeview.cfm)

Kitsap Transit 2014 Structure and Staffing

ATTACHMENT I



ATTACHMENT III

Kitsap Transit

Disadvantaged Business Enterprise Overall Goal and Goal Setting Methodology

The purpose of the Disadvantaged Business Enterprise (DBE) overall goal is to achieve a "level playing field" for ready, willing and able DBE's seeking to participate in DOT-assisted contracts. In an effort to reach this level playing field, Title 49 Code of Federal Regulations (CFR) Part 26.45 requires recipients of USDOT federal-aid to utilize a two-step process in the development of their overall DBE goal.

STEP ONE: Develop a Base Figure for the Relative Availability of DBE's

The base figure for the relative availability of DBE's is the ratio of certified DBE's relative to the total firms available in the region. Kitsap Transit has adopted the State of Washington as its relevant region.

The numerator reflects the number of certified DBE's listed in the Office of Minority and Women Business Enterprise Directory. The denominator reflects the total number of construction firms according to the Census Bureau's CBP database.

WA certified DBE's	XXX	X.XX%
WA construction firms	XX,XXX	

STEP TWO: Adjustment of the Base Figure for the Overall Goal

The second step in this process is to adjust the base figure based upon evidence available in the region. Evidence that may be considered for adjustment of the base figure include the following:

1. The current capacity of DBE's to perform the work in the agencies applicable region
2. Disparity studies
3. Statistical data on the ability of DBE's to get financing, bonding, insurance, etc.
4. Input from interest parties
5. Past participation