



Subject: Overall Goals and Methodology

Reference: Overall Goals (49 CFR part 26.45)

Name of Recipient: Kitsap Transit

Goal Period: Federal Fiscal Years 2021 – 2023

The purpose of the Disadvantaged Business Enterprise (DBE) overall goal is to achieve a “level playing field” for ready, willing and able DBEs 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.

OVERALL GOAL

Kitsap Transit’s overall goal has been determined to be 2.92%. Kitsap Transit made an adjustment to the base figure of 2.61% using the last 3 year’s participation rate resulting in the final DBE overall goal of 2.92%. Kitsap Transit intends to use 2.92% as an attainable goal based on the following methodology.

STEP ONE: Develop a Base Figure for the Relative Available DBEs

The base figure for the relative available DBE’s is the ratio of certified DBE’s relative to the total firms available in the relevant region and industry. Kitsap Transit has adopted the State of Washington as its relevant region. Kitsap Transit has also narrowly tailored and weighted its ratio calculation to services and industries likely to benefit from federally funded projects.

| Available DBE's (Source) | Construction - Commercial (236220) | Construction - Electrical (238210) | Construction - Plumbing/HVAC (238220) | Manufacturing - Ship Bldg/Repair (336611) | Prof & Technical Architectural (541310) | Prof & Technical Engineering (541330) | Prof & Technical Environmental (541620) |
|---------------------------------------|------------------------------------|------------------------------------|---------------------------------------|-------------------------------------------|-----------------------------------------|---------------------------------------|-----------------------------------------|
| OWMBE Certified DBE's | 18 | 18 | 11 | - | 26 | 59 | 13 |
| US Census WA County Business Patterns | 898 | 1,850 | 1,805 | 60 | 649 | 1,560 | 332 |

Following Step 1 in 26.45(c), Kitsap Transit applied the ratio of certified DBE’s (source: OWMBE directory of certified DBE’s) to total Washington firms (source: Census Bureau’s county business pattern database) for each relevant industry code to the planned capital expenditures of each industry code. Kitsap Transit’s base DBE goal is 2.61% and is calculated as follows:

| Project | Transit Vehicle Purchase | Construction - Commercial (236220) | Construction - Electrical (238210) | Construction - Plumbing/HVAC (238220) | Manufacturing - Ship Bldg/Repair (336611) | Prof & Technical Architectural (541310) | Prof & Technical Engineering (541330) | Prof & Technical Environmental (541620) |
|----------------------------------------------------------------------------|--------------------------|------------------------------------|------------------------------------|---------------------------------------|-------------------------------------------|-----------------------------------------|---------------------------------------|-----------------------------------------|
| Silverdale Transit Center CN | | \$ 400,000 | \$ 29,464 | \$ 20,000 | | | | |
| North Base Maintenance Facility PE | | | | | | | \$ 259,232 | \$ 50,000 |
| Hwy 16 Park & Ride PE | | | | | | \$ 300,000 | \$ 489,285 | \$ 100,000 |
| Georges Corner CN | | \$ 78,683 | | | | | | |
| South Base Facility PE | | | | | | \$ 40,000 | \$ 200,861 | \$ 30,000 |
| Passenger Only Ferry Terminal Improvements | | | | | \$ 87,929 | | | |
| Routed Couch Purchase | \$ 3,329,955 | | | | | | | |
| Passenger Only Ferry Preventative Maintenance | | | | | \$ 465,166 | | | |
| Budget - Federal Grants | \$ 3,329,955 | \$ 478,683 | \$ 29,464 | \$ 20,000 | \$ 553,095 | \$ 340,000 | \$ 949,378 | \$ 180,000 |
| Transit Vehicle Purchase | \$ 3,329,955 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Budget - Federal Grants (excluding transit vehicles) | \$ - | \$ 478,683 | \$ 29,464 | \$ 20,000 | \$ 553,095 | \$ 340,000 | \$ 949,378 | \$ 180,000 |
| Share of 2020 Budget | 56.63% | 8.14% | 0.50% | 0.34% | 9.41% | 5.78% | 16.14% | 3.06% |
| Part I - Calculating a DBE Base Goal | | | | | | | | |
| Available DBE's (Source: OWMBE Certified DBE's) | | 18 | 18 | 11 | - | 26 | 59 | 13 |
| Total Firms in Region (Source: 2014 US Census WA County Business Patterns) | | 898 | 1,850 | 1,805 | 60 | 649 | 1,560 | 332 |
| DBE Weighted Factor | n/a | 2.00% | 0.97% | 0.61% | 0.00% | 4.01% | 3.78% | 3.92% |
| DBE Expenditure Goal | \$ - | \$ 9,595 | \$ 287 | \$ 122 | \$ - | \$ 13,621 | \$ 35,906 | \$ 7,048 |
| Agency DBE Base Goal | 2.61% | | | | | | | |

STEP TWO: Adjustment of the Base Figure

The second step in the process is to adjust the base figure based on Kitsap Transits contracting circumstances. Past participation was used for calculating the DBE goal based on similar contracting opportunities forecasted in FFY 2021-2023. The historical median (not average) was used to measure past performance and was then averaged with the Step One Base Figure to arrive at the adjusted goal. Based on DBE past participation, Kitsap Transit's adjusted DBE goal is 2.93% and is calculated as follows:

| Part II - Adjustment | | | |
|-------------------------------------------------------------|------------------------------|-------|-------|
| Agency DBE Base Goal | 2.61% | | |
| Prior Year DBE Participation (Median) | 3.23% | | |
| Adjusted DBE Goal (avg. of base & prior year participation) | 2.92% | | |
| | Prior Year DBE Participation | | |
| | 2019 | 2018 | 2017 |
| Actual DBE Goal | 2.93% | 2.93% | 2.05% |
| Past DBE Participation | 3.23% | 2.05% | 3.52% |

Means to Meet Overall DBE Goal

Kitsap Transit will use race/gender-neutral means to encourage DBE participation in its federally assisted contracts. In 2017, Washington State Department of Transportation (WSDOT) retained Colette Holt & Associates to conduct a “disparity study” to assist in its implementation of the Federal DBE Program. Kitsap Transit has reviewed the disparity study and chose not to use it based on its contracts and relevant geographic market areas. WSDOT operates across the entire state and tailored its DBE goal based on its contracts and relevant market area.

Public Involvement in the Overall Goal Setting Process

Kitsap Transit made available through public notice and public hearing the proposed overall goal and methodology. A notice of disadvantaged business enterprise goal for federal fiscal years 2021 – 2023 was published in April and May of 2020 (see attachment A). The goals and methodology were also available for inspection during normal business hours at Kitsap Transit’s administrative office located at 60 Washington Ave., Suite 200, Bremerton, WA for a period of 30 days following the date of the initial notice. Public comments were accepted up to 45 days from the date of the notice.

Kitsap Transit consulted with several community organizations that have information about local marketplace conditions for DBEs. During these meetings, Kitsap Transit discussed its proposed overall DBE goal and rationale for the goal and also solicited comments about the goal. Kitsap Transit consulted with the following organizations:

- Kitsap County Agency Advocates
- Mesa Redonda
- Washington State Office of Minority & Women’s Business Enterprises

No comments or feedback were provided. Based on the consultation process no changes were made to Kitsap Transit’s proposed DBE goal.

A Resolution adopting Kitsap Transit’s proposed DBE goal of 2.92% for the federal fiscal years 2021 – 2023 was on the agenda for consideration at the Kitsap Transit Board of Commissioners’ regular meeting on June 2, 2020 (see attachment B). Comments could be submitted at the public hearing on June 2nd on the proposed goal or to the office of Kitsap Transit prior to the meeting. During the public hearing, Kitsap Transit discussed its proposed overall goal and rationale for the goal and solicited comments about the goal from meeting participants. No comments or feedback were provided other than general consensus.