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Subject: DBE Overall Goal and Methodology
Reference: Overall Goal (49 CFR part 26.45)
Name of Recipient: Kitsap Transit
Goal Period: Federal Fiscal Years 2024 – 2026

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 1.98%. Kitsap Transit made an adjustment to the base figure of 3.07% using the last 3 year’s participation rate resulting in the final DBE overall goal of 1.98%. Kitsap Transit intends to use 1.98% 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 DBEs is the ratio of certified DBEs relative to the total firms available in the relevant region and industry (Table 1). 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 DBEs (Source)	Construction Commercial (236220)	Construction Electrical (238210)	Manufacturing - Ship Bldg/Repair (336611)	Prof & Technical Architectural (541310)	Prof & Technical Engineering (541330)	Prof & Technical Environmental (541620)
OMWBE Certified DBEs	35	22	3	23	68	24
US Census WA County Business Patterns	876	1,961	43	716	1,675	359

Table 1 - Available DBEs

For Step 1, as defined in 49 CFR Part 26.45(c), Kitsap Transit applied the ratio of certified DBEs (source: Washington State Office of Minority & Women’s Business Enterprises (OMWBE) directory of certified DBEs) 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 3.07% and is calculated as follows in Table 2:

DBE Goal - Kitsap Transit

Project	Transit Vehicle Purchase	Construction - Commercial (236220)	Construction - Electrical (238210)	Manufacturing - Ship Bldg/Repair (336611)	Prof & Technical Architectural (541310)	Prof & Technical Engineering (541330)	Prof & Technical Environmental (541620)
Routed Coaches	\$ 8,745,884						
Electric Bus (10) Charleston & North Base Chargers	\$ 7,000,000	\$ 2,400,000	\$ 1,000,000			\$ 250,000	
North Base HD Maintenance Facility PE					\$ 1,000,000	\$ 1,000,000	\$ 100,000
South Base Facility PE						\$ 200,000	\$ 46,370
HWY 16 Park & Ride PE						\$ 1,000,000	
Johnson Road Park & Ride						\$ 1,200,000	\$ 190,000
Gateway Bus Redevelopment PE						\$ 600,000	\$ 120,000
SR 104 Park & Ride PE						\$ 400,000	\$ 100,000
Port Orchard Transit Center PL						\$ 600,000	\$ 150,000
West Bremerton Hydrogen Fueling & P&R PE					\$ 1,300,000	\$ 2,137,531	\$ 700,000
Electric Foot Ferry & Infrastructure PE & CN			\$ 1,000,000	\$ 5,500,000	\$ 1,200,000		
Seattle Terminal PE					\$ 500,000	\$ 1,000,000	\$ 1,000,000
Southworth Terminal Redevelopment		\$ 2,250,000					
Passenger Only Ferry Preventative Maintenance		\$ 100,000	\$ 170,000	\$ 300,000	\$ 100,000	\$ 100,000	
Budget - Federal Grants	\$ 15,745,884	\$ 4,750,000	\$ 2,170,000	\$ 5,800,000	\$ 4,100,000	\$ 8,487,531	\$ 2,406,370
Transit Vehicle Purchase	\$ 15,745,884	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Budget - Federal Grants (excluding transit vehicles)	\$ -	\$ 4,750,000	\$ 2,170,000	\$ 5,800,000	\$ 4,100,000	\$ 8,487,531	\$ 2,406,370
Share of 2023 Budget	36.23%	10.93%	4.99%	13.35%	9.43%	19.53%	5.54%
Part I - Calculating a DBE Base Goal							
Available DBEs (Source: OWMBE Certified DBE's)		35	22	3	23	68	24
Total Firms in Region (Source: 2020 US Census WA County Business Patterns)		876	1,961	43	716	1,675	359
DBE Weighted Factor	n/a	4.00%	1.12%	0.00%	3.21%	4.06%	6.69%
DBE Expenditure Goal	\$ -	\$ 189,783	\$ 24,345	\$ -	\$ 131,704	\$ 344,568	\$ 160,872
Agency DBE Base Goal	3.07%						

Table 2 - DBE Goal

STEP TWO: Adjustment of the Base Figure

The second step in the process was 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 2024-2026. The historical median (not average) was used to measure past performance and was then averaged with the Step 1: Base Figure (Table 2) to arrive at the adjusted goal. Based on DBE past participation, Kitsap Transit's adjusted DBE goal is 1.98% and is calculated as follows in Table 3:

Part II - Adjustment			
Agency DBE Base Goal	3.07%		
Prior Year DBE Participation (Median)	0.89%		
Adjusted DBE Goal (avg. of base & prior year participation)	1.98%		
	Prior Year DBE Participation		
	2022	2021	2020
Actual DBE Goal	2.92%	2.92%	2.92%
Past DBE Participation	13.28%	0.00%	0.89%

Table 3 - Adjustment to Base Figure

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 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 (DBE) goal for federal fiscal years 2024 – 2026 was published in August of 2023 (see attachment A). The goals and methodology were available for inspection between the hours of 8AM and 4PM, Monday through Friday for a period of 30 days following the date of initial notice at Kitsap Transit’s administrative office located at 60 Washington Ave., Suite 200, Bremerton, WA or online at <https://www.kitsaptransit.com/agency-information/procurement>. Public comments were accepted up to 45 days from the date of the notice.

Kitsap Transit consulted with community organizations and certified DBEs. Kitsap Transit provided its proposed overall DBE goal, 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
- Certified DBEs

The attached comments and 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 1.98% for the federal fiscal years 2024 – 2026 was on the agenda for consideration at the Kitsap Transit Board of Commissioners’ regular meeting on October 3, 2023 (see attachment B). Comments could be submitted at the public hearing on October 3rd 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.