



Port of Portland Disparity Study Public Information Meeting

COLETTE HOLT & ASSOCIATES
F.M. BURCH & ASSOCIATES

JUNE 2017

Study Team

- Colette Holt & Associates (M/WBE)
 - Colette Holt, J.D. – Project Manager & Legal Counsel
 - Nationally recognized expert, educator & author on D/M/WBE issues
 - Co-authored USDOT-approved National Study Guidelines
 - Extensive experience as an expert witness in the successful defense of programs
 - General Counsel to the American Contract Compliance Association

Study Team

- Colette Holt & Associates
 - Steven Pitts, Ph.D. – Economist & Statistician
 - Nationally recognized expert, educator & author on market issues regarding minorities for over 20 years
 - Served as economist for many disparity studies
 - Associate Chair of the University of California at Berkeley's Center for Labor Research & Education
 - Extensive experience using large databases, including Census Bureau files, to perform statistical analyses of labor & employment issues

Study Team

- Colette Holt & Associates
 - Robert Ashby, J.D. – Legal & Program Analysis
 - Deputy General Counsel for Regulations & Enforcement for the USDOT for over 27 years
 - Responsible for all USDOT DBE regulations; advising state, local and federal officials concerning DBE certification, goal setting and other DBE issues; & serving as liaison with the Department of Justice on DBE matters
 - Qualified expert witness; has offered testimony in federal courts on issues related to the USDOT DBE Program

Study Team

- Colette Holt & Associates
 - Ilene Grossman-Chief Operating Officer
 - Serves as operating officer of all CHA activities, including the WSDOT study
 - Coordinates all study requirements & oversees all outside firm resources
 - Coordinates internal scheduling & project timelines
 - Oversees all interdepartmental communication
 - Directs all financial transactions and accounting staff

Study Team

- Colette Holt & Associates
 - Victoria Farrell-Assistant Project Manager
 - Oversees daily activities of study management
 - Manages sub-consultant in data collection & public engagement efforts
 - Coordinates meeting logistics and study communications

Study Team

- F.M. Burch & Associates
 - Faye Burch
 - Specializes in contracting equity programs D/WM/WBEs & workforce development, public involvement programs, small business development & project management.
 - Works for public, private & non-profit organizations
 - Will assist with data collection & public engagement

Guiding Disparity Study Legal Principles

- Evidence must comport with case law & sound science
- M/W/DBE programs must reflect this evidence
- Programs that result from inadequate legal & economic analyses or political motivations will be struck down if challenged
- Properly supported & narrowly tailored programs based upon expert testimony will survive strict scrutiny

Disparity Study Objectives

- Provide litigation defense
 - Programs without solid studies will be struck down
 - Studies aren't challenged; programs are challenged
- Meet regulatory requirements
 - Set overall, annual M/W/DBE goals
 - Develop M/W/DBE contract goals
- Make administrative improvements
 - Obtain confidential customer feedback
 - Create focus on data collection & monitoring
 - Supportive administrative accountability

Study Elements

- Legal review & analysis
- Determination of Port's market
- Determination of Port's industry markets
- Determination of Port's utilization of D/M/W/ACDBEs from July 1, 2011 to June 30, 2016
- Estimation of D/M/W/ACDBE availability
- Disparity analysis
- Economy-wide analysis
- Qualitative data collection & analysis
- Review of Port's contracting programs
- Recommendations

Legal Review & Analysis

- Review current case law & other relevant legal documents, with emphasis on 9th Circuit cases
- Describe the legal standards & how the research methodology conforms to the case law
- Explain how the legal principles apply to each study element
- Objectives
 - Educate the reader about the legal standards
 - Provide a framework for a court in litigation
 - Communicate concepts to be understandable to judges & laypersons

Quantitative Analysis: Utilization of D/M/W/ACDBEs

- Analyze all contracts during the Study Period
 - Determine the Port's geographic market area using the 75% rule
 - Determine the Port's industry market area using the 75% rule
 - Provide results by race & gender & industry aggregated & disaggregated

Quantitative Analysis: Availability of D/M/W/ACDBEs

- Create Master Directory of M/W/DBEs from multiple sources
- Purchase Hoovers data
- Assign NAICS codes
- Apply race/gender adjustments
- Combine Master Directory, Hoovers & Contract Data File to form business universe
- Estimate detailed, unweighted & weighted availability aggregated & disaggregated race, gender & industry codes

Quantitative Analysis: Disparity Index

- Disparity ratio = DBE utilization \div availability
- Calculate disparity indices for contracts:
 - Race & sex groups combined & industry groups combined
 - Race & sex groups combined by disaggregated industry groups
 - Industry groups combined by disaggregated race & sex
 - Disaggregated race & sex by disaggregated industry groups

Economy-Wide Analysis

- Examine Census Bureau data bases
 - Compare M/WBEs' Revenues to Non-M/WBEs' Revenues using the Survey of Business Owners for Oregon
 - Compare M/WBEs' Formation Rates & Business Earnings to Non-M/WBEs' Formation Rates & Business Earnings Using the American Community Survey for Oregon
- Review & summarize literature on M/WBEs' access to commercial credit

Anecdotal Data Collection & Analysis

- Public Study introduction meeting
- Stakeholder group sessions & business owner interviews to explore:
 - Biased perceptions & stereotypes
 - Experiences with barriers to equal access to Port prime & subcontracting opportunities
 - Recommendations for improvements
- Business owner electronic survey

Review of Port Contracting Policies & Procedures

- Review Port's D/M/W/ACDBE programs
- Solicit agency personnel's experiences & suggestions regarding contracting equity issues
- Topics will include:
 - Barriers to Port contracting
 - Outreach to D/M/W/ACDBEs, veterans & small firms
 - Business assistance programs

Recommendations

- Race & gender-neutral measures to reduce barriers & increase opportunities
- Potential race- & gender-conscious remedies

Study Participation Information

Stakeholder Meetings – September 27, 2017

Business Owner Interviews – 1st Quarter 2018

Study Website: <http://portofportland.disparity-study.com>

Study email: portofportland_study@mwbelaw.com

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