

County of Alameda Disparity Study Community Meeting

June 30, 2021

Welcome

Our presentation will begin shortly.



00 : 30 : 00

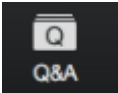
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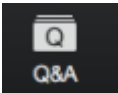
Meeting Guidelines



Attendees have been muted by the host to eliminate background noise



Submit comments and questions in Q&A box



Click on bottom of your screen to open Q&A box
Type questions in Q&A box and hit submit



Technical issues? Email nnegoro@mtaltd.com



Moderator

**Laura Lloyd, Project Manager, Alameda County
Auditor-Controller Agency**



Greetings

**Susan Muranishi – County Administrator –
Alameda County**



Opening Remarks

Alameda County Supervisor David Haubert



Introduction of Disparity Study Team

**Laura Lloyd, Project Manager, Alameda County
Auditor-Controller Agency**



Disparity Study Briefing

**Eleanor Mason Ramsey, Ph.D.,
President, Mason Tillman Associates, Ltd.**

**Don O'Bannon, JD
Outside Legal Counsel, Mason Tillman Associates, Ltd.**



Mason Tillman Profile

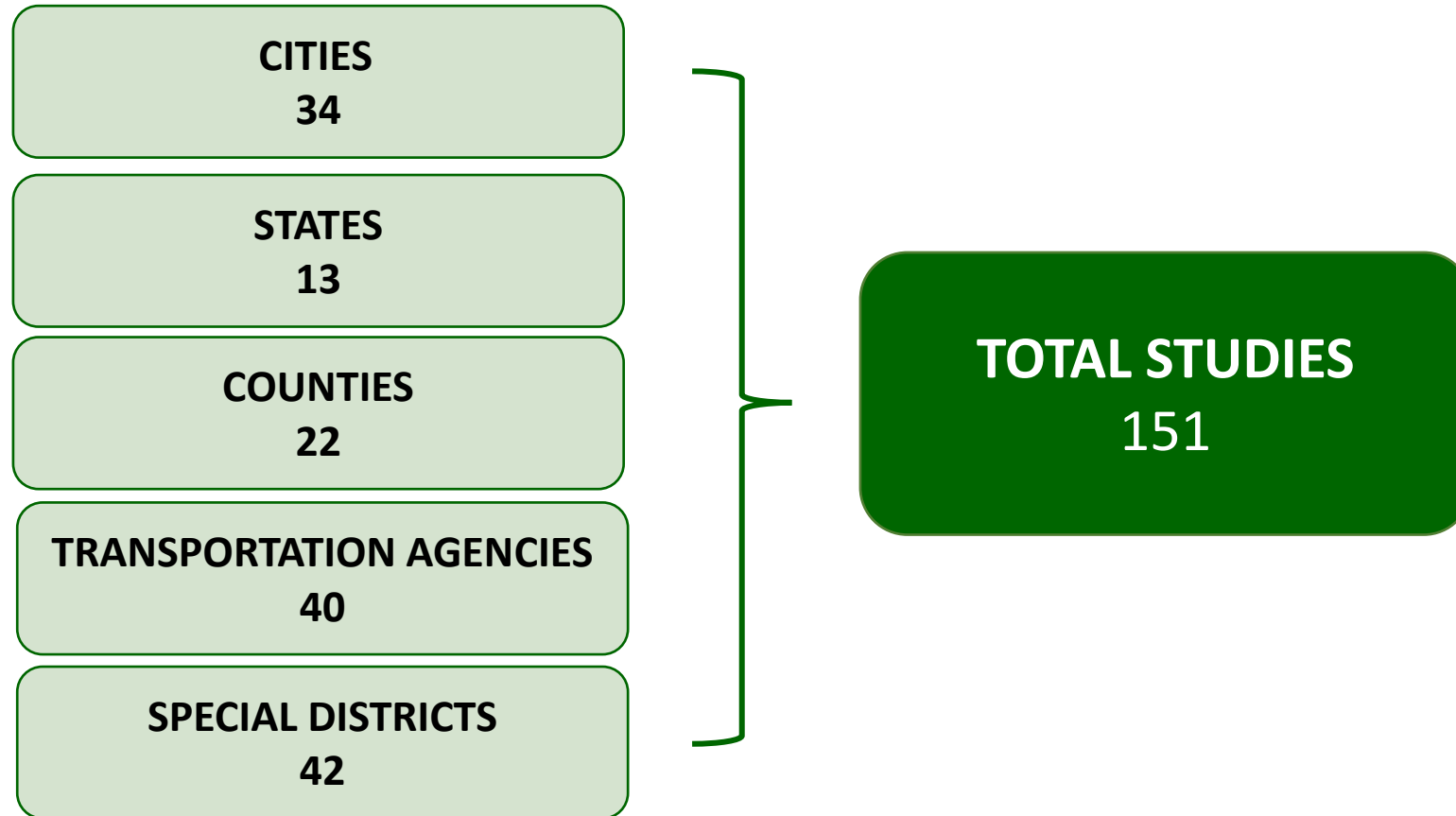
- Established in 1978
- Public policy research and marketing professionals

AWARD-WINNING COMPANY

- Equity service divisions
- Business affirmative action
- Corporate communication



Mason Tillman Disparity Studies



Study Team

Name	Certification
Sandra Varner President, Varner PR	MWBE
Carl Chan President, Asian Health Services	----
Sally Hawkins Owner, Accounting Solutions Team, Inc.	MWBE



Legal Standard



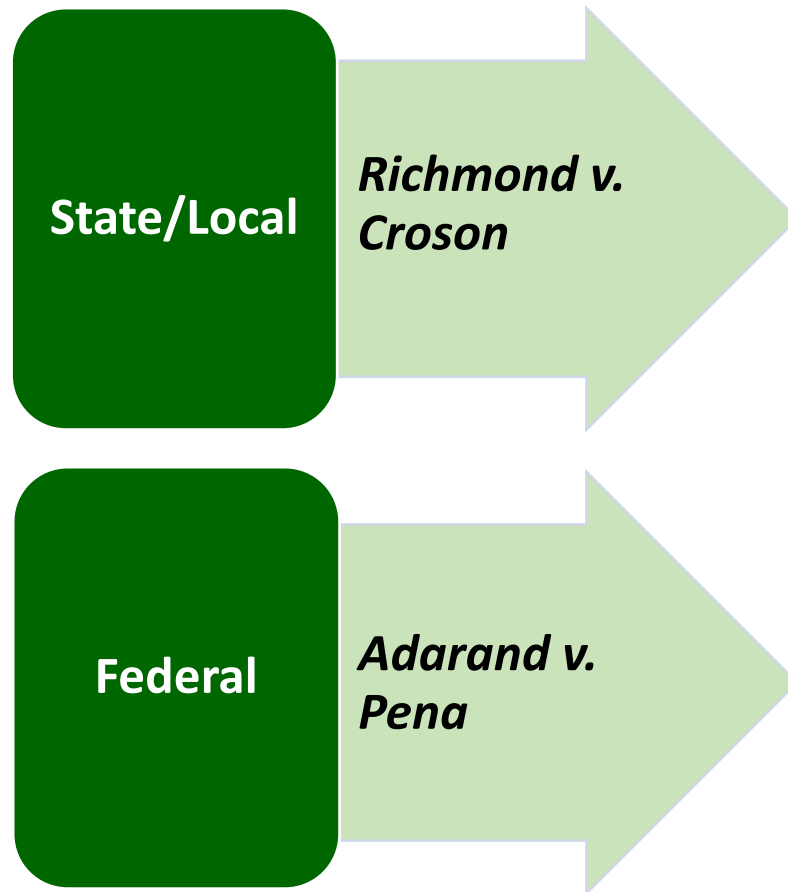
City of Richmond v. J.A. Croson

The Facts:

- 14th Amendment equal protection challenge to City of Richmond, Virginia's MBE contracting program
- City adopted a Minority Business Utilization Plan
- 30% subcontracting set aside for Minority Business Enterprises
- Supreme Court held City of Richmond, Virginia's MBE contracting program violated equal protection clause of 14th Amendment



City of Richmond v. J.A. Croson



- Compelling interest
 - Strong basis in evidence
 - Statistically significant disparity
 - Rebuttable inference of discrimination
- Narrowly tailored
 - Remedy documented discrimination
- Anecdotal evidence
 - Bolsters statistical findings of disparity



Narrowly Tailored Remedies

- Disparity findings are race, gender, and industry-specific
- Subcontract goals are limited to ethnic and gender groups in industries with disparity findings
- Goals are defined by availability of the ethnicity and gender groups with disparity in each industry



Court Approved Methodology Without Legal Challenge

- *Midwest Fence Corporation v. Illinois Department of Transportation, et. al.*, Seventh Circuit Court of Appeals (2016).
 - Retained to perform post enactment study
 - Mason Tillman's methodology upheld
 - IDOT's DBE program survived strict scrutiny based on Mason Tillman's disparity study
 - Judge Hamilton, writing for the 7th Circuit Court, opined that the data from Mason Tillman's Disparity Study **"Helped show the IDOT has a strong basis in evidence to adopt its program"**
- *Kossman Contracting Co. v. City of Houston*, No. H-96-3100 (S.D. Tex 1996).
 - Retained to perform post enactment study
 - Court approved Mason Tillman's study
 - City's suspended M/WBE program reinstated



Study Methodology



Study Parameters

Study Period: July 1, 2017 to June 30, 2020			
Construction	Architectural and Engineering	Professional Services	Goods and Services



Utilization Analysis

- Contracts awarded during the study period
 - Prime contracts
 - County extracted data
 - Mason Tillman cleaned and organized data
 - Assigned industry to each contract
 - Determined business owner ethnicity and gender
 - Subcontracts
 - County extracted data
 - Mason Tillman conducting research to reconstruct complete subcontract data
 - Market Area
 - Geographic market area where the County awarded its contracts



Availability Analysis

- Willing and able businesses enumerated from government and non-government sources
- Businesses identified from non-government sources surveyed
 - Willingness to contract with the County
 - Collect race, gender and industry information
 - Capacity to perform on the County contracts
 - Collect bidding history, revenue, number of employees, owner education, etc.
- Available businesses classified by ethnicity, gender, and industry



Statistical Test of Disparity

- Disparity ratio
 - Disparity ratio is actual dollars spent (utilization) divided by expected contract dollars (availability)
 - Expected contract dollars is the proportion of dollars to be spent with each group based on availability

$$\frac{\textit{Utilization}}{\textit{Availability}} = \text{Disparity ratio}$$

- Parity, overutilization, or insubstantial underutilization → no M/WBE goals
- Substantial WBE underutilization → WBE goals
- Substantial MBE underutilization → test statistical significance
 - No statistical significance → no MBE goals
 - Statistical significance → MBE goals



Anecdotal Analysis

- Oral accounts elicited from 35 business owner interviews
- Evidence compiled from e-survey of all available businesses
- Qualitative evidence analyzed for contracting patterns and practices
- Analysis informs the race and gender-neutral recommendations



Typical Prime Contractor Barriers

- Bid information difficult to obtain
- Absence of standardized procurement process
- Small prime contracts bundled and multi-year
- Inadequate lead time to bid
- Excessive monitoring
- Late payments



Typical Subcontractor Barriers

- Bids shopped after award
- Scope of work reduced
- Unauthorized substitution
- Disparate performance standards
- Late payments by prime contractors
- Uncompensated change orders
- Insufficient mobilization notice



Partner With Us

- Complete the business survey
- Agree to an anecdotal interview

Email	alamedacountydisparitystudy@mtaltd.com
Business Survey	https://www.tfaforms.com/4908347
Mail	Mason Tillman Associates, Ltd. 1999 Harrison Street Suite 2000 Oakland, CA 94612
Telephone	510-835-9012
Website	https://www.alamedacountydisparitystudy.org



Small Local Emerging Business Certification Overview

Susan Wewetzer - Auditor-Controller Agency



General Services Agency Procurement Process

Detra Dillon - General Services Agency



Chat with us!



Please Write In Q&A Box

- Your comment or question
- Your full name
- Business name
- Organizational affiliation



Closing Remarks

**Laura Lloyd, Project Manager, Alameda County
Auditor-Controller Agency**



감사합니다! Merci!

धन्यवाद! cảm ơn!

THANK YOU!

謝謝!

Grazie!

متشكراً

¡Gracias! Спасибо!

Dziękuję Ci

Obrigado!

