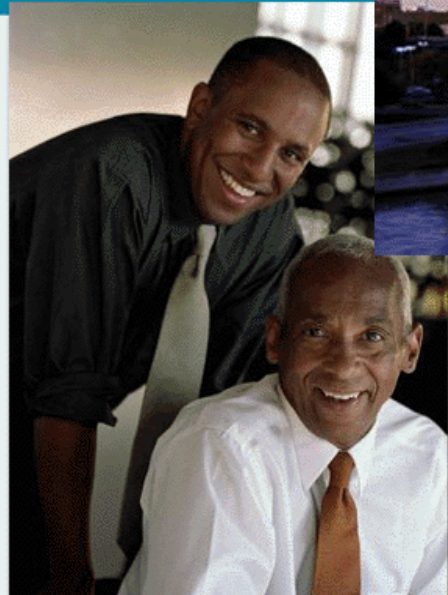


*Hillsborough County Aviation Authority  
and  
City of Tampa  
Multi-jurisdictional Disparity Study*



*Presentation by  
Mason Tillman Associates, Ltd.  
May 2006*



# ***MEETING AGENDA***

- **Introduce the Study Team**
- **Describe Study Methodology**
- **Present Statistical Results**
- **Summarize Anecdotal Findings**
- **Discuss Program Recommendations**





# ***MASON TILLMAN ASSOCIATES***

**Established in 1978**

**Public Policy Research and Marketing  
Professionals**

**Award Winning Company**

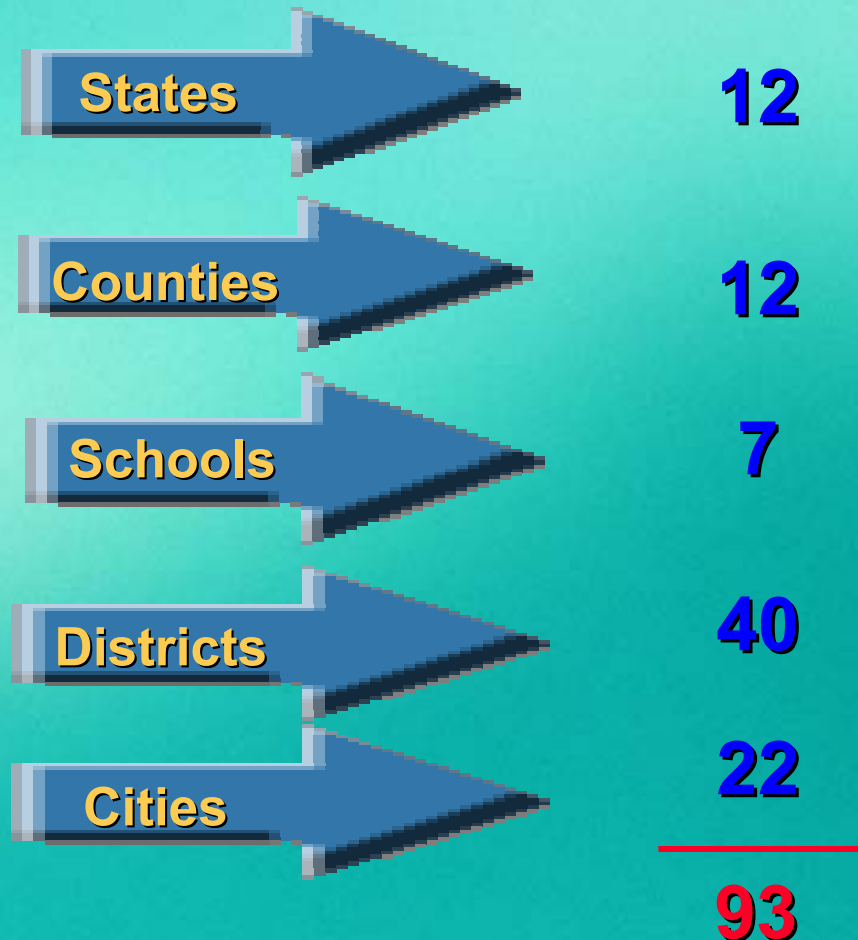
**Service Divisions**

- Business Affirmative Action**
- Corporate Communication**



# ***DISPARITY STUDIES***

***Ninety-Three On Time & Unchallenged***





# ***INDUSTRIES AND STUDY PERIOD***

**Study Period October 1, 2001 – September 30, 2004**

**Construction**

**Construction-Related Services**

**Professional Services**

**Non-Professional Services**

**Goods**



# ***CROSON STANDARD***

**State/Local**  
***Richmond vs.***  
***Croson***

**Federal**  
***Adarand vs.***  
***Pena***

- **Compelling Purpose**
  - **Evidence of Systemic Racial Discrimination**
- **Narrowly Tailored**
  - **Remedy Documented Discrimination**
- **Update Periodically**
  - **Assess Effectiveness of Remedy**





# ***KEY DISPARITY STUDY ELEMENTS***

- **Analysis of Prime Contractor Utilization**
  - **Informal and Formal Contracts**
  - **Payment and Awards**
- **Analysis of Subcontractor Utilization**
  - **Subcontracts on Formal Contracts**
- **Enumeration of Willing and Able Businesses**
  - **Utilized Businesses**
  - **Unsuccessful Bidders**
  - **Potential Bidders**
- **Review of Anecdotal Accounts of Businesses**



# ***MARKET AREA BUSINESS PROFILE***

<b>Businesses</b>	<b>Hillsborough County</b>	<b>State of Florida</b>	<b>United States</b>
<b>Fewer Than 20 Employees</b>	<b>85.21%</b>	<b>88.22%</b>	<b>86.02%</b>
<b>Fewer Than 50 Employees</b>	<b>93.62%</b>	<b>95.43%</b>	<b>94.71%</b>
<b>More Than 100 Employees</b>	<b>3.01%</b>	<b>2.04%</b>	<b>2.33%</b>
<b>Minority-owned Businesses</b>	<b>23.06%</b>	<b>18.08%</b>	<b>11.62%</b>
<b>Woman-owned Businesses</b>	<b>16.31%</b>	<b>17.92%</b>	<b>15.99%</b>
<b>Total Businesses</b>	<b>21,121</b>	<b>335,394</b>	<b>5,295,152</b>

**U.S Census 1997 and 2003**



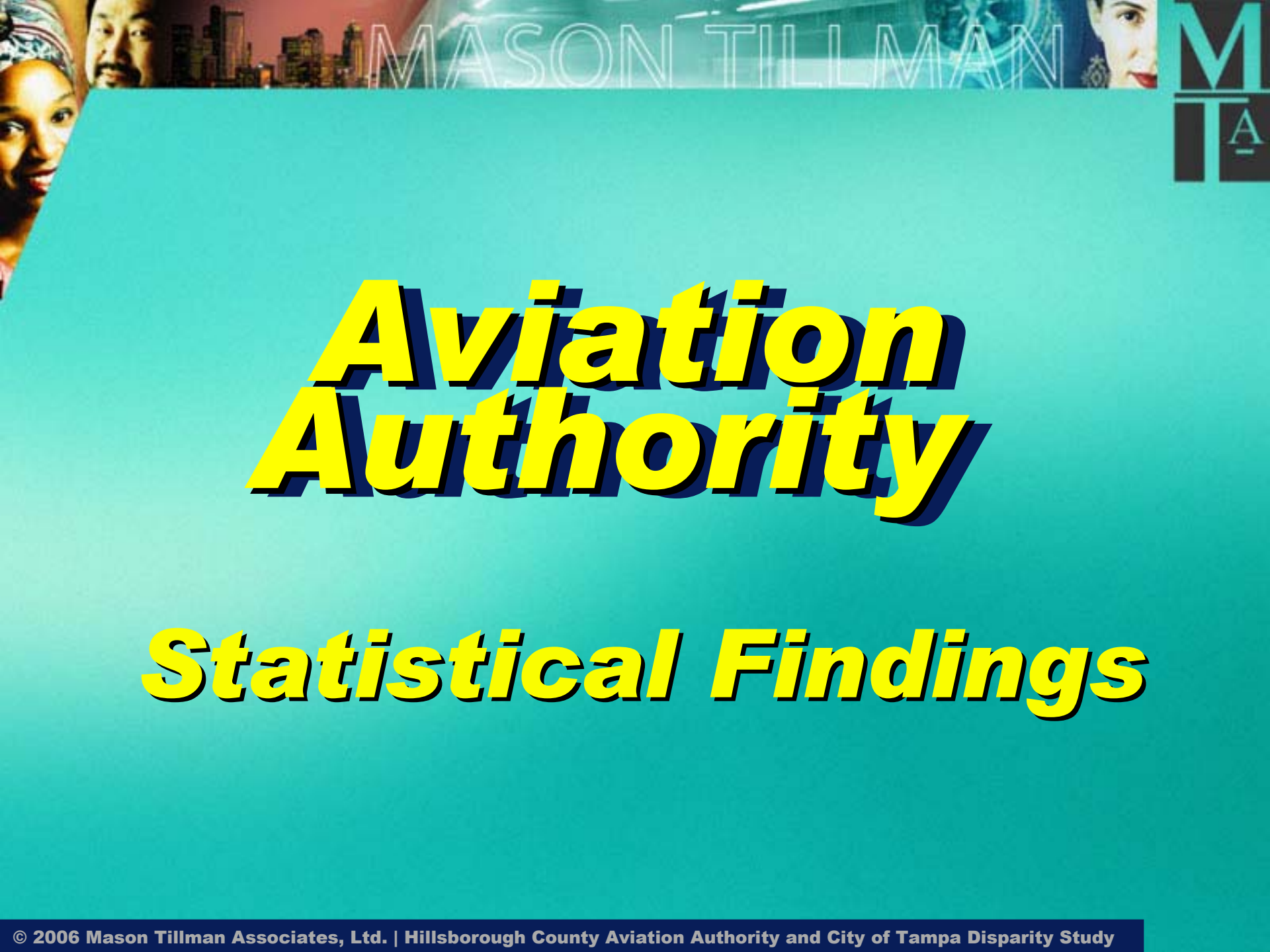


# ***Anecdotal Accounts***



# ***ANECDOTAL ACCOUNTS***

- **W/MBE Monitoring Inadequate**
- **Large Contractors are Preferred**
- **Bid Information Difficult to Obtain**
- **Prime and Sub Payments are Late**
- **Primes Give Inadequate Notice to Subs**
- **Regional Barriers to W/MBE Contracting**



# ***Aviation Authority***

## ***Statistical Findings***





# ***PRIME CONTRACTS SIZE ANALYSIS***

<b>INDUSTRY</b>	<b>Under \$25,000</b>	<b>Under \$100,000</b>	<b>Under \$500,000</b>
<b>Construction</b>	<b>71.56%</b>	<b>77.98%</b>	<b>87.61%</b>
<b>Construction-Related</b>	<b>38.57%</b>	<b>66.43%</b>	<b>82.15%</b>
<b>Professional Services</b>	<b>88.88%</b>	<b>95.78%</b>	<b>99.23%</b>
<b>Non-Professional Services</b>	<b>86.07%</b>	<b>95.46%</b>	<b>97.63%</b>
<b>Goods</b>	<b>98.47%</b>	<b>99.75%</b>	<b>99.94%</b>



# ***SUBCONTRACT DISPARITY***

## ***SUBCONTRACTOR DOLLARS***

Ethnic Groups	Construction		Construction-Related		Professional Services	
	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars
African Americans	9.22%	4.31%	10.49%	2.48%	12.65%	0.50%
Asian Americans	0.16%	0.84%	2.95%	0.82%	3.10%	1.14%
Hispanic Americans	16.83%	4.33%	16.39%	37.96%	12.89%	4.21%
Native Americans	0.49%	0.02%	0.98%	0.00%	1.19%	0.00%
Caucasian Females	13.75%	4.06%	14.43%	3.94%	20.29%	5.69%
Caucasian Males	59.55%	86.43%	54.75%	54.79%	49.88%	88.46%
MBEs	26.70%	9.50%	30.82%	41.27%	29.83%	5.85%
M/WBEs	40.45%	13.57%	45.25%	45.21%	50.12%	11.54%

Red = Statistically Significant Underutilization



# ***PRIME CONTRACT DISPARITY***

## ***Under \$500,000***

Ethnic Groups	Construction		Construction-Related		Professional Services		Non-Professional Services		Goods	
	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars
African Americans	11.55%	0.00%	10.80%	0.42%	12.93%	0.01%	11.31%	0.12%	3.27%	0.32%
Asian Americans	0.23%	0.00%	4.23%	0.00%	2.93%	0.00%	0.51%	0.00%	0.28%	1.87%
Hispanic Americans	19.17%	6.76%	18.31%	0.08%	13.17%	8.45%	9.15%	1.63%	4.67%	0.90%
Native Americans	0.69%	0.00%	0.94%	0.00%	1.22%	0.00%	0.13%	0.00%	0.09%	0.00%
Caucasian Females	15.01%	0.17%	14.55%	0.00%	20.24%	4.61%	13.21%	3.17%	8.03%	9.03%
Caucasian Males	53.35%	93.07%	51.17%	99.50%	49.51%	86.93%	65.69%	95.08%	83.66%	87.88%
MBEs	31.64%	6.76%	34.27%	0.50%	30.24%	8.46%	21.09%	1.75%	8.31%	3.09%
M/WBEs	46.65%	6.93%	48.83%	0.50%	50.49%	13.07%	34.31%	4.92%	16.34%	12.12%

**Red = Statistically Significant Underutilization**





# **INFORMAL PRIME** **CONTRACT DISPARITY** ***Under \$15,000***

Ethnic Groups	Construction		Construction-Related		Professional Services		Non-Professional Services		Goods	
	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars
African Americans	11.55%	0.00%	10.80%	0.00%	12.93%	0.04%	11.31%	1.24%	3.27%	0.72%
Asian Americans	0.23%	0.00%	4.23%	0.00%	2.93%	0.00%	0.51%	0.00%	0.28%	1.50%
Hispanic Americans	19.17%	36.59%	18.31%	2.35%	13.17%	1.91%	9.15%	0.48%	4.67%	1.71%
Native Americans	0.69%	0.00%	0.94%	0.00%	1.22%	0.00%	0.13%	0.00%	0.09%	0.00%
Caucasian Females	15.01%	1.84%	14.55%	0.00%	20.24%	4.11%	13.21%	4.52%	8.03%	9.67%
Caucasian Males	53.35%	61.56%	51.17%	97.65%	49.51%	93.94%	65.69%	93.76%	83.66%	86.38%
MBEs	31.64%	36.59%	34.27%	2.35%	30.24%	1.95%	21.09%	1.72%	8.31%	3.94%
M/WBEs	46.65%	38.44%	48.83%	2.35%	50.49%	6.06%	34.31%	6.24%	16.34%	13.62%

**Red = Statistically Significant Underutilization**



# ***Recommendations For Consideration***



# ***CONSIDERATIONS***

## **Informal Contract Remedies**

- **Sheltered Market Under \$15,000**
- **Apply Sheltered Market to All Industries**
- **Target Underutilized M/WBEs**





# ***CONSIDERATIONS***

## **Subcontract Remedies**

- **Establish M/WBE Construction and Professional Services Subcontracting Goals**
- **Continue to Set Contract Specific Goals**



# ***CONSIDERATIONS***

## **Race and Gender-Neutral Remedies**

- **Unbundle Large Procurements**
- **Establish a Direct Contracting Program**
  - **Bid Directly for Construction Support Services**
  - **Solicit Proposals for Environmental Support Services Directly**
- **Establish Direct Purchase Program to Reduce Bonding Levels**



# ***CONSIDERATIONS***

## **Race and Gender-Neutral Remedies**

- **Phase Retainage to Reduce the Cash Flow Burden**
- **Require Primes to Pay Subcontractors Mobilization Costs**
- **Require Subcontractor Provisions in all Contracts**
  - **Subcontractors Listed in Bids**
  - **Subcontractor Payments Verified**
  - **Substitution Approval Required**





# ***CONSIDERATIONS***

## **Race and Gender-Neutral Remedies**

- **Review Small Project Program to Minimize Barriers for Small Business**
- **Enhance the Expedited Payment Program to Alleviate Cash Flow Problems**
- **Maintain Accurate Utilized Subcontractor Database**
- **Enhance the DBE Program Website**



# ***CONSIDERATIONS***

## **Race and Gender-Neutral Remedies**

- **Post Prime Payments on the Internet**
- **Conduct Routine Post-Award Compliance**
- **Enhance Data Management System**
- **Outreach to Expand Current Availability List**
- **Report Prime and Subcontractor Utilization**



# ***RECOMMENDED NEXT STEPS***

- **Establish an Implementation Process**
- **Review Recommendations**
- **Enact Policy for Non-Federally Funded Program**
- **Train Authority Staff**
- **Inform Business Community**
- **Promote the Commitment to Equity**





# ***City of Tampa***

## ***Statistical Findings***



# ***PRIME CONTRACTS SIZE ANALYSIS***

<b>INDUSTRY</b>	<b>Under \$25,000</b>	<b>Under \$100,000</b>	<b>Under \$500,000</b>
<b>Construction</b>	<b>80.25%</b>	<b>89.20%</b>	<b>96.79%</b>
<b>Construction-Related</b>	<b>74.78%</b>	<b>96.05%</b>	<b>98.84%</b>
<b>Professional Services</b>	<b>91.52%</b>	<b>96.28%</b>	<b>99.48%</b>
<b>Non-Professional Services</b>	<b>96.70%</b>	<b>98.90%</b>	<b>99.63%</b>
<b>Goods</b>	<b>98.52%</b>	<b>99.49%</b>	<b>99.97%</b>



# ***SUBCONTRACT DISPARITY***

## ***SUBCONTRACTOR DOLLARS***

Ethnic Groups	Construction		Construction-Related	
	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars
African Americans	8.37%	11.26%	10.98%	13.68%
Asian Americans	0.15%	0.00%	3.41%	0.43%
Hispanic Americans	15.40%	18.45%	17.80%	16.99%
Native Americans	0.45%	0.65%	1.14%	5.44%
Caucasian Females	12.71%	17.57%	14.77%	11.08%
Caucasian Males	62.93%	52.07%	51.89%	52.39%
MBEs	24.36%	30.36%	33.33%	36.53%
M/WBEs	37.07%	47.93%	48.11%	47.61%

Red = Statistically Significant Underutilization





# ***PRIME CONTRACT DISPARITY***

## ***Under \$500,000***

Ethnic Groups	Construction		Construction-Related		Professional Services		Non-Professional Services		Goods	
	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars
African Americans	11.08%	8.94%	10.82%	0.73%	11.85%	0.47%	10.52%	2.89%	3.17%	1.48%
Asian Americans	0.29%	0.00%	4.12%	0.56%	3.18%	0.00%	0.61%	0.00%	0.33%	0.28%
Hispanic Americans	20.70%	4.34%	19.59%	5.39%	13.29%	0.77%	8.84%	9.59%	4.92%	2.20%
Native Americans	0.87%	0.29%	0.52%	0.00%	0.58%	0.00%	0.15%	0.00%	0.11%	0.09%
Caucasian Females	13.41%	8.94%	13.92%	6.56%	20.23%	6.01%	12.20%	3.96%	6.89%	3.42%
Caucasian Males	53.64%	77.50%	51.03%	86.76%	50.87%	92.75%	67.68%	83.57%	84.59%	92.53%
MBEs	32.94%	13.56%	35.05%	6.68%	28.90%	1.24%	20.12%	12.47%	8.52%	4.04%
M/WBEs	46.36%	22.50%	48.97%	13.24%	49.13%	7.25%	32.32%	16.43%	15.41%	7.47%

**Red = Statistically Significant Underutilization**



# **INFORMAL CONTRACT DISPARITY**

## **Under \$25,000**

Ethnic Groups	Construction		Construction-Related		Professional Services		Non-Professional Services		Goods	
	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars	Availability Percentage	Percentage of Dollars
African Americans	11.08%	2.87%	10.82%	1.63%	11.85%	0.67%	10.52%	4.70%	3.17%	1.34%
Asian Americans	0.29%	0.00%	4.12%	0.13%	3.18%	0.00%	0.61%	0.00%	0.33%	0.63%
Hispanic Americans	20.70%	4.00%	19.59%	7.57%	13.29%	0.26%	8.84%	3.19%	4.92%	3.99%
Native Americans	0.87%	0.00%	0.52%	0.00%	0.58%	0.00%	0.15%	0.00%	0.11%	0.03%
Caucasian Females	13.41%	7.20%	13.92%	10.81%	20.23%	7.81%	12.20%	8.00%	6.89%	4.96%
Caucasian Males	53.64%	85.94%	51.03%	79.86%	50.87%	91.26%	67.68%	84.11%	84.59%	89.06%
MBEs	32.94%	6.87%	35.05%	9.33%	28.90%	0.93%	20.12%	7.89%	8.52%	5.98%
M/WBEs	46.36%	14.06%	48.97%	20.14%	49.13%	8.74%	32.32%	15.89%	15.41%	10.94%

**Red = Statistically Significant Underutilization**



# ***Recommendations For Consideration***





# ***RECOMMENDATIONS***

## **Formal Contract Remedies: JOC**

- **Use a Competitive Proposal Process to Select Job Order Contractors**
- **Set an W/MBE Participation Goal for Each Solicitation**
- **Use Evaluation Criteria and Bid Discounts as Incentives**
- **Target Incentives to Groups with Disparity**



# ***RECOMMENDATIONS***

## **Informal Contract Remedies**

- **Shelter Market Under \$25,000**
- **Include All Industries In Sheltered Market to**
- **Target Underutilized W/MBEs**



# ***RECOMMENDATIONS***

## **Subcontract Program Suggestions**

- **Update W/MBE Construction Subcontracting Goal Based on Market Area Findings**
- **Track and Reassess Subcontractor Participation in 12 Months**





# ***RECOMMENDATIONS***

## **Race and Gender-Neutral Remedies**

- **Unbundle Large Procurements**
- **Establish a Direct Contracting Program**
  - **Bid Directly for Construction Support Services**
  - **Solicit Proposals Directly for Environmental Services**
- **Establish Direct Purchase Program to Reduce Bonding Levels**



# ***RECOMMENDATIONS***

## **Race and Gender-Neutral Remedies**

- **Centralize Procurement with Purchasing Department**
- **Standardize the Placement of Solicitations**
- **Require Subcontractor Provisions in all Contracts**
  - **Subcontractors Listed in Bids**
  - **Subcontractor Payments Verified**
  - **Substitution Approval Required**
- **Establish an Economic Development Task Force**



# ***RECOMMENDATIONS***

## **Race and Gender-Neutral Remedies**

- **Post Prime Payments on the Internet**
- **Conduct Routine Post-Award Compliance**
- **Enhance Data Management System**
- **Maintain Current Availability List**
- **Track and Report Contractor Utilization**



# ***RECOMMENDED NEXT STEPS***

- **Establish Administrative Working Group**
- **Formulate Program Procedures**
- **Consider Enacting an W/MBE Ordinance**
- **Conduct Staff Training**
- **Promote the Enhanced Program**
- **Report Program Success**





1 (800) 346-2811  
Email: [masontil@mtaltd.com](mailto:masontil@mtaltd.com)  
Web page: [www.mtaltd.com](http://www.mtaltd.com)