



ODOT'S DISPARITY STUDY 2022 AND DBE GOAL FY2023-25

Draft



Timeline

- **Conducted by: Keen Independent Research LLC**
- **Started in August 2021**
- **Six Town Hall Meetings in May and June 2022**
- **Completed in July 2022**
- **Submitted to FHWA in July 2022 (Due 8/1/22)**
- **Proposed 23.43% DBE Goal Effective 10/1/22**



Information collected from ODOT

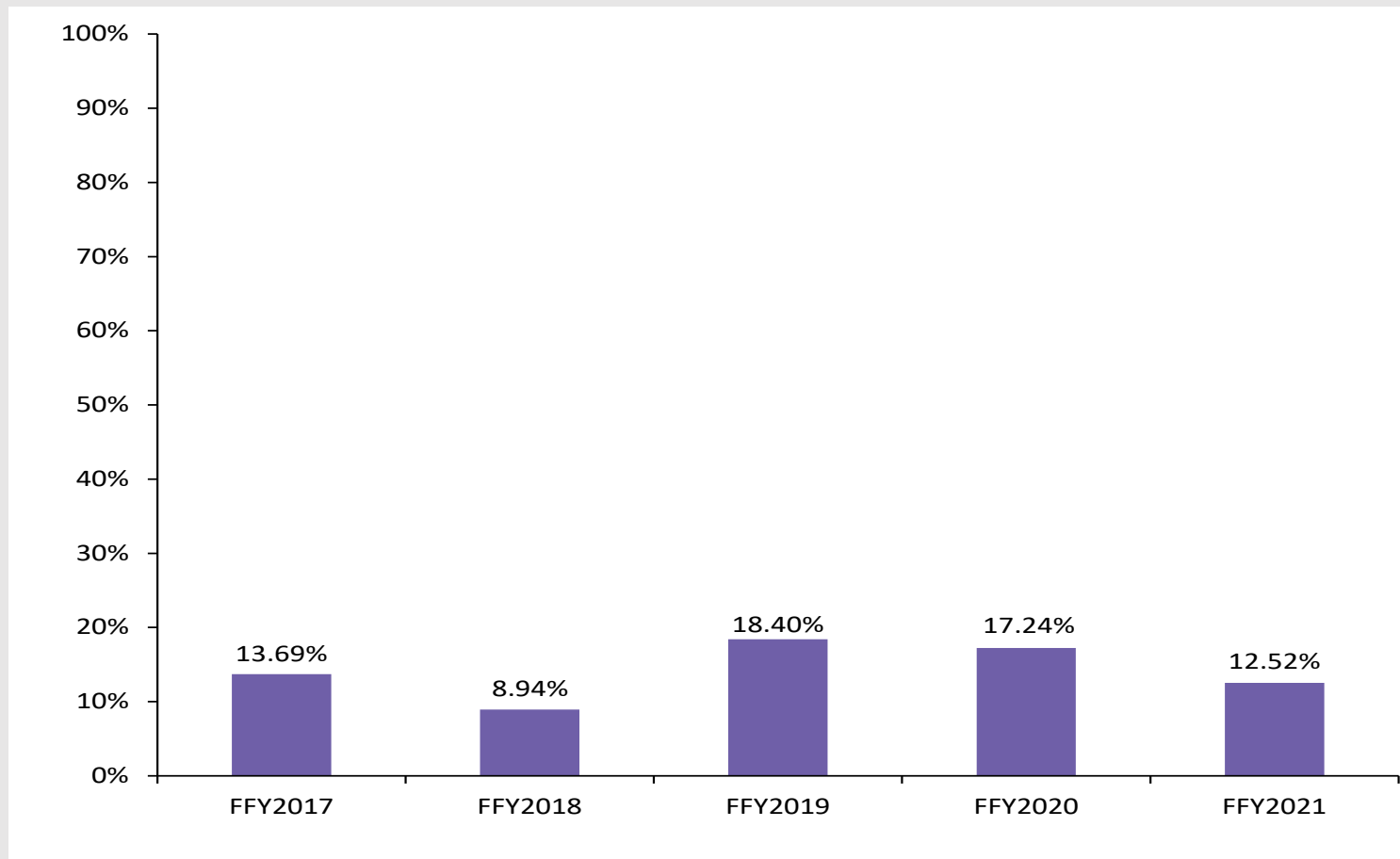


- Contracts data Oct. 1, 2017–Sept. 30, 2020
 - Awards, amount, location, type of work
 - Information about prime contractors
 - Information about subcontractors
- Lists of firms interested in ODOT work
- Submissions of bids, qualifications, and proposals
- DBE certification data

Availability analysis – headcount results

Race/ethnicity and gender	2022 Study		2019 Study	2016 Study
	Number of firms	Percent of firms	Percent of firms	Percent of firms
African American-owned	32	4.42 %	1.67 %	2.32 %
Asian-Pacific American-owned	13	1.80	1.93	1.65
Subcontinent Asian American-	5	0.69	0.88	0.92
Hispanic American-owned	29	4.01	3.78	3.48
Native American-owned	19	2.62	2.37	2.14
Total MBE	98	13.54 %	10.63 %	10.49 %
WBE (white woman-owned)	113	15.61	16.87	16.72
Total MBE/WBE	211	29.14 %	27.50 %	27.21 %
Majority-owned firms	513	70.86	72.50	72.79
Total	724	100.00 %	100.00 %	100.00 %

Past DBE Goal Achievement



Disparity analysis — FHWA-funded contracts with DBE goals

	Utilization	Availability	Disparity index
African American-owned	2.78 %	10.26 %	27
Asian-Pacific American-owned	1.54	0.56	200+
Subcontinent Asian American-owned	1.29	0.14	200+
Hispanic American-owned	3.10	2.02	153
Native American-owned	2.80	2.24	125
Total MBE	11.51 %	15.22 %	76
WBE (white woman-owned)	11.00	9.10	121
Total MBE/WBE	22.50 %	24.32 %	93
Majority-owned	77.50	75.68	102
Total	100.00 %	100.00 %	

Disparity analysis — FHWA-funded contracts without DBE goals

	Utilization	Availability	Disparity index
African American-owned	0.23 %	5.57 %	4
Asian-Pacific American-owned	0.04	1.04	4
Subcontinent Asian American-owned	0.13	0.44	30
Hispanic American-owned	0.69	1.21	57
Native American-owned	0.32	1.36	24
Total MBE	1.42 %	9.62 %	15
WBE (white woman-owned)	6.16	10.48	59
Total MBE/WBE	7.58 %	20.10 %	38
Majority-owned	92.42	79.90	116
Total	100.00 %	100.00 %	

Disparities in ODOT marketplace

- ❑ Limited entry of certain minority groups and women into Oregon construction and engineering industries
- ❑ Business ownership rates for:
 - African Americans, Hispanic Americans and white women working in construction
 - Subcontinent-Asian Americans working in professional services
- ❑ Home ownership and home mortgages for people of color
- ❑ Business loans
- ❑ Difficulties with bonding

Federal requirements for overall DBE goal (49 CFR 26)

- Determine base figure
- Consider step 2 adjustments
- Project portion of goal to be met through neutral means
- Ensure that program operation is narrowly tailored



Proposed DBE goal, projections and program operation

- 23.43% overall annual DBE goal for FHWA-funded contracts for three years starting October 1, 2022
- Project to achieve overall goal through:
 - Neutral means (6.10%) and
 - Race- and gender-conscious means (17.33%)
- ODOT proposes to include all DBE groups as eligible to meet contract goals on FHWA-funded contracts





Study Recommendations and Next Steps

- Higher Contract DBE Goals
- Additional race- and gender-neutral efforts
 - Certification of additional eligible minority- and woman-owned firms as DBEs
 - Additional efforts to introduce firms to ODOT and local agency prime contract and subcontract opportunities
 - Further measures to increase DBE participation as prime contractors and consultants
 - Encouraging DBE participation in new subindustries
 - Additional capacity-building for DBEs
 - Addressing other barriers to doing business with ODOT

