

**Washington State Department of  
Transportation/ Federal Aviation Administration  
Disparity Study**

**Public Information Webinar**

---

**Colette Holt & Associates  
Yates Consulting  
WindGypsy Consulting**

25 February 2025

# Disparity Study Team

---

## ■ Colette Holt & Associates

- Colette Holt, J.D. - Project Manager & Legal Counsel
  - Nationally recognized expert, educator and author on DBE issues
- Steven Pitts, Ph.D. - Economist and Statistician
  - Nationally recognized expert, educator and author on market issues regarding minorities for over 30 years
- Joanne Lubart, J.D. - Associate Counsel
  - National expert DBE programs
- Glenn Sullivan - Chief Technology Officer/Project Lead Quantitative Data
  - Extensive experience with CHA data collection and website management

# Disparity Study Team, cont.

---

- Ilene Grossman, B.A. - Chief Operating Officer/  
Assistant Project Manager
  - Experienced manager of disparity studies
- Victoria Farrell, M.B.A. – Director Qualitative Data  
Collection
  - Experienced researcher and data manager
- Megan Schenk, BS- Megan Schenk - Senior Data  
Research Specialist
  - Experienced researcher for missing data variables
- DBE Subconsultants
  - Yates Consulting
  - WindGypsy Consulting

# Disparity Study Objectives

---

- Comply with constitutional standards and the DBE Program regulations to ensure the recipients' DBE programs are narrowly tailored
- Develop accurate data for triennial and contract goal setting
- Gather feedback for program improvements
- Educate elected officials, agency staffs and business owners on these issues

# Public Engagement

---

- Dedicated study website updated throughout the process
  - WSDOT approved photos
  - Elements of the study
  - FAQ sheet
  - Team member bios
  - Information about how to participate
  - Contact and comment information
  - Materials to increase public understanding of, and participation in, the study process
  - Answer inquiries and provide updates

# Public Engagement

---

- Outreach and engagement
  - Yates Consulting will assist with extensive outreach and anecdotal data collection to maximize participation and understanding
    - Outreach to DBE and non-DBE stakeholder groups, including attendance at meetings, fairs, etc.
    - Follow-up for stakeholder and small group business owner interview sessions
    - Follow-up for the business owner survey

# Legal Analysis

---

- Review current case law, other relevant legal documents, with emphasis on 9th Circuit decisions
- Review 49 C.F.R. Part 26 and USDOT Guidance
- Describe the legal standards and 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

# Quantitative Data Collection & Analysis

---

- Study period is Federal Fiscal years 2017-2022
- Study will analyze all formally procured construction and engineering contracts \$50,000 or greater
- Step 1: determine airports' geographic market area
  - Gather airports' prime contracts to create Initial Contact Data File
  - Contact primes for missing subcontractor data
    - Collect at least 80% of the contract dollars
    - Assign missing race and gender ownership status
    - Assign missing NAICS codes



# Quantitative Data Collection & Analysis

---

- Determine the geographic market by contiguous counties for at least 75% of the contracts
  - Limit further analysis to firms in the designated counties
- Step 2: determine airports' product market
  - Determine the unconstrained product market
  - Determine product market constrained by geographic market to create Final Contract Data File
- Step 3: Determine detailed utilization by race, gender and six-digit NAICS codes

# Quantitative Data Collection & Analysis

---

- Step 4: determine DBE availability
  - Availability sources
    - Master D/M/WBE Directory
      - UCP directories; other Washington government directories; private sector listings
    - Master Business List and Bidders List of airports' prime and subcontractors from Contract Data Files
    - Hoovers for business universe of firms in the market area
  - Assign missing race or gender status and six-digit NAICS codes in Master Directory and Master Business List

# Quantitative Data Collection & Analysis

---

- Produce unweighted availability disaggregated by race, gender and NAICS codes
  - Unweighted six-digit results can be used for narrowly tailored contract goal setting
- Produce weighted availability by race and gender aggregated across all NAICS codes
  - Weighted results can be used for Step 1 baseline estimate for DBE triennial goal submissions

# Quantitative Data Collection & Analysis

---

- Conduct disparity analysis
  - Disparity ratio = DBE utilization ÷ weighted availability
  - Calculate disparity indices for all race and sex groups aggregated across all industry groups
  - Calculate statistical significance
  - Calculate substantive significance
  - Examine whether disparities are the result of discrimination or some other factors
    - Are DBE contract goals needed to ensure a level playing field?

# Quantitative Data Collection & Analysis

---

- Economy-Wide Disparity Analyses
  - Census Bureau data sources
    - Compare M/WBEs' formation rates & business earnings to non-M/WBEs' rates using the American Community Survey
      - Possible basis for step 2 adjustment under §26.45(d)?
    - Compare M/WBEs' revenues to non-M/WBEs' revenues using the Annual Business Survey
  - Extensive government and academic reports on discrimination in market for commercial credit
  - Critical for evaluation of effectiveness of race-neutral measures

# Overconcentration Analysis

---

- Examine specific NAICS codes with ratios over 100% to look for patterns
  - Do the results reflect the success of a few DBEs?
- Step 1
  - Identify codes over 100%
  - Identify codes where DBEs received a large share of dollars
- Step 2
  - Compare outcomes by group
  - Compare outcomes by codes
- Gather anecdotal data on firm and industry concentration

# Anecdotal Data Analyses

---

- Outreach process
  - Develop invitation and outreach lists for extensive follow-up by subconsultant
  - Utilize study website, invitations, meeting attendance, traditional and social media, etc.
- Gather evidence and input through:
  - Public informational webinar
  - Electronic survey of business owners
  - Stakeholder and small group business owner interviews, grouped by industry and DBE status
  - Written comments
- Review judicial or administrative opinions or data

# Anecdotal Data Analyses

---

- Survey and interview topics
  - Equal access to networks and information
  - Biased perceptions and stereotypes
  - Workplace harassment or hostile work environments
  - Experiences with barriers to equal access to prime and subcontracting opportunities
  - Barriers to obtaining business credit, surety bonds insurance coverage, etc.
  - Impact of experience and specification requirements
  - Unequal payments or performance standards



# Review of Airports' DBE Programs

---

- Review and evaluate program elements
  - Certification process
  - Outreach and access to information
  - DBE compliance
  - Small business elements
  - Supportive services offerings
- Process
  - Review documents
  - Interview stakeholder groups, business owners and WSDOT/larger airports' staff
  - Survey smaller airports

# Findings and Recommendations

---

- Provide recommendations for race-neutral measures based on study results
- Provide recommendations for race-conscious remedies if supported by the study findings, including a triennial DBE goal setting methodology

# Study Participation Information

---

- Public study introduction webinar Winter 2025
- Stakeholder/Business Owner Interviews Spring/Summer 2025
- Electronic survey of business owners Spring/Summer 2025
- Study information
  - <http://wsdotfaa2025.disparity-study.com>
  - [wsdotfaa2025-study@mwbelaw.com](mailto:wsdotfaa2025-study@mwbelaw.com)
  - 855-692-3529 (855-MWBELAW)
- WSDOT Study Manager
  - Michael Carpenter, [carpenm@wsdot.wa.gov](mailto:carpenm@wsdot.wa.gov)  
360-705-6864



16 Carriage Hills • San Antonio, Texas 78257

773.255.6844 • [colette.holt@mwbelaw.com](mailto:colette.holt@mwbelaw.com)

[www.mwbelaw.com](http://www.mwbelaw.com) • Twitter: [@mwbelaw](https://twitter.com/mwbelaw)