



March 2016

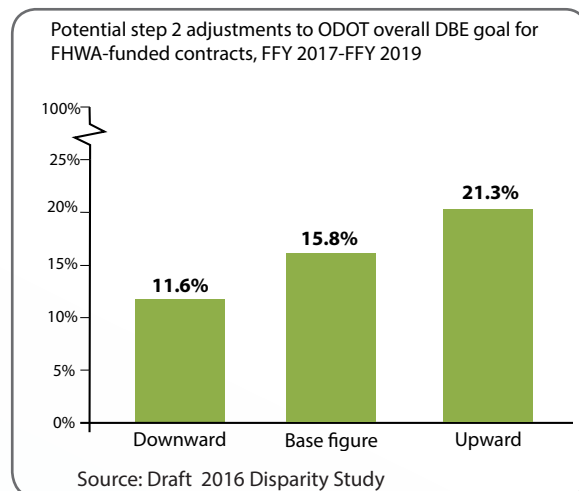
2016 ODOT DISPARITY STUDY: PROPOSED DBE GOAL SUMMARY FFY 2017 – 2019

The Oregon Department of Transportation proposes a Disadvantaged Business Enterprise (DBE) goal for federal fiscal years 2017-2019 of 11.6%. The goal is based on the availability of DBEs relative to all businesses that are currently ready, willing, and able to participate on ODOT's federally-funded contracts.

Overall DBE Goal FFY 2017- 2019	11.6%
• RN Portion	5.0%
• RC Portion	6.6%

ODOT estimates 5.0% of the overall goal can be achieved through race- and gender-neutral, or RN, participation on ODOT projects, and the remaining 6.6% of the overall goal will need to be met through the use of race- and gender-conscious, or RC, contract goals. ODOT proposes all DBE groups will be eligible to participate in meeting DBE contract goals. ODOT took the following steps in calculating this proposed overall DBE goal:

- **Base figure determination.** First, ODOT uses the base figure of 15.8% derived from the dollar-weighted availability of current and potential DBEs calculated by Keen Independent Research in the Draft 2016 Disparity Study report.
- **Consideration of possible step-2 adjustments.** Second, ODOT considers possible step-2 adjustments, which are identified in Chapter 9 of the report; and then ODOT proposes a downward adjustment to 11.6%, which is calculated by averaging the base figure (15.8%) with median past participation of certified DBEs over the last five years (7.4%). The base figure of 15.8% and the upwardly adjusted figure of 21.3% are both significantly greater than currently-certified DBE availability of 6%. ODOT proposes a downward adjustment based on the following rationale:
 - » The proposed goal is greater than both median past participation of 7.4% and certified DBE availability of 6%, and it provides for growth within the program. ODOT will strive to meet the proposed goal through neutral efforts, higher contract goals, encouraging potential DBE firms to become certified, and providing small business support services.
 - » The report indicates that minorities and women experience barriers to entry and advancement in the transportation contracting industry in Oregon. This negatively impacts minority and women business ownership and could serve as the basis for a higher goal. ODOT is addressing this issue through a long-term strategy to build capacity among minority- and women-owned businesses by continually investing in Oregon's workforce development programs, including on-the-job training, apprenticeship goals and supportive services.



- **Race- and gender-neutral / race- and gender-conscious breakout.** Third, ODOT uses the race neutral participation from October 2010 through September 2014 (5.0%), which is calculated in Chapter 9 of the report, to project the portions of the overall goal expected to be met through race- and gender-neutral measures. The balance (6.6%) is projected to be met through race- and gender-conscious means. Finally, ODOT proposes that all DBE groups will be eligible to participate in meeting contract goals assigned in federal fiscal years 2017 through 2019, which is based on the disparity analysis identified in Chapter 7 of the report.

Relevant Market Area Assessed - Oregon and Portland Metropolitan Area

For the disparity study, Keen Independent examined prime and subcontractor transportation contracts for ODOT and local agencies from October 2010 through September 2014. This information primarily included construction and engineering-related contracts. Keen Independent determined that Oregon and the two counties in Washington State (Clark and Skamania counties) that are part of the Portland Metropolitan Area should be selected as the relevant geographic market area for the study.

About 88% of ODOT and local agency FHWA-funded contract dollars went to firms with locations in this area.

Keen Independent collected and analyzed considerable quantitative and qualitative information about the marketplace conditions within this geographic area.

Public Review and Comments

The proposed goal and its rationale are available for inspection during normal business hours at the ODOT Office of Civil Rights beginning March 18, 2016. ODOT and USDOT will accept comments on the goal until April 30, 2016 and will consider all comments, quantitative and anecdotal data in determining the final goal, which will be posted at: www.oregon.gov/ODOT/CS/CIVILRIGHTS/

All interested parties are invited to attend a public meeting to discuss the proposed FFY 2017 – 2019 DBE goal. Statewide meetings are listed in the sidebar.

To provide written comments

Submit by mail, fax, or email to:
 ODOT, Office of Civil Rights, Attn: DBE Program Manager
 355 Capitol St. NE, MS 31, Salem, OR 97301
 Fax: (503) 986-6382
 Email: OCRinforequest@odot.state.or.us

UPCOMING MEETINGS

*All meetings will run from 3-5 p.m.
 The presentation begins at 3:15 p.m.*

Tuesday, April 5 – La Grande *
 ODOT Region 5 Headquarters
 3012 Island Ave., La Grande, OR 97850

Wednesday April 6 – Bend *
 ODOT Region 4 Headquarters
 Building M Crater Lake Conference Rm
 63055 N. Hwy 97, Bend, OR 97701

Thursday, April 7 – Medford
 Inn at the Commons - Lower Level Conf Room
 200 N. Riverside Ave., Medford, OR 97501

Monday, April 11 – Portland
 OAME (Oregon Assoc. of Minority Entrepreneurs)
 Large Conference Room
 731 N Hayden Meadows Dr., Portland, OR 97217

Tuesday, April 12 – Eugene
 Eugene Downtown Public Library
 100 W. 10th Ave., Eugene, OR 97401

** Access the meetings live stream beginning at 2:45 p.m. on www.ODOTDBEstudy.org.*

***The draft disparity study report is available on the the project website.
 ODOTDBEstudy.org***