



SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Inter-Office Communication

Date: October 7, 2010
To: Board Members
From: Small Business Development
Subject: Draft Disparity Study Presentation

Attached is a copy of the draft Disparity Study presentation to be made at the October 7, 2010, Board meeting.



SAN DIEGO
INTERNATIONAL
AIRPORT



Disparity Study

Presented by:

Bob Silvas, Director
Small Business Development

and

Patricia A. Wright
Program Manager
Small Business Development

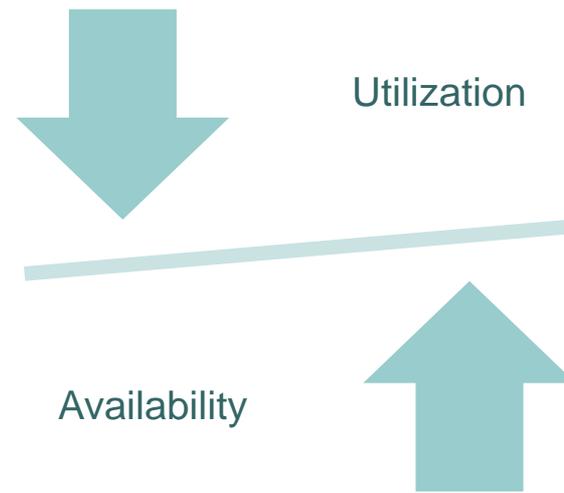


San Diego County
Regional Airport Authority

October 7, 2010

Disparity Study - PURPOSE

- Measure Utilization of Historically Under-Utilized Business within Airport Contracting
 - By Ethnicity and Gender
 - In Comparison to their Availability in Marketplace



Disparity Study - METHODOLOGY

- Examined Airport Contract Dollar Awards for Five-Year Period: January 2003 – December 2007
- Analyzed 1,175 Contracts and Subcontracts
 - 323 FAA-Funded
 - 852 non FAA-Funded
- Included Analysis by Ethnicity and Gender
- Compared to Expectations Based on Relative Availability to Perform Airport Work

Disparity Study - METHODOLOGY

- Identified Over 2000 Firms in Availability Database (38% MBE/WBE)
- Interviewed 668 Firms
 - 168 In Person
 - 500 Telephone
- Analyzed Statistical and Anecdotal Evidence
- Calculated Disparity Index for Each Group
- Made Draft Study Available to the Public for 45 Days
- Held Public Forum

Disparity Study – DISPARITY INDEX

- Divide % Utilization by % Availability x 100
 - Compare for Each Group
 - Index of **100** = Parity Between Utilization and Availability
 - Index Below 100, Particularly Below **80*** = Substantial Disparity

Example: 10% Utilization / 50% Availability x 100 = Disparity Index of 20

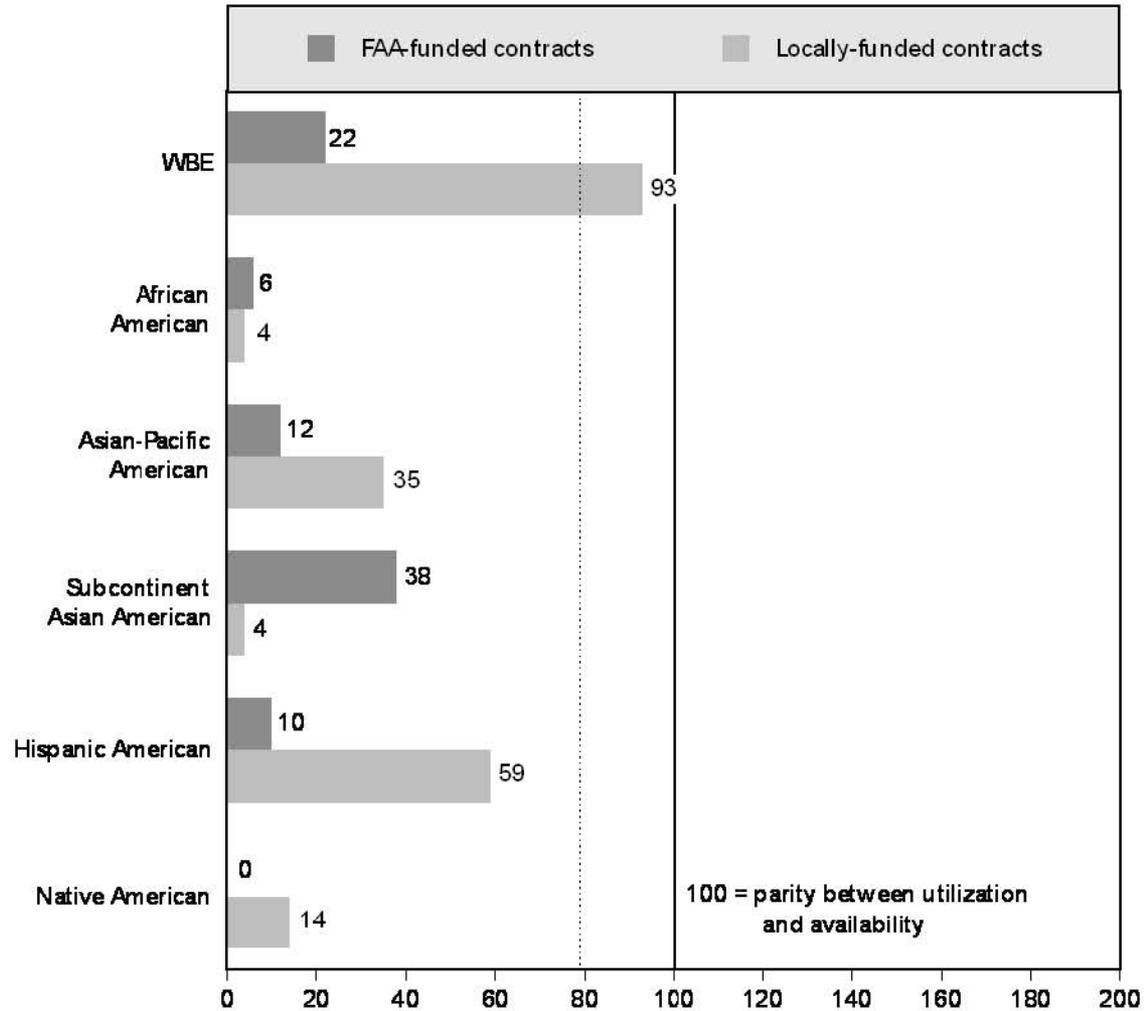
****Accepted by courts as evidence of adverse impact***

Disparity Study - FINDINGS

- **Disparity Index of 34** for All Airport Contracting
 - Substantial Disparity in Utilization of Minority- and Women-Owned Firms for Both FAA-funded and Non FAA-funded Contracts
 - Disparities Identified for:
 - **MBE/WBE Firms – 34**
 - WBE Firms – 50
 - Hispanic American – 36
 - Asian American – 21
 - Native American – 12
 - African American – 5

Disparity Study - FINDINGS

Disparity Indices for Federally-Funded and Non Federally-Funded Airport Projects



Disparity Study – PUBLIC OUTREACH

- Study Made Available to the Public on May 10, 2010
 - Advertised Through Local Media
 - E-mail Blasts to Community Groups, Trade Associations & Others
 - Posted on Airport Website
- Allowed 45-day Public Comment Period
- Public Forum Held on July 12, 2010

Disparity Study – PUBLIC OUTREACH RESULTS

- Nine Speakers
- Comments Categorized:
 - Claims Discrimination Continues to Exist in San Diego County
 - Desire to See Race-Conscious Program
 - Think Airport Should Consider Alternate Contracting Methods
 - No Comments re: Study's Methodology or Findings

Disparity Study – 9th CIRCUIT COURT RULING

- *Western States Paving Co. v. Washington State DOT*
 - Federal DBE Program is Constitutional, However, Agencies Must Provide Evidence of Discrimination to Utilize Race/Gender Conscious Means
 - Disparity Study Can be Referenced if Race/Gender Conscious Means are Used

Disparity Study – NEXT STEPS

- November Board Meeting
 - Review Airport's Federally-Mandated DBE Program
 - Components of DBE Plan
 - Overall Airport DBE Goals and Achievements
 - Strategic Re-Implementation of Race/Gender Conscious Program
 - Review Current Race/Gender Neutral Efforts to Increase Participation of Historically Under-utilized Businesses
 - Options Available for Federally-Funded and Non Federally-Funded Programs

Disparity Study – RECOMMENDATION

**Receive Disparity/Availability Study for the
Five-Year Period 2003 Through 2007**

Questions?