

# CITY OF TACOMA

Disparity Study

Final Report

August 2018

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# Volume 1

# Disparity Causation Analysis Study

# CONTENTS

- I. Introduction ..... 7
- II. Executive summary ..... 9
  - A. FINDINGS..... 9
    - FINDING 1: GEOGRAPHIC MARKETS* ..... 9
    - FINDING 2: MWBE UTILIZATION ON SMALLER PRIME CONTRACTS* ..... 9
    - FINDING 3: AVAILABILITY* .....10
    - FINDING 4: THRESHOLD ANALYSIS*..... 11
    - FINDING 5: MWBE UTILIZATION*..... 11
    - FINDING 6: SUMMARY OF DISPARITY ANALYSIS FOR FY2012-FY2016*.....12
    - FINDING 7: POLICY FINDINGS* .....13
    - FINDING 8: PRIVATE SECTOR DISCRIMINATION*.....16
    - FINDING 9: ANECDOTAL FINDINGS*.....17
    - FINDING 10: EFFECTIVENESS OF RACE-NEUTRAL MEASURES* .....18
    - FINDING 11: LEGAL FINDING* .....19
  - RECOMMENDATION 1: Allocation of Resources, Including Staffing* ..... 20
  - RECOMMENDATION 2: FORECAST OPPORTUNITIES* .....21
  - RECOMMENDATION 3: SUPPORTIVE SERVICES*.....21
  - RECOMMENDATION 6: SMALL BUSINESS RESERVE PROGRAM* .....21
  - RECOMMENDATION 7: REFORM DATA INFRASTRUCTURE* ..... 22
  - RECOMMENDATION 8: ESTABLISH POLICY TO INVESTIGATE POSSIBLE DISCRIMINATION*..... 22
  - RECOMMENDATION 9: ECONOMIC DEVELOPMENT PROJECTS* ..... 23
  - RECOMMENDATION 10: VENDOR ROTATION* ..... 23
- III. Legal analysis ..... 24
- IV. purchasing practices, policies, and procedures ..... 29
  - A. Document Review and Personnel Interviews ..... 29
  - B. Overview of City Purchasing ..... 30
  - C. Bonding, Insurance, and Prompt Payment..... 36
    - 1. Bonding Requirements..... 36
    - 2. Insurance..... 36
    - 3. Prompt Payment ..... 36
  - D. Prequalification and Supplier Registration ..... 37
  - E. SBE Ordinance ..... 37
- V. STATISTICAL Analysis.....48
  - 1. Assignment of Business Categories..... 50
  - 2. Prime Utilization..... 60
  - 3. Subcontractor Utilization ..... 64
  - 4. SBE Utilization..... 66
- VI. PRIVATE MARKET ANALYSIS ..... 76
- VII. ANECDOTAL EVIDENCE ANALYSIS ..... 119

VIII. CONCLUSION.....132

## APPENDICES

APPENDIX A – Detailed Legal Analysis

APPENDIX B – Data Assessment Report

APPENDIX C – Data Collection Plan

APPENDIX D – Work Category Assignments

APPENDIX E – Relevant Market by County/State

APPENDIX F – Threshold Tables (Relevant Market and Total)

APPENDIX G – Utilization & Disparity for Contracts <\$100k, \$500k, \$1M

APPENDIX H –Subcontracting Tables (A&E, Services, Goods)

APPENDIX I – Utilization Analysis for All Spend

APPENDIX J – SBE Utilization

APPENDIX K – DBE Utilization

APPENDIX L – Survey of Business Owners Results

APPENDIX M – Organizations Contacted by GSPC

APPENDIX N – Disparity Study Definitions

APPENDIX O – Distribution of Construction Occupations, Seattle MSA, 2017

## TABLE OF FIGURES

Table 1: Summary of Availability Estimates by Work Category .....	10
Table 2: Summary of Prime Utilization by Work Category.....	11
Table 3: Summary of Subcontractor Utilization in Construction .....	12
Table 4: Summary of Disparity Outcomes of Statistically Significant Underutilization of MWBEs in Prime Contracting.....	12
Table 5: Summary of Disparity Outcomes of Statistically Significant Underutilization of MWBEs in Total Utilization .....	13
Table 6: Summary of Survey of Business Owners Findings .....	18
Table 7: Public Works and Improvements Procurement Methodology .....	31
Table 8: Professional/Personal Services Procurement Methodology .....	32
Table 9: Architectural/Engineering Services Procurement Methodology .....	33
Table 10: Supplies Procurement Methodology.....	34
Table 11: Purchased Services Procurement Methodology.....	35
Table 12: City of Tacoma SBE Directory .....	39
Table 13: OMBE Directory.....	40
Table 14: Office of SBE Programs .....	43
Table 15: Office of SBE Programs Actual and Adopted Budgets.....	45
Table 16: City of Tacoma SBE Utilization .....	46
Table 17: Relevant Market Area – Construction.....	54
Table 18: Relevant Market – Architecture & Engineering .....	54
Table 19: Relevant Market – Services .....	54
Table 20: Relevant Market – Goods .....	55
Table 21: Availability Estimates - Construction .....	57
Table 22: Availability Estimates-Architecture & Engineering .....	57
Table 23: Availability Estimate - Services .....	58
Table 24: Availability Estimates - Goods.....	58
Table 25: Prime Utilization – Construction by Number of Firms .....	60
Table 26: Prime Utilization – Construction by Dollars .....	61
Table 27: Prime Utilization – Architecture & Engineering by Number of Firms.....	61
Table 28: Prime Utilization – Architecture & Engineering by Dollars.....	62
Table 29: Prime Utilization – Services by Number of Firms.....	62
Table 30: Prime Utilization – Services by Dollars.....	63
Table 31: Prime Utilization – Goods by Number of Firms.....	63
Table 32: Prime Utilization – Goods by Dollars.....	64
Table 33: Subcontractor Utilization – Construction by Number of Firms.....	65
Table 34: Subcontract Utilization - Construction by Dollars.....	65
Table 35: SBE/MWBE Prime Utilization – Construction, A& E, Services and Goods .....	66
Table 36: SBE/MWBE Subcontract Utilization - Construction Subcontractors by Dollars.....	67
Table 37: Disparity Indices – Construction (Prime) .....	70
Table 38: Disparity Indices – Architecture & Engineering (Prime).....	71
Table 39: Disparity Indices – Services (Prime) .....	72
Table 40: Disparity Indices – Goods (Prime) .....	73
Table 41: Disparity Indices – Construction (Subcontractor) .....	74

Table 42: Firm Ownership Type and Revenue Characteristics ..... 78

Table 43: Firm Ownership Type and Revenue Characteristics Construction Sector ..... 80

Table 44: Self-Employment/Business Ownership Model: ..... 83

Table 45: Construction Sector Self-Employment/Business Ownership Model: ..... 84

Table 46: Covariate Summary ..... 86

Table 47: Logit Parameter Estimates (Odds Ratio): ..... 88

Table 48: Logit Parameter Estimates (Odds Ratio) : ..... 89

Table 49: Logit Parameter Estimates (Odds Ratio): ..... 91

Table 50: Logit Parameter Estimates (Odds Ratio) : ..... 92

Table 51: Logit Parameter Estimates (Odds Ratio) : ..... 93

Table 52: Logit Parameter Estimates (Odds Ratio) : ..... 94

Table 53: Ordinal Logit Parameter Estimates (Odds Ratio) : ..... 96

Table 54: Ordinal Logit Parameter Estimates (Odds Ratio) : ..... 97

Table 55: Ordinal Logit Parameter Estimates (Odds Ratio) : ..... 98

Table 56: Ordinal Logit Parameter Estimates (Odds Ratio) : ..... 99

Table 57: Ordinal Logit Parameter Estimates (Odds Ratio) : ..... 100

Table 58: Ordinal Logit Parameter Estimates (Odds Ratio) : ..... 101

Table 59: Ordinal Logit Parameter Estimates (Odds Ratio) : ..... 103

Table 60: Ordinal Logit Parameter Estimates (Odds Ratio) : ..... 104

Table 61: Ordinal Logit Parameter Estimates (Odds Ratio): ..... 105

Table 62: Ordinal Logit Parameter Estimates (Odds Ratio) : ..... 106

Table 63: Ordinal Logit Parameter Estimates (Odds Ratio) : ..... 107

Table 64: Ordinal Logit Parameter Estimates (Odds Ratio) : ..... 108

Table 65: Logit Parameter Estimates (Odds Ratio) : ..... 110

Table 66: Logit Parameter Estimates (Odds Ratio) : ..... 111

Table 67: Logit Parameter Estimates (Odds Ratio) : ..... 112

Table 68: Logit Parameter Estimates (Odds Ratio) : ..... 113

Table 69: Logit Parameter Estimates (Odds Ratio) : ..... 114

Table 70: Logit Parameter Estimates (Odds Ratio) : ..... 115

Table 71: Firm Revenue And MWBE Status in The Tacoma-Seattle Market Area: ..... 117

Table 72: Summary of Survey of Business Owners’ Responses ..... 128

## I. INTRODUCTION

In August, 2017, the City of Tacoma, Washington (“City”) contracted with Griffin & Strong, P.C. (“GSPC”) to conduct a Disparity Causation Analysis Study (“Study” or “Disparity Study”). The purpose of this Study is to review the current policies, plan and programs of the City of Tacoma for contracting services and goods and to constructing a legally and economically meaningful test of whether there are disparities in the availability vs utilization of ready, willing, able and qualified Nonminority Female and minority-owned business enterprises within the relevant geographic market. Governmental entities, such as the City, have authorized disparity studies in response to City of Richmond v. J.A. Croson Co.<sup>1</sup> and the cases which followed, to determine whether there has been a compelling interest for remedial procurement programs, based upon ethnicity, race, and gender.

The Study collected and analyzed relevant data on businesses in the industries of:

1. Construction
2. Architecture & Engineering (“A&E”)
3. Services
4. Goods

The study period for the was a five (5) year period from July 1, 2011 - June 30, 2016 (FY2012-FY2016).

### A. Objectives

The principal objectives of this study are to determine:

1. Is there is a statistically significant disparity in the relevant geographic and product markets between the number of qualified minority and woman owned firms (“MWBE”) willing and able to provide goods or services to the City in each of the category of contracts and the number of such firms actually utilized by the City (whether as prime contractors/consultants or subcontractors/consultants)?

2. If a statistically significant disparity exists, have factors, other than race and gender been ruled out as the cause of that disparity, such that there can be an inference of discrimination?

3. Can the discrimination be adequately remedied with race and gender neutral remedies?

4. If race and gender neutral remedies are not sufficient, does the evidence from the Study legally support a race and/or gender conscious remedial program?

5. Are the proposed remedies narrowly tailored to the strong basis in evidence from the disparity study?

<sup>1</sup> City of Richmond v. J.A. Croson Co., 488 U.S. 469 (1989).



## B. Technical Approach

In conducting this study and preparing our recommendations, GSPC followed a carefully designed work plan that allowed study team members to fully analyze availability, utilization, and disparity with regard to MWBE participation. The final work plan consisted of, but was not limited to, the following major tasks:

- establishing data parameters and finalizing a work plan;
- legal analysis;
- policy and procurement process review and remedial program analysis;
- collecting, organizing, and cleaning data;
- conducting market area analyses;
- conducting product market analysis;
- conducting utilization analyses;
- estimating the availability of qualified firms;
- analyzing the utilization and availability data for disparity and significance;
- conducting private sector analysis including credit and self-employment analysis;
- collecting and analyzing anecdotal information; and
- preparing a final report that presents race- and gender-neutral and narrowly tailored race- and gender-based remedies.

## C. Report Organization

This report is organized into the following sections, which provide the results of our quantitative and qualitative analysis. In addition to this introductory chapter, this report includes:

- Chapter II, which presents a legal overview of disparity studies and the requirements for race- and gender-conscious programs.
- Chapter III, which provides a review of the City's purchasing policies and practices, particularly as they relate to minority and Nonminority Female owned firms.
- Chapter IV, which presents the methodology used in the collection of statistical data from the City and the analyses of those data as they relate to relative MWBE utilization and availability for prime contractors and subcontractors.
- Chapter V, which presents an analysis of disparities, if any, in the private sector.
- Chapter VI, which provides the analysis of anecdotal data collected from the survey of business owners, personal interviews, focus groups, public hearings, organizational meetings, and emailed comments.
- Chapter VII, a summary of the findings and recommendations based upon the analyses.
- Chapter VIII, the conclusion.

Note: Study Definitions are contained in Appendix N

## II. EXECUTIVE SUMMARY

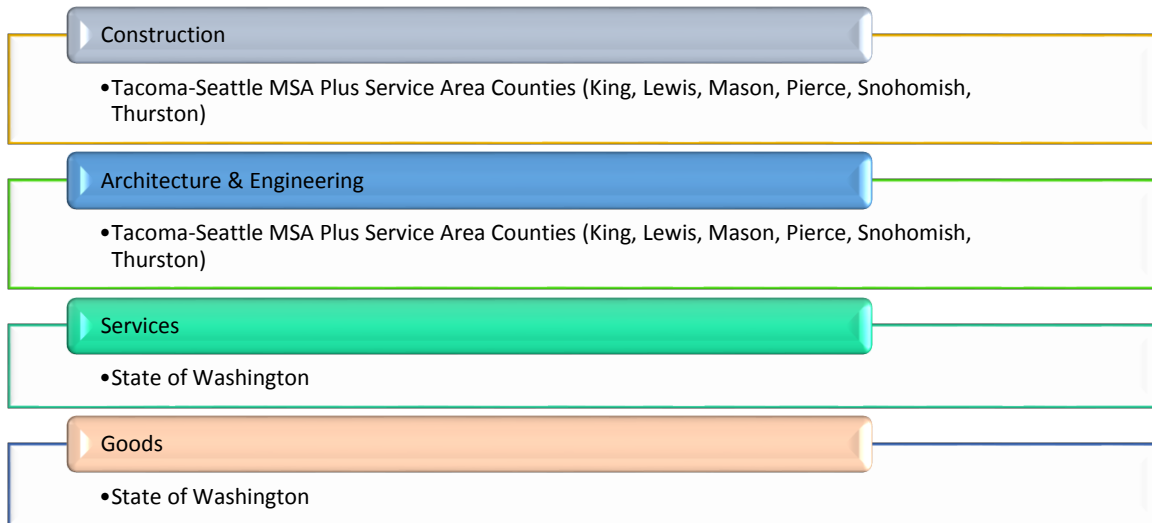
This chapter presents the findings and conclusions resulting from the disparity study conducted for the City of Tacoma, Washington related to Construction, A&E, Services, and Goods during the FY2012-FY2016 Study Period.

### A. FINDINGS

#### ***FINDING 1: GEOGRAPHIC MARKETS***

In Construction, 77.55% of all the dollars awarded were awarded within the MSA Plus. In Architecture & Engineering, 91.05% of the dollars were awarded with firms within the MSA Plus. The State of Washington was used for the relevant market for Services, 68.06%, and for Goods, 70.66%. Goods and Services did not quite meet the 75% threshold; however, the State of Washington is the contained geographic area where the bulk of the activity in those procurement areas took place. GSPC decided against adding distant, unconnected counties to reach the 75% mark because no other state, individually, accounted for more than 5% of procurement dollars.

**Figure 1: Summary of Relevant Geographic Market (by awards)**  
City of Tacoma Disparity Study



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#### ***FINDING 2: MWBE UTILIZATION ON SMALLER PRIME CONTRACTS***

As would be expected MWBEs won a larger share of smaller prime contracts on City projects.

On prime contracts less than \$100,000 MWBEs were awarded 5.02 percent of Construction dollars, 9.04 percent of Architecture & Engineering dollars, 5.56 percent of Services dollars and 3.38 percent of Goods dollars.

On prime contracts less than \$500,000 MWBEs were awarded 7.46 percent of Construction dollars, 8.59 percent of Architecture & Engineering dollars, 7.75 percent of Services dollars and 2.69 percent of Goods dollars.

On prime contracts less than \$1 million MWBEs were awarded 6.78 percent of Construction dollars, 6.30 percent of Architecture & Engineering dollars, 8.93 percent of Services dollars and 2.10 percent of Goods dollars.

***FINDING 3: AVAILABILITY***

The measures of availability utilized in this disparity study incorporate all the criteria of availability required by Croson:

- The firm does business within an industry group from which the City of Tacoma makes certain purchases.
- The firm's owner has taken steps to demonstrate interest in doing business with government.
- The firm is located within a relevant geographical area such that it can do business with the City of Tacoma.

The firms used to calculate Availability came from the Master Vendor File (See Chapter IV (D)(2)(A). GSPC found that firms were available to provide goods and services to the City as reflected in the following percentages by each race, ethnicity, and gender group.

**Table 1: Summary of Availability Estimates by Work Category**

In the Relevant Market  
(Based upon the Master Vendor File)  
City of Tacoma Disparity Study

<b>Ethnicity</b>	<b>Construction</b>	<b>A&amp;E</b>	<b>Services</b>	<b>Goods</b>
African American	2.81%	1.93%	4.04%	0.92%
Asian American	2.97%	12.86%	4.60%	2.63%
Hispanic American	4.69%	2.89%	2.65%	1.12%
Native American	2.03%	0.96%	1.50%	0.33%
<b>Total Minority</b>	<b>12.50%</b>	<b>18.64%</b>	<b>12.79%</b>	<b>5.00%</b>
Nonminority Female	3.13%	19.61%	12.00%	5.27%
<b>Total M/WBE</b>	<b>15.63%</b>	<b>38.25%</b>	<b>24.79%</b>	<b>10.27%</b>
Non-M/WBE	84.38%	61.74%	75.21%	89.73%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

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**FINDING 4: THRESHOLD ANALYSIS**

Since 80.59% of the City’s prime awards were under \$100,000, and 94.37% are under \$500,000, GSPC determined that all firms, including those that have only provided services as subcontractors, have the capacity to perform as prime contractors on most City awards. Notwithstanding this determination, GSPC does not suggest that all firms have the capacity to perform on all contracts.

**FINDING 5: MWBE UTILIZATION**

As the table below shows, the City of Tacoma awarded a total of \$731,750,585 in prime spending in the Relevant Market during the study period and \$47,222,765 of this amount, or 6.45% of this amount was awarded with MWBE firms as prime contractors.

**Table 2: Summary of Prime Utilization by Work Category**  
 In the Relevant Market  
 (Based upon Awards FY2012-FY2016)  
 City of Tacoma Disparity Study

Summary of Prime Utilization In the Relevant Market - FY 2012 through 2016 Prime Awards (Using Contracts and Purchase Orders)										
Firm Ownership	Construction		Architectural and Engineering		Services		Goods		Total	
African American	\$ 1,849,402	0.57%	\$ -	0.00%	\$ 520,532	0.26%	\$ 56,287	0.03%	\$ 2,426,221	0.33%
Asian American	\$ 40,000	0.01%	\$ 296,660	0.80%	\$ 4,535,196	2.27%	\$ 2,696,464	1.59%	\$ 7,568,320	1.03%
Hispanic American	\$ 13,229,258	4.07%	\$ -	0.00%	\$ 117,800	0.06%	\$ -	0.00%	\$ 13,347,058	1.82%
Native American	\$ 854,301	0.26%	\$ -	0.00%	\$ 129,341	0.06%	\$ -	0.00%	\$ 983,641	0.13%
<b>TOTAL MINORITY</b>	<b>\$ 15,972,960</b>	<b>4.91%</b>	<b>\$ 296,660</b>	<b>0.80%</b>	<b>\$ 5,302,869</b>	<b>2.66%</b>	<b>\$ 2,752,751</b>	<b>1.62%</b>	<b>\$ 24,325,240</b>	<b>3.32%</b>
Nonminority Female	\$ 5,019,008	1.54%	\$ 1,505,413	4.05%	\$ 15,618,373	7.82%	\$ 754,731	0.44%	\$ 22,897,525	3.13%
<b>TOTAL M/WBE</b>	<b>\$ 20,991,968</b>	<b>6.45%</b>	<b>\$ 1,802,073</b>	<b>4.84%</b>	<b>\$ 20,921,242</b>	<b>10.48%</b>	<b>\$ 3,507,482</b>	<b>2.07%</b>	<b>\$ 47,222,765</b>	<b>6.45%</b>
NON-M/WBE	\$304,329,627	93.55%	\$ 35,393,584	95.16%	\$ 178,706,096	89.52%	\$166,098,514	97.93%	\$ 684,527,821	93.55%
<b>TOTAL FIRMS</b>	<b>\$325,321,595</b>	<b>100.00%</b>	<b>\$ 37,195,657</b>	<b>100.00%</b>	<b>\$ 199,627,338</b>	<b>100.00%</b>	<b>\$169,605,996</b>	<b>100.00%</b>	<b>\$ 731,750,585</b>	<b>100.00%</b>

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For the City of Tacoma there was a total of \$74,021,007 in subcontractor spending in Construction, in the Relevant Market during the study period. Of this amount, \$3,447,255 or 4.66% was awarded to MWBE firms as subcontractors. There was no substantial subcontracting in any of the other three (3) work categories of A&E, Services, or Goods.

**Table 3: Summary of Subcontractor Utilization in Construction**  
 In the Relevant Market  
 (Based upon Awards FY2012-FY2016)  
 City of Tacoma Disparity Study

Firm Ownership	Construction	
African American	\$ 70,757	0.10%
Asian American	\$ 346,619	0.47%
Hispanic American	\$ 1,010,450	1.37%
Native American	\$ 109,159	0.15%
<b>TOTAL MINORITY</b>	<b>\$ 1,536,985</b>	<b>2.08%</b>
Nonminority Female	\$ 1,910,270	2.58%
<b>TOTAL M/WBE</b>	<b>\$ 3,447,255</b>	<b>4.66%</b>
NON-M/WBE	\$ 70,573,752	95.34%
<b>TOTAL FIRMS</b>	<b>\$ 74,021,007</b>	<b>100.00%</b>

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**FINDING 6: SUMMARY OF DISPARITY ANALYSIS FOR FY2012-FY2016**

The tables below indicate those MWBE groups where a statistically significant disparity was found.

**Table 4: Summary of Disparity Outcomes of Statistically Significant Underutilization of MWBEs in Prime Contracting**  
 City of Tacoma Disparity Study

	Construction	A&E	Services	Goods
<b>African American</b>	X	X	X	X
<b>Asian American</b>	X	X	X	X
<b>Hispanic American</b>	*	X	X	X
<b>Native American</b>	X	X	X	X
<b>Nonminority Female</b>	X	X	X	X

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\* Hispanic American owned firms were underutilized, but not with statistical significance

**Table 5: Summary of Disparity Outcomes of Statistically Significant Underutilization of MWBEs in Total Utilization**

	<b>Construction</b>
<b>African American</b>	X
<b>Asian American</b>	X
<b>Hispanic American</b>	X
<b>Native American</b>	X
<b>Nonminority Female</b>	☆

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\*Nonminority Female owned firms were underutilized, but not with statistical significance.

Disparity was also found for (1) Prime Awards less than \$100,000, (2) Prime Awards less than \$500,000, and (3) Prime Awards less than \$1 million. One exception was the overutilization of Nonminority Female owned firms on Construction Prime Awards less than \$500,000.<sup>2</sup>

***FINDING 7: POLICY FINDINGS***

**1. Authorization and Enforcement of Current SBE Program Goals**

In 2000, the City passed Ordinance 26726, establishing a race-neutral and gender-neutral HUB program with a 20 percent goal. The City extended its HUB program from public works to cover goods and services as well in December 2009. At the same time, the City provided that the HUB program applied to all contracts more than \$25,000.<sup>3</sup> In 2013, the HUB program was renamed the SBE program.

<sup>2</sup> Underutilization was not statistically significant for Nonminority Women firms on Construction Prime Awards less than \$1 million and Native American owned firms for Construction Prime Awards less than \$500,000.

<sup>3</sup> City of Tacoma Ordinance 27867 (December 15, 2009).

The City SBE program provides for an aspirational goal of 22 percent, to be reviewed annually.<sup>4</sup> The SBE program currently sets goals on a project-by-project basis and does not mechanically apply the same SBE goals on every project, nor has the City set SBE goals of any size on every project.

The City SBE project goals do not have good faith efforts requirements in the SBE ordinance, or City purchasing regulations. Instead, if the bidder meets the SBE goal, then that bidder is deemed to be the “lowest and best responsible bid.”<sup>5</sup> If the low bidder is a certified SBE, the bidder is deemed to have met the SBE goal.<sup>6</sup> If the lowest bid does not meet the SBE goal, then bids within 5 percent of the lowest bid are evaluated using the following formula:

$$(\text{Base Bid}) - \text{SBE Usage Percentages} \times (.05 \times \text{Low Base Bid}) = \text{Evaluated Bid SBE Goal Percentages}^7$$

After applying this formula, the firm with the lowest bid is deemed to be the lowest and best responsible bid. The SBE goal bid adjustment is limited to 5 percent of the bidder’s base bid price. If no firm meets the SBE goal and no firm becomes the evaluated low bidder through the formula above, the award is still made to the lowest and best responsible bidder.

## 2. SBE Incentives for Competitive Solicitations

The City Municipal Code and Purchasing Policy Manual provide for incentives for SBEs in the competitive solicitation process:

- Notification of relevant SBEs of competitive solicitation opportunities.
- Invitation of available SBEs to quote for solicitations for supplies and services between \$5,000, and \$25,001.
- Contacting at least one SBE from the A&E Rosters.
- Contacting at least one SBE, MBE and WBE (if available on the Roster) for projects procured through the Small Works Roster.
- Recommending for award a certified responsive SBE whose bid is within 5 percent of the low bid for a supplies contract that does not have an SBE goal.
- Using evaluation criteria that encourage SBE utilization for qualifications-based solicitations.<sup>8</sup>

## 3. SBE Certification

City SBE certification requires the following personal net worth and firm size requirements:

- Each person with an ownership interest in the company has a personal net worth of less than \$1,320,000 excluding one personal residence and the net worth of the business;
- The company’s total gross receipts for any consecutive three-year period within the last six years is not more than \$36,500,000 for public works companies and not more than \$15,000,000 for non-public works and improvements companies.

<sup>4</sup> Tacoma Municipal Code § 1.07.060.A. City of Tacoma, Purchasing Policy Manual, May 2011, page 130.

<sup>5</sup> Tacoma Municipal Code § 1.07.070.C.1.a.

<sup>6</sup> Tacoma Municipal Code § 1.07.070.C.1.

<sup>7</sup> Tacoma Municipal Code § 1.07.070.C.1.b. The formula is presented in a slightly different form in the City Purchasing Policy Manual (Base Bid) – [(SBE Usage/SBE Goal) X (.05 X Low Base Bid)] = Evaluated Bid. City of Tacoma, Purchasing Policy Manual, May 2011, page 132.

<sup>8</sup> City of Tacoma, Purchasing Policy Manual, May 2011, page 131; Tacoma Municipal Code § 10.27.030.B; Tacoma Municipal Code § 10.27.030.D.1; Tacoma Municipal Code § 10.27.030.C.2.a.

City SBE certification also requires that the firm satisfy one of the following location requirements:

- The company's business offices, or the personal residence of the owner, is located within a City of Tacoma designated Renewal Community/Community Empowerment Zone, prior to designation as an SBE, or
- The company's business offices, or the personal residence of the owner, is located within the City of Tacoma for at least six months prior to designation as an SBE;
- The company's business offices are located in a federally designated HUBZONE in Pierce County or any adjacent county for at least 12 months prior to designation as an SBE; or
- The company's business offices are located in a federally designated HUBZONE in a County wherein the work will be performed, or an adjacent county, for at least 12 months prior to designation as an SBE.<sup>9</sup>

There were 166 SBEs on the list in September 2017. There were 75 MWBEs, 45.2 percent of the total number of SBEs in this data. Of this amount 29 were Black, 8 were Hispanic, 7 were Native American and 6 were Asian/Pacific Islanders.

#### **4. DBE Program**

The City does not have a separate DBE program with its own DBE goals. Instead the City applies State DBE goals to projects with federal funding.

#### **5. Small Works Roster**

City purchasing policy provides that, where feasible, departments conduct competitive solicitations for pre-registered contractors using the Small Works Roster program for Public Works and Improvements contracts of \$200,000, or less.<sup>10</sup> Contracts are awarded to the lowest and best responsible bid.<sup>11</sup> Vendors are not rotated on the Small Works Roster. The Small Works Roster is for small public works projects, but the Small Works Roster is not limited to small firms.

For contract awards of \$100,000 or less that are procured through the Small Works Roster, the performance bond and retainage requirements can be waived on a case-by-case basis for firms with annual revenues less than \$1,000,000.<sup>12</sup>

The Small Works Roster allows for expedited payments. Firms with annual revenues below \$250,000 who are awarded contracts of \$100,000 or less are to be paid within ten business days, less 5 percent retainage, after receipt by the City of completed closeout documents.<sup>13</sup>

#### **6. Financial and Management Assistance**

Currently, the primary business development assistance to MBEs provided by the City is through a five-year \$1.5 million grant from the U.S. Department of Commerce for a Minority Business Development

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<sup>9</sup> Tacoma Municipal Code § 1.07.050. A.1.

<sup>10</sup> Tacoma Municipal Code § 10.27.010 et seq. City of Tacoma, Purchasing Policy Manual, 2011, page 10.

<sup>11</sup> Tacoma Municipal Code § 10.27.030.D.

<sup>12</sup> Tacoma Municipal Code § 10.27.030.F.

<sup>13</sup> Tacoma Municipal Code § 10.27.030.G.



Agency (“MBDA”). The Center serves Tacoma and the Puget Sound area. The Center focuses on firms: (1) with annual revenues of more than \$1 million; (2) with involvement in high-growth industries, and (3) with rapid growth potential. The Center helps these firms and other MBEs with certification, securing public and private contracts, and finances, amongst other services. Financial statements and construction bid estimating are the services most in demand at present. The Center seeks a 25 percent reimbursement for services provided. The Center is co-located with the City SBE program and the City provides in-kind contributions in the form of staffing for the Center. The MBDA grant was awarded in the summer of 2016. The MBDA collaborates with the Procurement Technical Assistance Center (“PTAC”) on government contracting and with the Small Business Development Center (“SBDC”) for loan assistance.

The City Community and Economic Development Department has a gap financing loan program where a business can receive a loan up to \$300,000. However, City funds cannot be the primary source for the loan. The Office of SBE Programs also refers clients for financial assistance to CRAFT3, which provides financing for start-up and expansion phases, with loans from \$25,000 to \$5 million.

### **7. SBE Office Budget and Staffing**

The City Office of SBE Programs has an adopted budget of \$546,582 for FY 2015-16. The staffing for the Office of SBE Programs is: ½ administrator, ½ supervisor, and one SBE Coordinator. The City participates in the SBE Regional Municipal Advisory Group.

### ***FINDING 8: PRIVATE SECTOR DISCRIMINATION***

- In general, being an MWBE in the Tacoma Market Area is associated with lower firm revenue, and less likely to be self-employed, which lends some support to the “but-for” justification for affirmative action in public procurement.
- Lower revenues for MWBEs in the Tacoma Market Area are suggestive of private sector discrimination that undermines their capacity to compete with non-minority owned firms for public contracting opportunities.
- Parameter estimates from categorical regression models suggest that in general while on average a firm’s MWBE status has no statistically significant effect on entering the Tacoma Market Area as a new firm, MWBE status does have an adverse impact on securing public contracting opportunities relative to non-MWBEs in general.
- We also find that in the Tacoma Market Area, with the exception of Other Race-owned MWBEs, the credit capacity of MWBEs does not appear to be any different from non-MWBEs. This suggests that any public contracting disparities between MWBEs and non-MWBEs in the Tacoma Market Area cannot be explained by differential credit capacities.
- Our analysis suggests that any disparities that exist cannot be explained by differential MWBE/non-MWBE frequency in bidding for prime contracts, but can possibly be explained, at least in part, by MWBEs being less likely to have served as prime contractors in the past.
- Lastly, the results of the GSPC disparity analysis suggest that any observed disparities in public contracting outcomes between MWBEs and non-MWBEs are not explained by differential capacities for public contracting with the City of Tacoma. Our regression results control for firm public contracting capacity by including measures for the education level of the firm owner, the age and market tenure of the firm, the size of the firm with respect to the number of employees and revenues, firm bonding capacity, and firm financial standing.

***FINDING 9: ANECDOTAL FINDINGS***

## ➤ Informal Network

The anecdotal research conducted for this study revealed that a number of business owners in the Tacoma marketplace perceive an “informal network” of contractors that are insiders at the City of Tacoma and have access. Across the various forums provided for the collection of anecdotal evidence, participants in the study recounted having witnessed some form of exclusionary network, and some participants gave testimony that indicated that they have benefitted from this status, receiving sole source and no-bid contracts as a result. Both small and minority owned firms found this environment difficult to navigate

## ➤ Outreach

The anecdotal evidence chapter also showed a lack of confidence in City of Tacoma’s outreach efforts. Some participants called for more opportunities to meet with procurement staff and to network with decision-makers, citing the seminars in doing business as ineffective in a market that they perceive is based on relationships. Universal notification of upcoming bids was also a problem, with some business owners relying entirely on word-of-mouth to find out about opportunities with the City. The lack of outreach contributes to the perception of a lack of transparency at the City of Tacoma and erodes trust in the procurement process.

## ➤ Small Business Assistance

Several small businesses cited concerns about bonding and contract-sizing, both issues to do with capacity and resources. It was stated that, to create a fairer environment for small businesses to compete, the City could break down contracts to reduce the amount of bonding required. In addition, some firms found the requirement that they have a certain number of years of experience working with the City a barrier to participation for new-to-market entrepreneurs.

## ➤ Discrimination

Though some minorities described the discrimination and exclusion that they have experienced as coded and subtle, they argue that it nonetheless exists in the Tacoma marketplace. Several minority and Nonminority Female-owned firms recounted feeling that they were “boxed in” or underestimated due to their race and/or gender, and that the networks of “insiders” were difficult to infiltrate as a result. Addressing the issue of informal networks by formalizing outreach efforts and increasing monitoring of procurement practices may help to ameliorate the issue, but the City may also benefit from providing joint venture incentives so that firm owners of varying demographics are encouraged to work closely together.

**Table 6: Summary of Survey of Business Owners Findings**  
Percentage of Positive Responses

	Non-Minority Men	Non-Minority Female	Black	Subcontinent Asian	Asian Pacific	Hispanic	American Indians	Alaskan Native	Bi-Racial or Multi-Racial
Informal Network of Contractors	18 %	37.2 %	73.1 %	57.1 %	57.1 %	50 %	50 %	100 %	72.7 %
Bonding Requirements Are Excessive	7.8%	14.3%	19.2 %	28.6%	28.6%	17.7%	0 %	0 %	30.0%
Some primes only utilize SMWDBE firms when required	30.1%	35.7%	73.1 %	57.2%	57.2%	58.8%	50 %	0 %	50.0%
Experienced Discrimination in Private Sector	4.5 %	14 %	42.3 %	28.6 %	28.6 %	23.5 %	50 %	0 %	27.3 %
Amount of Experience required in bidding unnecessary	12.6%	14.6	30.7 %	42.9%	42.9%	35.3%	100%	100%	50%
Sometimes Primes ask for quotes from MWBE firms but don't give serious consideration	13.6%	24.4%	38.4 %	42.9%	42.9%	41.2%	50%	100%	40%

***FINDING 10: EFFECTIVENESS OF RACE-NEUTRAL MEASURES***

The City currently utilizes only race and gender neutral program elements to increase minority and female owned business participation. This is primarily because of the perceived restrictions of Initiative 200. However, based upon the finding of an inference discrimination throughout the Study Period for all MWBE groups in prime contracting (except that Hispanic American owned firms were underutilized, but not with statistical significance), and in subcontracting (except that Nonminority Female owned firms were underutilized, but not with statistical significance), the race and gender neutral remedies applied by the City have not been effective in remedying the disparities in contracting. As a result, GSPC will recommend

both enhanced race and gender neutral program elements, as well as race and gender conscious program elements.

***FINDING 11: LEGAL FINDING***

Disparity studies are a creation of the federal courts. In particular, the Croson Court. It was the Croson decision that determined there must be a factual predicate i.e. disparity study, in order to have any race based remedial programmatic elements in government procurement (later courts included gender based programs) and that any remedy must be narrowly tailored to the findings of such a study. Since then, it has been the courts that have dictated which methodologies are acceptable in conducting the factual predicate i.e. disparity study.

However, although the current Study finds support for a robust MWBE remedial program for some of the ethnic and gender groups studied, the extent to which best practices in MWBE programs can be effectuated is also dictated by Washington State's Initiative 200. Initiative 200 contains the following language:

The state shall not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting.

The interplay or overlap as between the federal framework (under Croson, et. al.) and Initiative 200 remains unclear, as there have been no reported opinions in Washington applying Initiative 200 in the context of MWBE programs or similar legislation. The "school choice" decision of the Washington Supreme Court in PICS appeared to define "preferential treatment" in a relatively strict manner, but it also included more expansive language on the issue of prohibited "advantages" that may be provided based on race.

In contrast, the 2017 Attorney General ("AG") Opinion on Initiative 200, which Opinion is specific to government contracting, appeared to permit preferential treatment under "very narrow circumstances," though it did not define or clarify this potential window. The AG further opined that more expansive use of race- or gender-conscious measures are permitted under Initiative 200, so long as such measures do not result in an award to a less-qualified contractor over a more qualified contractor. There has been no case law or legislation applying or challenging the view of the AG, however, leaving significant uncertainty in this area.

Absent supporting case law or a change in Initiative 200, it is our view that Initiative 200 does not permit as expansive a slate of options for race- or gender-conscious measures as the federal framework, including many of the customary characteristics of an MWBE program.

For this reason, GSPC has made the following recommendations, based on the Findings of the Study, that include racial classifications, but do not violate Initiative 200.

## D. RECOMMENDATIONS

This Study found statistically significant underutilization of MWBE firms by the City of Tacoma during the Study Period and that such underutilization was likely caused by race and/or gender status, as well as findings of discrimination in private markets. These findings establish a factual predicate for race and gender conscious programs to remediate such discrimination under the federal construct. However, as explained in Finding 10 above, GSPC has also considered the requirements of Washington State law, Initiative 200 in making its recommendations.

### **RECOMMENDATION 1: Allocation of Resources, Including Staffing**

The disparities found by GSPC in the City's contracting (both prime and subcontractor), as well as in the marketplace, warrants a full contract compliance commitment. This means that the City should not just commit to increase MWBE participation, it must commit real resources to make such change happen.

First, the City should allocate resources for a reasonable operational budget for a fully functional contract compliance department. This includes the necessary staffing. GSPC recommends that the City establish three (3) positions:

- a) Chief Diversity Officer – Best practices are that the person in this position oversee all areas of diversity for the City, including procurement and work force. This has recently been done in St. Louis County, MO, the City of Memphis and Metropolitan Nashville and Davidson City, Tennessee, with positive results.
- b) Contract Compliance Officer: Responsibilities include: forecasting, outreach, certification review, maintaining availability lists, coordinating supportive services, and coordinating with other agencies.

Contract Administration: Responsibilities include: prebid conferences, working with MWBEs to make sure they are bidding, investigation of any potential discrimination by prime contractors, tracking participation, and reporting participation.

- Increase outreach with automated bid notifications for registered firms, and provide tailored training workshops for firms on the bid process to assist with their understanding of bidding at Tacoma and increase transparency of upcoming bids;<sup>14</sup>
- Joint venturing and/or mentor-protégé program to provide opportunities for smaller firms at the prime level and encourage diverse networking;
- Bonding Assistance program and/or breaking out contracts to reduce bid bond requirements;
- Commercial antidiscrimination rules;
- Reporting mechanisms for discriminatory behavior and prime contractor non-payment;
- Formalized debriefing process; and
- Re-evaluate criteria for sole source and quote-only purchases

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<sup>14</sup> City representatives state that interested suppliers may subscribe to the City's procurement website for notification of bid opportunities ([www.tacomapurchasing.org](http://www.tacomapurchasing.org)). Also, that moving forward - Ariba will send bid notifications to all suppliers who have registered as providing goods/services by category/commodity codes.

***RECOMMENDATION 2: FORECAST OPPORTUNITIES***

All businesses benefit from as much advanced notice as possible of bid opportunities. It allows firms time to prepare for the opportunity, to form joint ventures, and present themselves to potential primes as subcontractors. The City should forecast potential bidding opportunities for a full fiscal year. Anticipated expenditures could be made public as a forecast which would allow MWBE firms to understand early on what projects are anticipated in the coming fiscal year and to prepare to compete for them.

Planning plays an important role in establishing and maintaining effective remedial programs. This begins with understanding what services and goods the City will be buying in the year to come.

In conjunction with forecasting, the City could increase outreach with automated bid notifications for registered firms and small roster firms based upon targeted work categories, and provide tailored training workshops for firms on the bid process to assist with their understanding of bidding at Tacoma and increase transparency of upcoming bids.

***RECOMMENDATION 3: SUPPORTIVE SERVICES***

GSPC heard both from city staff members and MWBE firms that MWBE firms desire to increase their knowledge and capacity in public contracting. In order to accomplish this, the City should consider establishing supportive services to assist firms in preparing to bid. Many times, firms are accomplished in providing their service or goods but do not know how to certify or enter the public contracting arena. This would benefit the City in bringing more bidders to the table who will be ready, willing and able. Supportive services may be offered internally in coordination with other agencies, the Small Business Administration bonding program, and the Small Business Development Centers. This is particularly important on the City's large capital projects to insure diverse supplier participation.

***RECOMMENDATION 4: SMALL BUSINESS RESERVE PROGRAM***

The City has a Small Works Roster Program for small construction projects (public works and improvement projects) authorized by the Revised Code of Washington and the Tacoma Municipal Code under \$200,000, but those projects are not reserved for small businesses. The Study found that 80.59% of all the City's contracts and purchase orders were under \$100,000 and the average contract was \$80,534. Given the relatively small prime contract sizing and the statistically significant underutilization in prime contracting for all MWBE groups (except Hispanic American owned firms in Construction), the City can substantially increase MWBE participation as prime contracts by instituting a small business reserve program where those awards can only be bid only by small businesses. Since most MWBE firms are small businesses, this means that they have a better chance to be successful at winning awards when competing only against other small businesses. The first step is to institute a race and gender neutral program that designates certain contracts, particularly in Construction, that can only be bid on by small businesses in accordance with the SBA guidelines or some percentage less of the SBA guidelines.

**RECOMMENDATION 5: REFORM DATA INFRASTRUCTURE**

- **Adopt NIGP Procurement Code:** Tacoma should consider inclusion of the National Institute of Government Purchasing (NIGP) code or other commonly adopted code used in procurement and contracting practices. Use of the NIGP coding system, in particular, will enable Tacoma to properly classify and categorize procurement activities while bringing uniformity in reporting by various departments. Many jurisdictions have incorporated the NIGP code in their procurement practices in various forms. Some have relied on the entire code without modification while others have adopted the first three digit codes and modified the last two to fit their own procurement strategies.
- **Awarded and Paid Subcontract Data:** Tacoma should consider collecting both award and paid subcontract data on all contracts. It is further recommended that subcontract data include both minority and nonminority subcontractors. The gap analysis between award and paid amount will provide an additional layer for furnishing effective and more precise contracting oversight. Moreover, inclusion of all subcontractors, regardless of race, ethnicity, and gender, will empower Tacoma to compare and contrast contract and subcontracting practices.
- **Commendation and Recommendation –** While Tacoma has recently established an internal list of minority owned businesses, such listing should be updated regularly and mirror the list of certified minority owned businesses provided by Washington Office of Minority and Woman Owned Businesses (WOMWBE). That updated listing should be incorporated both in prime and subcontract procurement and contracting practices.

**RECOMMENDATION 6: ESTABLISH POLICY TO INVESTIGATE POSSIBLE DISCRIMINATION**

This Study has determined that the level of subcontractor participation of MWBEs is statistically significantly underutilized (except for Hispanic American owned businesses in Construction and Nonminority Female owned businesses in Construction subcontracting). This means that there may be intentional discrimination occurring in subcontracting. It is our recommendation that the City of Tacoma implement a policy permitting a pre-award investigation into possible intentional discrimination in cases where the lowest bidding prime contractor has failed to reach a reasonable percentage of availability in subcontracting in each ethnicity and gender group (including Non-MWBEs). By investigating such underutilization, for all ethnicities and genders, the City will not run afoul of Initiative 200. This recommendation is intended to prevent the City from passively and/or unwittingly participating in or funding private discriminatory conduct. This tool does not have to be used for every projects, but particularly for larger projects for which bidders submit little to no proposed MWBE utilization. GSPC suggests that bidders be required to list all firms that were contacted and that provided subcontract bids, along with the bid amounts, with an indication of which firms were selected as subcontractors. This would provide a preliminary indication as to whether an investigation is warranted. E.g. the prime contractor contacted no firms of a particular ethnic or gender group, despite a reasonable percentage of firms from such ethnic of gender group that could have performed the subcontracted work.

**RECOMMENDATION 7: ECONOMIC DEVELOPMENT PROJECTS**

On certain private sector projects, the City extends land, tax incentives, infrastructure improvements, or other pecuniary value to the overall project. This Study has already determined that there is discriminatory activity in private sector procurements based upon the low private sector utilization in Construction. Therefore, it is appropriate for the City to require that such projects be subject to the same contract compliance oversight as its own projects with regard to MWBE participation.

**RECOMMENDATION 8: VENDOR ROTATION**

Another useful tool to increase MWBE participation is vendor rotation. This means that where firms are prequalified or qualified for certain types of work, the City will rotate contracts among those firm. This allows for more diversity in the utilization of firms in a race and gender neutral manner, but will likely assist in increasing the participation of MWBEs.

**RECOMMENDATION 9: INSTITUTE RACE AND GENDER-BASED SUBCONTRACTING GOALS**

In the Parents Involved in Community Schools case, the Court was clear that race and gender preferences cannot be used to select a less qualified candidate. This was also emphasized in Washington Attorney General Bob Ferguson’s opinion which addressed the scope and purposes of Initiative 200.<sup>15</sup> The Attorney General’s opinion did state that one of the categories that is not prohibited by Initiative 200 and is open to innovation is that of aspirational goals.

GSPC recommends that the City institute both annual aspirational goals and a contract goal program based upon race and gender in order to address the disparities found in the Study, provided that they do not require prime contractors to select a less qualified contractor over a more qualified contractor and do not otherwise run afoul of the language in Initiative 200. The annual goals should be calculated using the availability percentages for each race and gender group in the Study until the next disparity study is completed. Aspirational goals are used as a benchmark to determine whether the City is utilizing race and gender groups as should be expected according to their availability by work category in the Relevant Market. GSPC further recommends separate MBE, WBE, and non-MWBE goals to separate the issues of race and gender discrimination.

Project goals should also be set based on the availability of firms in various race and gender groups in the available subcontracting trades for each project. However, there are several administrative issues that would make immediate implementation of this type of program difficult. In order to set project goals, you must have a clear identification of what type of work your registered vendors do so you can set specific trade goals. Once the City adopts full use of five-digit NIGP Codes it will be able to accurately identify the availability of firms in each trade.

Any race or gender based goal program must have a “sunset date” in accordance with Croson. GSPC recommends a 5-year sunset date to coincide with a disparity study every 5 years.

<sup>15</sup> AGO 2017 No. 2 (Use of Race- Or Sex- Conscious Measures Or Preferences To Remedy Discrimination In State Contracting). For an extensive discussion of Initiative 200 see Appendix A, Sections E and F.



### III. LEGAL ANALYSIS

#### A. Introduction to Legal Analysis

The extensive discussion and analysis contained throughout this Disparity Study underscore the several purposes for which such a study may be done, and the usefulness of the information contained therein. Disparity studies can provide historical context regarding government procurement practices, an overview of the challenges a governmental entity has faced and continues to face in seeking minority and/or female inclusion in procurement awards, a contemporary snap-shot of procurement practices, and a predictive preview of future challenges/needs.

There is also, however, an important historical legal basis for the advent of disparity studies in the first instance. The bedrock judicial decisions from the United States Supreme Court anticipating and inviting increased use of disparity studies are therefore discussed first in the following legal analysis, before digging deeper into the legal considerations and related evidentiary requirements for sustaining an MWBE program in the face of a challenge on constitutional grounds.

Included in the subsequent expanded legal analysis are significant decisions from the United States Court of Appeals for the Ninth Circuit, as these decisions demonstrate the continuing significance and vitality of the featured Supreme Court precedent, and also highlight the legal foundation under which any federal challenge to the City of Tacoma's MWBE program will be analyzed.

Next, there is an analysis of Washington State statute 49.60.400 (also referenced as Initiative 200), and possible challenge to the City of Tacoma MWBE program under that "non-discrimination" legislation. The analysis is in some respects similar to the preceding federal analysis, but significant differences (and/or uncertainties) are specifically addressed in that section.

Lastly, an appendix is included identifying more recent federal court decisions in which MWBE or DBE programs were under challenge, for additional context and to provide insight into trends in this discrete public policy and legal arena. See Appendix A.

#### B. Historic Development of the Relevant Law

The outgrowth of disparity studies was in large measure a response to constitutionally-based legal challenges made against federal, state, and local minority business enterprise programs enacted to remedy past or present discrimination (whether real or perceived).

Such studies were effectively invited by the United States Supreme Court in rendering its seminal decision in City of Richmond v. J. A. Croson Company, 488 U.S. 469; 109 S. Ct. 706; 102 L. Ed. 2d 854 (1989), and subsequent judicial decisions have drawn a direct line between Croson and the utilization of disparity studies. See, for example, Adarand Constructors, Inc. v. Slater (Adarand III), 228 F.3d 1147, 1172-73 (10th Cir. 2000) ("Following the Supreme Court's decision in Croson, numerous state and local governments have undertaken statistical studies to assess the disparity, if any, between availability and utilization of minority-owned businesses in government contracting.").

Disparity studies have therefore become an important tool for governmental entities in deciding whether to enact minority business programs or legislation, and in justifying existing programs or legislation in the face of constitutional challenge. To better understand the proper parameters of such programs, one must understand their judicial origin.

The Supreme Court's Decision in City of Richmond v. Croson

To fully appreciate the usefulness of disparity studies for development and defense of minority business programs, an overview of the Croson decision is helpful.

Laws that, on their face, favor one class of citizens over another, may run afoul of the Equal Protection Clause of the Fourteen Amendment. MWBE programs and legislation are among the types of laws invoking such concerns. Depending on the nature of the differentiation (e.g., based on race, ethnicity, gender), courts evaluating the constitutionality of a minority business program will apply a particular level of judicial scrutiny. As explained at greater length below, race-based programs are evaluated under a "strict scrutiny" standard, and gender-based programs may be subject to strict scrutiny or a less-rigorous "intermediate scrutiny" standard, depending on the federal circuit within which the entity sits.

In its Croson decision, the Supreme Court ruled that the City of Richmond's Minority Business Enterprise (hereinafter "MBE") program failed to satisfy the requirements of "strict scrutiny." "Strict scrutiny" review involves two co-equal considerations: First, the need to demonstrate a compelling governmental interest; Second, implementation of a program or method narrowly tailored to achieve/remedy the compelling interest. In Croson, the Supreme Court concluded that the City of Richmond failed to show that its minority set-aside program was "necessary" to remedy the effects of discrimination in the marketplace.

In fact, the Court found that the City of Richmond had not established the necessary factual predicate to infer that discrimination in contracting had occurred in the first place. The Court reasoned that a mere statistical disparity between the overall minority population in Richmond (50 percent African-American) and awards of prime contracts to minority owned firms (0.67 percent to African American owned firms) was an irrelevant statistical comparison and insufficient to raise an inference of discrimination

Addressing the disparity evidence that Richmond proffered to justify its MBE program, the Court emphasized the need to distinguish between "societal discrimination," which it found to be an inappropriate and inadequate basis for social classification, and the type of identified discrimination that can support and define the scope of race-based relief.

Specifically, the Court opined that a generalized assertion of past discrimination in an entire industry provided no guidance in determining the present scope of the injury a race-conscious program seeks to remedy, and emphasized that "there was no direct evidence of race discrimination on the part of the City in letting contracts or any evidence that the City's prime contractors had discriminated against minority-owned subcontractors."

[ Croson, 488 U.S. at 480.]

Accordingly, the Court concluded there was no prima facie case of a constitutional or statutory violation by anyone in the construction industry that might justify the MBE program. Justice O'Connor nonetheless provided some guidance on the type of evidence that might indicate a proper statistical comparison:

[W]here there is a significant statistical disparity between the number of qualified minority contractors willing and able to perform a particular service and the number of such contractors actually engaged by the locality or the locality's prime contractors, an inference of discriminatory exclusion could arise. [Croson, 488 U.S. at 509.]

Stated otherwise, the statistical comparison should be between the percentage of MBEs in the marketplace qualified to do contracting work (including prime contractors and subcontractors) and the percentage of total government contract awards (and/or contractual dollars paid) to minority firms. The relevant question among lower federal courts has been which tools or methods are best for such analysis--- a matter addressed in the detailed discussion of statistical comparison provided below.

Additionally, the Court, in Croson, stated that identified anecdotal accounts of past discrimination also could provide a basis for establishing a compelling interest for local governments to enact race-conscious remedies. However, conclusory claims of discrimination by City officials, alone, would not suffice, nor would an amorphous claim of societal discrimination, simple legislative assurances of good intention, or congressional findings of discrimination in the national economy. In order to uphold a race-based or ethnicity-based program, the Court held, there must be a determination that a strong basis in evidence exists to support the conclusion that the remedial use of race is necessary.

Regarding the second prong of the strict scrutiny test, the Croson Court ruled that Richmond's MBE program was not narrowly tailored to redress the effects of discrimination. First, the Court held that Richmond's MBE program was not remedial in nature because it provided preferential treatment to minorities such as Eskimos and Aleuts, groups for which there was no evidence of discrimination in Richmond. Thus, the scope of the City's program was too broad.

Second, the Court ruled that the 30 percent (30%) goal for MBE participation in the Richmond program was a rigid quota not related to identified discrimination. Specifically, the Court criticized the City for its lack of inquiry into whether a particular minority business, seeking racial preferences, had suffered from the effects of past discrimination.

Third, the Court expressed disappointment that the City failed to consider race-neutral alternatives to remedy the under-representation of minorities in contract awards. Finally, the Court highlighted the fact that the City's MBE program contained no sunset provisions for a periodic review process intended to assess the continued need for the program. [Croson, 488 U.S. at 500.]

Subsequent to the decision in Croson, the Supreme Court and the federal Circuit Courts of Appeal have provided additional guidance regarding the considerations, measurements, information, and features surrounding an MWBE program which will assist in protecting the program from constitutional challenge under a strict scrutiny analysis. These recommendations have in many respects provided a roadmap of sorts for useful disparity studies, and are therefore discussed in greater detail below.

#### The Supreme Court's Decision in Adarand v. Peña and Subsequent Circuit Court Proceedings

Six years after its decision in Croson, the Supreme Court was again confronted with an equal protection challenge to a minority business program, in Adarand Constructors, Inc. v. Peña, 515 U.S. 200 (1995) [Adarand II]. This time, however, the program under challenge was enacted by the federal government, thus implicating the Fifth Amendment rather than the Fourteenth Amendment analysis required for the local (state) program in Croson.

Reversing the decision of the Tenth Circuit, the Supreme Court ruled that federal programs are not reviewed for constitutionality under a more lenient standard (as had been indicated in some prior Supreme Court opinions); strict scrutiny is likewise to be applied to such programs. Id. at 222-26. Because the district

court and the Tenth Circuit had not applied the proper standard of review, the Supreme Court remanded the case back to the district court to apply strict scrutiny to the program, consistent with Croson. [Id.]

On remand, the District Court (D. Colo.) essentially ruled that no program can meet the strict scrutiny standard --- that is, it is “fatal in fact.” The Tenth Circuit disagreed, upholding the federal program even under a strict scrutiny standard, finding a compelling state interest, and the required narrow tailoring to achieve such compelling interest. Adarand Constructors, Inc. v. Slater, 228 F.3d 1147 (10<sup>th</sup> Cir. 2000) [Adarand III].

Consistent with Croson and subsequent opinions, the Tenth Circuit described its task regarding the compelling state interest as follows:

[O]ur inquiry necessarily consists of four parts: First, we must determine whether the government's articulated goal in enacting the race-based measures at issue in this case is appropriately considered a "compelling interest" under the governing case law; if so, we must then set forth the standards under which to evaluate the government's evidence of compelling interest; third, we must decide whether the evidence presented by the government is sufficiently strong to meet its initial burden of demonstrating the compelling interest it has articulated; and finally, we must examine whether the challenging party has met its ultimate burden of rebutting the government's evidence such that the granting of summary judgment to either party is proper. We begin, as we must, with an inquiry into the meaning of “compelling interest.” [Adarand v. Slater, 228 F.3d at 1164.]

If satisfied that the compelling state interest prong had been met, the Court then needed to determine whether the federal DBE program was narrowly tailored, as required under Croson (and strict scrutiny jurisprudence generally). [Id. at 1176-77.]

The Court first found that the government's proffered interest – “remedying the effects of racial discrimination and opening up federal contracting opportunities to members of previously excluded minority groups” – met the standard. [Id. at 1164-65] (“[W]e readily conclude that the federal government has a compelling interest in not perpetuating the effects of racial discrimination in its own distribution of federal funds and in remedying the effects of past discrimination in the government contracting markets created by its disbursements.”).

As for the “strong basis in evidence” that remedial action was necessary, the Court in Adarand v. Slater found that the government established that minority contractors faced significant discriminatory *barriers to entry* into the disbursement programs, such as a classic “old boy” network of contractors, denial of access to capital, and denial of or difficulty in obtaining union membership to assist in access. [228 F.3d at 1168-69.]

The government also demonstrated, the Court found, that existing minority contractors faced *barriers to competition*, owing to various methods of “discrimination by prime contractors, private sector customers, business networks, suppliers, and bonding companies[.]” [Id. at 1170-72.]

In support of its position, the government produced statistical and anecdotal evidence, both direct and circumstantial, taken from local disparity studies which demonstrated under-utilization of minority subcontractors (described in more detail below), and the effect on utilization rates when affirmative action programs or efforts were discontinued for one reason or another. [Id. at 1174-75.]

The Court went on to discuss at length its reasoning that the government also adequately demonstrated that its program was narrowly tailored to achieve the compelling interest discussed previously. [228 F.3d at 1176-1187.]

In summary, the Court found that the government satisfactorily met the following important factors: “the necessity for the relief and the efficacy of alternative remedies; the flexibility and duration of the relief, including the availability of waiver provisions; the relationship of the numerical goals to the relevant labor market; and the impact of the relief on the rights of third parties.” [Id. at 1177.]<sup>16</sup>

The case was therefore returned to the District Court for further proceedings “consistent with this opinion.” [Id.]

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<sup>16</sup> These remedial concepts are covered in greater detail below.

## IV. PURCHASING PRACTICES, POLICIES, AND PROCEDURES

The objective of the “Purchasing Practices, Policies, and Procedures” chapter of this Study is to review the stated policies and practices of the City of Tacoma (“City”) in relation to purchasing and programs to enhance inclusion of minority, Nonminority Female, and disadvantaged owned businesses.

It is well understood that where there is policy, there is often room for interpretation and discretionary practice. These areas will be examined closely, as well, for any effect they may have on the overall ability of Minority and Nonminority Female Business Enterprises (“MWBE”), as well as Disadvantaged Business Enterprises (“DBEs”) to obtain work with the City. The focus for this discussion is the City’s Small Business Enterprise (“SBE”) program.<sup>17</sup> The Local Employment Apprenticeship Program (“LEAP”) is discussed in the Policy chapter in the LEAP report.

### A. Document Review and Personnel Interviews

GSPC reviewed the Revised Code of Washington (“RCW”), the City Municipal Code, past and present City SBE program and recommendations, City purchasing manuals, City bid and proposal solicitations, past and present City budgets, legal memoranda, and related documents. GSPC conducted policy interviews in the fall of 2017 with a sample of officials that engage regularly in purchasing from the following City departments:

- City, Public Works
- City, Engineering
- City, Public Works, Project Management
- City, Legal
- City, SBE
- City, LEAP
- City, Purchasing
- City, Facilities
- Minority Business Development Agency (MBDA)
- Tacoma Power Utilities (TPU), Engineering
- TPU, Water Division
- TPU, Power Division
- TPU, Legal

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<sup>1717</sup> For much of the history of the program the City used the term Historically Under-Utilized Business (HUB) for its race-neutral program. The name of the program changed in 2013 to Small Business Enterprise (“SBE”). The report will use the term SBE throughout the report.

## B. Overview of City Purchasing

Tables 1-5 below provide a brief synopsis of the City procurement methodology and selected process requirements for five procurement categories: Public Works and Improvements, Professional and Personal Services, Architectural and Engineering Services (“A&E”), Supplies and Purchased Services.

State law provides that competitive bidding requirements may be waived by the city for:

- Single source of supply
- Special facilities or market conditions
- Emergency
- Purchases of insurance or bonds
- Public works in the event of an emergency<sup>18</sup>

Washington state procurement law only addresses public works projects<sup>19</sup> and A&E services contracting. The Tacoma Municipal Code requires advertised and posted ([www.tacomapurchasing.org](http://www.tacomapurchasing.org)) competitive solicitations (typically RFPs) when contracting for all types of services, including personal and professional services.<sup>20</sup> City of Tacoma typically conducts about twice as many competitive solicitations annually as similar agencies in the state of Washington, resulting in awarding approximately 75% of contract value through a competitive solicitation process.

### 1. Public Works and Improvements

As seen in the table below, Public Works and Improvements projects can be procured through Informal Requests for Bids (“RFBs”), Informal Requests for Proposals (“RFPs”), Sealed RFBs, or the Small Works Roster, depending on the dollar value of the procurement.

City purchasing policy provides that, where feasible, departments conduct competitive solicitations for pre-registered contractors using the Small Works Roster program for Public Works and Improvements contracts of \$200,000, or less.<sup>21</sup> Contracts are awarded to the lowest and best responsible bid.<sup>22</sup> Vendors are not rotated on the Small Works Roster. The Small Works Roster is for small public works projects, but the Small Works Roster is not limited to small firms. Nevertheless, certain features of the Small Works

<sup>18</sup> RCW § 39.04.280.

<sup>19</sup> The Tacoma Municipal Code defines “public works” with reference to Washington state law. Tacoma Municipal Code § 10.27.020. Washington state law defines public works as “all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the state or of any municipality, or which is by law a lien or charge on any property therein. All public works, including maintenance when performed by contract shall comply with chapter 39.12 RCW. “Public work” does not include work, construction, alteration, repair, or improvement performed under contracts entered into under RCW 36.102.060(4) or under development agreements entered into under RCW 36.102.060(7) or leases entered into under RCW 36.102.060(8).” RCW § 9.04.010,

<sup>20</sup> Tacoma Municipal Code § 1.06.256.

<sup>21</sup> Tacoma Municipal Code § 10.27.010 et seq. City of Tacoma, Purchasing Policy Manual, 2011, page 10.

<sup>22</sup> Tacoma Municipal Code § 10.27.030.D.

Roster, such as expedited payments and bond waivers (discussed below), facilitate the use of certified SBEs and small firms generally.

**Table 7: Public Works and Improvements Procurement Methodology and Selected Process Requirements  
City of Tacoma (WA) Disparity Study**

<b>Public Works and Improvements (construction/labor type)</b>	<b>Methodology</b>	<b>Selected Process Requirements</b>
\$5,000 or less (one-time purchase)	None, but conducted by Purchasing staff	<ul style="list-style-type: none"> <li>• Insurance</li> <li>• Performance bond or 50 percent retainage</li> </ul>
>\$5,000 - \$200,000	Either: <ul style="list-style-type: none"> <li>• RFB (sealed or unsealed), or RFP</li> <li>• Small Works Roster</li> <li>• Waiver</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance</li> <li>• Bid and performance bonds if over \$35,000</li> <li>• Under \$35,000 performance bond or 50 percent retainage</li> <li>• SBE requirements if over \$25,000</li> </ul>
>\$200,000	Either: <ul style="list-style-type: none"> <li>• Sealed RFB or RFP</li> <li>• Waiver</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance</li> <li>• Bid and performance bonds</li> <li>• SBE requirements</li> <li>LEAP requirements                             <ul style="list-style-type: none"> <li>• Civil projects over \$250,000</li> <li>• Building projects over \$750,000</li> <li>• City Council or Public Utility Board Approval</li> </ul> </li> </ul>

Source: City of Tacoma, Purchasing Policy Manual, 2011, pages 196-197.

## 2. Professional/Personal Services

As seen in the table below, Professional/Personal Services projects can be procured through procurement cards, three written quotes, or RFPs, depending on the dollar value of the procurement.

The City also uses procurement cards for the acquisition of small dollar purchases of goods and services, excluding public works and improvements, in amounts up to \$5,000. The procurement card is a corporate liability VISA credit card and may be used with any vendor who accepts VISA.



**Table 8: Professional/Personal Services Procurement Methodology and Selected Process Requirements**  
**City of Tacoma (WA) Disparity Study**

<b>Professional/Personal Services</b>	<b>Methodology</b>	<b>Selected Process Requirements</b>
\$5,000 or less (one-time purchase)	None	Procurement card with prior authorization
>\$5,000 - \$25,000	Either: <ul style="list-style-type: none"> <li>• Three written quotes</li> <li>• RFP</li> <li>• Waiver</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance on a case-by-case basis</li> <li>• Optional performance bonds</li> <li>• Procurement card with prior authorization</li> </ul>
>\$25,000 - \$200,000	Either: <ul style="list-style-type: none"> <li>• RFP</li> <li>• Waiver</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance on a case-by-case basis</li> <li>• Optional performance bonds</li> </ul>
>\$200,000	Either: <ul style="list-style-type: none"> <li>• RFP</li> <li>• Waiver</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance on a case by case basis</li> <li>• Optional performance bonds</li> <li>• City Council or Public Utility Board Approval</li> </ul>

Source: City of Tacoma, Purchasing Policy Manual, 2011, pages 199-200.

### 3. Architectural/Engineering Services

As seen in the table below, A&E projects can be procured through Requests for Qualification (RFQ, governed by RCW 39.80), or the A&E Roster, depending on the dollar value of the procurement.

Firms submit their qualification to be accepted onto the A&E Roster. The A&E Roster is restricted by state law to engineers, architects, landscape architects, and land surveyors. The City uses A&E rosters to select firms based on qualifications on an as-needed basis. Vendors are not rotated on the A&E Roster. At the City’s option, the City may also issue RFQs for complex projects and/or specialized services. The City has two A&E rosters:

- Local Agency Guidelines (“LAG”) Roster, a roster for projects that include state or federal funding that requires use of the Washington State Department of Transportation (“WSDOT”) LAG.
- Non-Local Agency Guidelines (“Non-LAG”) Roster, a roster for projects that do not require use of WSDOT LAG.

**Table 9: Architectural/Engineering Services Procurement Methodology and Selected Process Requirements  
City of Tacoma (WA) Disparity Study**

<b>Architectural/Engineering Services (RCW 39.80)</b>	<b>Methodology</b>	<b>Selected Process Requirements</b>
0 - \$200,000	<ul style="list-style-type: none"> <li>• Citywide A&amp;E Roster (Non-LAG)</li> <li>• RFQ (RCW 39.80)</li> <li>• Waiver (RCW 39.80.60)</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance on a case-by-case basis</li> <li>• Optional performance bonds</li> </ul>
>\$200,000	Either: <ul style="list-style-type: none"> <li>• RFQ (RCW 39.80)</li> <li>• Waiver (RCW 39.80.60)</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance on a case-by-case basis</li> <li>• Optional performance bonds City Council or Public Utility Board Approval</li> </ul>

Source: City of Tacoma, Purchasing Policy Manual, 2011, pages 200-201.

#### 4. Supplies

As seen in the table below, Supplies can be procured through three written quotes, Informal RFB, Informal RFPs, RFPs, or Interlocal Cooperative Purchasing Agreements (“Interlocal,” pursuant to RCW 39.34), depending on the dollar value of the procurement. Interlocal agreements allow other governmental agencies to purchase goods and services based on a contract with another agency in accordance with the terms and prices of that contract if all parties agree.

**Table 10: Supplies Procurement Methodology and Selected Process Requirements  
City of Tacoma (WA) Disparity Study**

<b>Supplies</b>	<b>Methodology</b>	<b>Selected Process Requirements</b>
\$5,000 or less (one-time purchase)	None	Can use procurement card
>\$5,000 - \$25,000	Either: <ul style="list-style-type: none"> <li>• Three written quotes</li> <li>• Informal RFB, or RFP</li> <li>• Interlocal</li> <li>• Waiver</li> </ul>	Optional bid and performance bonds  Procurement card with prior authorization
>\$25,000 - \$200,000	Either: <ul style="list-style-type: none"> <li>• Informal RFB, or RFP</li> <li>• Interlocal</li> <li>• Waiver</li> </ul>	Optional bid and performance bonds
>\$200,000	Either: <ul style="list-style-type: none"> <li>• RFB, or RFP</li> <li>• Interlocal</li> <li>• Waiver</li> </ul>	Optional bid and performance bonds  City Council or Public Utility Board Approval

Source: City of Tacoma, Purchasing Policy Manual, 2011, pages 195-196.

## 5. Purchased Services

As seen in the table below, Purchased Services can be procured through three written quotes, Informal RFBs, Informal RFPs, Interlocal Agreements, sealed RFBs, or sealed RFPs, depending on the dollar value of the procurement.

**Table 11: Purchased Services Procurement Methodology and Selected Process Requirements  
City of Tacoma (WA) Disparity Study**

<b>Purchased Services</b>	<b>Methodology</b>	<b>Selected Process Requirements</b>
\$5,000 or less (one-time purchase)	None	<ul style="list-style-type: none"> <li>• Procurement card with prior authorization</li> <li>• Insurance on a case-by-case basis</li> <li>• Optional performance bonds</li> </ul>
>\$5,000 - \$25,000	Either: <ul style="list-style-type: none"> <li>• Three written quotes</li> <li>• Informal RFB or RFP</li> <li>• Interlocal (case-by-case)</li> <li>• Waiver</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance on a case-by-case basis</li> <li>• Optional bid and performance bonds</li> <li>• Procurement card with prior authorization</li> </ul>
>\$25,000 - \$200,000	Either: <ul style="list-style-type: none"> <li>• Informal RFB or RFP</li> <li>• Interlocal (case-by-case)</li> <li>• Waiver</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance on a case-by-case basis</li> <li>• Optional bid and performance bonds</li> </ul>
>\$200,000	Either: <ul style="list-style-type: none"> <li>• Sealed RFB or RFP</li> <li>• Interlocal (case-by-case)</li> <li>• Waiver</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance on a case-by-case basis</li> <li>• Optional bid and performance bonds</li> <li>• City Council or Public Utility Board Approval</li> </ul>

Source: City of Tacoma, Purchasing Policy Manual, 2011, pages 203-204.

**C. Bonding, Insurance, and Prompt Payment**

**1. Bonding Requirements**

State law allows for the holding of retainage in lieu of a bond for contracts of \$150,000, or less.<sup>23</sup> The City Purchasing Policy Manual allows for holding of retainage in lieu of bonds for public improvement or repair contracts of \$100,000 or less.<sup>24</sup> Bid and performance bonds are not mandatory for supplies or services contracts.<sup>25</sup> Bid bonds are also not typically required for City solicitations of \$50,000, or less.<sup>26</sup> For contract awards of \$100,000 or less that are procured through the Small Works Roster, the performance bond and retainage requirements can be waived on a case-by-case basis for firms with annual revenues less than \$1,000,000.<sup>27</sup>

**2. Insurance**

The City’s standard insurance requirements placed in recent solicitations are liability limits based on the contract amount as follow:

<u>Contract Amount</u>	<u>Liability Limits</u>
\$ 25,000 and Under	\$ 500,000 Combined Single Limit
\$500,000 and Under	\$1,000,000 Per Occurrence / \$2,000,000 Aggregate
Over \$500,000	\$5,000,000 Total Coverage

Coverage must include:

- Comprehensive General Liability
- Automobile Liability
- Contractual Coverage
- Broad Form Property Damage
- Underground Explosion and Collapse Hazard (if necessary by the nature of the work)
- Any additional coverage may be specifically required by the City's specification.<sup>28</sup>

**3. Prompt Payment**

Under State law, local governments are required to make prompt payments on public construction contracts within 30 days of invoice delivery, or when labor/materials are first provided (whichever comes later).<sup>29</sup> Governments must pay interest on the remaining balance to a prime contractor beginning 31 days after project completion.<sup>30</sup> State law requires that a subcontractor be paid no later than ten days after the

<sup>23</sup> RCW § 39.08.010(3).

<sup>24</sup> City of Tacoma, Purchasing Policy Manual, May 2011, page 21.

<sup>25</sup> City of Tacoma, Purchasing Policy Manual, May 2011, page 22.

<sup>26</sup> City of Tacoma, Purchasing Policy Manual, May 2011, page 20.

<sup>27</sup> Tacoma Municipal Code § 10.27.030.F.

<sup>28</sup> City of Tacoma, Finance Department, Insurance Certificate Requirements, Revised 04/24/12.

<sup>29</sup> RCW § 39.76.011(2)(a) (with some exceptions, such as for projects funded with grants and/or federal funds).

<sup>30</sup> RCW § 39.76.011(2)(a).

prime contractor was paid.<sup>31</sup> A prime contractor must also pay interest on the unpaid balance to a subcontractor.<sup>32</sup>

The Small Works Roster allows for expedited payments. Firms with annual revenues below \$250,000 who are awarded contracts of \$100,000 or less are to be paid within ten business days, less 5 percent retainage, after receipt by the City of completed closeout documents.<sup>33</sup>

#### D. Prequalification and Supplier Registration

The City does not, in general, prequalify contractors, except TPU does prequalify electrical contractors.<sup>34</sup>

For supplier registration, the City is transitioning to SAP Ariba Network, an ecommerce platform, that also handles bidding, contract management, as well as electronic purchase orders and invoices.

#### E. SBE Ordinance

The Tacoma Human Rights Commission held a public hearing in 1989, on behalf of the City of Tacoma, Pierce County, the Port of Tacoma, Tacoma School District No. 10, and Metropolitan Park District of Tacoma. The City established a MWBE program in 1990.<sup>35</sup> The City MWBE program established goals for 14 percent for MBEs and 8 percent for WBEs.<sup>36</sup> The City of Tacoma commissioned a disparity study in 1993 (discussed below). After the completion of the 1993 Disparity Study, the City established a Historically Under-Utilized Business Enterprise (HUB) program.

In 1998, following a referendum, the State of Washington passed Initiative 200, incorporated into State statute, which provided that,

The state shall not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or *public contracting*. (emphasis added) [RCW § 49.60.400]

There has been no litigation in the State involving RCW § 49.60.400 and the MWBE program to date. The legal implications of RCW § 49.60.400 for MWBE program in the state of Washington are reviewed in the Legal chapter above.

In 2000, the City passed Ordinance 26726, establishing a race-neutral and gender-neutral HUB program with a 20 percent goal. The City extended its HUB program from public works to cover goods and services as well in December 2009. At the same time, the City provided that the HUB program applied to all contracts more than \$25,000.<sup>37</sup> In 2013, the HUB program was renamed the SBE program.

<sup>31</sup> RCW § 39.04.250(1).

<sup>32</sup> RCW § 39.04.250(3).

<sup>33</sup> Tacoma Municipal Code § 10.27.030.G.

<sup>34</sup> RCW § 35.92.350. Tacoma Power TPU, Prequalification Application for Electrical Work, 2017.

<sup>35</sup> City of Tacoma Ordinance No. 24662, passed June 26, 1990.

<sup>36</sup> City of Tacoma, Affirmative Action - Minority and Women's Business Enterprises - Equal Employment Opportunity Regulations, § I.D.1.c.

<sup>37</sup> City of Tacoma Ordinance 27867 (December 15, 2009).

### C. SBE Certification

City SBE certification requires the following personal net worth and firm size requirements:

- Each person with an ownership interest in the company has a personal net worth of less than \$1,320,000 excluding one personal residence and the net worth of the business;
- The company's total gross receipts for any consecutive three-year period within the last six years is not more than \$36,500,000 for public works companies and not more than \$15,000,000 for non-public works and improvements companies;
- The owner(s) of the company executes an Affidavit of Small Business Enterprise Certification and files it with the City which states that all information submitted on the SBE application is accurate, that the business has sought or intends to do business with the City and/or within the Pierce County area and has experienced or expects to experience difficulty competing for such business due to financial limitations that impair its ability to compete against larger firms.<sup>38</sup>

The previous personal net worth requirement was \$375,000. The previous size standards were \$8,000,000 for public works and improvement companies and \$4,000,000 for non-public works and improvement companies.

#### 1. Geographic Definition of SBEs

City SBE certification also requires that the firm satisfy one of the following location requirements:

- The company's business offices, or the personal residence of the owner, is located within a City of Tacoma designated Renewal Community/Community Empowerment Zone, prior to designation as a SBE, or
- The company's business offices, or the personal residence of the owner, is located within the City of Tacoma for at least six months prior to designation as a SBE;
- The company's business offices are located in a federally designated HUBZONE in Pierce County or any adjacent county for at least 12 months prior to designation as a SBE; or
- The company's business offices are located in a federally designated HUBZONE in a County wherein the work will be performed, or an adjacent county, for at least 12 months prior to designation as a SBE.<sup>39</sup>

#### 2. City SBE Directory

The City SBE Directory is posted on the City website.<sup>40</sup> There were 166 SBEs on the list in September 2017. The City SBE application does ask for race and ethnicity, defined as:

- American Indian or Alaskan Native. A person having origins in any of the original peoples of North America, and who maintains cultural identification through tribal affiliations or community recognition.
- Asian or Pacific Islander. A person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands. This area includes, for example, China, India, Japan, Korea, the Philippine Islands, and Samoa.
- Black. A person having origins in any of the black racial groups of Africa.

<sup>38</sup> Tacoma Municipal Code § 1.07.050. A.1.

<sup>39</sup> Tacoma Municipal Code § 1.07.050. A.1.

<sup>40</sup>[http://www.cityoftacoma.org/government/city\\_departments/community\\_and\\_economic\\_development/small\\_business\\_enterprise/s\\_b\\_e\\_vendors](http://www.cityoftacoma.org/government/city_departments/community_and_economic_development/small_business_enterprise/s_b_e_vendors).

- Hispanic. A person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race.
- White. A person having origins in any of the original peoples of Europe, North Africa, or the Middle East.<sup>41</sup>

The table below shows the number of MWBEs in the City SBE program based on a spreadsheet provided by the City Office of SBE Programs in September 2017. There were 75 MWBEs, 45.2 percent of the total number of SBEs in this data. Of this amount 29 were Black, 8 were Hispanic, 7 were Native American and 6 were Asian/Pacific Islanders. Twenty of the minority owned firms were owned by Nonminority Females. Further data on the number of SBEs and their race/ethnic/gender composition is provided in the Statistical chapter below.

**Table 12: City of Tacoma SBE Directory  
By Race, Ethnicity and Gender  
City of Tacoma (WA) Disparity Study**

<b>Race/Ethnicity/Gender</b>	<b>Number</b>	<b>Percent</b>
Black	29	17.5%
Hispanic	8	4.8%
Asian Pacific Islander	6	3.6%
Native American	7	4.2%
MBE	50	30.1%
WBE	25	15.1%
MWBE	75	45.2%
Non-MWBE	91	54.8%
Total	166	

Source: City of Tacoma, Office of SBE Programs (undated)

For comparison purposes, the table below provides counts taken in September 2017 from the State of Washington certified directory of WBEs, MBEs, firms owned by minority women and DBEs located in the City of Tacoma, Pierce County, the Seattle-Tacoma Metropolitan Statistical Area (“MSA”) and Seattle-Tacoma Combined Statistical Area (“CSA”). As can be seen in the table, there were 63 MWBEs in the City of Tacoma in September 2017 and 145 in Pierce County. The MWBEs in Pierce County constituted 12.8 percent of the MWBEs in the Seattle-Tacoma CSA.

<sup>41</sup> City of Tacoma, Small Business Enterprise Program Registration and Roster Enrollment, Revised: 10/30/2015



**Table 13: OMBE Directory**  
 State of Washington Office of Minority & Women’s Business Enterprise (“OMWBE”) Directory  
**Seattle-Tacoma Area**  
**By Race, Ethnicity and Gender**  
**City of Tacoma (WA) Disparity Study**

Category	City of Tacoma		Pierce County		Seattle-Tacoma MSA		Seattle-Tacoma CSA
	#	% of CSA	#	% of CSA	#	% of CSA	#
MBEs	49	7.2%	91	13.3%	620	90.9%	682
WBEs*	41	5.2%	102	13.0%	664	84.9%	782
Minority Women	27	8.1%	48	14.5%	296	89.2%	332
MWBEs**	63	5.6%	145	12.8%	988	87.3%	1,132
DBEs	36	7.4%	77	15.9%	427	88.2%	484

Source: State of Washington OMWBE Directory, September 2017

MSA: Pierce, King, and Snohomish counties

CSA: Pierce, King, Snohomish, Island, Kitsap, Lewis, Mason, Skagit, and Thurston counties

WBEs=includes firms owned by minority women

MWBEs=calculated by subtracting firms owned by minority women from WBEs and adding MBEs

Note: The numbers in Pierce County include the numbers in Tacoma, and the numbers in Seattle-MSA include the numbers in Pierce County. Therefore, the percentages should not add up to 100 percent horizontally.

#### D. SBE Goals

The City SBE program provides for an aspirational goal of 22 percent, to be reviewed annually.<sup>42</sup> As noted above, the City can set SBE project goals on projects greater than \$25,000. The SBE program currently sets goals on a project-by-project basis and does not mechanically apply the same SBE goals on every project, nor has the City set SBE goals of any size on every project. Instead, SBE project goals are set by the City SBE Coordinator in consultation with the originating departments. In setting goals, the City SBE Coordinator works with the originating departments to identify subcontracting opportunities and available SBEs. The City has indicated, in some solicitations, which possible subcontracting areas have available certified SBEs.

SBEs acting as brokers or other pass-through arrangements do not count towards satisfaction of SBE goals, unless the brokering service is a standard industry practice and the broker performs a commercially useful function.<sup>43</sup> Bidders may receive credit toward the SBE goal for commission paid to a SBE from a supplies contract with the City, provided the SBE performs a commercially useful function.<sup>44</sup>

<sup>42</sup> Tacoma Municipal Code § 1.07.060.A. City of Tacoma, Purchasing Policy Manual, May 2011, page 130.

<sup>43</sup> Tacoma Municipal Code § 1.07.070.B.4. City of Tacoma, Purchasing Policy Manual, May 2011, page 130.

<sup>44</sup> Tacoma Municipal Code § 1.07.070.B.2

The City SBE project goals do not have good faith efforts requirements in the SBE ordinance, or City PPM regulations. Instead, if the bidder meets the SBE goal, then that bidder is deemed to be the “lowest and best responsible bid.”<sup>45</sup> If the low bidder is a certified SBE, the bidder is deemed to have met the SBE goal.<sup>46</sup> If the lowest bid does not meet the SBE goal, then bids within 5 percent of the lowest bid are evaluated using the following formula:

$$(\text{Base Bid}) - \text{SBE Usage Percentages} \times (.05 \times \text{Low Base Bid}) = \text{Evaluated Bid SBE Goal Percentages}^{47}$$

After applying this formula, the firm with the lowest bid is deemed to be the lowest and best responsible bid. The SBE goal bid adjustment is limited to 5 percent of the bidder’s base bid price. If no firm meets the SBE goal and no firm becomes the evaluated low bidder through the formula above, the award is still made to the lowest and best responsible bidder.

The City Purchasing Policy Manual allows for the waivers of SBE goals in any of the following circumstances:

- Emergency
- Economic burden or risk
- Sole source
- Cooperative purchasing or interlocal purchase agreements
- Lack of SBEs.<sup>48</sup>

The extent of application of SBE goals to City projects is discussed in the Statistical chapter for this Study.

#### **E. SBE Incentives for Competitive Solicitations**

The City Municipal Code and Purchasing Policy Manual provide for incentives for SBEs in the competitive solicitation process:

- Notification of relevant SBEs of competitive solicitation opportunities.
- Invitation of available SBEs to quote for solicitations for supplies and services between \$5,000, and \$25,001.
- Contacting at least one SBE from the A&E Rosters.
- Contacting at least one SBE, MBE and WBE (if available on the Roster) for projects procured through the Small Works Roster.
- Recommending for award a certified responsive SBE whose bid is within 5 percent of the low bid for a supplies contract that does not have an SBE goal.
- Using evaluation criteria that encourage SBE utilization for qualifications-based solicitations.<sup>49</sup>

<sup>45</sup> Tacoma Municipal Code § 1.07.070.C.1.a.

<sup>46</sup> Tacoma Municipal Code § 1.07.070.C.1.

<sup>47</sup> Tacoma Municipal Code § 1.07.070.C.1.b. The formula is presented in a slightly different form in the City Purchasing Policy Manual (Base Bid) – [(SBE Usage/SBE Goal) X (.05 X Low Base Bid)] = Evaluated Bid. City of Tacoma, Purchasing Policy Manual, May 2011, page 132.

<sup>48</sup> City of Tacoma, Purchasing Policy Manual, May 2011, page 132-33.

<sup>49</sup> City of Tacoma, Purchasing Policy Manual, May 2011, page 131; Tacoma Municipal Code § 10.27.030.B; Tacoma Municipal Code § 10.27.030.D.1; Tacoma Municipal Code § 10.27.030.C.2.a.

## F. City DBE Program

The City does not have a separate DBE program with its own DBE goals. Instead the City applies WSDOT DBE goals to projects with federal funding. DBE utilization on City projects is reported in the Statistical chapter below. In September 2017 there were 36 certified DBEs in the City of Tacoma, 78 in Pierce County and 429 in the Seattle-Tacoma MSA.

## G. Business Development Assistance

### 1. Financial Assistance

The City Community and Economic Development Department has a gap financing loan program where a business can receive a loan up to \$300,000. However, City funds cannot be the primary source for the loan.

The Office of SBE Programs also refers clients for financial assistance to CRAFT3, which provides financing for start-up and expansion phases, with loans from \$25,000 to \$5 million.

### 2. Technical Assistance

Currently, the primary business development assistance partnership is through a five-year \$1.5 million grant from the U.S. Department of Commerce for a Minority Business Development Agency (“MBDA”). The Center serves Tacoma and the Puget Sound area. The Center focuses on firms: (1) with annual revenues of more than \$1 million; (2) with involvement in high-growth industries, and (3) with rapid growth potential. The Center helps these firms and other MBEs with certification, securing public and private contracts, and finances, amongst other services. Financial statements and construction bid estimating are the services most in demand at present. The Center seeks a 25 percent reimbursement for services provided. The Center is co-located with the City SBE program and the City provides in-kind contributions in the form of staffing for the Center. The MBDA grant was awarded in the summer of 2016.

The MBDA collaborates with the Procurement Technical Assistance Center (“PTAC”) on government contracting and with the Small Business Development Center (“SBDC”) for loan assistance. The Thurston Economic Development Council, which serves as the PTAC for the area, is funded in part through funds administered by the Defense Logistics Agency. The PTAC provides a Bid Match database which includes bid opportunities from state and local governments. The PTAC also provides webinars, including:

- Marketing
- Legal and regulatory considerations
- Proposal development
- Bonding
- Finance
- State and Federal Contracting
- Certifications

The PTAC and SBDC are both located at Bates Technical College in Tacoma.

The Office of SBE Programs also refers clients for business development assistance to the State of Washington OMWBE, SCORE, Business Impact NW, and Tacoma Means Business. Referrals were also made to Business Incubator in Tacoma that closed in 2017, but is looking to re-open.

**H. SBE Office**

**1. Mission and Objectives**

The Office of SBE Programs administers Title VI compliance, the DBE program, and the SBE program.<sup>50</sup>

The mission of the Office of SBE Programs is:

To create and sustain a competitive and fair business environment for contracting, procurement and consulting opportunities that include small businesses owned by minority, Nonminority Female, and socially and economically disadvantaged people.<sup>51</sup>

The Community and Economic Development Department (CEDD) houses the Office of SBE Programs. The CEDD’s five goals for 2015 were:

- Strong Local Economy
- Strong Tax Base
- Citizen Participation in Neighborhood-Based Programs
- Affordable Housing Stock
- Regional Hub for Creative Enterprise<sup>52</sup>

The City Purchasing Policy Manual provides the following desired outcomes and performance measures for the Office of SBE Programs.

**Table 14: Office of SBE Programs  
Desired Outcomes and Annual Performance Measures  
2011  
City of Tacoma (WA) Disparity Study**

Desired Outcome	Annual Performance Measures
Increase contracting opportunities for small local businesses.	Percentage of City contract awards made to SBEs.
Long-term stability/viability of Historically Under-utilized Businesses.	Aggregate dollar value of contracts awarded to certified SBEs.
Increase employment opportunities for minorities and women.	Number of new SBEs certified.
	Number of certified SBEs who meet recertification requirements.
	Rate of SBEs successfully graduating out of the program.

Source: City of Tacoma, SBE Regulations, Purchasing Procedures Manual, May 2011, page 131

No evidence was found of data assessing these outcomes and performance measures.

<sup>50</sup> The City’s Community and Economic Development Department administers the Small Business Assistance Program.

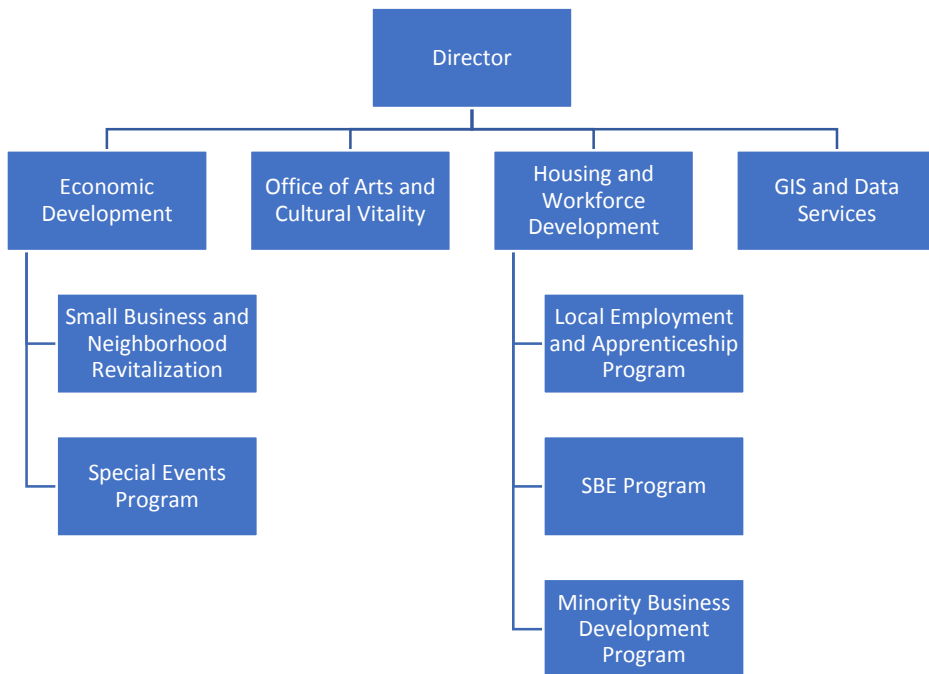
<sup>51</sup>[https://www.cityoftacoma.org/government/city\\_departments/community\\_and\\_economic\\_development/small\\_business\\_enterprise/](https://www.cityoftacoma.org/government/city_departments/community_and_economic_development/small_business_enterprise/).

<sup>52</sup> City of Tacoma, 2017-2018 Adopted Biennial Operating and Capital Budget, page 84.

2. Organization, Budget and Staffing

The figure below shows that the City Office of SBE Programs, the LEAP program and the MBDA office report to the Housing and Workforce Development, a section of the City CEDD. Previously, the Office of SBE Programs has been in the Purchasing Department and in the Finance Department.

**Figure 2: Community and Economic Development Department  
Organizational Chart  
City of Tacoma (WA) Disparity Study**



Source: City of Tacoma, 2017-2018 Adopted Biennial Operating and Capital Budget, page 77.

The City Office of SBE Programs expenditure information is presented in the table below.<sup>53</sup> The larger budget figure for 2017-18 includes this Disparity Study. The staffing for the Office of SBE Programs is: 1/2 administrator, 1/2 supervisor, and one SBE Coordinator.

<sup>53</sup> The Adopted Budget of the Community and Economic Development Department for 2017-18 was \$8,172,952. City of Tacoma, 2017-2018 Adopted Biennial Operating and Capital Budget, page 458.

**Table 15: Office of SBE Programs Actual and Adopted Budgets  
2011-12 through 2017-18  
City of Tacoma (WA) Disparity Study**

<b>Fiscal Year</b>	<b>Expenditures</b>
<b>2017-2018 Adopted Budget</b>	\$1,014,701
<b>2015-2016 Adopted Budget</b>	\$546,582
<b>2013-2014 Actual</b>	\$484,857
<b>2011-2012 Actual</b>	\$387,656

Source: City of Tacoma, 2017-2018 Adopted Biennial Operating and Capital Budget, pages 244 and 320.

### 3. Reporting MWBE and SBE Utilization

As noted above, the City released a previous Disparity Study in 1993.<sup>54</sup> The 1993 City Study reported that the City and Tacoma Public Utilities spent \$191,500 (0.66 percent of the total) with MBEs and \$293,459 (1.01 percent of the total) with WBEs from 1991 to 1992.<sup>55</sup>

The 1993 City Study examined the following procurement areas: Auto and Truck Accessories, Auto and Truck Maintenance Items, Computers, Systems and Accessories, Concrete and Metal Culverts and Pipes, Electrical Cables and Wires, Electrical Equipment and Supplies, Hospital Supplies and Equipment, Janitorial Supplies, Office Supplies, Paper Supplies and Building Maintenance and Repair. The Study did not include Professional Consulting and Personal Services. The largest MBE, in percentage terms by procurement areas, was in Building Maintenance and Repair (11.69 percent, \$67,475); for WBEs, the largest procurement area in percentage terms was Auto and Truck Accessories (8.39 percent, \$80,954).<sup>56</sup> Given the size of the numbers reported, the Study did not appear to be a complete review of City and TPU spending.

The table below shows SBE utilization from City reports for 2014 through the third quarter of 2014. According to this data, SBEs were awarded \$58.0 million, 14.2 percent of the total dollars awarded in the Office of SBE Programs.

<sup>54</sup> Washington Consulting Group, City of Tacoma Study of Minority/Women Business Enterprise Participation in The Purchase of Goods and Services, July 1993.

<sup>55</sup> Washington Consulting Group, 1993, Exhibit 9.

<sup>56</sup> Washington Consulting Group, 1993, Exhibit 9.

**Table 16: City of Tacoma SBE Utilization  
2009 through 2014  
City of Tacoma (WA) Disparity Study**

<b>Year</b>	<b>Total SBE Contract Value</b>	<b>SBE Utilization Dollars</b>	<b>SBE Utilization Percent</b>
<b>2014</b>	<b>\$6,688,471</b>	<b>\$484,245</b>	<b>7.24%</b>
<b>2013</b>	<b>\$16,934,153</b>	<b>\$1,835,662</b>	<b>10.84%</b>
<b>2012</b>	<b>\$79,118,309</b>	<b>\$11,741,157</b>	<b>14.84%</b>
<b>2011</b>	<b>\$104,523,913</b>	<b>\$20,779,354</b>	<b>19.88%</b>
<b>2010</b>	<b>\$106,940,909</b>	<b>\$15,399,491</b>	<b>14.40%</b>
<b>2009</b>	<b>\$94,983,110</b>	<b>\$7,826,608</b>	<b>8.24%</b>
<b>Total</b>	<b>\$409,188,864</b>	<b>\$58,066,518</b>	<b>14.2%</b>

Source: Office of SBE Programs, Project Summary 2009-2014 (spreadsheet)

The City Purchasing Manual requires an SBE Annual Report. The report is to include:

1. Statistics and narrative, on the utilization of SBE businesses;
2. Statistics and narrative on the number and type of waivers granted;
3. As necessary, explanations of investigative actions taken by the SBE Program Coordinator;
4. Descriptions of problems in implementation
5. Recommendations, as appropriate.<sup>57</sup>

No SBE annual reports were issued during the Study period. The data from the only SBE utilization report that was found is in Table 16 above. City SBE utilization data is not currently integrated into the City SAP and ARIBA systems for contract and vendor management.

#### 4. SBE Advisory Committee

The City has participated in the SBE Regional Municipal Advisory Group. In addition to the City participants, the Advisory Group included: The City of Lakewood, Joint Base Lewis-McCord, Pierce County, Port of Tacoma, the Puyallup Tribe, Tacoma Housing Authority, Tacoma MetroPark, Tacoma Public Schools, and Pierce County Housing Authority. Members of the SBE Coordinating Committee met quarterly to review SBE program issues. This Advisory Group is not currently operational. A steering committee has been assembled with internal stakeholders and local large and SBE contractors.

<sup>57</sup> City of Tacoma, Purchasing Policy Manual, May 2011, page 133.

## I. Conclusions

The current City SBE program is in transition with new leadership, new staffing, and is considering new rules. The City SBE program is race neutral, having been shaped by Initiative 200 in the late 1990s. The SBE program is primarily a subcontractor goals program, supplemented by some incentives for SBE prime contractor utilization and business development assistance. There have been several changes in City SBE policy since the 1990s, including relaxing the net worth and size standards for SBE certification and expanding the SBE program to cover all procurement areas. The Small Works Roster has been one of several complementary policies to the SBE program in assisting small contractors on public improvement projects. The Office of SBE Programs also collaborated with a major business development initiative by when the MBDA co-located with the Office of SBE Programs. At the same time, some of the reporting of SBE and DBE utilization and activities during the study period has not been consistent.

The impact of these policies is evaluated further in the quantitative and anecdotal material in subsequent chapters in this report. Detailed recommendations about City procurement and SBE policy are found in the Recommendations chapter below. Those recommendations are based on the combination of the findings in this chapter with the findings in the Statistical and Anecdotal chapters in this Study.



## V. STATISTICAL ANALYSIS

### A. Introduction

The quantitative analysis measures and compares the availability of firms in each race/ethnicity/gender group within the City's geographical and product market areas to the utilization of each race/ethnicity/gender group, measured by the awards to these groups by the City.

#### Research Question: Statistical Analysis

**Is there a disparity that is statistically significant between the percentage of available MWBE firms, in the Relevant Geographic and Product Markets, and the percentage of dollars spent with MWBE firms in those same markets during the Study Period?**

The outcome of the comparison shows us whether there is a disparity between availability and utilization and whether that disparity is an overutilization, an underutilization, or in parity (the amount to be expected). Further, the disparity is tested to see if it is statistically significant. Finally, the regression analysis contained in the Chapter V Private Sector Analysis will test other explanations for the disparity to determine if it is likely that the disparity is caused by race/ethnicity/gender status, or other factors. If there is statistically significant underutilization of MWBEs that is likely caused by race/ethnicity/gender, then GSPC will determine, as part of the findings, whether there is a strong basis in the evidence under the U.S. constitution for race- and gender-conscious programs in procurement.

### B. Data Assessment

The data assessment process was initiated with a series of meetings with representatives from the City's various departments that are involved in purchasing. The purpose of each of these meetings was to determine what data the City of Tacoma maintains, in what format, and how GSPC can obtain the data. Further, the objective was for GSPC to get a better understanding of the City's purchasing process in order to best execute the methodology that has been approved by the City. It was also important for GSPC's team to get to know procurement personnel and understand how to operate the Study in a manner least intrusive to City personnel.

GSPC's Data Assessment Report is attached hereto as Appendix B.

### C. Data Setup

Following approval of the Data Assessment Report, GSPC developed and executed a Data Collection Plan and submitted data requests to the City. The Data Collection Plan set out the process for collecting manual and electronic data for statistical analyses. In addition, it included a plan for collecting data needed for the anecdotal portions of the study which included surveys, public hearings, focus groups, and interviews. GSPC's Data Collection Plan is attached hereto as Appendix C.

### 1. Electronic Data

Electronic data supplied by the City and other data collected by GSPC were catalogued and stored in GSPC's computer systems after the data collection effort. The data entered were used to develop databases containing contracting history for each business type, for both prime contracting and subcontracting on behalf of the City. GSPC related all of the databases collected in order to cross-reference information among the files, including matching addresses, work categories, and MWBE identification.

### 2. Manual Data Entry

All of the City's data was available in electronic format and therefore, none of it had to be entered manually by data entry personnel.

## D. Data Assignment, Cleanup and Verification

After the completion of data collection, the data were electronically and manually "cleaned" to find duplicates and fill in unpopulated fields. The cleanup phase also included the following five (5) tasks:

- Assigning and verifying ethnicity, race & gender of each firm;
- Assigning each firm to one or more of the four (4) business categories based upon the kind of work that the firm performs;
- Utilizing zip codes to determine certain areas to assign each firm's location;
- Matching files electronically to pick up addresses, ethnicity/race/gender, and/or work category; and
- Filling in any additional missing data on firms.

File cleanup was first done electronically by linking information provided by the City to certain indicators, like work descriptions or cross-referencing information with other files to fill in missing fields. Contracts below \$5,000 were removed from the analysis.

### 1. Assignment of Race/Gender/Ethnicity

To identify all other minority groups, GSPC utilized the assignments given to firms in the governmental lists from the City, Hoover's (Dun & Bradstreet), the Federal System for Award Management ("SAM"), and the State of Washington Office of Minority and Women Business Enterprise ("OMWBE") list. In assignment of race/gender/ethnicity, priority is given to race/ethnicity, so that all minority owned firms were categorized according to their race/ethnicity and not by gender. Nonminority Females are categorized by race and gender and firms with no race/ethnicity/gender indicated. Caucasian male owned firms and publicly owned corporations are categorized as Non-MWBE firms.

From all the governmental sources, GSPC assembled a Master MWBE list. Where there were any inconsistencies in the race/ethnicity/gender, GSPC researched the firm and manually resolved any inconsistencies.

## 2. Assignment of Business Categories

To place firms in the proper business categories, GSPC used the business name, item purchased or work descriptions to assign the firms into one of the four (4) industries of Construction, Architecture & Engineering, Services, and Goods. Further, where other indicators were missing GSPC used certain word descriptions in firm names (e.g. ABC Construction or XYZ Mowing Services) and researched firms to determine the type of work they did. A list of assigned business categories is attached as Appendix D.

### E. Data Source Description

The utilization data from this report comes from the following sources:

- Contract Data - FY 2012 through 2016 (prime awards)
- Purchase Order Data – FY 2012 through 2016 (prime awards)
- Prevailing Wage Forms Data-(130701-140630) (subcontractor awards)
- Prevailing Wage Forms Data (140701-160630) (subcontractor awards)
- Prevailing Wage Forms Data (110701-130630) (subcontractor awards)

In addition, GSPC created a Master Vendor File. The purpose of the Master Vendor File is to collect, in one database, a listing of all firms that are ready, willing, and able to do business with the City. It includes internal lists from the City of Tacoma as well as outside governmental lists. The Master Vendor file is a compilation of all lists of vendors used to determine availability estimates. It was also used to match and verify data in other data files, particularly to make sure that information assigned to firms for utilization calculations matched the information assigned to firms for availability calculations. This is important to make sure that GSPC is comparing like-data to like-data. The Master Vendor File contains the lists of firms from the following data sources:

- Contract Data - FY 2012 through 2016
- Purchase Order Data – FY 2012 through 2016
- 
- Small Works Roster – FY 2012, 2013, 2015, and 2016
- Payment Files 2012 through 2016
- Plan Holder List – By Vendor
- Tacoma - King County SCS Directory

- Prevailing Wage Forms Data-(130701-140630)
- Prevailing Wage Forms Data (140701-160630)
- Prevailing Wage Forms Data (110701-130630)
- Bidder list FY 2012 through 2016 (successful bidders)
- Tacoma List of Minority Owned Businesses (current)
- List of certified businesses from The Washington OMWBE (current)

#### F. Relevant Market Analysis

The now commonly-held idea that the relevant market area should encompass around seventy-five to eighty-five percent of the "qualified" vendors that serve a particular sector has its origins in antitrust lawsuits.<sup>58</sup> In line with antitrust precepts, United States Supreme Court Justice Sandra Day O'Connor in Croson, specifically criticized Richmond, Virginia, for making Minority Business Enterprises ("MBE") all over the country eligible to participate in its set-aside programs.<sup>59</sup> The Court reasoned that a mere statistical disparity between the overall minority population in Richmond, Virginia, which was 50% African American, and the award of prime contracts to minority owned firms, 0.67% of which were African American owned firms, was an insufficient statistical comparison to raise an inference of discrimination. Justice O'Connor also wrote that the relevant statistical comparison is one between the percentage of Minority Business Enterprises in the marketplace [or *Relevant Market*] who were qualified to perform contracting work (including prime and subcontractors) and the percentage of total City contracting dollars awarded to minority firms. It should be noted that it is preferable, from an economic standpoint, to evaluate the largest and most exhaustive group of firms, even to 100% of all firms, but for this disparity study, GSPC utilized a benchmark of around 75%.

The relevant market has been determined for each of the major procurement categories:

- Construction
- Architecture & Engineering
- Services
- Goods

For each procurement category, GSPC measured the "relevant market" by the area where around 75% of the City's dollars were awarded during the Study Period. GSPC measured the geographic territory where awards were made by the City. In analyzing the relevant market data, GSPC tabulated the percentage of dollars awarded, beginning with the City of Tacoma. GSPC continued counting in the radius surrounding the City of Tacoma until the cumulative percentage was around 75%.

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<sup>58</sup> D. Burman. "Predicate Studies: The Seattle Model," Tab E of 11-12 Minority and Women Business Programs Revisited (ABA Section of Public Contract law, Oct. 1990)

<sup>59</sup> City of Richmond v. J.A. Croson Company, 488 U.S. 469, 709 S. Ct. 706 (1989)

There are some counties in the radius (including counties within the State of Washington) that have little or no awards, but in order to maintain a contiguous radius, those counties were also included in the relevant market. In the AGC v California DOT case, in the Ninth Circuit, the Study that withstood scrutiny determined that the Relevant Market was the entire State of California. The Court did not question whether some of the counties had little or no awards but accepted the geographic subdivision in total.

If, after counting where dollars were awarded during the Study Period, the percentage of Contracts and Purchase Orders to firms within the City of Tacoma, WA was not around 75% of all dollars awarded, then GSPC calculated the percentages in Pierce County (but not including the zip codes in the City of Tacoma that had already been counted). If the 75% benchmark was still not met, then GSPC counted the dollars awarded in the counties in the Tacoma-Seattle MSA (“MSA”), which includes the counties of Pierce, King and Snohomish plus the counties where the City has facilities (“City Service Counties”) which are Lewis, Mason, and Thurston Counties (MSA Counties and City Service Counties together are “MSA Plus”) (Figure 1).

If the 75% benchmark still was not achieved, GSPC counted the dollars in the entire State of Washington, then the remaining states in the United States.

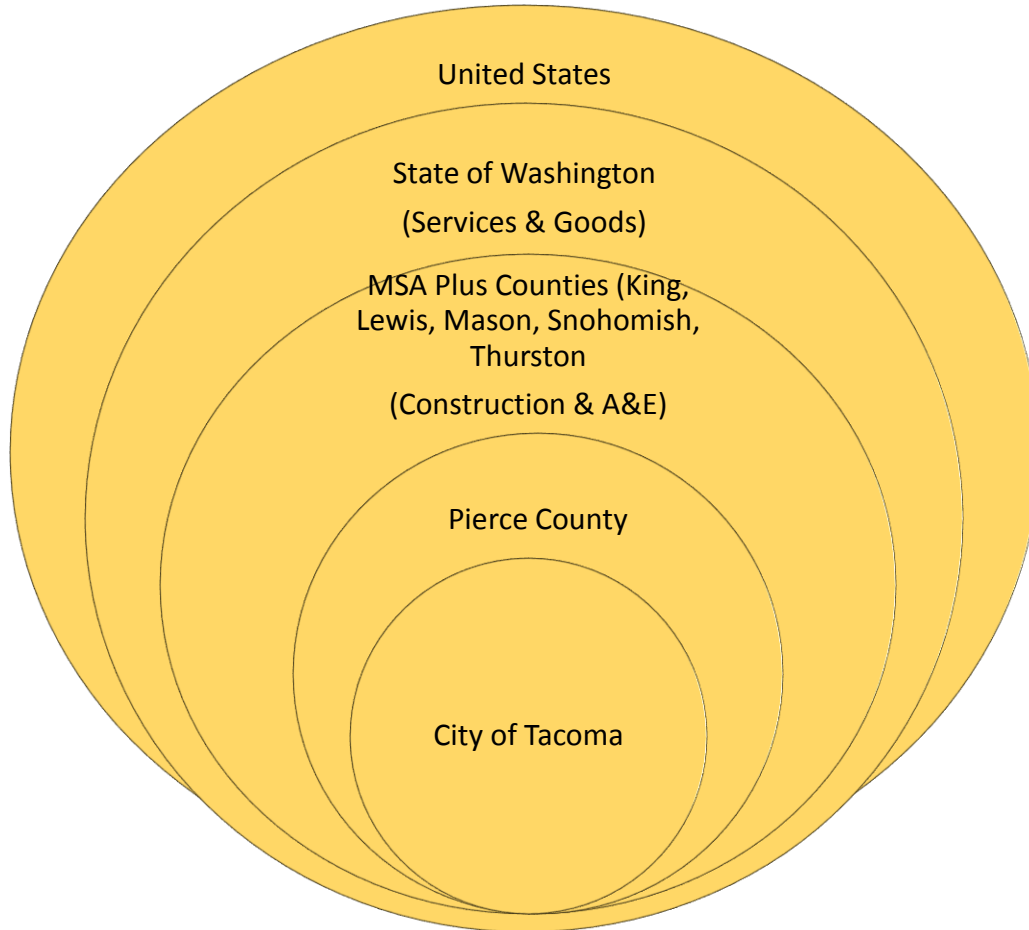
Figure 2 below, summarizes the radiating out approach by geographic area where around 75% of prime awardees are in each industry. The 75% benchmark was reached for Construction and Architecture & Engineering in the MSA Plus. The relevant market for Services and Goods was the State of Washington during the Study Period.

A complete breakdown of awards by county is included in Appendix E.

**Figure 3: Washington Counties**  
City of Tacoma, WA Disparity Study



**Figure 4: Levels of Measurement for Geographic Relevant Market**  
City of Tacoma, WA Disparity Study



Griffin & Strong, P.C. 2018

Tables 11-14 detail the dollars awarded in each level of the Geographic Relevant Market calculations by awards. It is interesting to note that in Construction, 77.55% of all the dollars awarded were awarded within the MSA Plus. In Architecture & Engineering, 91.05% of the dollars were awarded with firms within the MSA Plus. The State of Washington was used for the relevant market for Services, 68.06%, and for Goods, 70.66%. Goods and Services did not quite meet the 75% threshold, however, the State of Washington is the contained geographic area where the bulk of the activity in those procurement areas took place. GSPC decided against adding distant, unconnected counties to reach the 75% mark.

**Table 17: Relevant Market Area – Construction**

(Using Prime Award Dollars, FY 2012-2016)

City of Tacoma, WA Disparity Study

Area	Amount	Percent	Cumulative Percent
Tacoma	\$ 80,200,195	19.12%	19.12%
Pierce County (Excluding Tacoma)	\$ 104,452,936	24.90%	44.02%
MSA and Counties with City Facilities*	\$ 140,668,464	33.53%	77.55%
State of Washington	\$ 64,832,722	15.45%	93.00%
US and Canada	\$ 29,351,091	7.00%	100.00%
<b>Total</b>	<b>\$ 419,505,408</b>	<b>100.00%</b>	

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\*MSA Counties: Pierce, King, Snohomish

\*\* Additional City Service Area Counties: Lewis, Mason and Thurston counties.

**Table 18: Relevant Market – Architecture & Engineering**

(Using Prime Award Dollars, FY 2012-2016)

City of Tacoma, WA Disparity Study

Area	Amount	Percent	Cumulative Percent
Tacoma	\$ 8,889,805	21.76%	21.76%
Pierce County (Excluding Tacoma)	\$ 1,367,868	3.35%	25.11%
MSA and Counties with City Facilities*	\$ 26,937,983	65.94%	91.05%
State of Washington	\$ 761,597	1.86%	92.91%
US and Canada	\$ 2,896,890	7.09%	100.00%
<b>Total</b>	<b>\$ 40,854,144</b>	<b>100.00%</b>	

Griffin & Strong, P.C. 2018

\*MSA Counties: Pierce, King, Snohomish

\*\* Additional City Service Area Counties: Lewis, Mason and Thurston counties.

**Table 19: Relevant Market – Services**

(Using Prime Award Dollars, FY 2012-2016)

City of Tacoma, WA Disparity Study

Area	Amount	Percent	Cumulative Percent
Tacoma	\$ 60,664,233	20.68%	20.68%
Pierce County (Excluding Tacoma)	\$ 23,813,955	8.12%	28.80%
MSA and Counties with City Facilities*	\$ 93,796,650	31.97%	60.77%
State of Washington	\$ 21,392,499	7.29%	68.06%
US and Canada	\$ 93,694,509	31.94%	100.00%
<b>Total</b>	<b>\$ 293,361,847</b>	<b>100.00%</b>	

Griffin & Strong, P.C. 2018

\*MSA Counties: Pierce, King, Snohomish

\*\* Additional City Service Area Counties: Lewis, Mason and Thurston counties.

**Table 20: Relevant Market – Goods**  
 (Using Prime Award Dollars, FY 2012-2016)  
 City of Tacoma, WA Disparity Study

Area	Amount	Percent	Cumulative Percent
Tacoma	\$ 32,739,574	13.64%	13.64%
Pierce County (Excluding Tacoma)	\$ 40,318,607	16.80%	30.44%
MSA and Counties with City Facilities*	\$ 73,302,203	30.54%	60.97%
State of Washington	\$ 23,245,612	9.68%	70.66%
US and Canada	\$ 70,428,020	29.34%	100.00%
Total	\$ 240,034,015	100.00%	

Griffin & Strong, P.C. 2018

\*MSA Counties: Pierce, King, Snohomish

\*\* Additional City Service Area Counties: Lewis, Mason and Thurston counties.

## G. Availability Analysis

### 1. Methodology

The methodology utilized to determine the availability of businesses for public contracting is crucial to understanding whether a disparity exists within the relevant market. Availability is a benchmark to examine whether there are any disparities between the utilization of MWBEs and their availability in the marketplace.

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*Availability is the determination of the percentage of MWBEs that are “ready, willing, and able” to provide goods or services to the City of Tacoma.*

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Croson and subsequent decisions give only general guidance as to how to measure availability. One common theme from the court decisions is that being qualified to perform work for a local jurisdiction is one of the key indices of an available firm. In addition, the firm must have demonstrated that it is both willing and able to perform the work.

The measures of availability utilized in this disparity study incorporate all of the criteria of availability required by Croson:

- The firm does business within an industry group from which the City of Tacoma makes certain purchases.
- The firm's owner has taken steps to demonstrate interest in doing business with government. (e.g. registered as a vendor)
- The firm is located within a relevant geographical area such that it can do business with the City of Tacoma.



For example:

Let: A = Availability Estimates

A (Asian) = Availability Estimates for Asian Business Enterprises

N (Asian) = Number of Asian Business Enterprises in the Relevant Market

N (MWBE) = Number of minority owned Business Enterprises

N (t) = Total number of businesses in the pool of vendors in the procurement category (for example, Construction)

Availability, (A), is a percentage and is computed by dividing the number of firms in each MWBE group by the total number of businesses in the pool of vendors for that procurement category, N (t). For instance, availability for Asians is given by

$$A (\text{Asian}) = N (\text{Asian})/N (t)$$

and total availability for all MWBE groups is given by

$$A (\text{MWBE}) = N (\text{MWBE})/N (t).$$

Once these availability estimates were calculated, GSPC compared them to the percentage of firms utilized in the respective business categories in order to generate the disparity indices which will be discussed later in this analysis.

## 2. Measurement Basis for Availability

There are numerous approaches to measuring available, qualified firms. GSPC has established a methodology of measuring availability based upon demonstrated interest in doing business with governments. In determining those firms to be included in the availability pool, GSPC included the entire Master Vendor File.

It should be noted that Tacoma does not maintain a pre-qualified supplier list, such as exists for construction for many departments of transportation. Complete bidder data containing successful and unsuccessful bidders was also not available for this report. Both pre-qualified firms and bidders have strengths and weaknesses as availability measures.

## 3. Availability Estimates

Below are the Availability Estimates for the Study. The data is separated into the four (4) major business categories: Construction, Architecture & Engineering, Services, and Goods. Tables 15-18 show the number of firms by race/gender/ethnicity as compared with the total number of firms.

The availability analyzed from the Master Vendor File includes all unique vendors in each work category.<sup>60</sup> The Tacoma availability in Table 21 below shows that, in Construction, Hispanic American owned firms make up 4.69% of all construction firms, Nonminority Female owned firms make up 3.13%. Asian

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<sup>60</sup> Firms can count in more than one business category if they perform services in each category, but can only be counted once in each business category.

American owned firms are 2.97%, and African American and Native American owned firms have availability of 2.81% and 2.03%, respectively, in Construction within the Relevant Market. In total, MWBEs account for 15.63% of all available firms in Construction.

**Table 21: Availability Estimates - Construction**  
In the Relevant Market – MSA Plus  
City of Tacoma Disparity Study

Business Ownership Classification	Number of Firms	Percent of Firms
African American	18	2.81%
Asian American	19	2.97%
Hispanic American	30	4.69%
Native American	13	2.03%
<b>TOTAL MBE</b>	<b>80</b>	<b>12.50%</b>
Nonminority Female	20	3.13%
<b>TOTAL M/WBE</b>	<b>100</b>	<b>15.63%</b>
NON-M/WDBE	540	84.38%
<b>TOTAL FIRMS</b>	<b>640</b>	<b>100.00%</b>

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In Architecture & Engineering, availability in Table 22 indicates that Non-MWBE owned firms make up 61.74% of all available firms and MWBEs are 38.26%. Asian American owned firms represent 12.86% of all Architecture & Engineering firms and Nonminority Female owned firms make up 19.61% of all available Architecture & Engineering firms. Hispanic American owned Architecture & Engineering firms account for 2.89%. African American owned firms have 1.93% and Native American owned firms have 0.96% availability in this category.

**Table 22: Availability Estimates-Architecture & Engineering**  
In the Relevant Market – MSA Plus  
City of Tacoma Disparity Study

Business Ownership Classification	Number of Firms	Percent of Firms
African American	6	1.93%
Asian American	40	12.86%
Hispanic American	9	2.89%
Native American	3	0.96%
<b>TOTAL MBE</b>	<b>58</b>	<b>18.65%</b>
Nonminority Female	61	19.61%
<b>TOTAL M/WBE</b>	<b>119</b>	<b>38.26%</b>
NON-M/WDBE	192	61.74%
<b>TOTAL FIRMS</b>	<b>311</b>	<b>100.00%</b>

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As set out in the availability Table 23, Asian American owned firms make up 4.60% of Services firms and Nonminority Female owned firms make up 12.00%. Non-MWBE owned firms account for 75.21%, while African American owned firms are 4.04%. Hispanic American owned firms are 2.65% and Native American owned firms have 1.50% availability in this category. MWBEs are 24.79% of all available firms in Services.

**Table 23: Availability Estimate - Services**  
 In the Relevant Market – Tacoma MSA + City Service Counties  
 City of Tacoma Disparity Study

Business Ownership Classification	Number of Firms	Percent of Firms
African American	154	4.04%
Asian American	175	4.60%
Hispanic American	101	2.65%
Native American	57	1.50%
<b>TOTAL MBE</b>	<b>487</b>	<b>12.79%</b>
Nonminority Female	457	12.00%
<b>TOTAL M/WBE</b>	<b>944</b>	<b>24.79%</b>
NON-M/WDBE	2,864	75.21%
<b>TOTAL FIRMS</b>	<b>3,808</b>	<b>100.00%</b>

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Goods availabilities are reflected in Table 24 so that businesses owned by Asian Americans make up 2.63% and Nonminority Female owned 5.27% of the firms. Non-MWBEs account for 89.73% of all availability, while Hispanic American owned firms have 1.12%. African American owned firms have 0.92% and Native American owned firms have 0.33% availability in this category. MWBEs total 10.27% of all available firms in Goods.

**Table 24: Availability Estimates - Goods**  
 In the Relevant Market – MSA Plus  
 City of Tacoma Disparity Study

Business Ownership Classification	Number of Firms	Percent of Firms
African American	14	0.92%
Asian American	40	2.63%
Hispanic American	17	1.12%
Native American	5	0.33%
<b>TOTAL MBE</b>	<b>76</b>	<b>5.00%</b>
Nonminority Female	80	5.27%
<b>TOTAL M/WBE</b>	<b>156</b>	<b>10.27%</b>
NON-M/WDBE	1,363	89.73%
<b>TOTAL FIRMS</b>	<b>1,519</b>	<b>100.00%</b>

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#### 4. Capacity

The ability or capacity to perform the work is examined in part below in the Threshold Analysis. It is also tested in the Regression Analysis conducted in Chapter V below and in the analysis of disparity by contract size in Appendix G.

First, capacity is relevant to determining whether a separate availability estimate for primes and subcontractors is needed. GSPC performs a threshold analysis of the level of contracting done by prime contractors to determine if it is reasonable to believe that the firms in the marketplace that have at least registered to do business with governments and that are included in our availability lists, have the capacity to perform as prime contractors, or only as subcontractors.

In Construction, there were a total of 4,867 contracts and purchase orders for a total of \$731,750,585 over the Study Period in the Relevant Market. The average contract was \$ 80,534 with half of all contracts at \$17,510 or less. Only 145 or 2.99% of all Construction contracts were \$1M or more, but they account for 55.57% of all Construction Contracts and Purchase Orders.

In Architecture & Engineering, there were a total of 347 contracts and purchase orders for a total of \$37,195,657 over the Study Period. The average contract was \$107,192 with half of all contracts at \$ 28,967 or less. Only 4 or 1.15% of all Architecture & Engineering contracts were \$1M or more, but they account for 23.11% of all Architecture & Engineering Contracts and Purchase Orders.

In Services, there were a total of 1,703 contracts and purchase orders for a total of \$199,627,338 over the Study Period. The average contract was \$ 117,221 with half of all contracts at \$ 21,504 or less. Only 34 or 2.00% of all Service contracts were \$1M or more, but they account for 48.59% of all Service Contracts and Purchase Orders.

In Goods, there were a total of 2,106 contracts and purchase orders for a total of \$169,605,996 over the Study Period. The average contract was \$80,534 with half of all contracts at \$17,510 or less. Only 29 or 1.38% of all Goods contracts were \$1M or more, but they account for 39.55% of all Contracts and Purchase Orders in Goods.

Since 80.59% of the City's prime awards were under \$100,000, and 94.37% are under \$500,000, GSPC determined that all firms, including those that have only provided services as subcontractors, have the capacity to perform as prime contractors on the majority of City awards. Notwithstanding this determination, GSPC does not suggest that all firms have the capacity to perform on all contracts. Further detail on the Threshold Analysis is contained in Appendix F.

Second, the regression analysis in Chapter V provides evidence whether race/ethnicity/gender factors are impediments overall to the success of MWBEs in obtaining awards in the Tacoma marketplace and whether, but for those factors, firms would have the capacity to provide goods and services on a level higher than what is presently being utilized.

Finally, GSPC analyzed Awards under \$100,000, \$500,000 and \$1,000,000 and found that, even after eliminating the largest Awards, there was still underutilization of MWBE firms on smaller Awards.

**H. Utilization Analysis**

**1. Prime Utilization**

The relevant award history for the City has been recorded based upon the purchase order and contracts database provided by the City. In the Prime Utilization tables below, the dollars and percentage of dollars awarded in each of the four (4) major procurement categories have been broken out by race/ethnicity and gender for each year of the Study Period. The total of each race/ethnicity/gender group represented in the MWBE category will, when added to the Non-MWBE Category, equal the Total Column.

*PRIME UTILIZATION is the percentage of actual payments made directly by the City during the Study Period to MWBEs in comparison to all actual payments made directly to all vendors by the City during the Study Period.*

As indicated in Tables 25 and 26, seventeen MWBEs received contracts in Construction during the five years of this study. A total of eight (8) MBEs received \$15,972,960 during the Study Period with an average to each firm of \$1,996,620, while nine (9) Nonminority Female owned firms were awarded a total of \$5,019,008 with an average to each firm of \$557,668. One-hundred ninety-three (193) Non-MWBE firms were awarded \$304,329,627 with an average to each firm of \$1,576,837. MWBEs received 6.45% of the total Construction awarded dollars.

**Table 25: Prime Utilization – Construction by Number of Firms**  
In the Relevant Market – MSA Plus  
City of Tacoma Disparity Study

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Nonminority Female		Total M/WBE		Non-M/WBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2012	1	1.18%	1	1.18%	2	2.35%	1	1.18%	5	5.88%	5	5.88%	10	11.76%	75	88.24%	85	21.85%
2013	1	1.27%	0	0.00%	2	2.53%	1	1.27%	4	5.06%	1	1.27%	5	6.33%	74	93.67%	79	20.31%
2014	2	2.60%	0	0.00%	1	1.30%	1	1.30%	4	5.19%	3	3.90%	7	9.09%	70	90.91%	77	19.79%
2015	1	1.35%	0	0.00%	0	0.00%	2	2.70%	3	4.05%	4	5.41%	7	9.46%	67	90.54%	74	19.02%
2016	1	1.35%	0	0.00%	0	0.00%	0	0.00%	1	1.35%	1	1.35%	2	2.70%	72	97.30%	74	19.02%
Total 2012-2016	6	1.54%	1	0.26%	5	1.29%	5	1.29%	17	4.37%	14	3.60%	31	7.97%	358	92.03%	389	100.00%
Total Unique Number of Businesses	2	0.95%	1	0.48%	3	1.43%	2	0.95%	8	3.81%	9	4.29%	17	8.10%	193	91.90%	210	100.00%

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\* Total unique number represents the number of unduplicated firms during the Study Period.

**CITY OF TACOMA, WASHINGTON 2018 DISPARITY STUDY**

**Table 26: Prime Utilization – Construction by Dollars**  
In the Relevant Market – MSA Plus  
City of Tacoma Disparity Study

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 200,000	\$ 724,950	\$ 241,402	\$ -	\$ 683,050	\$ 1,849,402
Asian American	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Hispanic American	\$ 1,392,781	\$ 5,102,478	\$ 6,694,620	\$ 39,380	\$ -	\$ 13,229,258
Native American	\$ 518,506	\$ 47,145	\$ 71,150	\$ 217,500	\$ -	\$ 854,301
<b>TOTAL MINORITY</b>	<b>\$ 2,151,286</b>	<b>\$ 5,874,573</b>	<b>\$ 7,007,172</b>	<b>\$ 256,880</b>	<b>\$ 683,050</b>	<b>\$ 15,972,960</b>
Nonminority Female	\$ 2,511,237	\$ 309,509	\$ 754,425	\$ 1,207,502	\$ 236,335	\$ 5,019,008
<b>TOTAL M/WBE</b>	<b>\$ 4,662,524</b>	<b>\$ 6,184,081</b>	<b>\$ 7,761,596</b>	<b>\$ 1,464,382</b>	<b>\$ 919,385</b>	<b>\$ 20,991,968</b>
NON-M/WBE	\$ 55,160,572	\$ 49,410,727	\$ 44,631,733	\$ 120,462,032	\$ 34,664,563	\$ 304,329,627
<b>TOTAL FIRMS</b>	<b>\$ 59,823,096</b>	<b>\$ 55,594,808</b>	<b>\$ 52,393,330</b>	<b>\$ 121,926,414</b>	<b>\$ 35,583,948</b>	<b>\$ 325,321,595</b>

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.33%	1.30%	0.46%	0.00%	1.92%	0.57%
Asian American	0.07%	0.00%	0.00%	0.00%	0.00%	0.01%
Hispanic American	2.33%	9.18%	12.78%	0.03%	0.00%	4.07%
Native American	0.87%	0.08%	0.14%	0.18%	0.00%	0.26%
<b>TOTAL MINORITY</b>	<b>3.60%</b>	<b>10.57%</b>	<b>13.37%</b>	<b>0.21%</b>	<b>1.92%</b>	<b>4.91%</b>
Nonminority Female	4.20%	0.56%	1.44%	0.99%	0.66%	1.54%
<b>TOTAL M/WBE</b>	<b>7.79%</b>	<b>11.12%</b>	<b>14.81%</b>	<b>1.20%</b>	<b>2.58%</b>	<b>6.45%</b>
NON-M/WBE	92.21%	88.88%	85.19%	98.80%	97.42%	93.55%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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As shown in Tables 27 and 28, in Architecture & Engineering there were three (3) MBEs that shared a total amount of \$296,660 which was 0.80% of the total Architecture & Engineering awarded dollars. Five (5) Nonminority Female owned firms were awarded 4.05% or \$1,505,413 of the total Architecture & Engineering dollars, which was the highest percentage of dollars awarded to MWBEs. The average paid to MWBE firms was \$225,259 compared to \$863,258 to Non-MWBE firms.

**Table 27: Prime Utilization – Architecture & Engineering by Number of Firms**  
In the Relevant Market – MSA Plus  
City of Tacoma Disparity Study

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Nonminority Female		Total M/WBE		Non-M/WBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2012	0	0.00%	1	4.35%	0	0.00%	0	0.00%	1	4.35%	0	0.00%	1	4.35%	22	95.65%	23	17.56%
2013	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	2	7.14%	2	7.14%	26	92.86%	28	21.37%
2014	0	0.00%	1	4.00%	0	0.00%	0	0.00%	1	4.00%	3	12.00%	4	16.00%	21	84.00%	25	19.08%
2015	0	0.00%	1	3.70%	0	0.00%	0	0.00%	1	3.70%	4	14.81%	5	18.52%	22	81.48%	27	20.61%
2016	0	0.00%	2	7.14%	0	0.00%	0	0.00%	2	7.14%	4	14.29%	6	21.43%	22	78.57%	28	21.37%
Total 2012-2016	0	0.00%	5	3.82%	0	0.00%	0	0.00%	5	3.82%	13	9.92%	18	13.74%	113	86.26%	131	100.00%
Total Unique Number of Businesses	0	0.00%	3	6.12%	0	0.00%	0	0.00%	3	6.12%	5	10.20%	8	16.33%	41	83.67%	49	100.00%

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\* Total unique number represents the number of unduplicated firms during the Study Period.

**Table 28: Prime Utilization – Architecture & Engineering by Dollars**  
In the Relevant Market – MSA Plus  
City of Tacoma Disparity Study

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asian American	\$ 12,660	\$ -	\$ 20,000	\$ 75,000	\$ 189,000	\$ 296,660
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	<b>\$ 12,660</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ 75,000</b>	<b>\$ 189,000</b>	<b>\$ 296,660</b>
Nonminority Female	\$ -	\$ 186,680	\$ 324,550	\$ 335,956	\$ 658,228	\$ 1,505,413
<b>TOTAL M/WBE</b>	<b>\$ 12,660</b>	<b>\$ 186,680</b>	<b>\$ 344,550</b>	<b>\$ 410,956</b>	<b>\$ 847,228</b>	<b>\$ 1,802,073</b>
NON-M/WBE	\$ 9,064,566	\$ 8,536,358	\$ 5,630,263	\$ 6,296,592	\$ 5,865,805	\$ 35,393,584
<b>TOTAL FIRMS</b>	<b>\$ 9,077,226</b>	<b>\$ 8,723,038</b>	<b>\$ 5,974,813</b>	<b>\$ 6,707,547</b>	<b>\$ 6,713,032</b>	<b>\$ 37,195,657</b>
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Asian American	0.14%	0.00%	0.33%	1.12%	2.82%	0.80%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>TOTAL MINORITY</b>	<b>0.14%</b>	<b>0.00%</b>	<b>0.33%</b>	<b>1.12%</b>	<b>2.82%</b>	<b>0.80%</b>
Nonminority Female	0.00%	2.14%	5.43%	5.01%	9.81%	4.05%
<b>TOTAL M/WBE</b>	<b>0.14%</b>	<b>2.14%</b>	<b>5.77%</b>	<b>6.13%</b>	<b>12.62%</b>	<b>4.84%</b>
NON-M/WBE	99.86%	97.86%	94.23%	93.87%	87.38%	95.16%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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As indicated in Tables 29 and 30, twelve (12) Asian American owned firms represented 1.54% of all firms to be awarded dollars in Services. Twenty-seven (27) Nonminority Female owned firms were paid \$15,618,373, representing 7.82%. The average dollars paid to MWBE firms was \$212,115 compared to \$245,813 to Non-MWBE firms in Services.

**Table 29: Prime Utilization – Services by Number of Firms**  
In the Relevant Market – State of Washington  
City of Tacoma Disparity Study

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Nonminority Female		Total M/WBE		Non-M/WBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2012	2	0.88%	1	0.44%	1	0.44%	1	0.44%	5	2.20%	5	2.20%	10	4.41%	217	95.59%	227	17.65%
2013	2	0.73%	3	1.10%	0	0.00%	0	0.00%	5	1.83%	5	1.83%	10	3.66%	263	96.34%	273	21.23%
2014	2	0.84%	4	1.68%	3	1.26%	0	0.00%	9	3.78%	7	2.94%	16	6.72%	222	93.28%	238	18.51%
2015	2	0.71%	4	1.42%	1	0.35%	1	0.35%	8	2.84%	16	5.67%	24	8.51%	258	91.49%	282	21.93%
2016	3	1.13%	5	1.88%	1	0.38%	1	0.38%	10	3.76%	9	3.38%	19	7.14%	247	92.86%	266	20.68%
Total 2012-2016	11	0.86%	17	1.32%	6	0.47%	3	0.23%	37	2.88%	42	3.27%	79	6.14%	1207	93.86%	1286	100.00%
Total Unique Number of Businesses	7	0.90%	12	1.54%	3	0.39%	3	0.39%	25	3.21%	27	3.47%	52	6.68%	727	93.32%	779	100.00%

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\* Total unique number represents the number of unduplicated firms during the Study Period.

**Table 30: Prime Utilization – Services by Dollars**  
In the Relevant Market – State of Washington  
City of Tacoma Disparity Study

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 157,500	\$ 50,400	\$ 157,000	\$ 90,632	\$ 65,000	\$ 520,532
Asian American	\$ 544,600	\$ 2,399,170	\$ 362,820	\$ 202,696	\$ 1,025,910	\$ 4,535,196
Hispanic American	\$ 6,350		\$ 61,450	\$ 30,000	\$ 20,000	\$ 117,800
Native American	\$ 59,341			\$ 20,000	\$ 50,000	\$ 129,341
<b>TOTAL MINORITY</b>	<b>\$ 767,791</b>	<b>\$ 2,449,570</b>	<b>\$ 581,270</b>	<b>\$ 343,328</b>	<b>\$ 1,160,910</b>	<b>\$ 5,302,869</b>
Nonminority Female	\$ 651,621	\$ 496,591	\$ 1,359,156	\$ 11,152,108	\$ 1,958,896	\$ 15,618,373
<b>TOTAL M/WBE</b>	<b>\$ 1,419,412</b>	<b>\$ 2,946,161</b>	<b>\$ 1,940,426</b>	<b>\$ 11,495,437</b>	<b>\$ 3,119,807</b>	<b>\$ 20,921,242</b>
NON-M/WBE	\$ 47,067,975	\$ 40,313,087	\$ 20,248,868	\$ 45,331,327	\$ 25,744,840	\$ 178,706,096
<b>TOTAL FIRMS</b>	<b>\$ 48,487,386</b>	<b>\$ 43,259,248</b>	<b>\$ 22,189,294</b>	<b>\$ 56,826,763</b>	<b>\$ 28,864,646</b>	<b>\$ 199,627,338</b>
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.32%	0.12%	0.71%	0.16%	0.23%	0.26%
Asian American	1.12%	5.55%	1.64%	0.36%	3.55%	2.27%
Hispanic American	0.01%	0.00%	0.28%	0.05%	0.07%	0.06%
Native American	0.12%	0.00%	0.00%	0.04%	0.17%	0.06%
<b>TOTAL MINORITY</b>	<b>1.58%</b>	<b>5.66%</b>	<b>2.62%</b>	<b>0.60%</b>	<b>4.02%</b>	<b>2.66%</b>
Nonminority Female	1.34%	1.15%	6.13%	19.62%	6.79%	7.82%
<b>TOTAL M/WBE</b>	<b>2.93%</b>	<b>6.81%</b>	<b>8.74%</b>	<b>20.23%</b>	<b>10.81%</b>	<b>10.48%</b>
NON-M/WBE	97.07%	93.19%	91.26%	79.77%	89.19%	89.52%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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As indicated in Tables 31 and 32, eight (8) MWBEs represented 2.16% of all firms to be awarded dollars in Goods, averaging \$438,445 per firm. In comparison, 362 Non-MWBE firms represented 97.93% of awards to all firms in Goods, averaging \$458,836 per firm.

**Table 31: Prime Utilization – Goods by Number of Firms**  
In the Relevant Market – State of Washington  
City of Tacoma Disparity Study

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Nonminority Female		Total M/WBE		Non-M/WBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2012	1	0.75%	2	1.50%	0	0.00%	0	0.00%	3	2.26%	2	1.50%	5	3.76%	128	96.24%	133	18.34%
2013	0	0.00%	2	1.39%	0	0.00%	0	0.00%	2	1.39%	1	0.69%	3	2.08%	141	97.92%	144	19.86%
2014	1	0.72%	2	1.44%	0	0.00%	0	0.00%	3	2.16%	1	0.72%	4	2.88%	135	97.12%	139	19.17%
2015	1	0.68%	2	1.36%	0	0.00%	0	0.00%	3	2.04%	1	0.68%	4	2.72%	143	97.28%	147	20.28%
2016	0	0.00%	2	1.23%	0	0.00%	0	0.00%	2	1.23%	3	1.85%	5	3.09%	157	96.91%	162	22.34%
Total 2012-2016	3	0.41%	10	1.38%	0	0.00%	0	0.00%	13	1.79%	8	1.10%	21	2.90%	704	97.10%	725	100.00%
Total Unique Number of Businesses	1	0.27%	3	0.81%	0	0.00%	0	0.00%	4	1.08%	4	1.08%	8	2.16%	362	97.84%	370	100.00%

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\* Total unique number represents the number of unduplicated firms during the Study Period.



**Table 32: Prime Utilization – Goods by Dollars**  
 In the Relevant Market – State of Washington  
 City of Tacoma Disparity Study

Business Ownership Classification	2012 (\$)	2013 (\$)	2014 (\$)	2015 (\$)	2016 (\$)	TOTAL (\$)
African American	\$ 22,644		\$ 6,540	\$ 27,103		\$ 56,287
Asian American	\$ 135,297	\$ 357,180	\$ 1,543,838	\$ 187,088	\$ 473,060	\$ 2,696,464
Hispanic American						\$ -
Native American						\$ -
<b>TOTAL MINORITY</b>	<b>\$ 157,941</b>	<b>\$ 357,180</b>	<b>\$ 1,550,378</b>	<b>\$ 214,191</b>	<b>\$ 473,060</b>	<b>\$ 2,752,751</b>
Nonminority Female	\$ 118,522	\$ 119,021	\$ 57,474	\$ 38,395	\$ 421,320	\$ 754,731
<b>TOTAL M/WBE</b>	<b>\$ 276,463</b>	<b>\$ 476,200</b>	<b>\$ 1,607,852</b>	<b>\$ 252,586</b>	<b>\$ 894,381</b>	<b>\$ 3,507,482</b>
NON-M/WBE	\$ 20,964,254	\$ 30,105,201	\$ 36,423,240	\$ 35,643,169	\$ 42,962,648	\$ 166,098,514
<b>TOTAL FIRMS</b>	<b>\$ 21,240,717</b>	<b>\$ 30,581,402</b>	<b>\$ 38,031,092</b>	<b>\$ 35,895,756</b>	<b>\$ 43,857,029</b>	<b>\$ 169,605,996</b>
Business Ownership Classification	2012 (%)	2013 (%)	2014 (%)	2015 (%)	2016 (%)	TOTAL (%)
African American	0.11%	0.00%	0.02%	0.08%	0.00%	0.03%
Asian American	0.64%	1.17%	4.06%	0.52%	1.08%	1.59%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>TOTAL MINORITY</b>	<b>0.74%</b>	<b>1.17%</b>	<b>4.08%</b>	<b>0.60%</b>	<b>1.08%</b>	<b>1.62%</b>
Nonminority Female	0.56%	0.39%	0.15%	0.11%	0.96%	0.44%
<b>TOTAL M/WBE</b>	<b>1.30%</b>	<b>1.56%</b>	<b>4.23%</b>	<b>0.70%</b>	<b>2.04%</b>	<b>2.07%</b>
NON-M/WBE	98.70%	98.44%	95.77%	99.30%	97.96%	97.93%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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## 2. Subcontractor Utilization

The City tracks subcontracting dollars allocated to MWBEs through its prevailing wage data. This analysis was only conducted for Construction which had significant levels of subcontracting reported. There was \$65,713 subcontract dollars in Architecture & Engineering, 48.70 percent

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*SUBCONTRACTOR UTILIZATION is the percentage of dollars awarded to Subcontractors (in the Relevant Market), by ethnic/gender category,*

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went to MWBEs. There was \$2,145,689 subcontracts dollars in Goods, 1.21% went to MWBEs. There was \$220,452 in subcontracts for Goods, none went to MWBEs. Subcontractor utilization tables for Architecture & Engineering, Services and Goods are contained in Appendix H.

As indicated in Tables 33 and 34 twenty-eight (28) MWBEs received subcontracts in Construction during the five years of this study. A total of nineteen (19) MBE subcontractors received \$1,536,985 during the Study Period with an average to each firm of \$80,894, while nine (9) Nonminority Female owned firms were awarded a total of \$1,910,270 with an average to each firm of \$212,252. Four-hundred ninety-one (491) Non-MWBE firms were awarded \$70,573,752, with an average to each firm of \$1,576,837. MWBEs received 4.66% of the total Construction subcontract awarded dollars.

**CITY OF TACOMA, WASHINGTON 2018 DISPARITY STUDY**

**Table 33: Subcontractor Utilization – Construction by Number of Firms**  
 In the Relevant Market – MSA Plus  
 City of Tacoma Disparity Study

Fiscal Year	African American		Asian American		Hispanic American		Native American		Total MBE		Nonminority Female		Total MWBE		Non-MWBE		TOTAL	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
2012	2	2.86%	1	1.43%	0	0.00%	0	0.00%	3	4.29%	2	2.86%	5	7.14%	65	92.86%	70	10.09%
2013	1	0.75%	1	0.75%	2	1.50%	0	0.00%	4	3.01%	0	0.00%	4	3.01%	129	96.99%	133	19.16%
2014	3	1.61%	4	2.15%	0	0.00%	0	0.00%	7	3.76%	3	1.61%	10	5.38%	176	94.62%	186	26.80%
2015	0	0.00%	2	1.30%	2	1.30%	1	0.65%	5	3.25%	3	1.95%	8	5.19%	146	94.81%	154	22.19%
2016		0.00%	3	1.99%	1	0.66%	1	0.66%	5	3.31%	3	1.99%	8	5.30%	143	94.70%	151	21.76%
Total 2012-2016	6	0.86%	11	1.59%	5	0.72%	2	0.29%	24	3.46%	11	1.59%	35	5.04%	659	94.96%	694	100.00%
Total Unique Number of Businesses	5	0.96%	7	1.35%	4	0.77%	3	0.58%	19	3.66%	9	1.73%	28	5.39%	491	94.61%	519	100.00%

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**Table 34: Subcontract Utilization - Construction by Dollars**  
 In the Relevant Market  
 City of Tacoma Disparity Study

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 3,041	\$ 31,240	\$ 36,476			\$ 70,757
Asian American	\$ 16,587	\$ 20,378	\$ 223,788	\$ 10,422	\$ 75,444	\$ 346,619
Hispanic American			\$ 204,334	\$ 746,116	\$ 60,000	\$ 1,010,450
Native American				\$ 100,265	\$ 8,894	\$ 109,159
<b>TOTAL MINORITY</b>	<b>\$ 19,628</b>	<b>\$ 51,618</b>	<b>\$ 464,598</b>	<b>\$ 856,803</b>	<b>\$ 144,338</b>	<b>\$ 1,536,985</b>
Nonminority Female	\$ 411,792		\$ 563,338	\$ 123,268	\$ 811,872	\$ 1,910,270
<b>TOTAL MWBE</b>	<b>\$ 431,420</b>	<b>\$ 51,618</b>	<b>\$ 1,027,936</b>	<b>\$ 980,071</b>	<b>\$ 956,210</b>	<b>\$ 3,447,255</b>
NON-MWBE	\$ 3,453,063	\$ 13,121,300	\$ 19,869,597	\$ 24,005,371	\$ 10,124,421	\$ 70,573,752
<b>TOTAL FIRMS</b>	<b>\$ 3,884,483</b>	<b>\$ 13,172,918</b>	<b>\$ 20,897,533</b>	<b>\$ 24,985,442</b>	<b>\$ 11,080,631</b>	<b>\$ 74,021,007</b>
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.08%	0.24%	0.17%	0.00%	0.00%	0.10%
Asian American	0.43%	0.15%	1.07%	0.04%	0.68%	0.47%
Hispanic American	0.00%	0.00%	0.98%	2.99%	0.54%	1.37%
Native American	0.00%	0.00%	0.00%	0.40%	0.08%	0.15%
<b>TOTAL MINORITY</b>	<b>0.51%</b>	<b>0.39%</b>	<b>2.22%</b>	<b>3.43%</b>	<b>1.30%</b>	<b>2.08%</b>
Nonminority Female	10.60%	0.00%	2.70%	0.49%	7.33%	2.58%
<b>TOTAL MWBE</b>	<b>11.11%</b>	<b>0.39%</b>	<b>4.92%</b>	<b>3.92%</b>	<b>8.63%</b>	<b>4.66%</b>
NON-MWBE	88.89%	99.61%	95.08%	96.08%	91.37%	95.34%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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### 3. SBE Utilization

The City has an SBE program described in the Policy Chapter 3 above, however, the available data did not track awards through SBE preferences, such as the Small Works Roster program. As an alternative means of evaluating the impact of the SBE program on MWBE utilization GSPC examined how many MWBEs, that were also on the City SBE list won awards as prime contractors and Construction subcontractors (SBE/MWBEs). Tables 29 and 30 below present the data for SBE/MWBEs. Further decomposition of SBE utilization by race, ethnicity and gender is contained in Appendix J.

As shown in Table 35 below, SBE/MWBEs received 0.04% of Construction prime contracts and 1.10% of Service prime contract awarded dollars. SBE/MWBEs received no awards in Architecture & Engineering and Goods. SBE/MWBEs only received 0.66% of the MWBE Construction prime dollar awards and 10.49% of MWBE Service prime awards during the Study Period. This data suggests that SBE status has not been an important factor in MWBE utilization as Construction prime contractors on City projects.

**Table 35: SBE/MWBE Prime Utilization – Construction, A&E, Services and Goods**  
In the Relevant Market  
City of Tacoma Disparity Study

Fiscal Year	Prime Procurement Category	Prime Relevant Market Area	SBE/MWBE		MWBE		Non-MWBE	
			\$	%	\$	%	\$	%
2012	Construction	\$ 59,823,096	\$ -	0.00%	\$ 4,662,524	7.79%	\$ 55,160,572	92.21%
	A & E	\$ 9,077,226	\$ -	0.00%	\$ 12,660	0.14%	\$ 9,064,566	99.86%
	Services	\$ 48,487,386	\$ 22,341	0.05%	\$ 1,419,412	2.93%	\$ 47,067,975	97.07%
	Goods and Supplies	\$ 21,240,717	\$ -	0.00%	\$ 276,463	1.30%	\$ 20,964,254	98.70%
2013	Construction	\$ 55,594,808	\$ 22,000	0.04%	\$ 6,184,081	11.12%	\$ 49,410,727	88.88%
	A & E	\$ 8,723,038	\$ -	0.00%	\$ 186,680	2.14%	\$ 8,536,358	97.86%
	Services	\$ 43,259,248	\$ 2,116,150	4.89%	\$ 2,946,161	6.81%	\$ 40,313,087	93.19%
	Goods and Supplies	\$ 30,581,402	\$ -	0.00%	\$ 476,200	1.56%	\$ 30,105,201	98.44%
2014	Construction	\$ 52,393,330	\$ 76,640	0.15%	\$ 7,761,596	14.81%	\$ 44,631,733	85.19%
	A & E	\$ 5,974,813	\$ -	0.00%	\$ 344,550	5.77%	\$ 5,630,263	94.23%
	Services	\$ 22,189,294	\$ 35,000	0.16%	\$ 1,940,426	8.74%	\$ 20,248,868	91.26%
	Goods and Supplies	\$ 38,031,092	\$ -	0.00%	\$ 1,607,852	4.23%	\$ 36,423,240	95.77%
2015	Construction	\$ 121,926,414	\$ 39,380	0.03%	\$ 1,464,382	1.20%	\$ 120,462,032	98.80%
	A & E	\$ 6,707,547	\$ -	0.00%	\$ 410,956	6.13%	\$ 6,296,592	93.87%
	Services	\$ 56,826,763	\$ 20,496	0.04%	\$ 11,495,437	20.23%	\$ 45,331,327	79.77%
	Goods and Supplies	\$ 35,895,756	\$ -	0.00%	\$ 252,586	0.70%	\$ 35,643,169	99.30%
2016	Construction	\$ 35,583,948	\$ -	0.00%	\$ 919,385	2.58%	\$ 34,664,563	97.42%
	A & E	\$ 6,713,032	\$ -	0.00%	\$ 847,228	12.62%	\$ 5,865,805	87.38%
	Services	\$ 28,864,646	\$ -	0.00%	\$ 3,119,807	10.81%	\$ 25,744,840	89.19%
	Goods and Supplies	\$ 43,857,029	\$ -	0.00%	\$ 894,381	2.04%	\$ 42,962,648	97.96%
Total	Construction	\$ 325,321,595	\$ 138,020	0.04%	\$ 20,991,968	6.45%	\$ 304,329,627	93.55%
	A & E	\$ 37,195,657	\$ -	0.00%	\$ 1,802,073	4.84%	\$ 35,393,584	95.16%
	Services	\$ 199,627,338	\$ 2,193,987	1.10%	\$ 20,921,242	10.48%	\$ 178,706,096	89.52%
	Goods and Supplies	\$ 169,605,996	\$ -	0.00%	\$ 3,507,482	2.07%	\$ 166,098,514	97.93%

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As show in Table 36 below, SBE/MWBEs received 0.20% of the total Construction subcontract awarded dollars. Moreover, SBE/MWBEs only received 4.17% of the MWBE Construction subcontract dollar awards

during the Study Period. This data suggests that SBE status has not been an important factor in MWBE utilization as construction subcontractors on City projects.

**Table 36: SBE/MWBE Subcontract Utilization - Construction Subcontractors by Dollars**  
 In the Relevant Market  
 City of Tacoma Disparity Study

Fiscal Year	Subcontract Construction	SBE/MWBE		MWBE		Non-MWBE	
		\$	%	\$	%	\$	%
2012	\$ 3,884,484	\$ -	0.00%	\$ 431,420	11.11%	\$ 3,453,063	88.89%
2013	\$ 13,172,918	\$ 20,378	0.15%	\$ 51,618	0.39%	\$ 13,121,300	99.61%
2014	\$ 20,897,533	\$ 66,378	0.32%	\$ 1,027,936	4.92%	\$ 19,869,597	95.08%
2015	\$ 24,985,442	\$ 9,290	0.04%	\$ 980,071	3.92%	\$ 24,005,371	96.08%
2016	\$ 11,080,631	\$ 54,040	0.49%	\$ 956,210	8.63%	\$ 10,124,421	91.37%
<b>Total</b>	<b>\$ 74,021,008</b>	<b>\$ 150,086</b>	<b>0.20%</b>	<b>\$ 3,447,255</b>	<b>4.66%</b>	<b>\$ 70,573,752</b>	<b>95.34%</b>

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### I. Disparity Analysis

This section of the report addresses the crucial question of whether, and to what extent, there is disparity between the utilization of MBEs/WBEs as measured against their availability in the City of Tacoma marketplace.

#### 1. Methodology

The statistical approach to answer this question is to assess the existence and extent of disparity by comparing the MWBE utilization percentages (by dollars) to the percentage of the total pool of MWBE firms in the relevant geographic and product areas<sup>61</sup>. The actual disparity derived as a result of employing this approach is measured by use of a Disparity Index (DI).

The Disparity Index is defined as the ratio of the percentage of MWBE firms utilized (U) divided by the percentage of such firms available in the marketplace, (A):

- Let: U = Utilization percentage for the MWBE group
- A = Availability percentage for the MWBE group
- DI = Disparity Index for the MWBE group

<sup>61</sup> A common and accepted practice in calculating “availability estimate” in a Disparity Study is based on a “snap-shot” of available firms and “the law of averaging” during the Study Period. It is a standard procedure that during the short duration of the disparity study the number of ready, willing, and able firms entering into the availability pool and those exiting the program remain the same from the statistical significance point of view. In that respect, the number of available firms remains the same for each year as well as the entire duration of the Study. Firms included in the availability in include numerous data files from the commencement of the Study Period through current firms.

$$DI = U/A$$

The results obtained by a disparity analysis will result in one of three conclusions: overutilization, underutilization or parity. Underutilization is when the Disparity Index is below one. Overutilization is when the Disparity Index is over one. Parity, or the absence of disparity is when the Disparity Index is one (1.00) which indicates that the utilization percentage equals the availability percentage. In situations where there is availability, but no utilization, the corresponding disparity index will be zero. Finally, in cases where there is neither utilization nor availability, the corresponding disparity index is undefined and designated by a dash (-) symbol. Disparity analyses are presented separately for each procurement category and for each race/gender/ethnicity group. They are also disaggregated by year, for each year of the Study Period.

## 2. Determining the Significance of Disparity Indices

The determination that a particular ethnic or gender group has been overutilized or underutilized is not, standing alone, proof of discrimination. Typically, the determination of whether a disparity is “statistically significant” can be based on the depth of the disparity in that any disparity index that is less than .80 is considered to be a statistically significant underutilization and any disparity index over 1.10 is considered to be a statistically significant overutilization. The disparity indices impact as designated in Tables 31-34 as “overutilization”, “underutilization”, or “parity” have been bolded to indicate such statistically significant impact.

Typically, the determination of whether a disparity is “substantially significant” can be based on any disparity index that is less than .80. Further, GSPC uses a statistical test that considers whether or not the typical disparity index across all vendor categories is equal to unity. This constitutes a null hypothesis of “parity” and the test estimates the probability that the typical disparity index departs from unity, and the magnitude of the calculated test statistic indicates whether there is typically underutilization or overrepresentation. Statistical significance tests were performed for each disparity index derived for each MBE/WBE group, and in each procurement category. This approach to statistical significance is consistent with the case law and the Transportation Research Board approach to statistical significance in disparity studies.

The existence of a statistically significant disparity between the availability and utilization of minority or Nonminority Female owned businesses that is determined to likely be the result of the owners’ race, gender, or ethnicity will impact the recommendations provided as a result of this study. GSPC will, in such a case, make recommendations for appropriate and narrowly-tailored race/ethnicity/gender-neutral remedies for this discrimination to give all firms equal access to public contracting with the City. GSPC will also, if appropriate, recommend narrowly-tailored race/ethnicity/gender-conscious remedies. If no statistically significant disparity is found to exist or if such a disparity is not determined to be a likely result of firm owners’ race, ethnicity, or gender on their success in the marketplace, GSPC may still make recommendations to support the continuation of engagement, outreach, small business development, and non-discrimination policies in the procurement processes of the City of Tacoma.

## 3. Prime Disparity Indices

In Table 37, Construction, for the entire Study Period, there is underutilization of MWBEs in all categories during every year of the Study Period. Hispanic American firms were underutilized as Construction prime

contractors, but their underutilization was not statistically significant. Non-MWBEs were overutilized every year of the Study.

In Table 38, Architecture & Engineering, for the entire Study Period, there is underutilization of MWBEs in all categories during every year of the Study Period. Non-MWBEs were overutilized every year of the Study.

In Table 39, the Services, for the entire Study Period, there is underutilization of MWBEs in all categories during every year of the Study Period, except that African American owned firms were overutilized in 2014. Non-MWBEs were overutilized every year of the Study.

In Table 40 Goods, for the overall Study Period, there is underutilization of MWBEs in all categories. Non-MWBEs were overutilized every year of the Study.

It is worth observing here that there was underutilization for all MWBE groups for contracts of \$1 million or less for all procurement categories (Appendix G).

**Table 37: Disparity Indices – Construction (Prime)**  
 In the Relevant Market  
 City of Tacoma, WA Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.33%	2.81%	11.89	Underutilization	*	
	Asian American	0.07%	2.97%	2.25	Underutilization	*	
	Hispanic American	2.33%	4.69%	49.67	Underutilization	*	
	Native American	0.87%	2.03%	42.67	Underutilization	*	
	<b>TOTAL MBE</b>	3.60%	12.50%	<b>28.77</b>	<b>Underutilization</b>	*	
	Nonminority Female	4.20%	3.13%	134.33	Overutilization		
	<b>TOTAL M/WBE</b>	7.79%	15.63%	<b>49.88</b>	<b>Underutilization</b>	*	
2013	Non-M/WBE	92.21%	84.38%	109.28	Overutilization		
	African American	1.30%	2.81%	46.36	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	9.18%	4.69%	195.80	Overutilization		
	Native American	0.08%	2.03%	4.17	Underutilization	*	
	<b>TOTAL MBE</b>	10.57%	12.50%	<b>84.53</b>	<b>Underutilization</b>		
	Nonminority Female	0.56%	3.13%	17.82	Underutilization	*	
2014	<b>TOTAL M/WBE</b>	11.12%	15.63%	<b>71.19</b>	<b>Underutilization</b>	*	
	Non-M/WBE	88.88%	84.38%	105.34	Overutilization		
	African American	0.46%	2.81%	16.38	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	12.78%	4.69%	272.59	Overutilization		
	Native American	0.14%	2.03%	6.69	Underutilization	*	
	<b>TOTAL MBE</b>	13.37%	12.50%	<b>106.99</b>	<b>Overutilization</b>		
2015	Nonminority Female	1.44%	3.13%	46.08	Underutilization	*	
	<b>TOTAL M/WBE</b>	14.81%	15.63%	<b>94.81</b>	<b>Underutilization</b>		
	Non-M/WBE	85.19%	84.38%	100.96	Overutilization		
	African American	0.00%	2.81%	0.00	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	0.03%	4.69%	0.69	Underutilization	*	
	Native American	0.18%	2.03%	8.78	Underutilization	*	
2016	<b>TOTAL MBE</b>	0.21%	12.50%	<b>1.69</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.99%	3.13%	31.69	Underutilization	*	
	<b>TOTAL M/WBE</b>	1.20%	15.63%	<b>7.69</b>	<b>Underutilization</b>	*	
	Non-M/WBE	98.80%	84.38%	117.10	Overutilization		
	African American	1.92%	2.81%	68.25	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.69%	0.00	Underutilization	*	
Total	Native American	0.00%	2.03%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	1.92%	12.50%	<b>15.36</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.66%	3.13%	21.25	Underutilization	*	
	<b>TOTAL M/WBE</b>	2.58%	15.63%	<b>16.54</b>	<b>Underutilization</b>	*	
	Non-M/WBE	97.42%	84.38%	115.46	Overutilization		
	African American	0.57%	2.81%	20.21	Underutilization	*	p <.05
	Asian American	0.01%	2.97%	0.41	Underutilization	*	p <.05
Total	Hispanic American	4.07%	4.69%	86.75	Underutilization		
	Native American	0.26%	2.03%	12.93	Underutilization	*	p <.05
	<b>TOTAL MBE</b>	4.91%	12.50%	<b>39.28</b>	<b>Underutilization</b>	*	p <.05
	Nonminority Female	1.54%	3.13%	49.37	Underutilization	*	p <.05
	<b>TOTAL M/WBE</b>	6.45%	15.63%	<b>41.30</b>	<b>Underutilization</b>	*	p <.05
	Non-M/WBE	93.55%	84.38%	110.87	Overutilization		

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**Table 38: Disparity Indices – Architecture & Engineering (Prime)**  
 In the Relevant Market  
 City of Tacoma, WA Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.14%	12.86%	1.08	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>0.14%</b>	<b>18.65%</b>	<b>0.75</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.00%	19.61%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>0.14%</b>	<b>38.26%</b>	<b>0.36</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	99.86%	61.74%	161.75	Overutilization		
2013	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.00%	12.86%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>0.00%</b>	<b>18.65%</b>	<b>0.00</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	2.14%	19.61%	10.91	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>2.14%</b>	<b>38.26%</b>	<b>5.59</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	97.86%	61.74%	158.51	Overutilization		
2014	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.33%	12.86%	2.60	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>0.33%</b>	<b>18.65%</b>	<b>1.79</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	5.43%	19.61%	27.69	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>5.77%</b>	<b>38.26%</b>	<b>15.07</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	94.23%	61.74%	152.64	Overutilization		
2015	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	1.12%	12.86%	8.69	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>1.12%</b>	<b>18.65%</b>	<b>6.00</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	5.01%	19.61%	25.54	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>6.13%</b>	<b>38.26%</b>	<b>16.01</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	93.87%	61.74%	152.06	Overutilization		
2016	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	2.82%	12.86%	21.89	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>2.82%</b>	<b>18.65%</b>	<b>15.10</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	9.81%	19.61%	49.99	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>12.62%</b>	<b>38.26%</b>	<b>32.98</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	87.38%	61.74%	141.54	Overutilization		
Total	African American	0.00%	1.93%	0.00	Underutilization	*	p < .05
	Asian American	0.80%	12.86%	6.20	Underutilization	*	p < .05
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	p < .05
	Native American	0.00%	0.96%	0.00	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	<b>0.80%</b>	<b>18.65%</b>	<b>4.28</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt; .05</b>
	Nonminority Female	4.05%	19.61%	20.63	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	<b>4.84%</b>	<b>38.26%</b>	<b>12.66</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt; .05</b>
	Non-M/WBE	95.16%	61.74%	154.13	Overutilization		

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**Table 39: Disparity Indices – Services (Prime)**  
 In the Relevant Market  
 City of Tacoma, WA Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.32%	4.04%	8.03	Underutilization	*	
	Asian American	1.12%	4.60%	24.44	Underutilization	*	
	Hispanic American	0.01%	2.65%	0.49	Underutilization	*	
	Native American	0.12%	1.50%	8.18	Underutilization	*	
	<b>TOTAL MBE</b>	1.58%	12.79%	12.38	<b>Underutilization</b>	*	
	Nonminority Female	1.34%	12.00%	11.20	Underutilization	*	
	<b>TOTAL M/WBE</b>	2.93%	24.79%	11.81	<b>Underutilization</b>	*	
	Non-M/WBE	97.07%	75.21%	129.07	Overutilization		
2013	African American	0.12%	4.04%	2.88	Underutilization	*	
	Asian American	5.55%	4.60%	120.68	Overutilization		
	Hispanic American	0.00%	2.65%	0.00	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	5.66%	12.79%	44.28	<b>Underutilization</b>	*	
	Nonminority Female	1.15%	12.00%	9.57	Underutilization	*	
	<b>TOTAL M/WBE</b>	6.81%	24.79%	27.47	<b>Underutilization</b>	*	
	Non-M/WBE	93.19%	75.21%	123.91	Overutilization		
2014	African American	0.71%	4.04%	17.50	Underutilization	*	
	Asian American	1.64%	4.60%	35.58	Underutilization	*	
	Hispanic American	0.28%	2.65%	10.44	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	2.62%	12.79%	20.48	<b>Underutilization</b>	*	
	Nonminority Female	6.13%	12.00%	51.04	Underutilization	*	
	<b>TOTAL M/WBE</b>	8.74%	24.79%	35.28	<b>Underutilization</b>	*	
	Non-M/WBE	91.26%	75.21%	121.33	Overutilization		
2015	African American	0.16%	4.04%	3.94	Underutilization	*	
	Asian American	0.36%	4.60%	7.76	Underutilization	*	
	Hispanic American	0.05%	2.65%	1.99	Underutilization	*	
	Native American	0.04%	1.50%	2.35	Underutilization	*	
	<b>TOTAL MBE</b>	0.60%	12.79%	4.72	<b>Underutilization</b>	*	
	Nonminority Female	19.62%	12.00%	163.53	Overutilization		
	<b>TOTAL M/WBE</b>	20.23%	24.79%	81.60	<b>Underutilization</b>	*	
	Non-M/WBE	79.77%	75.21%	106.06	Overutilization		
2016	African American	0.23%	4.04%	5.57	Underutilization	*	
	Asian American	3.55%	4.60%	77.34	Underutilization	*	
	Hispanic American	0.07%	2.65%	2.61	Underutilization	*	
	Native American	0.17%	1.50%	11.57	Underutilization	*	
	<b>TOTAL MBE</b>	4.02%	12.79%	31.45	<b>Underutilization</b>	*	
	Nonminority Female	6.79%	12.00%	56.55	Underutilization	*	
	<b>TOTAL M/WBE</b>	10.81%	24.79%	43.60	<b>Underutilization</b>	*	
	Non-M/WBE	89.19%	75.21%	118.59	Overutilization		
Total	African American	0.26%	4.04%	6.45	Underutilization	*	p < .05
	Asian American	2.27%	4.60%	49.44	Underutilization	*	p < .05
	Hispanic American	0.06%	2.65%	2.22	Underutilization	*	p < .05
	Native American	0.06%	1.50%	4.33	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	2.66%	12.79%	20.77	<b>Underutilization</b>	*	p < .05
	Nonminority Female	7.82%	12.00%	65.19	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	10.48%	24.79%	42.28	<b>Underutilization</b>	*	p < .05
	Non-M/WBE	89.52%	75.21%	119.03	Overutilization		

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**Table 40: Disparity Indices – Goods (Prime)**  
 In the Relevant Market  
 City of Tacoma, WA Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.11%	0.92%	11.57	Underutilization	*	
	Asian American	0.64%	2.63%	24.19	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>0.74%</b>	<b>5.00%</b>	<b>14.86</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.56%	5.27%	10.59	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>1.30%</b>	<b>10.27%</b>	<b>12.67</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	98.70%	89.73%	109.99	Overutilization		
2013	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	1.17%	2.63%	44.35	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>1.17%</b>	<b>5.00%</b>	<b>23.34</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.39%	5.27%	7.39	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>1.56%</b>	<b>10.27%</b>	<b>15.16</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	98.44%	89.73%	109.71	Overutilization		
2014	African American	0.02%	0.92%	1.87	Underutilization	*	
	Asian American	4.06%	2.63%	154.16	Overutilization		
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>4.08%</b>	<b>5.00%</b>	<b>81.48</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.15%	5.27%	2.87	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>4.23%</b>	<b>10.27%</b>	<b>41.17</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	95.77%	89.73%	106.73	Overutilization		
2015	African American	0.08%	0.92%	8.19	Underutilization	*	
	Asian American	0.52%	2.63%	19.79	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>0.60%</b>	<b>5.00%</b>	<b>11.93</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.11%	5.27%	2.03	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>0.70%</b>	<b>10.27%</b>	<b>6.85</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	99.30%	89.73%	110.66	Overutilization		
2016	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	1.08%	2.63%	40.96	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>1.08%</b>	<b>5.00%</b>	<b>21.56</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.96%	5.27%	18.24	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>2.04%</b>	<b>10.27%</b>	<b>19.86</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	97.96%	89.73%	109.17	Overutilization		
Total	African American	0.03%	0.92%	3.60	Underutilization	*	p < .05
	Asian American	1.59%	2.63%	60.37	Underutilization	*	p < .05
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	p < .05
	Native American	0.00%	0.33%	0.00	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	<b>1.62%</b>	<b>5.00%</b>	<b>32.44</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt; .05</b>
	Nonminority Female	0.44%	5.27%	8.45	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	<b>2.07%</b>	<b>10.27%</b>	<b>20.14</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt; .05</b>
	Non-M/WBE	97.93%	89.73%	109.14	Overutilization		

It should be noted further that Appendix G shows disparity for all MWBEs for contracts less than \$100,000, \$500,000 and \$1,000,000, except for Non-Minority Females in Construction contracts under \$500,000. There were a few instances where there was disparity, but it was not statistically significant. Further controls for capacity is in the regression analysis in Chapter V below.

4. Subcontractor Utilization Disparity Indices

In Table 41, Construction Subcontracting, for the entire Study Period, there is underutilization of MWBEs in all categories during every year of the Study Period. Non-MWBEs were overutilized every year of the Study. Nonminority female firms were underutilized as construction subcontractors, but their underutilization was not statistically significant.

**Table 41: Disparity Indices – Construction (Subcontractor)**  
In the Relevant Market  
City of Tacoma, WA Disparity Study

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.08%	2.81%	2.78	Underutilization	*	
	Asian American	0.43%	2.97%	14.38	Underutilization	*	
	Hispanic American	0.00%	4.69%	0.00	Underutilization	*	
	Native American	0.00%	2.03%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>0.51%</b>	<b>12.50%</b>	<b>4.04</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	10.60%	3.13%	339.23	Overutilization		
	<b>TOTAL M/WBE</b>	<b>11.11%</b>	<b>15.63%</b>	<b>71.08</b>	<b>Underutilization</b>	<b>*</b>	
2013	Non-M/WBE	88.89%	84.38%	105.36	Overutilization		
	African American	0.24%	2.81%	8.43	Underutilization	*	
	Asian American	0.15%	2.97%	5.21	Underutilization	*	
	Hispanic American	0.00%	4.69%	0.00	Underutilization	*	
	Native American	0.00%	2.03%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>0.39%</b>	<b>12.50%</b>	<b>3.13</b>	<b>Underutilization</b>	<b>*</b>	
	<b>TOTAL M/WBE</b>	<b>0.39%</b>	<b>15.63%</b>	<b>2.51</b>	<b>Underutilization</b>	<b>*</b>	
2014	Non-M/WBE	99.61%	84.38%	118.05	Overutilization		
	African American	0.17%	2.81%	6.21	Underutilization	*	
	Asian American	1.07%	2.97%	36.07	Underutilization	*	
	Hispanic American	0.98%	4.69%	20.86	Underutilization	*	
	Native American	0.00%	2.03%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>2.22%</b>	<b>12.50%</b>	<b>17.79</b>	<b>Underutilization</b>	<b>*</b>	
	<b>TOTAL M/WBE</b>	<b>4.92%</b>	<b>15.63%</b>	<b>31.48</b>	<b>Underutilization</b>	<b>*</b>	
2015	Non-M/WBE	95.08%	84.38%	112.69	Overutilization		
	African American	0.00%	2.81%	0.00	Underutilization	*	
	Asian American	0.04%	2.97%	1.41	Underutilization	*	
	Hispanic American	2.99%	4.69%	63.71	Underutilization	*	
	Native American	0.40%	2.03%	19.76	Underutilization	*	
	<b>TOTAL MBE</b>	<b>3.43%</b>	<b>12.50%</b>	<b>27.43</b>	<b>Underutilization</b>	<b>*</b>	
	<b>TOTAL M/WBE</b>	<b>3.92%</b>	<b>15.63%</b>	<b>25.10</b>	<b>Underutilization</b>	<b>*</b>	
2016	Non-M/WBE	96.08%	84.38%	113.87	Overutilization		
	African American	0.00%	2.81%	0.00	Underutilization	*	
	Asian American	0.68%	2.97%	22.93	Underutilization	*	
	Hispanic American	0.54%	4.69%	11.55	Underutilization	*	
	Native American	0.08%	2.03%	3.95	Underutilization	*	
	<b>TOTAL MBE</b>	<b>1.30%</b>	<b>12.50%</b>	<b>10.42</b>	<b>Underutilization</b>	<b>*</b>	
	<b>TOTAL M/WBE</b>	<b>8.63%</b>	<b>15.63%</b>	<b>55.23</b>	<b>Underutilization</b>	<b>*</b>	
Total	Non-M/WBE	91.37%	84.38%	108.29	Overutilization		
	African American	0.10%	2.81%	3.40	Underutilization	*	p <.05
	Asian American	0.47%	2.97%	15.77	Underutilization	*	p <.05
	Hispanic American	1.37%	4.69%	29.12	Underutilization	*	p <.05
	Native American	0.15%	2.03%	7.26	Underutilization	*	p <.05
	<b>TOTAL MBE</b>	<b>2.08%</b>	<b>12.50%</b>	<b>16.61</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt;.05</b>
	<b>TOTAL M/WBE</b>	<b>4.66%</b>	<b>15.63%</b>	<b>29.81</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt;.05</b>
Non-M/WBE	95.34%	84.38%	113.00	Overutilization			

## J. Conclusion

Generally, every MWBE group was underutilized in each category in total throughout the Study Period as prime contractors and as subcontractors. In addition, GSPC also reviewed prime awards under \$100,000, under \$500,000 and under \$1,000,000. As would be expected the analysis of smaller contracts showed stronger relative MWBE prime utilization. However, all of these analyses demonstrated with one exceptions underutilization of MWBE groups in each procurement category. Further econometric analysis of disparities is contained in Chapter V below.

## VI. PRIVATE MARKET ANALYSIS

### A. Introduction

In this section GSPC considers the market entry, private sector, public contracting and subcontracting outcomes and experiences of MWBEs relative to Non-MWBEs firms in the relevant City of Tacoma market. Our analysis utilizes data from business firms that are either willing and able, or have actually contracted/subcontracted with the City of Tacoma. Our aim is to determine if the likelihood of successful contracting/subcontracting opportunities—actual and perceived—with the city of Tacoma is conditioned in a statistically significant manner on the race, ethnicity, or gender status of firm owners. Such an analysis is a useful and important complement to estimating simple disparity indices, which assume all things important for success and failure are equal among business firms competing for public contracts. Simple disparity indices are based on unconditional moments—statistics that do not necessarily inform causality or the source of differences across such statistics. As simple disparity indices do not condition on possible confounders of new firm entry, and success and failure in public sector contracting/subcontracting by business firms, they are only suggestive of disparate treatment, and their implied likelihood of success/failure could be biased.

Our analysis posits that there are possible confounders of success and failure in the entry of new firms in the market and public sector contracting/subcontracting that are sources of heterogeneity among business firms that lead to differences in success and failure. Failure to condition on the sources of heterogeneity in success/failure in new firm formation and public sector contracting/subcontracting outcomes can leave simple disparity indices devoid of substantive policy implications as they ignore the extent to which firm owner race/ethnicity characteristics are causal factors. Disparate outcomes could possibly reflect in part or in whole outcomes driven by disparate business firm characteristics that matter fundamentally for success/failure in the formation of new firms and public sector contracting/subcontracting outcomes. If the race, ethnicity, or gender status of a firm owner conditions lower likelihoods of success/failure, this would be suggestive of these salient and mostly immutable characteristics causing the observed disparities.

A broad context for considering disparities by firm ownership status can be informed by considering private sector outcomes in the Tacoma Market Area. In general, the success and failure of minority owned firms in public contracting could be conditioned by their outcomes in the private sector regarding their revenue generating capacity. The value of a descriptive private sector analysis is that it situates disparity analyses in the "but-for-justification." Ian Ayres and Frederick Vars (1998), in their consideration of the constitutionality of public affirmative programs posit a scenario in which private suppliers of financing systematically exclude or charge higher prices to minority businesses, which potentially increases the cost of which MWBEs businesses can provide services required under public contracts relative to Non-MWBEs businesses.<sup>62</sup> This private discrimination means that as minority owned firms may only have recourse to higher cost financing due to facing discrimination in private sector capital markets, which compromises the competitiveness of their bids. Such a perspective on discrimination suggests that barriers faced by minority owned firms in the private sector can rationalize targeted contracting programs by political jurisdictions, as the counterfactual is that in the *absence of such private sector discrimination*, they would be able to compete with other firms in bidding for public contracts.

<sup>62</sup> See: Ayres, Ian, and Fredrick E. Vars. 1998, "When does private discrimination justify public affirmative action?" *Columbia Law Review*, 98: 1577-1641.

Table 42 reports on firm ownership type and revenue for the Tacoma-Seattle Census Area from the US Census Bureau's 2012 Survey of Business Owners ("SBO").<sup>63</sup> The SBO Data are collected every five (5) years since 1972, for years ending in "2" and "7" as part of the economic census. The program began as a special project for minority owned businesses in 1969 and was incorporated into the economic census in 1972 along with the Survey of Women owned Businesses. The GSPC descriptive private sector analysis considers the percentage of representation in the population of firms and revenue across the firm ownership type classifications.

For the Tacoma-Seattle Market Area, Table 42 reveals that relative to White owned firms, the revenue shares of each minority owned firm never exceeds 5.7% (Nonminority Female).<sup>64</sup> With the exception of firms owned by Asian Americans, the revenue shares of other Minority and Nonminority Female owned Business Enterprises ("MWBEs") never exceeds four-tenths of one percent. This is particularly a stark finding for firms owned by MWBEs, as each represent approximately 33% respectively of all firms in the Tacoma-Seattle Market Area, but each has revenue shares far smaller than their firm representation shares. Relative to firms owned by Whites in the Tacoma-Seattle Market Area, exclusive of Nonminority Female owned firms—some of whom are White—the MWBE revenue shares are an order of magnitude below their firm representation shares, consistent with and suggestive of—but not necessarily causal evidence for—MWBEs facing discriminatory barriers in the private sector of the Tacoma-Seattle Market Area.<sup>65</sup>

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<sup>63</sup> SBO data are publically available at <http://www.census.gov/programs-surveys/sbo/data.html>

<sup>64</sup> The percentages do not "add-up" to one, as the women ownership category is not "mutually exclusive" of the other race/ethnicity categories.

<sup>65</sup> This can be ascertained by simply computing the ration of each MWBEs firm share to total revenue share. For example, in the case of firms owned by African-Americans, this ratio is approximately 6%, in contrast to approximately 41% for firms owned by Whites. In this context, relative to firms owned by Whites, firms owned by African-Americans are far more "revenue underrepresented" with respect to their firm share.

**Table 42: Firm Ownership Type and Revenue Characteristics  
For Tacoma-Seattle WA Market Area:  
2012 Survey of Business Owners**

Ownership Structure	Number of Firms	Percentage of all Firms (approximate)	Market Area Total Revenue (\$1,000)	Percentage of Market Area Total Revenue (approximate)
All	365,054	100	532,907,174	100
Nonminority Female	129,611	.3550	20,108,557	.0384
White	295,679	.8099	180,553,911	.3445
African-American	13,243	.0362	1,158,664	.0021
American Indian & Alaskan Native	4,574	.0125	550,048	.0010
Asian	40,024	.1096	14,373,827	.0267
Asian Indian	5,535	.0152	2,812,952	.0053
Chinese	9,244	.0253	3,917,573	.0074
Filipino	4,177	.0114	403,409	.0007
Japanese	4,633	.0127	2,079,186	.0037
Korean	7,798	.0214	3,665,443	.0056
Vietnamese	5,694	.0156	911,524	.0017
Other Asian	3,619	.0099	534,955	.0010
Native Hawaiian & Other Pacific Islander	1,503	.0044	143,451	.0003
Hispanic	14,036	.0384	Suppressed <sup>a</sup>	Suppressed <sup>a</sup>
Some Other Race	5,978	.0164	866,989	.0016
Publicly Held and not classifiable by race, gender, ethnicity	9,495	.0260	326,050,667	.6222

Source: US Census Bureau 2013 Survey of Business Owners. <sup>a</sup>Value suppressed to preserve confidentiality as a result of very few firms or there are one or two large firms that dominate the statistic.

Given that publicly held firms are not usually classifiable by MWBE status, and account for a disproportionate share of revenues, a simple comparison of a MWBE firm and revenue share may not inform the existence of any private sector disparities with precision. In this context, the ratio of a MWBE market share to revenue share may be more informative of disparities. For example, in the case of firms owned by African Americans, this ratio is  $(.0362)/(.0021)$  or approximately 17.24, suggesting that the revenue share of firms owned by African Americans would have to increase by a factor of approximately 17 to achieve firm share parity in the Tacoma-Seattle Market Area.

Table 43 replicates Table 42, to the extent the SBO data enable, for the Tacoma-Seattle Market Area construction sector—a sector which is a significant venue for public sector contracting.<sup>66</sup> As in the case of the private sector overall in Table 42, in general, all MWBEs construction firms have revenue shares below their firm representation shares, consistent with and suggestive of—but not necessarily causal evidence for—MWBEs facing discriminatory barriers in the private construction sector of the Tacoma-Seattle Market Area. For two of the MWBE construction firms in the Tacoma City WA Market Area, the revenues were suppressed due to confidentiality issues. However, the firm parity for firms owned by African-Americans the class of is perhaps instructive of disparities in the construction market. In this case the firm revenue share disparity ratio is  $(.0135)/(.0028)$  or approximately 4.82, suggesting that the revenue share of construction firms owned by African-Americans would have to increase by a least a factor of approximately 5 to achieve firm share parity in the Tacoma-Seattle Market Area.

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<sup>66</sup> For the construction sector, 2013 SBO data do not provide detailed disaggregated race/ethnicity detail to the same extent as for all sectors.



**Table 43: Firm Ownership Type and Revenue Characteristics Construction Sector  
For Tacoma-Seattle WA Market Area:  
2012 Survey of Business Owners**

Ownership Structure	Number of Firms	Percentage of all Firms (approximate)	Market Area total Revenue (\$1,000)	Percentage of Market Area total Revenue (approximate)
All	31,201	100	24,619,203	100
Nonminority Female	2,549	.0817	1,406,224	.0571
White	28,520	.9141	18,908,291	.7680
African-American	420	.0135	68,393	.0028
American Indian & Alaskan Native	341	.0109	113,869	.0046
Asian	1,300	.0417	329,846	.0134
Asian Indian	59	.0019	Suppressed <sup>a</sup>	Suppressed <sup>a</sup>
Chinese	434	.0139	143,740	.0058
Filipino	154	.0049	Suppressed <sup>a</sup>	Suppressed <sup>a</sup>
Japanese	128	.0041	89,375	.0036
Korean	297	.0095	47,267	.0019
Vietnamese	154	.0049	7,021	.0003
Other Asian	91	.0029	Suppressed <sup>a</sup>	Suppressed <sup>a</sup>
Native Hawaiian & Other Pacific Islander	90	.0028	12,769	.0005
Hispanic	1,600	.0513	375,342	.0152
Some Other Race	607	.0194	Suppressed <sup>a</sup>	Suppressed <sup>a</sup>
Publicly Held and not classifiable by race, gender, ethnicity	190	.0061	4,995,405	.2029

Source: US Census Bureau 2013 Survey of Business Owners. <sup>a</sup>Value suppressed to preserve confidentiality as a result of very few firms or there are one or two large firms that dominate the statistic.

Overall, the descriptive summary in Tables 36-37 suggests that in the Tacoma-Seattle Market Area private sector, MWBEs face barriers that translate into lower firm revenues in general, and in the construction sector. In general, if being an MWBE in the Tacoma-Seattle Market Area private sector is associated with lower firm revenue, this lends some support to the “but-for” justification for affirmative action in public procurement. Lower revenues for MWBEs in the Tacoma-Seattle Market Area is suggestive of private discrimination that undermines their capacity to compete with Non-MWBEs firms for public contracting opportunities. This could motivate a private discrimination justification for Affirmative Action in the City of Tacoma procurement policies, otherwise the City of Tacoma is potentially a *passive participant* in private discrimination against MWBEs with respect to its procurement practices.

to explicitly examine potential disparities in the rates of business ownership in the Tacoma-Seattle Market Area, GSPC estimated the parameters of a Logit model using 2011 American Community Survey (ACS) data.<sup>67</sup> The ACS is a project of the U.S. Census Bureau that has replaced the decennial census as the key source of information about American population and housing characteristics. The 2000 ACS is an approximately 1-in-100 weighted public use sample consisting of U.S households with the smallest identifiable unit being the Public Use Microdata Unit (PUMA), which is a geography containing at least 100,000 individuals. The specification of each model controls for those variables in customary in the literature that are utilized to explain self-employment, so as to estimate the effects of MWBE status on self-employment while minimizing and/or eliminating confounding factors.<sup>68</sup> GSPC determines statistical significance on the basis of the estimated coefficient’s probability value—or P-value. The P-value is the probability of obtaining an estimate of the coefficient by chance alone, assuming that the null hypothesis of the variable having a zero effect is true. As a convention, GSPC rejects the null hypothesis of no effect, and concludes the estimated coefficient is statistically significant as long as  $P\text{-value} \leq .10$ , which we highlight in bold for all parameter estimates

In the GSPC Logit model of self-employment, the estimated parameters are odds ratios, and when greater (less) than unity indicate that having a particular characteristics increases (decreases) the likelihood of being self-employed. In the case of the MWBE status indicators (e.g. African American, Female), the excluded category is White Males, and a positive (negative) odds ratio indicates that relative to White Males, having that MWBE characteristic increases (decreases) the likelihood of being self-employed in the Tacoma-Seattle Market Area.

Table 44 reports parameter estimates across all business sectors in the Tacoma-Seattle Market Area. The estimated odds ratios with statistical significance suggest that relative to White Males, Females, African Americans, Hispanic Americans, Pacific Islander Americans, and Asian Americans, are less likely to be self-employed in the Tacoma-Seattle Market Area. Other Race Americans on the otherhand, are relatively

<sup>67</sup> ACS data are publicly available at <https://usa.ipums.org/usa/>. See: **Steven Ruggles, Katie Genadek, Ronald Goeken, Josiah Grover, and Matthew Sobek. 2017. *Integrated Public Use Microdata Series: Version 7.0 [dataset]. Minneapolis: University of Minnesota. <https://doi.org/10.18128/Do10.V7.0>***.

<sup>68</sup> See: Grilo, Isabel, and Roy Thurik. 2008. "Determinants of Entrepreneurial Engagement Levels in Europe and the US." *Industrial and Corporate Change* 17: pp. 1113-1145, and Van der Sluis, Justin, Mirjam Van Praag, and Wim Vijverberg. 2008. "Education and Entrepreneurship Selection and Performance: A Review of the Empirical Literature." *Journal of economic surveys* 22: pp. 795-841.

more likely to be self-employed. In the case of Females, African Americans, Hispanic Americans, Pacific Islander Americans, and Asian Americans, these odds ratios estimates are suggestive of barriers to self-employment for these type of MWBEs in the Tacoma-Seattle Market Area, that could be ameliorated through successful MWBE public contracting programs that induce MWBE firm entry as Chatterji, Chay, and Fairlie (2014) find that the self-employment rate of black Americans is increasing with respect to the provisioning and establishment of MWBE set-aside public procurement programs.<sup>69</sup>

Table 44 reports parameter estimates for the construction sector in the Tacoma-Seattle Market Area—a important sector in the market for public procurement. The estimated odds ratios with statistical significance suggest that relative to White Males, Females, African Americans, and Pacific Islander Americans, and Asian Americans are less likely to be self-employed in the Tacoma-Seattle Market Area. The estimated odds ratios estimates are suggestive of barriers to self-employment in the construction sector for these type of MWBEs in the Tacoma-Seattle Market Area that could be ameliorated through successful MWBE public contracting programs that induce MWBE firm entry, as Marion (2009) finds that the self-employment rate of black Americans in construction is increasing with respect to the provisioning and establishment of MWBE set-aside public construction procurement programs.<sup>70</sup> In this context, the existence of a proportionality between MWBE entry and set-asides in the public sector construction sector (Marion, 2009) suggests that the Logit parameter estimates in Table 44 could be informing, at least in part, disparities in the awarding of public sector construction projects in the Tacoma-Seattle Market Area.

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<sup>69</sup> Chatterji, Aaron K., Kenneth Y. Chay, and Robert W. Fairlie. 2014. "The Impact of City Contracting Set-asides on Black Self-employment and Employment." *Journal of Labor Economics* 32: pp. 507-561.

<sup>70</sup> Marion, Justin. 2009. "Firm Racial Segregation and Affirmative Action in the Highway Construction Industry." *Small Business Economics* 33: Article 441.

**Table 44: Self-Employment/Business Ownership Model:  
Logit Parameter Odds Ratio Estimates from the 2011 American Community Survey**

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Self Employment in The Tacoma-Seattle Metropolitan Area (Binary)			
<i>Regressors:</i>			
Constant	.0122	.0049	<b>.0000</b>
Age	1.06	.0172	<b>.0013</b>
Age-Squared	.9997	.0001	.1705
Married	1.15	.0892	<b>.0613</b>
Female	.8456	.0546	<b>.0092</b>
African American	.6331	.1494	<b>.0537</b>
Hispanic American	.7225	.1419	<b>.0982</b>
Native American	.9457	.2674	.8435
Pacific Islander American	.7516	.1135	<b>.0596</b>
Asian American	.4166	.0793	<b>.0000</b>
Other Race American	2.72	.8584	<b>.0014</b>
College Degree	1.01	.0733	.9725
Speaks English Only	.7871	.0832	<b>.0237</b>
Disabled	1.57	.4515	.1192
Value of Home (\$)	1.01	.0011	<b>.0000</b>
Interest, Dividend, and Rental Income (\$)	1.01	.0024	<b>.0000</b>
Mortgage Payment (\$)	1.01	.0001	<b>.0013</b>
Number of Observations	13,985		
<i>Pseudo-R<sup>2</sup></i>	.059		

Bold P-value indicates statistical significance level of .10 or lower.

Source of Data: American Community Survey 2017, IPUMs USA

**Table 45: Construction Sector Self-Employment/Business Ownership Model:  
Logit Parameter Odds Ratio Estimates from the 2011 American Community Survey**

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Self Employment in The Tacoma-Seattle Metropolitan Area (Binary)			
<i>Regressors:</i>			
Constant	.0019	.0022	<b>.0000</b>
Age	1.10	.0486	<b>.0315</b>
Age-Squared	-.9993	.0004	.1083
Married	1.23	.2794	.3502
Female	-.1574	.0374	<b>.0000</b>
African American	.0765	.0773	<b>.0113</b>
Hispanic American	.6046	.2834	.2836
Native American	2.01	1.14	.2243
Pacific Islander American	.2909	.1837	<b>.0518</b>
Asian American	.0802	.0738	<b>.0062</b>
Other Race American	2.97	2.09	.1237
College Degree	.4918	.1066	<b>.0014</b>
Speaks English Only	-.7108	.1925	.2083
Disabled	2.68	1.41	<b>.0618</b>
Value of Home (\$)	-.9999	.0341	.5938
Interest, Dividend, and Rental Income (\$)	1.01	.0521	<b>.0782</b>
Mortgage Payment (\$)	1.01	.0001	.3401
Number of Observations	13,945		
<i>Pseudo-R<sup>2</sup></i>	.101		

Bold P-value indicates statistical significance level of .10 or lower.

*Source of Data:* American Community Survey 2017, IPUMs USA

## B. Building Permit Analysis

As data from both aggregate census and customized surveys such as that of GSPC may not capture all the relevant business dynamics in the Tacoma market area—particularly of business firms not certified as MWBEs and/or mismeasured in both aggregate census data and the GSPC survey—of the relevant market area of a political jurisdiction such as the City of Tacoma, GSPC also analyzed building permit data for the City of Tacoma over the 2013 – 2017 time period. The building permit data contains 75,298, building approved building permit applications between 2010 – 2018 for the City of Tacoma. The GSPC sample of firms consists of all firms with identifiable names, based upon those identified in the GSPC survey as certified MWBEs. In this context, the building permit data could also be biased, as GSPC can only identify a certified MWBE based upon it being identified as such in the GSPC survey, relative to the actual universe and population of certified firms in the relevant market area.

GSPC randomly selected 100 firms with identifiable names from its building permit sample, rendering each firm equally likely to be selected. In this context, estimates of building permit shares by certified MWBEs assumes that all firms are *equally likely to compete* in the business sector for which securing building permits are a part of business. In the random sample of 100, none of the building permits were held by firms identified as MWBEs. In contrast to the market and revenue shares of MWBEs suggested by the aggregate census data revealed in the SBO and ACS, the building permit shares of MWBEs suggest that their underrepresentation among firms in the City of Tacoma is far more severe than for the Tacoma-Washington market area in general.

## C. GSPC Data

Our City of Tacoma private sector disparity analysis is based on survey data compiled by GSPC, and constitutes a sample of firms from the bidder and vendor lists provided by the City of Tacoma. The GSPC survey was a questionnaire that captured data on firm and individual owner characteristics. The GSPC research interest is in the extent to which MWBE status conditions success/failure with the City of Tacoma in public contracting opportunities. In this analysis, our use of the data in the GSPC survey is limited to the measured covariates that in our view are best suited for evaluating the extent to which MWBE status is a possible cause of public contracting disparities in the City of Tacoma. Table 46 reports, for the 267 survey responses available, a summary on the description, mean and standard deviation of the covariates from the GSPC survey that are relevant to the analysis, and utilized as regressors and regressands in our econometric specifications.

**Table 46: Covariate Summary**

Covariate	Description	Mean	Standard	Number of
Number of Prime Contractor Bids Submitted to City Of Tacoma: 2013 – 2017	<i>Categorical Variable:</i> 1 = Zero bids 2 = 1 - 10 bids 3 = 11 - 25 bids 4 = 26 - 50 bids 5 = 51 - 100 bids 6 = More than 100 bids	.5917	1.04	267
Firm Entered Market Between 2013 - 2017	<i>Binary Variable:</i> 1 = Yes	.109	.312	267
Did not Serve as a Prime Contractor On a City of Tacoma Project: 2013 - 2017	<i>Binary Variable:</i> 1 = Yes	.456	.499	267
Did not serve as a Subcontractor On a City of Tacoma Project: 2013 - 2017	<i>Binary Variable:</i> 1 = Yes	.992	.086	267
Bid Bond Requirements Are a Barrier to Submitting Bids and Securing Contracts from City of Tacoma	<i>Binary Variable:</i> 1 = Yes	.052	.223	267
Financing is a Barrier to Submitting Bids and Securing Contracts from City of Tacoma	<i>Binary Variable:</i> 1 = Yes	.059	.238	267
Gross Revenue of at Least \$2,500,001	<i>Binary Variable:</i> 1 = Yes	.101	.302	267
Bonding Limit at Least \$2,500,001	<i>Binary Variable:</i> 1 = Yes	.019	.136	267
Number of Times	<i>Categorical Variable:</i>	.543	.499	267
Majority Firm Owner Is African American	<i>Binary Variable:</i> 1 = Yes	.105	.307	267
Majority Firm Owner Is Asian-American	<i>Binary Variable:</i> 1 = Yes	.026	.160	267
Majority Firm Owner Is Hispanic	<i>Binary Variable:</i> 1 = Yes	.075	.264	267
Majority Firm Owner Is Native American	<i>Binary Variable:</i> 1 = Yes	.007	.086	267
Majority Firm Owner Is Other Race	<i>Binary Variable:</i> 1 = Yes	.029	.171	267
Majority Firm Owner is a Woman	<i>Binary Variable:</i> 1 = Yes	.318	.467	267
Firm Owner Has More Than Twenty Years of Experience	<i>Binary Variable:</i> 1 = Yes	.700	.459	267
Firm Has More Than Ten Employees	<i>Binary Variable:</i> 1 = Yes	.236	.425	267
Firm Owner has a Baccalaureate Degree	<i>Binary Variable:</i> 1 = Yes	.352	.478	267

Griffin & Strong, P.C. 2018

#### D. Statistical and Econometric Framework

Methodologically, the GSPC statistical and econometric analysis of possible MWBE public contracting disparities with the City of Tacoma utilizes a Categorical Regression Model (CRM) framework.<sup>71</sup> As the covariates measuring public contracting activity/outcomes and other respondent characteristics in Table 46 are categorical responses to questionnaire items (e.g. public contracting bid ranges, yes, no), a CRM views the categories as latent variables with likelihood thresholds that are conditioned on other covariates. In the case where there are more than two categories and the succession of categories have a natural ranking, a CRM permits a determination as to how particular covariates condition the likelihood/probability of being in the highest valued category relative to the lower-valued categories. In the case of just two categorical but not naturally ordered categories, the CRM reduces to a Binary Regression Model (BRM).<sup>72</sup>

For all the CRM/BRM parameter estimates below, we report them as “odds ratios”, which measure the ratio of the probability of success and the probability of failure relative to the omitted group in all our specifications—Non-MWBEs firms.<sup>73</sup> When the odds ratio is greater (less) than unity for a parameter, the measure characteristic has the effect of increasing (decreasing) the likelihood of the outcome under consideration relative to Non-MWBEs firms. We determine statistical significance on the basis of the estimated coefficient’s probability value—or P-value. The P-value is the probability of obtaining an estimate of the coefficient by chance alone, assuming that the null hypothesis of the variable having a zero effect is true. As a convention, GSPC rejects the null hypothesis of no effect, and concludes the estimated coefficient is statistically significant as long as  $P\text{-value} \leq .10$ , which we highlight in bold for all parameter estimates.

As nonresponse probabilities in the GSPC survey are unknown, we estimate all parameters from our CRM/BRM specifications with bootstrapped standard errors to minimize/eliminate the bias that can result from the sample being unrepresentative of the population of interest due to nonresponse.<sup>74</sup> to the extent that bootstrapped standard errors enable consistent estimation of parameters given misspecification that could result from the omission of sampling and nonresponse weights, CRM/BRM parameter estimates with

<sup>71</sup> See: Richard D. McKelvey and William Zavoina. 1975. “A Statistical Model for the Analysis of Ordinal Level Dependent Variables,” *Journal of Mathematical Sociology*, 4: pp. 103 - 120.

<sup>72</sup> More formally, if the latent realization of an outcome is  $Y_i^*$ , ranging from  $-\infty$  to  $\infty$ , a structural and conditional specification for  $Y_i^*$  is  $Y_i^* = \mathbf{X}_i \beta + \varepsilon_i$ , where  $\mathbf{X}$  is a vector of exogenous covariates,  $\beta$  is a vector of coefficients measuring the effects of particular covariates on the realization of  $Y_i^*$ , and  $\varepsilon_i$  is a random error. For categorical and ordinal outcomes  $m = 1 \dots J$ ,  $Y_i = m$  if  $\tau_{m-1} \leq Y_i^* < \tau_m$ , where the  $\tau_i$  are thresholds for the particular realizations of  $Y_i^* = m$ . Conditional on  $\mathbf{X}$  the likelihood/probability that  $Y_i$  takes on a particular realization is  $Pr(Y_i = m | \mathbf{X}) = \Phi(\tau_m - \mathbf{X}\beta) - \Phi(\tau_{m-1} - \mathbf{X}\beta)$ , where  $\Phi$  is the cumulative density function of  $\varepsilon$ . The GSPC methodology utilizes covariates that control and/or proxy for the education level of the firm owner, the age of the firm, the size of the firm with respect to the number of employees and revenues, firm bonding capacity, and firm financial standing.

<sup>73</sup> An “odds-ratio” is also a measure of “effect size” in that in addition to the statistical significance of a parameter, the “odds-ratio” provides a measure of a parameter estimate’s “practical magnitude.” For an “odds-ratio” the practical magnitude is the absolute value of 1 minus the “odds-ratio”, measuring the percentage change in the likelihood of observing the dependent outcome.

<sup>74</sup> See: Bradley Efron and Robert J. Tibshirani. 1993. *An Introduction to the Bootstrap*, Chapman and Hall, NY.



bootstrapped standard errors effects can mitigate/eliminate the bias caused by a sample that may not be fully representative of the population of interest.<sup>75</sup> Standard errors are also clustered on firm business category, as outcomes in particular sectors can be correlated (e.g. not independent), and if not accounted for, would lead to biased parameter estimates.<sup>76</sup>

#### **E. The Relative New Firm Entry Propensities of Minority Firm Owners in Tacoma Market Area**

We first examine the effects of MWBE status on an individual's participation in the private sector as a relatively new business firm in the Tacoma Market Area. to the extent that MWBEs have a lower likelihood of market entry relative to Non-MWBEs, it would suggest that private discrimination against minority owned is sufficiently present to warrant consideration of public sector legal remedies such as affirmative action and minority set-aside contracting, that would improve the prospects for the entry of new minority owned firms in the market. Such a perspective on discrimination suggests that entry barriers impede the formation of minority owned firms. The counterfactual is that in the absence of such entry barriers, manifested perhaps as discrimination against minority owned firms in access to capital, credit, etc, MWBEs would be able to enter the market, and compete with Non-MWBEs in bidding and securing public contracts from the City of Tacoma.

to determine if MWBE status is a barrier to the formation of new businesses in the Tacoma Market Area, Tables 41-46 report, for each of the distinct MWBEs in the GSPC sample, the estimated parameters of a Logit BRM with a binary variable for a firm establishing itself between the years 2013 – 2017 as the dependent variable. As standard control covariates we include measures of, or proxies for, the firm's owner's experience, the size of the firm having, firm gross revenue, firm bonding status, firm financial standing, whether or not the firm is in the construction/construction services sector, and the education of the firm owner. As a goodness-of-fit measure, Pseudo- $R^2$  is reported.<sup>77</sup>

The parameter estimates in Tables 41-46 suggest that MWBEs owned by African Americans and Asian Americans are more likely to be new firms, as the estimated odds ratio is less than unity and statistically significant in those instances. As the excluded group is Non-MWBEs, to the extent that market experience is an important determinant of and correlated with success in bidding and securing public contracts, that most MWBEs in the Tacoma Market Area are no different than Non-MWBEs in being recent entrants to the market suggests that, with the exception of new firms owned by African Americans and Asian Americans, the market experience of minority and nonminority owned firms is similar. to the extent this also implies similar knowledge/experience about bidding and securing public contracts, any disparities in public contracting outcomes between MWBEs and Non-MWBEs—with the exception of African American and Asian MWBEs—can't be explained by differential market experience.

**Table 47: Logit Parameter Estimates (Odds Ratio):  
Business Enterprise Ownership Status and African American New Firm Entry**

<sup>75</sup> See: Silvia Goncalves and Halbert White. 2005. "Bootstrap Standard Error Estimates For Linear Regression," *Journal of the American Statistical Association*, 100: pp. 970 -979., and Stanislav Kolenikov. 2010. "Resampling Variance Estimation for Complex Survey Data," *Stata Journal*, 10: pp. 165 – 199.

<sup>76</sup> The business categories are: 1.) Construction Services, 2.) Construction Related Professional Services (Including Architecture and Engineering), 3.) Professional Services, 4.) Other Services, and 5.) Goods.

<sup>77</sup> Pseudo- $R^2$  is not to be interpreted as the  $R^2$  in standard Ordinary Least Squares (OLS) estimation, as OLS proceeds my minimizing variance to get parameter estimates. Logit specifications are likelihood-based, and higher values of Pseudo- $R^2$  indicate that the specified model is an increasingly better alternative to a null model with only an intercept.

In Tacoma Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Firm Entered			
<i>Regressors:</i>			
Constant	.2581	.0942	<b>.0001</b>
Owner Has More Than 20 Years of Experience	.1863	.0818	<b>.0001</b>
Firm Has More Than 10 Employees	.1499	.1567	<b>.0693</b>
Firm Owner has a Baccalaureate Degree	1.82	.8109	.1802
Gross Revenue at Least \$2,500,001	1.51	.9548	.5195
Single Project Bonding Limit at Least \$500,001	.0012	.0001	<b>.0001</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	2.02	1.27	.2597
Firm is in the Construction Sector	.5180	.3464	.3251
Firm is Certified as An African American owned Business Enterprise	2.23	1.11	<b>.0794</b>
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.184		

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**Table 48: Logit Parameter Estimates (Odds Ratio) :  
Business Enterprise Ownership Status and New Asian owned Firm Entry**

In Tacoma Market Area

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Firm Entered			
<i>Regressors:</i>			
Constant	.296	.108	<b>.0013</b>
Owner Has More Than 20 Years of Experience	.178	.076	<b>.0001</b>
Firm Has More Than 10 Employees	.115	.136	<b>.0682</b>
Firm Owner has a Baccalaureate Degree	1.5	.699	.3475
Gross Revenue at Least \$2,500,001	1.19	.853	.8124
Single Project Bonding Limit at Least \$500,001	.001	.001	<b>.0001</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	3.31	2.18	<b>.0691</b>
Firm is in the Construction Sector	.453	.401	.3718
Firm is Certified as An Asian owned Business Enterprise	7.68	8.47	<b>.0658</b>
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.198		

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**Table 49: Logit Parameter Estimates (Odds Ratio):  
Business Enterprise Ownership Status and Hispanic Owned Firm Entry  
In Tacoma Market Area**

	<b>Coefficient</b>	<b>Standard Error</b>	<b>P-value</b>
<i>Regressand:</i> Firm Entered			
<i>Regressors:</i>			
Constant	.290	.106	<b>.0013</b>
Owner Has More Than 20 Years of Experience	.186	.080	<b>.0001</b>
Firm Has More Than 10 Employees	.142	.149	<b>.0001</b>
Firm Owner has a Baccalaureate Degree	1.67	.749	.2514
Gross Revenue at Least \$2,500,001	1.28	.844	.7048
Single Project Bonding Limit at Least \$500,001	.001	.001	<b>.0001</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	2.66	1.69	.1253
Firm is in the Construction Sector	.555	.427	.4451
Firm is Certified as A Hispanic owned Business Enterprise	1.69	1.07	.4012
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.176		

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**Table 50: Logit Parameter Estimates (Odds Ratio) :  
Business Enterprise Ownership Status and Native American owned Firm Entry  
In Tacoma Market Area**

	<b>Coefficient</b>	<b>Standard Error</b>	<b>P-value</b>
<i>Regressand:</i> Firm Entered			
<i>Regressors:</i>			
Constant	.291	.103	<b>.0001</b>
Owner Has More Than 20 Years of Experience	.192	.083	<b>.0001</b>
Firm Has More Than 10 Employees	.142	.148	.0625
Firm Owner has a Baccalaureate Degree	1.68	.753	.2438
Gross Revenue at Least \$2,500,001	1.44	.908	.5642
Single Project Bonding Limit at Least \$500,001	.001	.001	<b>.0001</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	2.81	1.78	.1053
Firm is in the Construction Sector	.534	.413	.4175
Firm is Certified as A Native American owned Business Enterprise	2.65	4.38	.5563
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.175		

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**Table 51: Logit Parameter Estimates (Odds Ratio) :  
Business Enterprise Ownership Status and Other Race owned Firm Entry  
In Tacoma Market Area**

	<b>Coefficient</b>	<b>Standard Error</b>	<b>P-value</b>
<i>Regressand:</i> Firm Entered			
<i>Regressors:</i>			
Constant	.287	.104	<b>.0014</b>
Owner Has More Than 20 Years of Experience	.189	.082	<b>.0001</b>
Firm Has More Than 10 Employees	.114	.131	<b>.0608</b>
Firm Owner has a Baccalaureate Degree	1.70	.754	.2307
Gross Revenue at Least \$2,500,001	1.19	.859	.8054
Single Project Bonding Limit at Least \$500,001	.001	.001	<b>.0001</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	2.83	1.80	.1027
Firm is in the Construction Sector	.575	.447	.4772
Firm is Certified as An Other Race owned Business Enterprise	4.66	5.59	.2017
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.183		

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**Table 52: Logit Parameter Estimates (Odds Ratio) :  
Business Enterprise Ownership Status and Woman owned Firm Entry  
In Tacoma Market Area**

	<b>Coefficient</b>	<b>Standard Error</b>	<b>P-value</b>
<i>Regressand:</i> Firm Entered			
<i>Regressors:</i>			
Constant	.272	.112	<b>.0013</b>
Owner Has More Than 20 Years of Experience	.184	.079	<b>.0001</b>
Firm Has More Than 10 Employees	.142	.148	<b>.0627</b>
Firm Owner has a Baccalaureate Degree	1.71	.764	.2318
Gross Revenue at Least \$2,500,001	1.36	.838	.6184
Single Project Bonding Limit at Least \$500,001	.001	.001	<b>.0001</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	2.71	1.69	.1148
Firm is in the Construction Sector	.552	.424	.4395
Firm is Certified as A Woman owned Business Enterprise	1.33	.569	.5092
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.175		

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### A. MWBEs and Bank Loan Denials in The Tacoma City WA Metropolitan Market Area

to the extent that MWBEs are credit-constrained as a result of facing discrimination in private lending markets, their capacity to compete for and execute public project could be compromised. In this context, a political jurisdiction that awards public contracts is potentially a *passive participant* in discrimination as MWBEs may only have recourse to higher cost financing due to facing discrimination in private credit markets, which compromises the competitiveness of their bids. Such a perspective on discrimination suggests that barriers faced by MWBEs in the private sector can rationalize targeted public contracting programs by political jurisdictions, and the capacity and growth of MWBEs could be enhanced with access to public contracting opportunities (Bates, 2009).<sup>78</sup>

to determine if MWBE status is a barrier to the formation of new businesses in the Tacoma Market Area, Tables 53-57 report, for each of the distinct MWBEs in the GSPC sample, the estimated parameters of an Ordinal Logit BRM with the dependent variable being a categorical variable for the number of times the firm was denied a private bank loan firm between the years 2013 – 2017. The estimated odds ratios reveal that for the five distinct MWBEs in the GSPC sample, relative to Non-MWBEs—the excluded group in the CRM specification—Other race MWBEs are more likely to be denied loans in the private credit market, and Nonminority Female MWBEs were less likely to be denied loans in the private credit market. This suggests that among MWBEs in the Tacoma Market Area, only those owned by Other Race owned firms are most likely to have their capacity to compete in the market for public procurement constrained as a result of private sector credit market discrimination. For MWBEs other than those owned by Nonminority Female, the insignificance of MWBE status suggests that their capacity to compete relative to Non-MWBEs with respect to creditworthiness is identical, and cannot explain disparities in public contracting outcomes between MWBEs and Non-MWBEs.

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<sup>78</sup> See: Bates, Timothy. 2009 "Utilizing Affirmative Action in Public Sector Procurement as a Local Economic Development Strategy." *Economic Development Quarterly*, 23: pp. 180 - 192., and Bates, Timothy, and Alicia Robb. 2013. "Greater Access to Capital is Needed to Unleash the Local Economic Development Potential of Minority owned Businesses." *Economic Development Quarterly*, 27: pp.250 - 259.



**Table 53: Ordinal Logit Parameter Estimates (Odds Ratio) :  
African American Ownership Status and Number of Bank Loan Denials  
In Tacoma Market Area**

	<b>Coefficient</b>	<b>Standard Error</b>	<b>P-value</b>
<i>Regressand: Number of Bank (Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	2.69	.778	<b>.0014</b>
Firm Has More Than 10 Employees	.649	.202	.1653
Firm Owner has a Baccalaureate Degree	.888	.244	.6678
Gross Revenue at Least \$2,500,001	.647	.287	.6672
Single Project Bonding Limit at Least \$500,001	3.72	3.31	.1386
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	.241	.179	<b>.0557</b>
Firm is in the Construction Sector	2.27	.932	<b>.0462</b>
Firm is Certified as An African American owned Business Enterprise	.905	.406	.8248
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.064		

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**Table 54: Ordinal Logit Parameter Estimates (Odds Ratio) :  
Asian Ownership Status and Number of Bank Loan Denials  
In Tacoma Market Area**

	<b>Coefficient</b>	<b>Standard Error</b>	<b>P-value</b>
<i>Regressand: Number of Bank (Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	2.72	.569	<b>.0001</b>
Firm Has More Than 10 Employees	.656	.283	.3294
Firm Owner has a Baccalaureate Degree	.883	.252	.6647
Gross Revenue at Least \$2,500,001	.638	.213	.1792
Single Project Bonding Limit at Least \$500,001	3.81	3.07	<b>.0975</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	.239	<b>.145</b>	<b>.0181</b>
Firm is in the Construction Sector	2.26	.363	<b>.0001</b>
Firm is Certified as An Asian owned Business Enterprise	1.31	1.02	.7283
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.064		

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**Table 55: Ordinal Logit Parameter Estimates (Odds Ratio) :  
Hispanic Ownership Status and Number of Bank Loan Denials  
In Tacoma Market Area**

	<b>Coefficient</b>	<b>Standard Error</b>	<b>P-value</b>
<i>Regressand: Number of Bank (Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	2.72	.546	<b>.0001</b>
Firm Has More Than 10 Employees	.641	.276	.3026
Firm Owner has a Baccalaureate Degree	.895	.267	.7113
Gross Revenue at Least \$2,500,001	.686	.221	.2402
Single Project Bonding Limit at Least \$500,001	4.01	3.12	<b>.0748</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	.237	.139	<b>.0157</b>
Firm is in the Construction Sector	2.23	.343	<b>.0001</b>
Firm is Certified as A Hispanic owned Business Enterprise	.669	.213	.2083
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.066		

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**Table 56: Ordinal Logit Parameter Estimates (Odds Ratio) :  
Native American Ownership Status and Number of Bank Loan Denials  
In Tacoma Market Area**

	<b>Coefficient</b>	<b>Standard Error</b>	<b>P-value</b>
<i>Regressand: Number of Bank (Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	2.74	.498	<b>.0001</b>
Firm Has More Than 10 Employees	.657	.284	.3329
Firm Owner has a Baccalaureate Degree	.888	.271	.6983
Gross Revenue at Least \$2,500,001	.652	.223	.2115
Single Project Bonding Limit at Least \$500,001	3.79	3.05	<b>.0974</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	.237	<b>.141</b>	<b>.0157</b>
Firm is in the Construction Sector	2.28	.358	<b>.0001</b>
Firm is Certified as A Native American owned Business Enterprise	1.59	2.58	.7731
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.064		

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**Table 57: Ordinal Logit Parameter Estimates (Odds Ratio) :  
Other Race Ownership Status and Number of Bank Loan Denials  
In Tacoma Market Area**

	Coefficient	Standard Error	P-value
<i>Regressand: Number of Bank (Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	2.75	.556	<b>.0001</b>
Firm Has More Than 10 Employees	.626	.275	.2875
Firm Owner has a Baccalaureate Degree	.881	.253	.6603
Gross Revenue at Least \$2,500,001	.616	.202	.1409
Single Project Bonding Limit at Least \$500,001	3.86	3.14	<b>.0984</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	.236	<b>.142</b>	<b>.0168</b>
Firm is in the Construction Sector	2.35	.379	<b>.0001</b>
Firm is Certified as An Other Race owned Business Enterprise	2.06	.329	<b>.0001</b>
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.067		

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**Table 58: Ordinal Logit Parameter Estimates (Odds Ratio) :  
Woman Ownership Status and Number of Bank Loan Denials  
In Tacoma Market Area**

	<b>Coefficient</b>	<b>Standard Error</b>	<b>P-value</b>
<i>Regressand:</i> Number of Bank (Categorical)			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	2.73	.575	<b>.0001</b>
Firm Has More Than 10 Employees	.562	.282	.2524
Firm Owner has a Baccalaureate Degree	.883	.267	.6802
Gross Revenue at Least \$2,500,001	.698	.287	.3831
Single Project Bonding Limit at Least \$500,001	4.52	3.71	<b>.0663</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	.233	.131	<b>.0097</b>
Firm is in the Construction Sector	.2.12	.381	<b>.0001</b>
Firm is Certified as A Woman owned Business Enterprise	.544	.173	<b>.0563</b>
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.076		

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**B. Are Minority owned Firms Less Likely to Compete for Contracts in Tacoma City Market Area?**

One reason disparities in public contracting outcomes between MWBEs and Non-MWBEs could exist is that relative to Non-MWBEs, MWBEs are less likely to submit bids for public contracts. To determine if this is the case in the Tacoma Market Area, Tables 59-63 report Ordinal Logit parameter estimates of a CRM with the number of prime contracting bids submitted by a firm to the City of Tacoma between 2013 - 2017 as the dependent variable, for each of the distinct MWBEs in the GSPC sample. The parameter estimates in Tables 53-57 suggest that with the exception of MWBEs owned by Hispanic Americans and Native Americans, MWBEs are not less likely to submit prime bid submissions relative to Non-MWBEs, as the estimated odds ratio is not statistically significant in these instances.

to the extent that public contracting success is proportional to the number of submissions, this suggests that, with the exception of MWBEs owned by Hispanic Americans and Native Americans, any public contracting disparities in the City of Tacoma between MWBEs and Non-MWBEs cannot be explained by differential public bid submission rates to the City of Tacoma. Indeed, in the case of MWBEs owned by Hispanic Americans and Native Americans, their relatively high prime bid submission rate would suggest, all things being equal, a higher success rate relative to Non-MWBEs in securing public contracts to the extent that public contracting success is proportional to the number of submissions.

**Table 59: Ordinal Logit Parameter Estimates (Odds Ratio) :  
African American Ownership Status and Prime Bid Submissions  
In Tacoma City Market Area**

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of:			
Prime Contractor Bids			
Submitted to City of Tacoma:			
<i>(Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than 20 Years of Experience	1.39	.318	.1407
Firm Has More Than 10 Employees	.423	.205	<b>.0752</b>
Firm Owner has a Baccalaureate Degree	1.68	.451	<b>.0548</b>
Gross Revenue at Least \$2,500,001	1.63	1.01	.4331
Single Project Bonding Limit at Least \$500,001	2.92	3.77	.4063
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	.956	.525	.9356
Firm is in the Construction Sector	1.25	.096	<b>.0043</b>
Firm is Certified as An African American owned Business Enterprise	1.34	.513	.4381
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.039		

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**Table 60: Ordinal Logit Parameter Estimates (Odds Ratio) :  
Asian American Ownership Status and Prime Bid Submissions  
In Tacoma City Market Area**

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of:			
Prime Contractor Bids			
Submitted to City of Tacoma:			
<i>(Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than	1.38	.279	.1127
20 Years of Experience			
Firm Has More Than	.414	.189	<b>.0543</b>
10 Employees			
Firm Owner has a	1.66	.445	<b>.0596</b>
Baccalaureate Degree			
Gross Revenue at Least	1.61	.953	.4209
\$2,500,001			
Single Project Bonding	2.79	3.67	.4374
Limit at Least \$500,001			
Financing Requirements	1.03	.492	.9472
Are a Barrier for Obtaining			
City of Tacoma Projects			
Firm is in the Construction	1.25	.121	<b>.0217</b>
Sector			
Firm is Certified as	1.01	1.08	.9915
As an Asian American owned			
Business Enterprise			
Number of	267		
Observations			
<i>Pseudo-R<sup>2</sup></i>	.038		

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**Table 61: Ordinal Logit Parameter Estimates (Odds Ratio):  
Hispanic Ownership Status and Prime Bid Submissions  
In Tacoma City Market Area**

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of:			
Prime Contractor Bids			
Submitted to City of Tacoma:			
<i>(Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than	1.38	.279	.1127
20 Years of Experience			
Firm Has More Than	.424	.194	<b>.0603</b>
10 Employees			
Firm Owner has a	1.65	.406	<b>.0426</b>
Baccalaureate Degree			
Gross Revenue at Least	1.49	.929	.5142
\$2,500,001			
Single Project Bonding	2.71	3.85	.4839
Limit at Least \$500,001			
Financing Requirements	.999	.425	.9991
Are a Barrier for Obtaining			
City of Tacoma Projects			
Firm is in the Construction	1.27	.117	<b>.0084</b>
Sector			
Firm is Certified as	1.64	.403	<b>.0426</b>
A Hispanic owned			
Business Enterprise			
Number of	267		
Observations			
<i>Pseudo-R<sup>2</sup></i>	.041		

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**Table 62: Ordinal Logit Parameter Estimates (Odds Ratio) :  
Native American Ownership Status and Prime Bid Submissions  
In Tacoma City Market Area**

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of:			
Prime Contractor Bids			
Submitted to City of Tacoma:			
<i>(Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than	1.47	.324	<b>.0846</b>
20 Years of Experience			
Firm Has More Than	.421	.195	<b>.0621</b>
10 Employees			
Firm Owner has a	1.65	.447	<b>.0636</b>
Baccalaureate Degree			
Gross Revenue at Least	1.64	.996	.4103
\$2,500,001			
Single Project Bonding	2.81	3.73	.4362
Limit at Least \$500,001			
Financing Requirements	1.06	.528	.9075
Are a Barrier for Obtaining			
City of Tacoma Projects			
Firm is in the Construction	1.27	.109	<b>.0068</b>
Sector			
Firm is Certified as	7.07	2.74	<b>.0001</b>
A Native American owned			
Business Enterprise			
Number of	267		
Observations			
<i>Pseudo-R<sup>2</sup></i>	.043		

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**Table 63: Ordinal Logit Parameter Estimates (Odds Ratio) :  
Other Race Ownership Status and Prime Bid Submissions  
In Tacoma City Market Area**

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of:			
Prime Contractor Bids			
Submitted to City of Tacoma:			
<i>(Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than	1.39	.296	.1225
20 Years of Experience			
Firm Has More Than	.403	.190	<b>.0542</b>
10 Employees			
Firm Owner has a	1.65	.415	<b>.0457</b>
Baccalaureate Degree			
Gross Revenue at Least	1.56	.922	.4529
\$2,500,001			
Single Project Bonding	2.82	3.65	.4243
Limit at Least \$500,001			
Financing Requirements	1.04	.497	.9403
Are a Barrier for Obtaining			
City of Tacoma Projects			
Firm is in the Construction	1.27	.097	<b>.0027</b>
Sector			
Firm is Certified as	1.52	.474	.1815
An Other Race owned			
Business Enterprise			
Number of	267		
Observations			
<i>Pseudo-R<sup>2</sup></i>	.039		

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**Table 64: Ordinal Logit Parameter Estimates (Odds Ratio) :  
Woman Ownership Status and Prime Bid Submissions  
In Tacoma City Market Area**

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Number of:			
Prime Contractor Bids			
Submitted to City of Tacoma:			
<i>(Categorical)</i>			
<i>Regressors:</i>			
Owner Has More Than	1.38	.297	.1325
20 Years of Experience			
Firm Has More Than	.437	.183	<b>.0483</b>
10 Employees			
Firm Owner has a	1.67	.405	<b>.0356</b>
Baccalaureate Degree			
Gross Revenue at Least	1.58	.957	.4512
\$2,500,001			
Single Project Bonding	2.72	3.52	.4421
Limit at Least \$500,001			
Financing Requirements	1.01	.489	.9924
Are a Barrier for Obtaining			
City of Tacoma Projects			
Firm is in the Construction	1.29	<b>.128</b>	<b>.0096</b>
Sector			
Firm is Certified as	1.26	.285	.2983
A Woman owned			
Business Enterprise			
Number of	267		
Observations			
<i>Pseudo-R<sup>2</sup></i>	.040		

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### C. Minority owned Firms And Prime Contracting in Tacoma City Market Area

to the extent that frequency of public contract bids reflects past experience as a prime contractor, MWBEs can potentially become frequent prime contract bidders by actually gaining experience as successful prime contractors. As such, the frequency of prime bids by MWBEs firms need not be a concern if they are actually gaining valuable experience as prime contractors that will translate into frequent contract bids and success later. to explore if this is the case in the Tacoma Market Area, Tables 59-63 report Logit BRM parameter estimates where the dependent variable is whether or not a firm never served as a prime contractor for the City of Tacoma between 2013 – 2017.

The parameter estimates in Tables 65-69 suggest that relative to Non-MWBEs, MWBEs owned by African Americans and Hispanic Americans, were more likely to have never served as prime contractors in the City of Tacoma, as the estimated odds ratio is greater than .10 and statistically significant in these instances. For MWBEs owned by Native Americans, the estimated odds ratio is less than one and significant, suggest that relative to Non-MWBEs, Native American owned MWBEs were more likely to have won prime contracts from the City of Tacoma during 2013- 2017.

In general, the estimated odds ratios in Tables 65-69 suggest that relative to Non-MWBEs, the likelihood of MWBEs owned by African Americans, and Hispanic Americans winning bids for prime contracts with the City of Tacoma is lower. to the extent that public contract success is proportional to prior experience as a prime contractor, this suggests that any public contracting success disparities between Non-MWBEs, and MWBEs owned by African Americans and Hispanics may reflect past constraints on public contract success if current public contracting success is correlated with the experience gained from past public contracting success.

**Table 65: Logit Parameter Estimates (Odds Ratio) :  
African American Ownership Status and Prime Contracting  
With the City of Tacoma**

	Coefficient	Standard Error	P-value
<i>Regressand: Prime Contractor</i>			
For City of Tacoma:			
2013 – 2017			
<i>(Binary)</i>			
<i>Regressors:</i>			
Constant	.813	.228	.4613
Owner Has More Than 20 Years of Experience	1.06	2.95	.8471
Firm Has More Than 10 Employees	.455	.149	<b>.0163</b>
Firm Owner has a Baccalaureate Degree	1.01	.273	.9591
Gross Revenue at Least \$2,500,001	2.65	1.22	<b>.0353</b>
Single Project Bonding Limit at Least \$500,001	1.92	2.03	.5414
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	.726	.457	.6118
Firm is in the Construction Sector	.961	.367	.9172
Firm is Certified as An African American owned Business Enterprise	2.23	.967	<b>.0647</b>
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.051		

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**Table 66: Logit Parameter Estimates (Odds Ratio) :  
Asian Ownership Status and Prime Contracting  
With the City of Tacoma**

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Prime Contractor			
For City of Tacoma:			
2013 – 2017			
(Binary)			
<i>Regressors:</i>			
Constant	.917	.247	.7486
Owner Has More Than 20 Years of Experience	1.02	.279	.9503
Firm Has More Than 10 Employees	.432	.140	<b>.0103</b>
Firm Owner has a Baccalaureate Degree	.988	.265	.9641
Gross Revenue at Least \$2,500,001	2.54	1.14	<b>.0387</b>
Single Project Bonding Limit at Least \$500,001	1.72	<b>1.79</b>	.6036
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	.920	.531	.8862
Firm is in the Construction Sector	.935	.349	.8584
Firm is Certified as An Asian owned Business Enterprise	1.29	1.06	.7542
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.042		

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**Table 67: Logit Parameter Estimates (Odds Ratio) :  
Hispanic Ownership Status and Prime Contracting  
With the City of Tacoma**

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Prime Contractor			
For City of Tacoma:			
2013 – 2017			
<i>(Binary)</i>			
<i>Regressors:</i>			
Constant	.878	.221	.6048
Owner Has More Than 20 Years of Experience	1.01	.156	.9475
Firm Has More Than 10 Employees	.447	.143	<b>.0121</b>
Firm Owner has a Baccalaureate Degree	.979	.156	.8974
Gross Revenue at Least \$2,500,001	2.34	.999	<b>.0471</b>
Single Project Bonding Limit at Least \$500,001	1.64	.279	<b>.0048</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	.884	.193	.5713
Firm is in the Construction Sector	.966	.106	.7561
Firm is Certified as A Hispanic owned Business Enterprise	2.24	1.04	<b>.0843</b>
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.048		

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**Table 68: Logit Parameter Estimates (Odds Ratio) :  
Native American Ownership Status and Prime Contracting  
With the City of Tacoma**

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Prime Contractor			
For City of Tacoma:			
2013 – 2017			
(Binary)			
<i>Regressors:</i>			
Constant	.866	.227	.5857
Owner Has More Than 20 Years of Experience	1.07	.182	.6794
Firm Has More Than 10 Employees	.439	.149	<b>.0152</b>
Firm Owner has a Baccalaureate Degree	.988	.189	.9497
Gross Revenue at Least \$2,500,001	2.62	1.05	<b>.0163</b>
Single Project Bonding Limit at Least \$500,001	1.71	.348	<b>.0082</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	.934	.271	.8137
Firm is in the Construction Sector	.948	.124	.6846
Firm is Certified as A Native American owned Business Enterprise	.159	.113	<b>.0001</b>
Number of Observations	267		
Pseudo-R <sup>2</sup>	.049		

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**Table 69: Logit Parameter Estimates (Odds Ratio) :  
Other Race Ownership Status and Prime Contracting  
With the City of Tacoma**

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Prime Contractor			
For City of Tacoma:			
2013 – 2017			
<i>(Binary)</i>			
<i>Regressors:</i>			
Constant	.929	.256	.7928
Owner Has More Than 20 Years of Experience	1.01	.179	.9613
Firm Has More Than 10 Employees	.439	.155	<b>.0197</b>
Firm Owner has a Baccalaureate Degree	.998	.161	.9935
Gross Revenue at Least \$2,500,001	2.64	1.07	<b>.0183</b>
Single Project Bonding Limit at Least \$500,001	1.71	.347	<b>.0092</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	.908	.260	.7369
Firm is in the Construction Sector	.924	.122	.5513
Firm is Certified as An Other Race owned Business Enterprise	.722	.148	.1135
Number of Observations	267		
<i>Pseudo-R</i> <sup>2</sup>	.042		

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**Table 70: Logit Parameter Estimates (Odds Ratio) :  
Woman Ownership Status and Prime Contracting  
With the City of Tacoma**

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Prime Contractor			
For City of Tacoma:			
2013 – 2017			
(Binary)			
<i>Regressors:</i>			
Constant	.773	.202	.3241
Owner Has More Than 20 Years of Experience	1.02	.176	.8893
Firm Has More Than 10 Employees	.474	.115	<b>.0026</b>
Firm Owner has a Baccalaureate Degree	1.01	.153	.9827
Gross Revenue at Least \$2,500,001	2.46	1.05	<b>.0343</b>
Single Project Bonding Limit at Least \$500,001	1.67	.429	<b>.0468</b>
Financing Requirements Are a Barrier for Obtaining City of Tacoma Projects	.885	.227	.6332
Firm is in the Construction Sector	.997	.116	.9795
Firm is Certified as A Woman owned Business Enterprise	1.56	.837	.4071
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.048		

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#### **D. Minority owned Firms And SubContracting in the Tacoma City WA Metropolitan Market Area**

to the extent that submitting and winning public contract bids requires experience, which can also be gained through subcontracting with lead prime firms, MWBEs can potentially become more frequent and successful prime contract bidders by acquiring experience as subcontractors. As such, the low-frequency of prime bid submission and lower likelihood of being a prime contractor by MWBEs need not be concern if they are gaining valuable subcontracting experience that will translate into high frequency contract bids and success later. As indicated in Table 46, virtually none of the respondents in the GSPC survey reported serving as a Subcontractor on City of Tacoma projects. The virtually nonexistent rate of reported Subcontracting does not permit any variation in City of Tacoma subcontracting to infer how MWBE status could impact Subcontracting success in the population of firms willing and able to do business with the City of Tacoma.

#### **E. Conclusion**

GSPC's analysis of disparities in public contracting and subcontracting outcomes in the City of Tacoma aimed to provide some policy relevant insight to observed unconditional disparity indices. A descriptive private sector analysis of the Tacoma Market Area private sector revealed that in general, being an MWBE in the Tacoma Market Area is associated with lower firm revenue, and less likely to be self-employed, which lends some support to the "but-for" justification for affirmative action in public procurement. Lower revenues for MWBEs in the Tacoma Market Area are suggestive of private sector discrimination that undermines their capacity to compete with Non-MWBEs firms for public contracting opportunities. In this context, Table 71 provides specific detail on which particular MWBEs in the broad Tacoma-Seattle Market Area are constrained by private sector discrimination that translate into lower revenue. The parameters estimates from the GSPC sample suggest that MWBEs owned by Native Americans are particularly harmed by private sector discrimination as the odds ratio is significant and less than unity relative to firms owned by Non-MWBEs.

**Table 71: Firm Revenue And MWBE Status in The Tacoma-Seattle Market Area:  
Logit Parameter Odds Ratio Estimates**

	Coefficient	Standard Error	P-value
<i>Regressand:</i> Firm Revenue (Categorical)			
<i>Regressors:</i>			
Owner Has More Than 20 years of Experience	1.19	.611	.7394
Firm Has More Than 10 Employees	.001	.001	<b>.0000</b>
Firm Owner has A Baccalaureate Degree	.439	.146	<b>.0138</b>
Single Project Bonding Limit at Least \$500,001	1.25	1.18	.8092
Financing Requirements are a Barrier for Obtaining City of Tacoma Projects	1.36	.606	.4881
Firm is in the Construction Sector	2.07	.482	<b>.0025</b>
Firm is Certified as an African American owned Business Enterprise	1.14	1.65	.9293
Firm is Certified as an Asian American owned Business Enterprise	4.16	4.95	.2307
Firm is Certified as a Hispanic American owned Business Enterprise	5.01	3.23	<b>.0132</b>
Firm is Certified as a Native American owned Business Enterprise	.001	.001	<b>.0001</b>
Firm is Certified as an Other Race owned Business Enterprise	14.92	4.82	<b>.0001</b>
Firm is Certified as Woman owned Business Enterprise	1.97	.896	.1382
Number of Observations	267		
<i>Pseudo-R<sup>2</sup></i>	.198		

Griffin & Strong, P.C. 2018

Overall, the GSPC disparity analysis explicitly links a business firm’s MWBE status to public contracting outcomes in the Tacoma City WA Metropolitan Market Area. Parameter estimates from categorical regression models suggest that in general, while on average a firm’s MWBE status has no statistically significant effect on entering the Tacoma Market Area as a new firm, MWBE status does have an adverse impact on securing public contracting opportunities relative to Non-MWBEs in general. We also find that in the Tacoma Market Area, with the exception of Other Race owned MWBEs, the credit capacity of MWBEs does not appear to be any different from Non-MWBEs. This suggests that among any public contracting disparities between MWBEs and Non-MWBEs in the Tacoma Market Area cannot be explained by differential credit capacities.

The results of the GSPC disparity analysis provide a framework to rationalize observed disparities in public contracting outcomes/success with the City of Tacoma between MWBEs and Non-MWBEs in the Tacoma Market Area. Indeed our results suggest that there are disparities in public contracting outcomes, as relative to Non-MWBEs, the likelihood of MWBEs owned by African Americans and Hispanic Americans winning bids for prime contracts with the City of Tacoma is lower. Our analysis suggests that any disparities that exist cannot be explained by differential MWBE/Non-MWBE prime contract submissions, but can possibly be explained, at least in part, by MWBEs being less likely to have served as prime contractors in the past. As our regression model controls and/or proxies for the education level of the firm owner, the age

and market tenure of the firm, the size of the firm with respect to the number of employees and revenues, firm bonding capacity, and firm financial standing; none of these factors are driving the disparities between MWBEs and Non-MWBEs in the likelihood of winning prime contracts from the City of Tacoma. In this context, our results are also consistent with disparities in winning prime contracts with the City of Tacoma being driven by discrimination against MWBEs.

Lastly, the results of the GSPC disparity analysis suggest that any observed disparities in public contracting outcomes between MWBEs and Non-MWBEs are not explained by differential capacities for public contracting with the City of Tacoma. Our regression results control for firm public contracting capacity by including measures for the education level of the firm owner, the age and market tenure of the firm, the size of the firm with respect to the number of employees and revenues, firm bonding capacity, and firm financial standing. This inclusion of these control covariates in our regression specifications permit an assessment of public contracting success/failure conditional on MWBE and Non-MWBE public contracting capacity. The existence of public contracting success disparities between MWBEs and Non-MWBEs even after controlling for capacity suggests that relative to Non-MWBEs, MWBEs face barriers independent of their capacity—or their ability—in securing public contracts with the City of Tacoma.

## VII. ANECDOTAL EVIDENCE ANALYSIS

### A. Introduction

The anecdotal evidence chapter of this Disparity Study is an analysis of the views, perspectives, beliefs, and experiences of business owners and community organizations from across the Tacoma marketplace with regards to doing business in the public and private sectors, as well as specifically with the City of Tacoma. Griffin & Strong, P.C. uses varied methods for qualitative data collection to meet two goals of a) reaching out to as many individuals as desire to participate in the study and b) providing multiple layers of evidence gathering to track regularly occurring responses or views. The first step of the process was to conduct an informational meeting to educate members of the community on the purpose and method of the Study. Subsequent to this event, the Study team invited participation in public hearings, interviews, a web survey, a focus group, email commentary; they also met with several local organizations.

A random sample of firms was invited to participate in half-hour to hour-long in-person interviews. A separate randomly selected group participated in an enclosed focus group dialogue mediated by a member of the Study team. In addition, every business, organization, and community stakeholder was invited to state their experiences on the record at two separate public hearings, which were advertised through email, social media, press release, the Study website, and the City of Tacoma website. The study team also invited, via email, City vendors, bidders, and firms in the Tacoma marketplace and Puget Sound region to complete a web survey regarding their experiences doing business in and with the City, resulting in 260 completed surveys. This survey provides both useful demographic data as well as a broad examination of central issues for business owners. Finally, the team conducted interviews with several community and business organizations in the Tacoma area to gain insight into the perspectives of their various constituencies, and took email commentary from the community throughout the life of the study. The following sections detail the feedback GSPC received from these various methods of information-gathering, arranged by type of analysis and subject matter.

### B. Anecdotal Interviews

The Study team conducted a total of thirty (30) interviews with business owners in the Tacoma, WA marketplace using a random sample from a compiled database of available firms. The firms interviewed varied across demographics and work types, and included seven Asian American owned firms, six African American owned firms, three non-minority male owned firms, six nonminority Female owned firms, and seven Hispanic American owned firms, and one bi-racial owned firm. Firms were interviewed across Construction, Supplies, Professional Services, and non-Professional Services, and several identified as small businesses. Though the interviews touched on various topics related to doing business with the City of Tacoma and within the wider Tacoma marketplace,<sup>79</sup> both public and private, the narrative below is laid out thematically based on the responses that recurred in several interviews.

#### 1. Informal Network

A majority of those interviewed discussed the existence of an informal network of business owners who have access to City of Tacoma officials and knowledge of projects in the pipeline. AI-3 and AI-9 agree that

<sup>79</sup> Sometimes referred to by interviewees as the "Puget Sound region"



a “good-old-boy” network is in existence, with AI-3 stating that, though cities in Washington claim to want to be more inclusive, “it’s definitely about who you know.” While some viewed the problem as endemic to local government agencies in general, others identified it as specifically a problem in Tacoma. AI-16 claims to be a beneficiary of this very system, stating that they know that being “qualified and capable of delivering a successful project” are not the only requirements for winning bids, and that the City of Tacoma and Port of Seattle continue to hire them on this basis. “The key is being in the network;” however, they have found other jurisdictions closed to them for the same reasons—because they lacked the connections (AI-16). Similarly, AI-2 has found that knowing decision-makers in a jurisdiction is essential to success, stating that on a few projects she has attempted to subcontract, communication has stopped when the prime contractor asked her who she knows at the City. Some business owners, such as AI-5, have the impression that the City of Tacoma only engages local firms, stating that they considered leasing a small office there just to show a local presence, but could not justify the cost. AI-20 claims that both the City and Port of Tacoma repeatedly engage the same contractors on bid after bid, stating that it is “common knowledge” that one has to have a local office in Tacoma to get the work.

Several reasons were posited for the existence of such a network of firms and officials that prevent one from obtaining work if they are not a member, and few of them involved malicious attempts to exclude. According to AI-3, AI-14, AI-19, and AI-22, local governments sometimes select a “preferred vendor” on the basis of comfort, with AI-14 asserting that they sometimes even write the RFP to fit particular vendors. AI-22, speaking specifically of the City of Tacoma, states that they “seldom give work to new people” and tend to rely on “word-of-mouth” recommendations. Though their firm has been a beneficiary of this tendency, they note that it can be difficult for new businesses to get a foot in the door without knowing anyone in that agency. AI-3 goes further to argue that not only is the City comfortable with incumbent contractors, they expect that minority contractors will not “rock the boat,” and “if you do you won’t get work.” AI-22 also asserts that this holds even when the company “is not doing good work,” because they are familiar and comfortable to the buyers. AI-27 recalls bidding on a project with the Tacoma Housing Authority and losing out to a larger firm with more “inside knowledge,” who was the incumbent on the contract. “It’s hard to compete with that,” AI-27 states. In this instance, being local did not help at all, and the winning contractor was actually further away in Washington state.

Among those who do not believe such networks are specific to the City, AI-23 recalls being unable to get work with King County due to a lack of connections, stating that the “human” aspect of firm selection is still present in all government agencies. In addition, several business owners (even when specifically asked about the City of Tacoma) spoke regularly about practices at the City of Seattle, which is indicative of perhaps a lack of visibility of Tacoma and their processes, as well as the overall marketplace impact of practices in Seattle. AI-18 for instance states that she has been told outright at the City of Seattle that they hire people they have worked with previously, because they know what to expect. She is frustrated by the lack of visibility around how to build relationships with people in Seattle’s procurement department. AI-25 echoes these experiences, stating that project managers in Seattle can “invite who they want” to submit bids and will then only invite firms that he or she knows personally. Being on Seattle’s roster has little or no effect. AI-21’s case illustrates the prevalence of preferential activity in other cities in the marketplace. She works exclusively for Seattle by “referral,” having never submitted an RFP and surviving on sole-source contracts, because she feels that it is “very difficult” getting work with governments through a normal process. She informed the study team that she survives on non-competitive, sole-source work, obtained through network connections.

## 2. Certification

Interviewees were relatively evenly split on the effectiveness of the City's various programs, and those in nearby jurisdictions such as the City of Seattle. AI-9 specifically identifies that WBE certification has been helpful in a "competitive environment" and that the points from the WBE status have given her an "extra edge," along with being able to compete as an SBE in certain other jurisdictions. AI-20 attributes a part of his firm's success to the small business program, though he notes that he hears complaints often from other small firms about not obtaining work. Similarly, AI-19 states that DBE certification has been helpful in obtaining work, and that the staff at Tacoma are doing a good job. AI-27's firm is certified as an MBE and he identifies the staff in the City of Tacoma's office as "helpful," lauding the decision to move the application online. However, he notes that his facility with computers in his work may help him to navigate the paperwork required, whereas other MBEs, especially those with language barriers, might need further support from OMWBE. AI-8 found obtaining certification with Tacoma and renewing certification to be "easy," and AI-21 identifies that the certification as WBE was useful in "certain situations," though she questions whether they got any business from it that they would not have won otherwise.

On the other side of things, however, some of the persons interviewed feel, as AI-12 does, that there is "no advantage" to certification, and that it does not help them to achieve their goals or overcome their barriers to entry. AI-12 notes, as did AI-21, regarding WBE status, that without certification, other firms and prime contractors may be "less willing to talk," but the SBE certification itself has not helped or hindered him in any way. AI-15 feels that while there may be advantages to certification, the price one pays in time spent maintaining and completing paperwork is problematic. AI-7 is concerned about this as well, noting that he hired someone to help him with the MBE certification and paid another \$1,500 to renew it. In the end, he estimated that his firm submitted 200 pages of documents, a daunting amount for a layperson or business owner. AI-15 feels that there are too many programs in operation, identifying that small firms spend a lot of time, effort, and money to keep up with all of the paperwork. AI-16 had a similar complaint about the cost and paperwork of the certification in Seattle. Concerning any assistance that certification may provide in bidding successfully, AI-22 states that while certification does reduce some of the competition, the issue of clients being willing to hire new firms remains. In other words, for some, certification itself is a burden and a cost, and does little in their eyes to reduce the other barriers they encounter as small, minority, or Nonminority Female owned businesses. AI-26 notes that because Tacoma does not assign a percentage goal to RFPs for SBE firms (to their knowledge), as the City of Seattle and Sound Transit have, the certification is not as useful.

Other firms note that programs have been taken advantage of and misused, with AI-24 asserting that he knows people who are WBEs "on paper" but are not genuine owners in their firms, and disapproves of such activity. He, a majority firm owner, had the opportunity to apply for WBE status with a business partner who owned 51%, but they determined that she did not have enough of an active role for them to do so in good conscience, citing his desire not to "cheat the system." AI-28 also identifies Nonminority Female owned businesses, bidding at the State of Washington, whose supposed female owners lacked experience and day-to-day operational input. Though he recalled that the Federal Highway Administration ("FHWA") did intervene on the problem at the State, he claims that the activity is ongoing.

### 3. Accounts of Discrimination

Several minority and Nonminority Female business owners interviewed had not experienced discrimination with the City of Tacoma or wanted the Study team to know that they felt that the issue was more complex than race or gender. AI-20 said that she does not believe the discrimination is “deliberate,” but is based on government agencies desiring to work with firms that they know to mitigate risk. AI-4 believes that, while discrimination may exist for other Hispanic, Nonminority Female, or Black owned firms, he personally has not experienced much because he does not “have this sign hanging over my head saying ‘Hey, I’m a Latino’” (AI-4). He believes that the City is “pretty white,” but that people “work really hard” not to be discriminatory, “but perhaps not in the best way.” AI-6 agrees that many are not aware that he is Black when he does business by phone and feels that his work allows people to overlook his skin color. The implication from some of these accounts is that people who do not appear phenotypically white or can be assumed to be white may bypass some barriers in Tacoma, but that clear difference may be a problem for others. AI-17 speaks to this environment directly, saying that she has been “profiled” and “put in a box” due to her minority status. Tacoma, AI-17 states, is an “all-white, mainstream community” that treats diverse people and firms as “exotic,” which she feels prevents them from seeing her full potential and that of her firm. It may not be discrimination, she says, but “it is internalized racial superiority” (AI-17). AI-17 also recounts that she has seen other minority engineers treated poorly by large contractors and views them as receiving little mentoring and support.

Like AI-17, some business owners felt pigeon-holed by their race and professionally excluded. AI-4 and AI-7 both stated that MBEs have difficulty competing in professional services, with AI-7 saying he feels that people think “we are minorities (so) we can’t be smart.” He feels that prime contractors only specify certain work categories, such as garbage removal and janitorial services, for subcontracting with MBE firms and that professional MBE firms are left out. AI-4, though he feels that his experiences as an Hispanic in the Tacoma marketplace have been less colored by his ethnicity than most, notes that Tacoma notifies minorities of potential business in certain types of work, such as construction and trucking. AI-3 also says, generally of public agencies, that prime contractors typically use “low-value, non-professional services” to fill goals, and that they sometimes drop contractors from the work after winning a bid. AI-23 has experienced being dropped from bids in King County and has learned not to respond to those primes when they call back for future projects. AI-10 says that there is a “matrix of discrimination” between being a small business and being Nonminority Female owned, but that it is difficult to prove in procurement unless the competition is “flat-out stupid.”

“How do you put your finger on it? They are very careful,” AI-18 says in response to being asked whether she has experienced discrimination. She says that she goes into meetings with tape recorders now, as proof of what she is experiencing. AI-9 also feels that the discrimination is hard to track and “subtle.” She says that she and her Black business partner have struggled with barriers to entry, and have been ignored. AI-15 says that there are “insiders and outsiders” and that being a woman makes her an outsider in a “male-dominated” business. The network of “insiders,” she feels, has “absolutely” prevented her from obtaining work, but she sees a way forward through agencies developing internal processes that address bias in procurement (AI-15). AI-15 asserts that, even though clients will not say that a firm failed to win a job because they are woman owned, discretion in the procurement process creates an environment ripe for bias.

#### 4. Barriers to Small Businesses

Many of the barriers the Study team learned of in the Tacoma marketplace were not related solely to businesses' race and gender status, but to the constraints of operating as a small business and competing against larger firms whose time, capital, and resources might be greater. AI-19 feels that smaller firms are sometimes limited by preconceptions that they cannot perform on larger-dollar projects, or as prime contractors. AI-28 asserts that new small and minority businesses rarely pop up in Tacoma because it is an "impossible market" for such firms, with the majority of work going to large construction firms. He also notes that it is difficult to get in even as a subcontractor because these firms prefer to do the work themselves rather than hire a small firm. AI-14's experience is that the City takes the "path of least resistance" by purchasing from large vendors with whom they are comfortable and recalls bidding against larger firms and receiving no debrief feedback about the City's final decision. Additionally, AI-12 identifies difficulty in even "getting exposure" as a small firm, noting the lack of networking opportunities for firms that size to meet face-to-face with public sector project managers. He knows that there is no "lack of work" to be done for the City, but would like assistance in navigating the process.

Those interviewed often had concrete ideas about what the City could do to improve the state of small business in Tacoma and address the barriers to participation. AI-26 and AI-19 advocate for the City setting aside small projects for small business, with AI-26 arguing that bidding is a "tough process" for small firms to go up against their larger competitors. He identifies that federal agencies often use such programs to "level the playing field," noting that they recognize the difficulty of a firm with a small staff competing against a firm with vast resources. AI-20 argues that persistence is necessary, as are the resources to continue to bid where you might not win the first few times. He identifies that process as financially draining for small businesses, and as a slow process. AI-20 advocates for Tacoma unbundling projects and creating programs so that SBEs have more opportunities to compete against each other rather than competing with larger firms with more resources. AI-19 also notes that large firms often don't pay their subcontractors quickly, which can be fatal for a small business, and would like to see a City policy that requires payment sooner than 90 days. AI-23 also brought up issues with prompt payment, specifically from the City. With further regard to the cost of doing business and what it takes to stay afloat, AI-13 identifies bonding requirements as a major barrier, and notes that her insurance costs on projects can be very high and costly to obtain. Finally, AI-28 posits that Tacoma could assist with small business loans to help firms with work costs, as well as unbundling contracts which he believes will help firms win contracts and reduce the cost of insurance and bonding on individual projects.

#### 5. Outreach

There was praise for the outreach efforts of the City of Tacoma's business program, with several interviewees stating that staff have made an effort to connect small and minority businesses. One such contractor, AI-19, states that though he recognizes the work of the City staff in assisting businesses with finding work, the barrier for him in Tacoma is that much of the work in his area is conducted in-house. He does receive notices, however, and feels optimistic about his ability to work with the City in the future. AI-24 states that "someone is doing their job" at the City by encouraging participation in the small business program, but that the knowledge is not trickling down to department staff and user agencies. AI-24 suggests creating more opportunities for department buyers to meet with vendors, especially small businesses. AI-

18 and AI-26 both feel that the City of Tacoma is more receptive and “less bureaucratic” than other agencies in the marketplace, with AI-26 specifically stating that the City was “wonderful” to work with. AI-6 agrees that Tacoma is “easy to work with” and that the City responds “much faster” than other agencies. He is aware of the City’s outreach efforts and receives notifications regularly about bid opportunities.

However, a number of interviewees identified issues with the City’s outreach events, stating that the seminars are not helpful in addressing their main problem: gaining access to decision-makers. For instance, AI-7 states that the City’s outreach seminars intended to help firms learn about how to do business with the City, but without revised procurement processes, the outreach is not helpful. Similarly, AI-3 argues that the minority business development workshops are not useful because the staff present are not those that “make the business decisions” and “you just get shuffled around.” AI-4 states that Tacoma could assist by providing more help in “locating the opportunities” and providing opportunities for networking with City staff. The problem, he states, is not the competition, but helping minority firms to have name recognition. He feels that large majority firms have this access, where minorities and new market entrants may not. Addressing this issue, AI-14 suggests that the City could, as an aspect of the RFP process, hold a “meet-and-greet” with potential vendors so that they can meet decision-makers “face-to-face” and have a “meaningful dialogue.” Though he has attended the business seminars and fairs with the City, he does not recall being informed at these events about upcoming contracts or being able to meet the people who will ultimately make the decisions. AI-21 does not even attend the minority business outreach events any longer because they don’t address what is, for her, the main barrier to entry: not having network connections in the City of Tacoma.

Contractors, such as AI-28, feel that the outreach that is being done is not enough to level the playing field, stating that he knows the work is available in Tacoma, but the community outreach is not there. AI-15 chalks it up to the size of the agency, stating that larger agencies such as King County seem to do a better job notifying firms about upcoming projects, and that their procurement department offers the opportunity for face-to-face meetings. Uniform notifications were also an issue for AI-25, who said that he has not gotten notice of upcoming bids directly from the City. Unfortunately, AI-8 is not aware of any outreach at the City of Tacoma, and she states that it would be helpful to even have an email sent on a quarterly basis that details projects that are coming up for bid. AI-16 has built his business around doing his “homework” prior to the bid and developing a team before the RFQ. This advance notice is crucial for his firm, and the lack of awareness of projects with Tacoma has prevented them from pursuing work with the City.

### C. Public Hearings

GSPC held two public hearings on December 13, 2017 and December 14, 2017 in the City of Tacoma, Washington. Participants were invited via an email blast that was sent out to all of the vendors in the study team’s database. At both hearings, a GSPC representative introduced the Study and the purpose of the meeting, before opening the floor to participants. All participants were asked to state their name for the record and a transcript was produced. At each meeting, the Study team heard from a mixture of businesses and business advocacy organizations, the majority of whom had specific ideas regarding the City of Tacoma’s program, barriers to participation, and how it may be improved.

At the first public hearing, PH-2, a representative from the Associated General Contractors of Washington (“AGC”), voiced his displeasure with the Disparity Study process due to Initiative 200. He read verbatim the wording of the Initiative 200 decision, stating that “the State shall not discriminate against, nor provide

preferential treatment to any individual group on the basis of race, sex, color, ethnicity or national origin in operation of public employment, public education or public contracting.” The language, he claimed, is “very plain and simple” and is “the law of the land,” that is supported by a majority of supporters (PH-2). He went on to ask that the study team analyze “bonding capacity” of firms in Construction, stating that bonding “speaks directly to availability and capacity” of firms in a marketplace.

At the same hearing, PH-6, president of the Northwest Mountain Minority Supplier Development Council, stated that his organization’s “biggest frustration” in both the public and private sectors is “when construction companies call us (his organization) and look for referrals around capable, qualified and scalable construction firms” in any area and then tell those firms that their services are not required upon award. PH-6 questioned what mechanisms might be put in place to ensure that prime contractors are held to their stated minority subcontractor utilization. He claims that the issue spans work categories and project types and occurs when prime contractors determine to self-perform after bidding with minority, Nonminority Female, or disabled owned firms included. “How do we protect against that happening?” PH-6 asks.

PH-3, an agent with a local Iron Worker’s trade union, argues that his organization has been granted funds to train workers from diverse and disadvantaged backgrounds and refer them to companies in his union for employment. “We have a really strong apprenticeship program that we’re proud of,” PH-3 states, but feels that it is “a bit frustrating when public agencies award work to firms or companies that come from out of town” after spending taxpayer dollars to train workers from the community. His desire is that the funds be funneled back into the community by hiring local firms who have participated in the union’s workforce development program.

At the second public hearing, contractor PH-8 notes that programs such as those described by PH-3 exist in workforce and business development, but asserts that the City’s program should be providing some similar services to assist small firms with bidding and staffing. He states that he was “paying more money to get in a program that’s supposed to provide more work” but has not seen the benefit. He argues that there was little follow-up or outreach from the City and that the cost of certification is a barrier. He would also like to see the City create a published list of minority owned businesses that are available to work on City projects. PH-10, also a Tacoma contractor, argues that the SBE goals are too low to be effective. Increasing the SBE goals would, in his estimation, “increase the likelihood” of prime contractors building relationships with and utilizing small firms. As it stands, he feels that the lowest bidder can win without necessarily having any SBE participation. In addition, he believes that the City could benefit from a mentor-protégée program that would both reward prime contractors for participation by granting them an advantage in bidding and allow smaller firms to learn from the prime contractors’ expertise.

#### **D. Focus Group**

GSPC held a focus group on December 12, 2017 at 11:00 am in the Tacoma, Washington Municipal Building and selected potential participants from a random group of vendors in the City’s database. The purpose of the focus group was to allow a semi-anonymous dialogue between business owners of varying backgrounds.

FG-3 stated that he has never won any contracts in Tacoma, and that it is partially due to a local business focus at the City. In his estimation the passage of I-200 brought negative changes, enabling agencies to cut down on opportunities for small and minority owned businesses. He argued that it is “hard to get in” when public agencies don’t “practice what they preach.” FG-1, a women owned DBE firm, has had negative

experiences with the City, citing an RFP that she feels was tailored for a specific firm and “rude” City staff. Though she was the lowest bidder on a project, she did not win. FG-1 feels that purchasers should have goals for diversity and inclusion, and that the City should provide assistance to businesses by helping to educate them on the bidding process, which Washington DOT already does. FG-3 finds the certification process onerous and difficult: “As a business owner, I have to question, what is the benefit?” The cost of certification was a major concern for FG-3 as well, with FG-4 also stating that the various certifications and audits required for different jurisdictions can be cumbersome.

To further FG-1’s impressions of Tacoma, Black business owner FG-4 stated that the city has preferences for using the same vendors, “they have their favorites,” he said. He said that diversity and inclusion efforts are “a lot of show” and that the City has not shown many results in utilization. FG-4 also stated that unless goals are added to contracts, majority firms are unlikely to contact DBE and SBE firms. FG-1, FG-3, and FG-4 agreed that bonding requirements can sometimes be restrictive and that the City could benefit from unbundling contracts so that small businesses can participate. FG-5, an Asian American DBE firm, believes that professional liability insurance is often too high for the value of the contract, edging small businesses out of contracts. Uniform insurance requirements, such as those in King County, can be exclusionary, he argues, and are not necessary on each individual contract. “Trying to simplify their workflow inherently creates barriers,” FG-5 says of public agencies.

#### **E. Organizational Meetings**

GSPC held several meetings with community and business organizations, including the Asian Pacific Islander Coalition, the Tacoma Urban League, the Northwest Mountain Minority Supplier Development Council, the Puget Sound Latino Chamber, and the AGC of Washington. GSPC also held a question-and-answer session with the Tacoma Black Collective. The purpose of these meetings was to glean, in the words of their various representatives, the broader experiences of the constituencies of each group, and their perspectives on the state of business in Tacoma. In each meeting, there was insight into the particular needs of each group’s members, as well as an expressed desire to work with the City of Tacoma to bridge cultural and processual gaps that may exist between their communities and government agencies.

The Study team met with a representative from the Asian Pacific Islander Coalition, which represents Asian Americans who are descendants from 47 countries in Asia and the South Pacific, and serves as a community educator and cultural bridge. The representative noted that their services may be used to help the City of Tacoma identify Asian business owners who are flying under the radar. She identified the minority business program (OMWBE) as “extravagant” and “ridiculous,” because of the amount of paperwork and cost, and lack of technical assistance. Her view of the Asian American business community, and the organization’s constituency in particular, is that they will only participate in outreach that has a direct purpose and from which they feel that they can gain. “They’re busy building businesses; they don’t have time to go to meetings,” she says of the business owners with whom she interacts. Besides this, she identifies linguistic and cultural barriers to outreach and engagement with this community, saying that “It’s cultural, we’re to ourselves” and the “mingling” and networking does not always come naturally. Of the language barrier, she advises that Tacoma continue to come to organizations like hers to connect with business owners rather than translate themselves, “wait for (us) to say, ‘let’s translate this piece because so-and-so needs that.’” She lauds the city of Tacoma for recently making an effort to reach out to the Asian American community “unlike before,” saying that her organization has a positive relationship with Tacoma, though she does recognize

that it is a “good old boy” marketplace. Finally, she noted that if the City is reaching out primarily through email, it might not work because her organization has large numbers of “mom and pop” businesses with older owners, who might not have email, or even computers.

A representative from the Tacoma Urban League felt strongly that discrimination does exist in Tacoma and that, in her position, she sees individual business owners, minorities, struggle daily as a result. However, she also believes that Tacoma is unique in its culture of collaboration and helpfulness, though this spirit is sometimes undercut by other fissures in the community. She is frustrated by seeing her organization’s members battle systemic imbalances in the community. Both the Urban League and the Tacoma Black Collective were inquisitive about the Study process and hopeful that it would bring meaningful insight to the issues minority contractors experience.

A representative from the Puget Sound Latino Chamber said of the disparity study that “We already know all of this stuff...we know that people who look like us are not getting enough contracts.” She felt that “nothing is happening” beyond the reports and disparity studies that have happened regularly over the course of her career. According to this representative, the Latino Chamber’s constituency feels that there is a “lack of information” and transparency at the City of Tacoma; the qualification requirements are “predetermined as far as who they want for contracts;” and sole source contracts are often used to select particular firms. “My people still cannot get in there. My people are still not prime contractors,” she said, and suggested that after several engagements as a subcontractor on projects, firms should have their experience counted to bid at the prime level. She expressed frustration, feeling it is common knowledge that “if you put out a bid, you know who all the prime contractors are going to be,” and that she has not seen much change in this over the years. “People need to have access, they need to have training, and they need to know that the opportunities are out there.” She recalls having needed help knowing how to dress professionally on her first job. She indicated that individuals from disadvantaged backgrounds---and young people especially---will need help and training to develop their skills to be competitive. “You’ve got to invest resources and assets” into the communities, she says, because the issues are already known. “Get us the money to train our people.”

A representative from the Northwest Supplier Diversity Council feels that the main barriers for the minority businesses represented by his organization are the internal policies of the government entities that are doing the purchasing and the informal network that excludes some and includes others. “It’s who you know and how long you’ve known them,” that matters, he says. He feels that dismissing firms for a lack of experience is “circular logic” because “three or four companies are getting all the business,” which prevents other firms from participating and gaining experience. One solution to this, he says, is to “train buyers to understand the value of diversity and inclusion,” and to shift the internal culture of government procurement at Tacoma to prioritize an education on diversity and community development. Part of this, he argues, will require a shift in staff at Tacoma to more “accurately reflect our communities.” Buyers, he states, can influence communities greatly by spending with local and diverse firms, because “people spend money in the communities where they live and they hire people from the community.”

He estimates that the NWSDC supports over 300 minority firms, of whose employees over 60% are minorities as well. “Best value procurement has an impact,” he asserts, and reforming the network-based culture will help to foster healthy competition that is good for the overall economy. He warns against government entities and prime contractors just giving lip service to diversity, however. It “has to be more” than partnering with organizations and “good faith efforts,” he says. He wants to see the “net outcome” outreach events and diversity officers and community partnerships in contracts and dollars reaching



minority firms. Finally, he also expressed concerns about payment terms on contracts. He claims that there is a significant impact for small and minority businesses by having thirty- and sixty-day payment terms, where firms must dip into credit to manage overhead and tie up their revenue stream, preventing them from pursuing or starting other contracts while waiting to be paid on a project that they have already completed.

**F. Survey of Business Owners (Note that table number references are to the Survey of Business Owner Tables in Appendix L)**

**Table 72: Summary of Survey of Business Owners' Responses**

City of Tacoma (WA) 2018 Disparity Study

	Non-Minority Men	Non-Minority Female	Black	Subcontinent Asian	Asian Pacific	Hispanic	American Indians	Alaskan Native	Bi-Racial or Multi-Racial
Informal Network of Contractors	18 %	37.2 %	73.1 %	57.1 %	57.1 %	50 %	50 %	100 %	72.7 %
Bonding Requirements Are Excessive	7.8%	14.3%	19.2%	28.6%	28.6%	17.7%	0 %	0 %	30.0%
Some primes only utilize SMWDBE firms when required	30.1%	35.7%	73.1 %	57.2%	57.2%	58.8%	50 %	0 %	50.0%
Experienced Discrimination in Private Sector	4.5 %	14 %	42.3 %	28.6 %	28.6 %	23.5 %	50 %	0 %	27.3 %
Amount of Experience required in bidding unnecessary	12.6%	14.6	30.7%	42.9%	42.9%	35.3%	100%	100%	50%
Sometimes Primes ask for quotes from MWBE firms but don't give serious consideration	13.6%	24.4%	38.4%	42.9%	42.9%	41.2%	50%	100%	40%

In addition to the other methods of anecdotal evidence gathering employed by GSPC, the firm conducted an online survey of business owners that was sent to more than 9,000 firms from the City's vendor lists. There were 231 firms that completed the survey. The findings from the survey are consistent with the concerns expressed across demographics about the current state of business in the Tacoma marketplace. Business owners were primarily concerned with the existence of an exclusionary informal network, a perceived lack of good faith by prime contractors in dealings with small, minority, and Nonminority Female owned subcontractors, and the experience and bonding requirements, as well as contract sizing that may

serve as barriers to participation. The table above shows a selection of results from the survey, the full version of which can be found in Appendix L at the end of this study.

Notably, over half of minority respondents believe that there is an “informal network of prime and subcontractors doing business with the City that monopolize the public contracting process” (Table 77). 7 percent of Blacks 57 percent of Subcontinent Asians and Asian Pacific Islanders, 50 percent of Hispanic and American Indians, and 73 percent of Bi-racial and multi-racial business owners selected “yes” to this question. 37 percent of Non and 18 percent of non-minority men stated that they believe that this is true. Similar percentages of minority firms agreed or strongly agreed that “I believe that some non-minority prime contractors only utilize S/M/W/DBE companies when required to do so by the City of Tacoma” (Table 88). In addition, 14 percent of Nonminority Females, 43 percent of Blacks, 29 percent of Subcontinent Asians and Asian Pacific Islanders, 24 percent of Hispanics, and 50 percent of American Indians stated that they feel they have experienced discriminatory behavior in the private sector (Table 74).

Survey respondents were also presented with a list of potential barriers to bidding or obtaining work with the City. 19 percent of non-minority males, Nonminority Females, and Blacks selected “excessive paperwork” as a barrier, along with 30 percent of Hispanic respondents (Table 29). Prequalification requirements were identified as problematic by Blacks at 43 percent and by Nonminority Female, Hispanics, Subcontinent Asians and Asian Pacific Islanders at 15 percent (Table 27). Performance bonds were selected as a barrier by 15 percent of Hispanic respondents, 14 percent of Subcontinent Asians and Asian Pacific Islanders, 7 percent of Blacks and Nonminority Female, and only 3.4 percent of non-minority male owned firms (Table 28).

### G. Email Comments

Throughout the course of the Study, businesses in the Tacoma area and those that conduct business with the City were encouraged to submit their commentary to the address TacomaStudy@gspclaw.com, which is monitored by the Study team. This method is highly useful to obtain commentary from business owners who are not randomly selected for interview or focus group participation, or are not able to attend the public hearings for whatever reason. Such commentary is a supplement to the broader data collected over the course of the Study. Some of the commentary received by GSPC was in regard to the programs at the City and contracting with the City; others dealt with the nature of the study itself. EC-7 felt strongly that the Study should have also examined Veteran- and Service Disabled Veteran owned businesses as the City has a large veteran population. EC-5, identifying himself as a “white male owned business,” feels that Tacoma should take their business “elsewhere” if they want to conduct a Study “to give preference to anybody that isn’t a white male.”

EC-4, an asphalt contractor and Hispanic SBE, wanted the Study team to know that she has encountered “disturbing” anti-immigrant attitudes and racial slurs in the Pierce County area, and people who do not “believe an immigrant can have a business.” She states that she has even been told to sell her property and move out of the area, though she was not specific about the source of the comments. EC-6 feels that the City has not been discriminatory at all and has been “excellent to work with.” He does note that contractors sometimes overlook the City vendor directory to look for subcontractors in security and go with the firms that they already know. When quotes are requested, firms tend to go with the low bidder, which EC-6 writes

is contingent on pay rates and wages. EC-6 argues that “smaller companies fly under the radar on following the rules” and have an advantage in subcontracting by skirting the wage requirements.

EC-2 wrote that the City of Tacoma usually waits “until the last minute” to release RFPs, but that those in the “informal network” are aware “well in advance” and are able to submit in a timely manner. EC-1 also wrote that she recently bid on a City project and was neither immediately notified that she had lost the award nor informed of the reasoning behind the decision. EC-2 also argues that minority businesses in Tacoma are “held to a higher level of scrutiny and skepticism” due to their minority status; also that the officials administering the OMWBE state certification are not in favor of the program and have “tended not to do all they can” to assist firms. EC-3 finds the small business program at the City “frustrating” because one must have done work with the City in the past to be certified. EC-3 states that although they applied, their firm was disqualified because they have “never done work for the City before.”

## H. Conclusion

Participants across several different forums informed the Study team of the existence of an informal network of contractors who are “in the loop” with the City of Tacoma, alleging that procurement professionals at the City prefer to work with the same firms repeatedly and that it is difficult to enter the market as a result. Some firms who work with the City of Tacoma even acknowledged that they have been beneficiaries of such a system, bypassing the contracting process with sole source contracts and relying on their networks to obtain repeat business. Small businesses in general felt that this environment was a barrier keeping them from being able to compete with larger, better-connected firms, and a number of minority firms who participated identified it as being especially difficult when compounded with racial and gender stereotypes and exclusion. Minorities and Nonminority Female often referred to the discrimination in Tacoma as difficult to identify, given the level of political-correctness and savvy, but present nonetheless.

Outreach emerged as a major issue in the interviews, with a number of firms citing non-existent or ineffective outreach. The business seminars were a particularly intense topic of discussion because several attendees felt that they did not address their primary barrier of access and networking. The ability to meet directly with procurement staff is especially valued in a marketplace that is widely perceived as being dominated by network connections. The minority, Nonminority Female, and small businesses interviewed broadly perceive an unevenness of access, and even those that have been beneficiaries of the network-based contracting system are aware that it may be exclusionary. Some business owners even recounted not being aware that bids were on the horizon until other firms had already formed their teams and gotten a head-start. Though multiple business owners noted the hard work being done by the SBE program administrators, it was broadly acknowledged that further efforts were necessary.

In addition to this, several small businesses expressed that they need assistance with bonding and contract size, identifying areas in which the City of Tacoma could break down contracts so that smaller firms could compete. Doing so would also reduce the amount and cost of bonding and insurance requirements, helping to level the playing field so that small businesses are able to build capacity. They also felt that the amount of experience required by the City on projects gives preference to large firms with whom the City has already worked and excludes small and new-to-market businesses. There was a somewhat prevalent belief among interviewees that Tacoma only intends to do business with local firms to the exclusion of businesses from nearby municipalities, but various organizations felt that local firms were not prioritized enough.

In total, there seem to be several areas in which Tacoma could improve its outreach, transparency, and technical assistance to address the practical issues faced by businesses in general. The existing SBE program is a sound basis for providing these services to the small business community. These measures as well as the internal restructuring and resource allocation needed for the City to assist in remediating firms' experiences of discrimination will be addressed further in the Findings and Recommendations portion of this Study.

## VIII. CONCLUSION

The findings of this Study conclude that there are statistically significant disparities in its contracting, both from prime contractors and subcontractors in all sectors and for all MWBE groups (except Hispanic American owned businesses in Construction, and Nonminority Female businesses in Construction Subcontracting). The lack of a factual predicate and the restrictions of Initiative 200 have hampered the City of Tacoma from having any race or gender conscious programs. However, with the findings of this disparity study, along with the opinion of the State of Washington's Attorney General, the City can now take steps

# Volume II

## Leap Initiative Review

## CONTENTS

I. LEAP Initiative – Legal Analysis	135
A. Constitutional Grounds for Challenge	135
B. The Privileges and Immunities Clause	135
1. Fundamental Issue/Right	136
2. Substantial Reason	137
3. Application to City of Tacoma Ordinance	138
C. The Commerce Clause	139
D. Equal Protection	140
II. LEAP Initiative – Policies, Practices and Procedures Review	143
A. Document Review and Personnel Interviews	143
B. Background	144
C. LEAP Participants	145
D. LEAP Goals	145
E. LEAP Utilization Plan and Forms	147
F. Adjustments for LEAP Groups	148
G. LEAP Exemptions and Pre-Bid Adjustments	149
H. Enforcement	150
I. Technical Assistance	150
J. EPA Training Program	151
K. LEAP Office	152
1. Organization, Budget and Staffing	152
2. Reporting LEAP Participation	152
3. LEAP Advisory Committee	153
L. Conclusions	153
III. LEAP Initiative Executive Summary	158
A. Findings	158
B. Recommendations	158

## TABLE OF FIGURES

Table 1: LEAP Adjustments for CEZ Residents, Youth and Veterans	149
Table 2: Assessments for Failure to Meet the LEAP Goal	151
Table 3: Profile of Third Cohort EPA Brownfield Job Training Program	152
Table 4: Utilization of LEAP Workers	154
Table 5: Utilization and Wages of LEAP Workers	155
Table 6: LEAP Projects Goal Attainment 2018 Tacoma LEAP Review	155
Table 7: Demographics of LEAP Workforce May 2017 Year to Date	156
Table 8: Distribution of Construction Occupations, Seattle MSA	
Figure 1: Tacoma Community Empowerment Zone	147
Figure 2: Community and Economic Development Department Organizational Chart	153

## I. LEAP INITIATIVE – LEGAL ANALYSIS

The City has requested a legal analysis specific to its Local Employment and Apprenticeship Training Program (“LEAP”) (Tacoma Municipal Code, Chapter 1.90, § 1.90.010, *et. seq.*). Local hiring or preference programs raise constitutional issues which differ significantly from race- or gender-based initiatives for employment and/or contracting, which are the subject of the Legal Analysis included in the Disparity Study conducted by Griffin & Strong for the City. The following will discuss the legal considerations raised by the City’s LEAP initiative, with reference to the persuasive and controlling legal precedents addressing programs such as this, including ways to reduce the likelihood of a legal challenge to the program.

### A. Constitutional Grounds for Challenge

As an initial matter, it is important to recognize that local hiring or preference programs are disfavored, legally speaking, and subject to constitutional challenge on several grounds.<sup>80</sup> Absent streamlining and careful drafting, most local preference programs will not survive legal challenge. Important guidance is provided in some of the pertinent case law, however, which we recommend the City heeds in analyzing or revising its LEAP initiative.

### B. The Privileges and Immunities Clause

The most significant constitutional hurdle for local preference programs is the Privileges and Immunities Clause of Article IV, § 2 of the United States Constitution (“The citizens of each state shall be entitled to the privileges and immunities of citizens in the several states.”). The literature indicates that historically (and presently) the Privileges and Immunities Clause was/is intended to prevent states from engaging in economic protectionism – discriminating against non-residents for economic reasons.<sup>81</sup>

The seminal case on the application of the Privileges and Immunities Clause in the context of local preference programs/legislation is United Building and Construction Trades Council of Camden County and Vicinity v. Mayor and City Council of the City of Camden, 465 U.S. 208, 104 S.Ct. 1020 (1984) (hereafter “Camden”).<sup>82</sup>

In Camden, the court was asked to opine on the constitutionality of a municipal ordinance in the City of Camden, N.J. that required at least 40% of the employees of contractors and subcontractors working on city construction projects to be residents of the city. 465 U.S. at 210.<sup>83</sup> The Supreme Court of New Jersey earlier ruled that the Privileges and Immunities Clause was not applicable because the city ordinance had

<sup>80</sup> See Lakeside Roofing Co. v. Nixon, Case No. 4:10CV1761 (E.D. Mo. 2012), p. 12 (“The Supreme Court’s Privileges and Immunities Clause jurisprudence, and the application of this jurisprudence by lower courts, suggest few laws preferring in-state workers will pass constitutional analysis.”); Robison v. Francis, 713 P.2d 259, 268 (Alaska 1986) (“In general, preferential hiring systems have not fared well in the courts.”).

<sup>81</sup> See generally, National Cooperative Highway Research Program (NCHRP), Legal Research Digest 59, “Enforceability of Local Hire Preference Programs” (April 2013), at p. 5; Laborers Local Union No. 374 v. Felton Construction Co., 98 Wash.2d 121, 124 (Wash. 1982) (“The purpose of the privileges and immunities clause is to place the citizens of each State upon the same footing with citizens of other States, so far as the advantages resulting from citizenship in those states are concerned. The history of the clause reflects a concern by the framers for keeping the newly independent states from adopting highly protectionist economic policies.”) (citations omitted).

<sup>82</sup> The court in Camden also analyzed the challenged program under the Commerce Clause, which will be addressed *infra*.

<sup>83</sup> Prior to a decision by the U.S. Supreme Court, the ordinance was revised. 465 U.S. at 214. Among the revisions was establishment of the 40% figure as an express goal rather than a quota. *Id.*



identical effects on out-of-state residents and on in-state residents that were nonetheless outside the city. Id. The United States Supreme Court disagreed, ultimately ruling that the Privileges and Immunities Clause was implicated, and remanding for further proceedings addressing the constitutional questions identified in Camden. Id. at 210, 223, 218 (“We conclude that Camden’s ordinance is not immune from constitutional review at the behest of out-of-state residents merely because some in-state residents are similarly disadvantaged.”).<sup>84</sup>

The Camden court first clarified that the Privileges and Immunity Clause not only applies to laws passed by a state, but also to municipalities and similar political subdivisions. Id. at 214 (“[A] municipality is merely a political subdivision of the State from which its authority derives. It is as true of the Privileges and Immunities Clause as of the Equal Protection Clause that what would be unconstitutional if done directly by the State can no more readily be accomplished by a city deriving its authority from the State.”).

A two-part inquiry was then applied to the constitutional question: first, whether the ordinance addresses an issue “fundamental to the promotion of interstate harmony”; second, whether there is a “substantial reason” for treating citizens of other states differently. Camden, 465 U.S. at 218-219, 222; see also Marilley v. Bonham, 844 F.3d 841, 846 (9<sup>th</sup> Cir. 2016) (same).<sup>85</sup> As part of this second inquiry out-of-state residents must be identified as a “peculiar source of the evil at which the statute is aimed.” Id. at 222.

#### 1. **Fundamental Issue/Right**

In a ruling which resonates with the present inquiry for the City of Tacoma, the Camden court reasoned that the ability to pursue public works contracts in another state is sufficiently “fundamental” as to bring constitutional scrutiny:

As a threshold matter, then, we must determine whether an out-of-state resident’s interest in employment on public works contracts in another state is sufficiently “fundamental” to the promotion of interstate harmony such as to “fall within the purview of the Privileges and Immunities Clause.” Certainly, the pursuit of a common calling is one of the most fundamental privileges protected by the Clause. . . . The opportunity to seek employment with such private employers [private contractors and subcontractors engaged in public works projects] is “sufficiently basic to the livelihood of the Nation” as to fall within the purview of the Privileges and Immunities Clause even though the contractors and subcontractors themselves are engaged in projects funded in whole or part by the city.

Id. at 221-222 (citations omitted).

Similar reasoning appears in A.L. Blades & Sons, 121 F.3d at 870-871 (“Typically the right to employment is considered fundamental under the Privileges and Immunities Clause. But ‘direct public employment,’ where the state imposes a restriction on its own hiring practice, is not an actionable right. Nonetheless there is a fundamental right to employment where the employee is hired by a private employer who receives a government contract to work on a public project.”); and Lakeside Roofing, at 8 (“The pursuit of a common calling is one of the most fundamental privileges protected by the Clause. Although public

<sup>84</sup>The court reasoned that although adversely affected in-state residents could not sue under the Clause, they had the opportunity to seek remedy “at the polls,” which out-of-state residents lacked. Id. at 219.

<sup>85</sup> Some courts outside of the Circuit in which Washington State is located have added a third prong to the inquiry, which requires the different treatment to bear a substantial relationship to the state’s objective – linkage. See, e.g., A.L. Blades & Sons, Inc. v. Yerusalem, 121 F.3d 865, 868 (3rd Cir. 1997).

employment is qualitatively different from private employment, the United States Supreme Court has recognized that employment on public works projects is a fundamental right under the Privileges and Immunities Clause.”) (citation omitted).

Employment opportunities with private employers contracting to work on public projects thus appear to be well-settled “fundamental rights” for the purposes of the constitutional analysis under the Privileges and Immunities Clause.

## 2. Substantial Reason

As to the second issue, the Supreme Court noted that the Privileges and Immunities Clause is not absolute, as discrimination against residents of other states is permissible under certain conditions:

[The Clause] does not preclude discrimination against citizens of other States where there is a “substantial reason” for the difference in treatment. “The inquiry in each case must be concerned with whether such reasons do exist and whether the degree of discrimination bears a close relation to them.” As part of any justification offered for the discriminatory law, nonresidents must somehow be shown to “constitute a peculiar source of the evil at which the statute is aimed.”

Id. at 222, citing Toomer v. Witsell, 334 U.S. 385, 396, 68 S.Ct. 1156, 1162 (1948).

In Camden, the city offered spiraling unemployment, a sharp decline in population, and dramatic reduction in the number of business operating in the city (reducing its tax base) as justifications for the local hiring ordinance. It identified non-Camden residents as the source of these evils, charging that workers from outside the city “live off” Camden without “living in” Camden. Id. at 222.<sup>86</sup> The court did not determine whether these reasons passed constitutional muster, however, as the factual record had not been sufficiently developed for such determination. The court therefore remanded for additional fact-finding. Id. at 223.

The question left open by the Camden court was answered in subsequent cases. In sum, the courts have held that unless the out-of-state residents can be sufficiently (and specifically) shown to be the cause-in-fact of the economic hardships cited by the city (*i.e.*, linkage), such ordinances cannot pass the constitutional test under the Privileges and Immunities Clause.

For example, in Felton Construction, 98 Wash.2d 121, the Supreme Court of Washington refused to assume – without evidence – that hiring non-resident necessarily harmed the local job market or economy:

Neither appellants nor the State provides any evidence that hiring out-of-state workers would constitute a peculiar evil by diverting wages out of the state. No proof is presented regarding the extent to which out-of-state contractors or subcontractors would bring their employees to the jobsite rather than hire locally (which is not an unfamiliar practice with respect to nonsupervisory employees). Nor do appellants provide any evidence regarding the extent to which wages would be diverted out of state. Undoubtedly, out-of-state contractors purchase supplies and equipment in the state and some wages are spent here. In addition, some secondary

<sup>86</sup> “Every inquiry under the Privileges and Immunities Clause ‘must be conducted with due regard for the principle that the states should have considerable leeway in analyzing local evils and in prescribing appropriate cures.’” Camden, 465 U.S. at 222-223 (citations omitted).

economic activity is generated only by having out-of-state workers with their additional requirements of food and shelter. Finally, even if we were to assume some wages would be diverted out of state, we have been provided no information by which to compare how that "loss" would compare with the advantage of lower bids on public works by out-of-state contractors.

Id. at 128-129. See also, A.L. Blades & Sons, 121 F.3d at 872 (“The Commonwealth offered no evidence why the nonresident employees constituted a ‘peculiar source’ of the Commonwealth’s high unemployment in the construction industry. First of all, on a comparative basis, the unemployment rate for Pennsylvania’s construction industry is not high. . . . Secondly, there is no record evidence of any difference between the nonresident construction workers and the resident construction workers, other than their states of residency. . . . The record also reflects that nonresident employees do not constitute a peculiar source, or for that matter, a significant source, of unemployment in the construction industry.”).

Somewhat similarly, the court in Lakeside Roofing, relying on Supreme Court guidance, cautioned that dire economic conditions in a state cannot automatically be assumed to be caused (or made worse) by non-resident workers. Id. at 12 (“Furthermore, given that the United States Supreme Court has rejected the argument that employed nonresidents are automatically a source of high residential unemployment so as to enable protectionist legislation to pass scrutiny under the Privileges and Immunities Clause, the Court finds it difficult to issue guidance to defendants to enable the reformation of the [challenged local preference law].”), citing Hicklin v. Orbeck, 437 U.S. 518 (1978).

These case authorities demonstrate the need for significant evidentiary proof linking out-of-state workers to high unemployment or other dire economic circumstances in a municipality in order to justify – legally – a local preference program/legislation. Moreover, a review of the relevant case law shows that courts rarely find sufficient proof when assessing the constitutionality of such programs.

### 3. **The City of Cleveland Work-Around**

Faced with decades of jurisprudential guidance indicating the strict limits on local preference programs, the City of Cleveland successfully devised a “work-around,” accepted by the Sixth Circuit as constitutionally defensible in 2007. See City of Cleveland v. Ohio, 508 F.3d 827 (6<sup>th</sup> Cir. 2007). Essentially, the city avoided the Privileges and Immunities Clause altogether by expressly including in its local preference ordinance a provision that the local hiring goals/quotas did not apply when a contractor or subcontractor used out-of-state residents/employees exclusively.

[T]he City tailored the definition of “Construction Worker Hours” to exclude hours worked by non-Ohio residents. Therefore, by comprising its workforce of entirely out-of-state residents, a contractor would not be subject to the Lewis Law’s requirements. On the other hand, if a contractor wished to use *any* Ohio workers, twenty percent of these workers (i.e., the Ohio residents’) hours would have to be performed by Cleveland residents.

508 F.3d at 833 (citation omitted).

The Court of Appeals, in overturning the ruling of the lower court, found that although the ordinance disadvantaged Ohio-based labor (those not residing in Cleveland), the lack of disadvantage as to out-of-state labor avoided a violation of the Privileges and Immunities Clause.<sup>87</sup> As reasoned by the Supreme

<sup>87</sup> Though not discussed, the lack of adverse interstate outcomes also avoided a potential Commerce Clause problem. See *infra*.

Court in Camden, the disadvantaged Ohio residents can express their disagreement with the ordinance at the ballot box. 465 U.S. at 217.

#### 4. **Application to City of Tacoma Ordinance**

As currently structured, we believe that the City of Tacoma ordinance would not survive a constitutional challenge under the Privileges and Immunities Clause. The City establishes in the ordinance numerical goals for the use of City resident workers (and apprentices, etc.), the purpose of which is to remedy unemployment problems and a shrinking tax base – essentially making certain that those who “live off” Tacoma “live in” Tacoma. The above case law, including Camden, Felton, and Lakeside Roofing, strongly indicate that the Privileges and Immunities Clause can be used to invalidate the statute.

We have received, however, proposed changes to the ordinance that we believe will afford sufficient protection under the City of Cleveland “work-around” discussed at length above. Specifically, the City proposes to change the “LEAP Goals” section (§ 1.90.040) to include a provision that “Labor Hours performed by non-residents of the State of Washington will be deducted from a project’s total Labor Hours for purposes of determining compliance with the requirements of this chapter.” Appendix G (“Proposed Changes”). Though not identical to the language used by the City of Cleveland, the effect appears to be the same, and thus appears to protect the ordinance from challenge – assuming it is adopted as proposed. We would also recommend that similar clarification be added to the definitional section of the ordinance (§ 1.90.030 (L.)) governing “Labor Hours,” in order to further differentiate this provision consistent with City of Cleveland.

#### C. **The Commerce Clause**

Though the Privileges and Immunities Clause is the most common – and legally dangerous – constitutional provision used to challenge local preference programs, courts have also analyzed challenges under the Commerce Clause (in Article I of the United States Constitution). As shown below, however, where a city is a market participant, as the City of Tacoma is in this case, the Commerce Clause is not an effective method of attack.

The Commerce Clause grants Congress the power to regulate commerce among the states. U.S. CONST. art. I, § 18. It primarily has been applied to state taxes and regulatory measures that restrict free trade by imposing burdens on out-of-state economic interests. This limitation on state power, frequently called the ‘dormant’ Commerce Clause, ‘prohibits economic protectionism--that is, regulatory measures designed to benefit in-state economic interests by burdening out-of-state competitors.’

Lakeside Roofing, at p. 13 (citations omitted).

[W]hen a state or local government acts as a market participant rather than a market regulator; its conduct is **outside the reach of the Commerce Clause**. The Supreme Court has addressed the application of the market participant exception to regulations governing employment on public works projects. [In White v. Massachusetts Council of Const. Employers, Inc., 460 U.S. 204, 205-96 (1983)]. . . . The Court found that, therefore, “the only issues before [it]” were the propriety of applying the mayor’s order to projects funded wholly with city funds and projects funded in part with federal funds. *Id.* at 209. Thus, “[i]nsofar as the city expended only its own funds in entering into construction contracts for public projects, it was a market participant.” *Id.* at 214. According to the Court, “in this kind of case there is ‘a single inquiry: whether the

challenged program constituted direct state participation in the market." *Id.* at 208 . . . **The Court's inquiry in the market participation cases asks not whether the state is acting as a buyer, seller, or employer when it participates in a market, but whether the state is actually participating in a narrowly defined market as a proprietor rather than simply regulating the actions of other private market participants.**

Lakeside Roofing, at 15-16 (citations omitted; emphasis added). See also, A.L. Blades & Sons, 121 F.3d 865, at n. 7 (discussing market participant exception, relying on Supreme Court's decision in White v. Massachusetts Council); Marilley, 844 F.3d at 850 (same).

In short, if a governmental entity is a market participant in a business, it may pursue its own economic interests free from the constraints imposed by the Commerce Clause within the market in which it participates. Here, the LEAP initiative applies to public works projects or improvements "funded in whole or in part with City funds or funds which the City expends or administers in accordance with the terms of a grant." § 1.90.020. The relevant case law indicates that such activities/limitations make the City a market participant, immune from a Commerce Clause challenge. See e.g., Lakeside Roofing, at 17 ("[A]ll construction projects mentioned in Plaintiff's Motion for Summary Judgment and Plaintiff's related filings involved structures owned by public school districts, public universities, or other public entities. In each of these transactions, a public entity acted as the owner of the public works project and, therefore, as a market participant and not as a market regulator.").

#### D. Equal Protection

Finally, constitutional challenge may be made against a local preference program under the Equal Protection Clause of the Fourteenth Amendment. This clause is familiar, as it is the primary basis for challenging race- and gender-based policies or programs (such as MWBE programs). The application to local preference programs, however, is very different.

Because a local preference program does not involve discrimination against a suspect class – such as race, gender, national origin, etc. – the strict scrutiny standard does not apply. Rather, a governmental entity must merely demonstrate that there is a "rational basis" for the program/legislation. This is the lowest level of scrutiny, and not nearly as difficult to meet.

A recent federal decision in the context of a local hiring policy is instructive on several aspects of this inquiry, and is thus quoted herein at length:

To survive rational basis scrutiny, the statute need only be rationally related to legitimate government interests, and must be upheld against equal protection challenge if there is any reasonably conceivable state of fact that could provide a rational basis for the classification. As such, '[t]he "rational basis" test means that **courts will not overturn government action "unless the varying treatment of different groups or persons is so unrelated to the achievement of any combination of legitimate purposes that [the court] can only conclude that the [government's] actions were irrational.**' In evaluating a government's stated rational basis for its actions, the Court may not judge the "wisdom, fairness, or logic of legislative choices." **Generally, '[w]hen social or economic legislation is at issue [and a fundamental right is not implicated], the Equal Protection Clause allows the States wide latitude.'**

The City argues that its Local Hiring Policy is rationally related to two legitimate government interests: (1) 'returning and reinvesting' to the taxpayers of Akron some of the tax money that will finance this public works project; and (2) 'reducing local unemployment and combating declining incomes' of its residents. Applying the deferential rational basis standard, the Court finds that these two legitimate government interests are likely to pass constitutional muster. . . . **Courts have upheld ordinances that favor local businesses as permissible under the Equal Protection Clause.** For example, in *Walsh Constr. Co. of Ill. v. City of Detroit*, 257 F. Supp. 2d 935 (E.D. Mich. 2003), the court rejected an equal protection challenge to an ordinance that gave credits to local bidders on public works projects. In so ruling, the court found that the "the application of [] equalization percentage credits to bids where non-Detroit bidders are present is rationally related to a legitimate state purpose of promoting local businesses." *Id.* at 940; see *Kasom v. City of Sterling Heights*, 600 F. Supp. 1555, 1561 (E.D. Mich. 1985) (rejecting equal protection attack upon city's unwritten policy of favoring local businesses in public works projects, noting that the city "could reasonably desire to have local businesses bid on public works contracts"). **The parties have not cited, and the Court has not found, cases wherein a court has directly ruled on the issue of whether local hiring quotas for municipal contracts violate the Equal Protection Clause.**

*Ohio Contractors Association v. City of Akron*, at 8-9 (citations omitted; emphasis added). *Cf. Salem Blue Collar Workers Association v. City of Salem*, 33 F.3d 265, 71 3<sup>rd</sup> Cir. 1994) ("The Supreme Court has held that municipal residency requirements for maintaining employment are not irrational.") (citations omitted).

Under this standard, we are reasonably confident that the City of Tacoma's LEAP program would survive constitutional scrutiny under the "rational basis test" given the socio-economic bases offered for the advent and continuation of the program.

**LEAP Analysis Section**

A.L. Blades & Sons, Inc. v. Yerusalem, 121 F.3d 865, 868 (3<sup>rd</sup> Cir. 1997)

City of Cleveland v. Ohio, 508 F.3d 827 (6<sup>th</sup> Cir. 2007)

Hicklin v. Orbeck, 437 U.S. 518 (1978)

Lakeside Roofing Co. v. Nixon, Case No. 4:10CV1761 (E.D. Mo. 2012)

Laborers Local Union No. 374 v. Felton Construction Co., 98 Wash.2d 121 (Wash. 1982)

Marilley v. Bonham, 844 F.3d 841 (9<sup>th</sup> Cir. 2016)

Ohio Contractors Association v. City of Akron, Case No. 5:14CV0923 (N.D. Ohio 2014)

Robison v. Francis, 713 P.2d 259 (Alaska 1986)

Salem Blue Collar Workers Association v. City of Salem, 33 F.3d 265 (3<sup>rd</sup> Cir. 1994)

Toomer v. Witsell, 334 U.S. 385, 68 S.Ct. 1156 (1948)

United Building and Construction Trades Council of Camden County and Vicinity v. Mayor and City Council of the City of Camden, 465 U.S. 208, 104 S.Ct. 1020 (1984)

National Cooperative Highway Research Program (NCHRP), Legal Research Digest 59, “Enforceability of Local Hire Preference Programs” (April 2013)

Tacoma Municipal Code, Chapter 1.90, § 1.90.010

U.S. Const. art. IV, § 2

## II. LEAP INITIATIVE - POLICIES, PRACTICES, AND PROCEDURES REVIEW

### A. Introduction

In August, 2017, the City of Tacoma, Washington (“City”) contracted with Griffin & Strong, P.C. (“GSPC”) to conduct a review of the City LEAP program, as an adjunct to the Disparity Study. The purpose of this study is to review the current law on local hiring programs and policies, plan and programs of the City LEAP program.

The Study collected and analyzed relevant data on employment in construction.

The principal objectives of this review are to determine:

Are there possible avenues of legal challenge to the LEAP program?

What are the current policies of the LEAP program?

What is the employment environment of the LEAP program?

What recommendations can be made for the LEAP program?

#### 1. Approach

In conducting this study and preparing our recommendations, GSPC followed a work plan that allowed study team members to review aspects of the City LEAP program. The final work plan consisted of, but was not limited to, the following major tasks:

- establishing data parameters and finalizing a work plan;
- legal analysis;
- policy and program review;
- collecting and organizing employment data; and
- preparing a final report.



## 2. Report Organization

This report is organized into the following sections, which provide the results of our quantitative and qualitative analysis. In addition to this introductory chapter, this report includes:

- Chapter II, which presents a legal overview of local hiring programs.
- Chapter III, which provides a review of the City's LEAP policies and practices.
- Chapter VII, a summary of the findings and recommendations based upon the analyses.
- Data Appendix, which presents relevant employment and apprenticeship tables.

### B. Document Review and Personnel Interviews

GSPC reviewed the Revised Code of Washington ("RCW"), the City Municipal Code, past and present City LEAP plans and recommendations, City bid and proposal solicitations, past and present City budgets, and related documents. GSPC conducted policy interviews in the fall of 2017 with officials that interfaced with LEAP from the following City departments:

- City, Public Works
- City, Engineering
- City, Public Works, Project Management
- City, Legal
- City, LEAP
- City, Purchasing
- City, Facilities
- Tacoma Power Utilities (TPU), Engineering
- TPU, Water Division
- TPU, Power Division
- TPU, Legal

### C. Background

The LEAP program was established in March 1997, to address the recession of that time and later high unemployment in Federal Renewal Communities.<sup>88</sup> The mission of the LEAP program is

To provide residents of Tacoma, particularly those in the Community Empowerment Zone, with training and support services necessary to complete apprenticeship requirements which lead to family wage jobs in building and construction trades.<sup>89</sup>

The primary objectives of the LEAP have been

- Creating job opportunities for local citizens on Tacoma public works projects.
- Developing skills through apprenticeship programs.
- Providing a local trained workforce for economic/business development and to improve the quality of life for all citizens.

LEAP has set a program goal that 15 percent of all labor hours on projects covered by the program be performed by state approved apprentices or local journey level workers.

### D. LEAP Participants

The LEAP program covers the following groups:

**Apprentice:** a person enrolled in a course of training for a particular construction trade or craft. The training must be approved by the Washington State Apprenticeship and Training Council (WSATC). The WSATC approves apprenticeship programs and establishes apprenticeship program standards.<sup>90</sup> Under Washington State law there is no requirement to have a union agreement in place.<sup>91</sup>

**Tacoma Apprentice:** An apprentice who is a Tacoma Resident, and who is not a transitory resident of Tacoma.

**Pierce County Apprentice:** An apprentice who is not a Community Empowerment Zone (CEZ, discussed below) resident or Tacoma resident, and who is not a transitory resident of Pierce County.

**Tacoma Veteran:** A person, who is not a CEZ Resident or Tacoma Youth, who served any time in the military, and who is not a transitory resident of Tacoma.

**Pierce County Veteran:** A person, who is not a CEZ Resident, Tacoma Youth, or Pierce County Youth, who served any time in the military and who is not a transitory resident of Pierce County.

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<sup>88</sup> Federal Renewal Communities (RC) were created in the 2000 Tax Relief Act. There were forty such communities at the time across the United States. Federal RC designation sunset in 2009 and LEAP decided to use the state CEZ as the target for training and jobs.

<sup>89</sup> Tacoma Municipal Code § 1.90.010. A. Purpose.

<sup>90</sup> RCW 49.04.010.

<sup>91</sup> WAC 296-05-303.

Tacoma Youth: A Tacoma Resident, who is not a CEZ Resident between the ages of 18-24, and who is not a transitory resident of Pierce County.

Pierce County Youth: A Pierce County Resident, who is not a CEZ Resident or Tacoma Youth, between the ages of 18-24, and who is not a transitory resident of Pierce County.

Resident of Tacoma: A person, who is a resident of the city of Tacoma, who is not a CEZ Resident, and who is not a transitory resident of Tacoma.

Resident of Tacoma Power Hydro Project Areas: A person who is a resident of within the boundaries of Cowlitz, Cushman, Wynoochee, and Nisqually Hydroelectric projects and who is not a transitory resident of those areas.

CEZ Resident: A person who lives in the CEZ, and who is not a transitory resident of the CEZ; provided, that an individual initially certified as a CEZ Resident retain such certification status for a period of up to two years or 1,000 Labor Hours worked from the date of initial certification, whichever is less.<sup>92</sup>

- a) CEZs are areas within cities in the state of Washington, designated by the Washington Department of Commerce, that suffer from high unemployment and low incomes. Low income and high unemployment is defined as areas with at least 51 percent of the households having incomes at or below eighty percent of the county's median income, and average unemployment rate be at least one hundred twenty percent of the average unemployment rate of the county for the most recent twelve-month period for which data is available.<sup>93</sup> Tacoma is one of six cities in the state of Washington with a designated CEZ. A map of the Tacoma CEZ follow in Figure 2. Firms can use web-based software to enter the applicant's address to determine if the applicant lives in the Tacoma CEZ.

The City is promising to simplify these categories of employees covered by the LEAP program. LEAP would then cover Apprentices, Tacoma residents and Priority Hire Residents. As a result, veterans, youth and CEZ residents and Resident of Tacoma Power Hydro Project Areas are eliminated from LEAP as separate categories. CEZ residents are replaced by Priority Hire residents. Priority Hire residents are residents of Economically Distressed zip codes in the TPU service area. Those distressed zip codes are defined as those zip codes that

meet two out of three (2/3) of the thresholds of:

1. High concentrations of residents living under 200% of the federal poverty line in terms of persons per acre (69th percentile)
2. High concentrations of unemployed people in terms of persons per acre (45th percentile)
3. High concentrations of people 25 years or older without a college degree in terms of persons per acre (75th percentile)

There currently 37 Priority Hire zip codes, 32 in Pierce County.

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<sup>92</sup> Tacoma Municipal Code § 1.90.030. A. Definitions.

<sup>93</sup> RCW Chapter 43.31C.030.

**Figure 1: Tacoma Community Empowerment Zone  
2018 Tacoma LEAP Review**



**E. LEAP Goals**

For firms constructing civil projects or building projects, and all service providers involved with the construction of a public work or improvement, there are the following current LEAP requirements.

1. The LEAP utilization goal is the lesser of at least 15 percent of the total Labor Hours actually worked on the Project, or 15 percent of the Estimated Labor Hours, are performed by Tacoma Residents (whether or not an Apprentice), or by Apprentices who are residents of Pierce County (unless adjusted as discussed below).
2. Twenty-five percent of the labor hours or estimated labor hours of the LEAP Utilization Goal above is to be performed by a CEZ Resident (unless adjusted as discussed below).
3. If the project is located within the Tacoma Power Hydro Project Areas, then 25 percent of the labor hours or estimated labor hours identified as the LEAP Utilization Goal may be performed by a Resident of the Tacoma Power Hydro Project Areas in which the building project, civil project, or service contract is located (unless adjusted as discussed below).
4. If the project is within the Tacoma Water Green River Headworks and Watershed Area, then the 25 percent of the LEAP Utilization Goal may be performed by King County Apprentices or by a Resident of the Duwamish and White Center CEZ or by Residents of the Tacoma Water Green River Headworks and Watershed Area in which the building project, civil project, or service contract is located (unless adjusted as discussed below).<sup>94</sup>
5. Under the proposed plan the LEAP goals do not apply to projects under \$1 million that are outside of the TPU Service Area. Hours performed by non-residents of the State of Washington are deducted from a project's total labor hours for purposes of determining compliance with the LEAP goal. This later change is proposed to protect the program from constitutional challenge under the Privileges and Immunities clause of the U.S. Constitution.

A prime contractor can use subcontractor LEAP labor hours to satisfy the LEAP goal.

To estimate a labor hour goal, the Project Engineer either provides a labor hour estimate or the LEAP program uses the contract monetary estimate. Once the project is completed if the project total labor hours are greater than or equal to the estimate, the goal from estimate is used. If the project total labor hours are less than the estimate, the goal is changed to 15 percent of the total labor hours

Note that while there are incentives to use apprentices, there is no apprenticeship goal in the LEAP program. The State of Washington has had Apprenticeship Utilization Requirements since February 2000.<sup>95</sup> The Washington Department of Transportation, as well as public school projects and university projects above a certain size, as well as numerous local governments in the state of Washington have apprenticeship goals. The apprenticeship goals in the state of Washington tend to range between 10 and 15 percent. Under the proposed plan 15% of Labor Hours on contracts above \$1,000,000 have to be performed by Apprentices who are residents of the TPU Service Area. The TPU Service Area is every zip code listed by TPU as an area that either receives services or maintains infrastructure to provide services.

#### **F. LEAP Utilization Plan and Forms**

The Tacoma LEAP ordinance requires that that Contractors and Service Providers submit a LEAP Utilization Plan and meet with the LEAP Coordinator to review the Plan prior to being issued a Notice to

<sup>94</sup> Tacoma Municipal Code § 1.90.040.A. Exceptions 3 and 4 were added after July 2009.

<sup>95</sup> Gary Locke, Executive Order 00-01, Promoting the Use of Apprentices in Public Works Projects, February 3, 2000. Some of the objections to apprenticeship goals include: they interfere with collective bargaining agreements, not all trades and crafts have apprenticeship programs, they interfere with staffing decisions current journey-level workers will be laid-off in favor of apprentices, apprenticeship utilization will add project costs, reporting of apprentice hours is costly, and non-union contractors lack access to apprentices or apprenticeship programs.

Proceed.<sup>96</sup> The meeting with the LEAP Coordinator prior to issuance of a Notice to Proceed can be excused only if the LEAP Coordinator is unavailable. The City can withhold progress payment until the LEAP Plan is received. The LEAP Utilization Plan form includes columns for the planned hours of each of the covered LEAP groups by trade or craft. The LEAP Utilization Plan form also requires a summary of the firm’s outreach and recruitment procedures to hire LEAP qualified employees for that particular project.

The LEAP program offers to assist contractors in the recruitment, screening and selection of Tacoma residents interested in the building and construction trades. In practice the City offers screening through the LEAP Verification Form. For recruitment the City offers contractors referrals through the unions and Construction Industry Training Council (CITC, non-union).

Firms on projects with LEAP goals must also submit a LEAP Employee Verification Form, a LEAP Weekly Payroll Report, a Weekly Certified Payroll, a Statement of Intent to Pay Prevailing Wage Form and an Affidavit of Wages Paid Form. The LEAP Coordinator can withhold progress payments for failure to submit required forms.

**G. Adjustments for LEAP Groups**

LEAP has had difficulties attracting employees from CEZ residents, youth, apprentices and veterans from Tacoma. A 2018 City LEAP report found that 10.1 percent of LEAP project hours were performed by CEZ residents.<sup>97</sup> At one point the LEAP program had a good faith efforts component, but this provision was repealed in 2005.<sup>98</sup> Currently LEAP provides incentives for firms to utilize workers from groups that are more challenging to recruit. Contractors and service providers can achieve their LEAP Utilization Goal through any combination of the following in Table 1 below.

**Table 1: LEAP Adjustments for CEZ Residents, Youth and Veterans  
2018 Tacoma LEAP Review**

<b>LEAP Group</b>	<b>Multiply Number of Hours Worked</b>
Resident of the CEZ or Seattle’s Duwamish and White Center CEZ	2
Tacoma Youth, Tacoma Veteran or Tacoma Apprentice	1.5
Resident of Tacoma, Pierce County Youth, Pierce County Veteran or a Pierce or King County Apprentice	1
Tacoma Power Hydro Project Areas Resident	1

Source: Tacoma Municipal Code § 1.90.040.B.

The LEAP ordinance also provides for an adjustment if the firm has a difficulty in meeting the CEZ Residents sub-utilization goal of 25 percent. The firm can cure the CEZ shortfall by achieving a 2-for-1 ratio of hours worked by a Pierce County Apprentices, Pierce County Youth, Pierce County Veterans, Tacoma

<sup>96</sup> Tacoma Municipal Code § 1.90.040.A.5.

<sup>97</sup> City of Tacoma, Proposed Changes to TMC 1.90 (LEAP), February 2018.

<sup>98</sup> Tacoma Municipal Code § 1.90.050. Good Faith Efforts. Repealed by Ord 27368.

Power Hydro Project Areas Residents, or Residents of Tacoma for every unmet CEZ Resident labor hour until the CEZ goal is met.<sup>99</sup>

For projects in the Tacoma Water Green River Headworks and Watershed Area, if the firm cannot meet the 25 CEZ sub-utilization goal the firm can cure the deficiency by achieving a 2-for-1 ratio of hours worked by a King County Apprentice or Duwamish and White Center CEZ resident for every unmet CEZ Resident labor hour until the goal is met.<sup>100</sup>

Under the current proposed plan these adjustments are eliminated.

#### H. LEAP Exemptions and Pre-Bid Goal Adjustments

LEAP utilization goals do not apply to Civil projects (water main, sewer, street paving, etc.) under \$250,000, or Building projects (convention center, police station, etc.) under \$750,000,<sup>101</sup> or:

1. to those portions of a project that are funded by sources other than (a) City funds, or (b) funds which the City expends or administers in accordance with the terms of a grant to the City.
2. Projects that are built primarily for the benefit the City's Electrical Utility, which are situated outside the Electrical Service Area, and for which the estimated cost is less than \$1,000,000.
3. Projects that are constructed primarily for the benefit of the City's water utility, which are situated outside the Water Service Area, and for which the estimated cost is less than \$1,000,000.
4. Emergency situations.
5. Situations where LEAP goals would conflict with state or federal requirements.<sup>102</sup>

LEAP goals do apply to service contracts relating to a public work or improvement that uses labor at a City site; in particular, the annual flagging contract. LEAP requirements are applicable on a case-by-case basis. The City did attempt to apply LEAP goals to smaller projects but was not successful.

LEAP utilization goals for projects may be adjusted prior to bid based upon a finding by the Project Engineer that the LEAP goal is unfeasible.<sup>103</sup> These adjustments are to be made in consultation with the Director and LEAP Advisory Committee (discussed below), and if necessary, the City Manager and Director of Utilities. Staff interviews indicate that the City generally did not set distinct LEAP goals for every project, but generally set the same 15 percent goal.

#### I. Enforcement

Firms that fail to meet the LEAP goals are penalized for each hour short of the LEAP goal. The penalties are as follows in Table 2:

<sup>99</sup> Tacoma Municipal Code § 1.90.040.B.5.

<sup>100</sup> Tacoma Municipal Code § 1.90.040.B.6.

<sup>101</sup> Tacoma Municipal Code § 1.90.030.B, D; § 1.90.040.A.

<sup>102</sup> Tacoma Municipal Code § 1.90.040.E.3, F., G., H., I.

<sup>103</sup> Tacoma Municipal Code § 1.90.040.E.

**Table 2: Assessments for Failure to Meet the LEAP Goal  
2018 Tacoma LEAP Review**

<b>Percent of LEAP Goal Met</b>	<b>Assessment Per Unmet Hour</b>
100%	\$ 0.00
90% - 99%	\$ 2.00
75% to 89%	\$ 3.50
50% to 74%	\$ 5.00
1% to 49%	\$ 7.50
0%	\$10.00

Source: Tacoma Municipal Code § 1.90.040.C.

The Tacoma LEAP ordinance provides that the Director should review the firm’s and all their subcontractor’s employment practices during contract performance for compliance with the LEAP Program.<sup>104</sup> The ordinance also provides for on-site visits as necessary to verify LEAP compliance. A failure to cooperate with monitoring or making of any material misrepresentation, may disqualify the firm from eligibility for other City contracts.

Correspondence was reviewed where penalties were assessed for failure to meet the LEAP goal. City staff, however reported that penalties were generally minimal and not applied when assessed, but this claim was not documented. The penalties do not change in the proposed reforms to the LEAP program.

Any action by the City under the LEAP rules can be reviewed by the Board of Contracts and Awards. Any action taken by the Board of Contracts and Awards may be appealed to the City Council or Public Utility Board, as appropriate, and thereafter, to the Superior Court of Pierce County.<sup>105</sup>

**J. Technical Assistance**

The City lists the following organizations as sources of training and pre-apprenticeship classes: Metropolitan Development Council, Tool Center (Trade Occupations Opportunity Learning)/Tacoma Training and Employment Program, Bates Technical College, Washington State Apprenticeship Council, Centro Latino, Tacoma Community House, Tacoma Goodwill Industries. The TOOL Center provides free construction-related training for Tacoma residents who are 18-24 years of age through its Pre-Apprenticeship Trades program. The City also lists the following workforce development partners: Employment Security Department, Technical Colleges (Pierce, Clover Park, Bates, Tacoma Community College), United Way, Sound Outreach, and Sound Transit.

<sup>104</sup> Tacoma Municipal Code § 1.90.080.A.

<sup>105</sup> Tacoma Municipal Code § 1.90.080.D.



**K. EPA Training Program**

The City’s EPA Brownfields Job Training Program has partnered with Clover Park Technical College (CPTC) and Goodwill to provide unemployed, underemployed citizens, transitioning servicemen and veterans with skills in construction and site cleanup. The EPA Training Grant is administered by the LEAP program.

Three cohorts of students have gone through the City’s Brownfields program. There were 166 applicants for 22 slots in the third cohort, which ended on June 9, 2017. A profile of this cohort is contained in Table 3 below.

**Table 3: Profile of Third Cohort  
EPA Brownfield Job Training Program  
2018 Tacoma LEAP Review**

<b>1<sup>st</sup> Orientation</b>	<b>Number</b>
Attended an Orientation	57
Lived in a preferred Zip Code	29
Veteran or Transitioning Military	15
<b>2<sup>nd</sup> Orientation</b>	
Applied for Training	56
Competed the CASAS Test	54
Lived in a preferred Zip Code	28
Veteran or Transitioning Military	15
<b>3<sup>rd</sup> Orientation</b>	
Passed CASAS Test Reading & Math	34
Lived in a preferred Zip Code	17
Veteran or Transitioning Military	10

Source: LEAP Newsletter, May 2017

The Brownfield training program includes 200 hours of instruction in Hazardous Waste Operations and Emergency Response Standard (HAZWOPER), Occupational Safety and Health Administration construction safety, first aid/CPR, leaking underground storage tanks, asbestos, chemical safety, remediation technology, lead abatement, respiratory protection, and confined space. Participants who complete the training earn nine state or federal certifications. Nationally the Brownfield program was cumulative placement rate of approximately 72% and an average starting hourly wage of \$14.32.

Under the current EPA grant the City projects training for no fewer than 60 participants, graduating 54 and placing at least 39 (72%) program with a 70 percent job-retention rate after one year.<sup>106</sup> Goodwill will

<sup>106</sup> Workplan for the City of Tacoma FY 2016 Environmental Workforce Development & Job Training Program, June 8, 2016. Historically Tacoma publicly reported a 75 percent placement rate for its graduates at an average wage of

provide outreach and recruitment services for participants from Pierce County neighborhoods impacted by Brownfields sites. CPTC will conduct cohort trainings over a two-year period. Every successful participant will receive industry recognized certificates at the completion of each training.

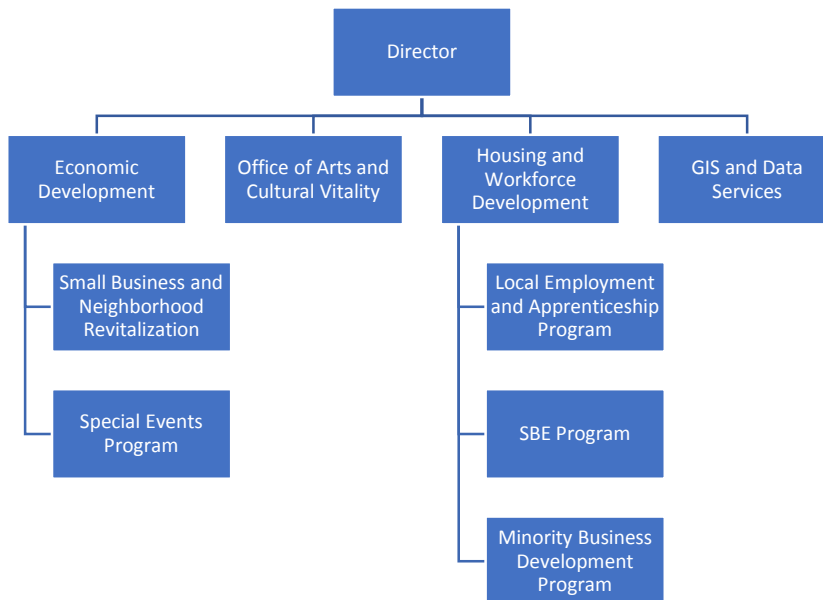
The City has received seven EPA Brownfields training grants since 2000.<sup>107</sup> The 2017 City budget for the EPA Brownfields program was \$219,200.<sup>108</sup> In 2017 Tacoma had 141 sites either pending or in the process of cleanup, 72 percent of the site needing cleanup in in Pierce County.<sup>109</sup>

**L. LEAP Office**

**1. Organization, Budget and Staffing**

The figure below shows that the LEAP program reports to Housing and Workforce Development, a section of the City CEDD.

**Figure 2: Community and Economic Development Department  
Organizational Chart  
2018 Tacoma LEAP Review**



Source: City of Tacoma, 2017-2018 Adopted Biennial Operating and Capital Budget, page 77.

The City LEAP Office budget for 2017 was \$660,879.<sup>110</sup> LEAP staffing is currently one full-time equivalent (FTE) LEAP staff and 0.2 FTE administrative. At one point there were two FTEs on the LEAP program.

<sup>113.74</sup> US Environmental Protection Agency, City of Tacoma Awarded \$300,000 in EPA Brownfields Job Training Grant funds to train workers for a better, “greener” future, News Release, July 20, 2011.

<sup>107</sup> EPA, City of Tacoma, Clover Park Technical College, and Goodwill partner for environmental training, jobs and careers in Pierce County, News Release, 02/24/2017.

<sup>108</sup> City of Tacoma, Cost Center Detail Report, Cost Center 450000, For the Period November 2017.

<sup>109</sup> EPA, City of Tacoma, Clover Park Technical College, and Goodwill partner for environmental training, jobs and careers in Pierce County, News Release, 02/24/2017.

<sup>110</sup> City of Tacoma, Cost Center Detail Report, Cost Center 450000, For the Period November 2017.

One of the previous LEAP FTE positions was used to create a coordinator position over both the SBE and LEAP programs.

**1. Reporting LEAP Participation**

The Tacoma LEAP ordinance mandates annual LEAP reports to include information on all contracts and all contractors covered by the LEAP program, and the level and nature of LEAP participation by contract and by contractor.<sup>111</sup> The Director’s LEAP reports can be considered by the Board of Contracts and Awards in assessing bidder responsibility. The City LEAP ordinance also provides for a biannual review of the LEAP program by the Manager and Director (beginning from January 1, 2000), to be reported to the City Council and Public Utility Board. The report is to assess the continued need for LEAP, and any program revisions. Unlike the City SBE program, there is no LEAP sunset provision.

The City does not currently use LCP Tracker, or other program, to track LEAP utilization. The reporting of LEAP utilization has been in some cases incomplete. The 2018 LEAP report provided the following data for LEAP utilization over the study period in Table 4 below. In this data overall LEAP employee utilization exceeded the 15% goal, although less than half the projects in this data met the LEAP goal.

The 2018 LEAP Report also showed 9.56 apprentice utilization, 19.51 percent for people of color, 4.09 for Nonminority Female and 6.98 for residents of Priority Hire zip codes for 2014 through 2016. The Appendix to this study shows the composition of construction employment and apprentices by race, ethnicity and gender for comparison purposes (Tables A-9 and A-10).

**Table 4: Utilization of LEAP Workers  
2013-2017  
2018 Tacoma LEAP Review**

Year	Number of Contracts	Total Labor Hours	Leap Labor Hours	LEAP Percent of Total Hours	Projects Meeting the LEAP Goals	Percent of Projects Meeting the LEAP Goal
2013	32	212,049	33,205	15.7%	14	43.8%
2014	38	287,889	43,179	15.0%	20	52.6%
2015	23	220,759	53,080	24.0%	14	60.9%
2016	21	51,052	4,198	8.2%	8	38.1%
2017	20	81,984	9,891	12.1%	9	45.0%
Total	134	853,733	143,553	16.8%	65	48.5%

Source: City of Tacoma, Proposed Changes to TMC 1.90 (LEAP), February 2018

City budget documents reported the following LEAP utilization in Table 5 below. From 2013 to 2015 the percentage of LEAP Workers on City Projects with LEAP Goals stayed around 16 and 17 percent. There were over 200 LEAP jobs each year.

<sup>111</sup> Tacoma Municipal Code § 1.90.100. Review and reporting.

**Table 5: Utilization and Wages of LEAP Workers  
2013-2015  
2018 Tacoma LEAP Review**

Year	Percentage of LEAP Workers on City Projects with LEAP Goals	Average Hourly Wage of LEAP Qualified Workers	Number of New LEAP Projects	Number of LEAP Jobs	Number of Training Participants Who Obtained Jobs
2013	16%	NA	46	210	61
2014	17%	NA	42	237	25
2015	16%	\$40	27	206	28

Source: City of Tacoma, 2017-18 Adopted Budget, City of Tacoma, 2015-16 Adopted Budget; LEAP Performance (undated)

Table 6 provides data on LEAP on specific projects and the LEAP hours per project, the number of LEAP jobs created. Table 6 provides data on LEAP projects goal attainment, although it is from an undated document and did not consistently report the data.

**Table 6: LEAP Projects Goal Attainment  
2018 Tacoma LEAP Review**

Project	LEAP Utilization Goal	Status	LEAP Jobs Created
Foss Waterway Seaport	265 hours.	Goal not met. Penalty issued per program regulations.	NA
Tacoma Solid Waste Recovery and Transfer Center	13,500 hours	Goal met.	56
Cheney Stadium Remodel	15%	Goal exceeded.	84
Broadway LID	4,500 hours	Goal exceeded.	NA
Greater Tacoma Convention and Trade Center	NA	Goal met.	NA
Tacoma Power Cushman Dam #2, Fish Collection/Sorting Facility & North Fork Skokomish Powerhouse – “Initiative 937” Renewable Energy Credit (REC)	15% Apprenticeship.	Goal met.	NA
THA/Hillside Terrace	NA	NA	9 jobs created
Pacific Avenue Streetscape	NA	NA	13 jobs created

Source: City of Tacoma, Completed LEAP Projects (undated); City of Tacoma Community and Economic Development Department, LEAP and SBE Annual Update Economic Development Committee, November 26, 2013

A power point of LEAP Accomplishments first three quarters of 2013, achieved 18.4% utilization on 66 public works construction projects, with 152 jobs created on public works projects.<sup>112</sup>

Table 7 below provides data on the demographics of the LEAP workforce for May 2017 year-to-date. As can be seen in this data the most successful utilization through the LEAP program was with Tacoma residents. The second highest category was Pierce County Apprentices and the lowest was Pierce County Youth.

**Table 7: Demographics of LEAP Workforce  
May 2017 Year to Date  
2018 Tacoma LEAP Review**

<b>Local Employment &amp; Apprenticeship Training Program</b>	<b>Year to Date</b>
<b>Demographics of LEAP Workforce</b>	
Minorities	14
Nonminority Female	7
Veterans	4
<b>Sub-Goal %</b>	
Community Empowerment Zone (EZ)	3.47
Tacoma Apprentice (TA)	2.17
Tacoma Veteran	0.06
Tacoma Youth	2.08
Tacoma Resident	38.25
Pierce County Apprentice	7.34
Pierce County Youth	0.1
Pierce County Veteran	6.33

Source: City of Tacoma Monthly Update – May 2017

## 2. LEAP Advisory Committee

The City established a LEAP Advisory Committee in 1997. LEAP Advisory Committee by-laws were adopted in 2012. Members are appointed by the City Manager and Director of Public Utility in consultation with the LEAP Office and existing LEAP Advisory Committee.<sup>113</sup> The goal is to have five members from each of the following groups: construction industry, organized labor, educational institutions, community organization. The most recent list had four contractors, four from organized labor, three community organizations, four City staff, and eleven educational institutions. The LEAP Advisory Committee is scheduled to meet quarterly. The LEAP Advisory Committee is tasked with reporting to the City manager and Director of Public utilities every two years.

<sup>112</sup> City of Tacoma Community and Economic Development Department, LEAP and SBE Annual Update Economic Development Committee, November 26, 2013 ITEM # 1.

<sup>113</sup> LEAP Advisory Committee By-Laws, 2012.

## M. Conclusions

The current City LEAP program is under review with new leadership and new staffing. There have been several changes in City LEAP policy since 1997, including expanding the geographic and demographic scope of the program. While LEAP is a local resident hiring program, the program has several elements that target youth, apprentices, veterans and residents of areas with higher unemployment and lower income. The LEAP program has several elements that increase its flexibility. There is currently no City apprenticeship goal, unlike many other public institutions in the state of Washington. Data tracking of the LEAP has been inconsistent and often incomplete over the study period, making it difficult to assess the program effectiveness. However, available data suggests that: (1) the program has generally exceeded the 15 percent goal, (2) not all projects have meet the 15 percent goal, (3) utilization of Tacoma residents has been the strongest, and (3) utilization of CEZ residents has been relatively weak. The EPA Brownfields program has been, by the available evidence, a long-running and successful program that combines job training and environmental remediation.

Revisions to the Code for LEAP are currently being considered by the City in collaboration with contractor, labor, training, and government agency partners. Further recommendations about LEAP policy are found in the Recommendations chapter below. Those recommendations are based on the combination of the findings in this chapter, the data appendix and the legal review.

### III. LEAP INITIATIVE EXECUTIVE SUMMARY

#### A. Findings for LEAP Analysis

##### 1. Legal Findings

In its current form, the Tacoma LEAP initiative appears vulnerable to constitutional challenge under the Privileges & Immunities Clause (Article IV, § 2), which is intended to prevent states from engaging in economic protectionism at the expense of non-residents. Given the lack of prior challenge and the current state of the law in this legislative area, the likely outcome of such a challenge is uncertain, but the risk is significant in our view. Moreover, the potential “work-around” discussed in the City of Cleveland decision is not presently available for the Tacoma LEAP initiative; the ordinance would have to be amended for such purpose.

We do not see similar risk should the initiative be challenged under a Commerce Clause theory or Equal Protection (14<sup>th</sup> Amendment) argument, as the City likely will be viewed as a market participant and not a market regulator under the Commerce Clause, and the “rational basis” test, which similar programs have met, merely requires a rational relationship to a legitimate governmental interest.

##### 2. Policy Findings

While LEAP is a local resident hiring program, the program has several elements that target youth, apprentices, veterans and residents of areas with higher unemployment and lower income. The LEAP program has several elements that increase its flexibility. It is unclear whether penalties for failure to comply with LEAP have been applied.

There is currently no City apprenticeship goal. The three largest groups of construction apprentices in March 2018 in Pierce County were Carpenters (15.1%), Laborers (13.2 %), and Inside Wiremen (12.9%).

The EPA Brownfields program has been, by the available evidence, a long-running and successful program that combines job training and environmental remediation.

3. LEAP Utilization. Data tracking of the LEAP has been inconsistent and often incomplete over the study period. However, available data suggests that: (1) the program has generally exceeded the 15 percent goal, (2) not all projects have meet the 15 percent goal, (3) utilization of Tacoma residents has been the strongest, and (3) utilization of CEZ residents has been relatively weak.
4. Minority and Female Utilization. The minority percentage of LEAP participants (19.1%) was only slightly less than the average minority participation of construction employment over the study period (19.2%). The female percentage of LEAP participants (4.1%) was much lower than the average female percentage of construction employment over the study period (18.2%).

#### B. Commendations and Recommendations for LEAP Review

##### 1. Legal Recommendation.

Our recommendation is that the ordinance be amended consistent with the previously proposed changes to the “LEAP Goals” section of § 1.90.040 (providing: “Labor Hours performed by non-residents of the State of Washington will be deducted from a project’s total Labor Hours for purposes of determining compliance with the requirements of this chapter.”). We also recommend similar clarification to be added to the definitional section of the ordinance for “Labor Hours” itself (§ 1.90.030(L)), as these amendments will more consistently track the approved language/methodology in City of Cleveland.

2. Data Infrastructure. The City should consider adopting LCP Tracker or similar program used for Davis-Bacon compliance to tract the LEAP program utilization.

3. Apprenticeship Goal. The City should consider adopting an apprenticeship goal, similar to other agencies in the State.
4. HUB Program. The City should consider adding a HUB component to its SBE program, along the lines of the federal program. The federal HUB program provides contracting incentives to firms that are located in and hire from disadvantaged areas.
5. EPA Brownfields. The City should be commended for its long-standing participation in the EPA Brownsfield program



# APPENDIX A

Detailed Legal Analysis

## APPENDIX A - EXPANDED LEGAL ANALYSIS

Having provided an overview of the *de facto* genesis of diversity studies, the following underscores the legal benefit to such studies should an MWBE program or initiative be challenged in a court of law.

### A. Overview of Legal Challenges to MWBE Programs and Legislation

There are several important legal standards and considerations which arise when a constitutional challenge to an MWBE program is initiated. Matters such as standing, the burden(s) of proof, the level of judicial scrutiny to be applied, and the types of evidence necessary for the Court's evaluation, must all be addressed. Each of these concepts is addressed in turn.

### B. The Standing Requirement

Legal "standing" to bring suit is an absolute requirement for one seeking relief in any federal court of the United States or any state court called upon to decide a matter upon federal law. [U.S. Const. Art. III, § 2, Cl 1; Lujan v. Defenders of Wildlife, 504 U.S. 555, 560 (1992).] Though "some of its elements express merely prudential considerations that are part of judicial self-government, the core component of standing is an essential and unchanging part of the case-or-controversy requirement of Article III." [Lujan, 504 U.S. at 560.]

[S]tanding contains three elements. First, the plaintiff must have suffered an injury in fact -- an invasion of a legally protected interest which is . . . concrete and particularized . . . [; s]econd, there must be a causal connection between the injury and the conduct complained of . . . [; and t]hird, it must be likely, as opposed to merely speculative, that the injury will be redressed by a favorable decision [of the Court wherewith the matter is brought].

[Lujan, 504 U.S. at 560-61 (internal punctuation and citations omitted).]

Under the traditional standing analysis, in order to satisfy the "injury in fact" requirement, plaintiffs must establish a causal connection between the injury, the ordinance, and the likelihood that the injury will be redressed by a favorable decision. Moreover, the courts may not tolerate a lawsuit unless the plaintiff shows some "concrete and particularized" injury that is in fact imminent and which amounts to something more than "conjectural or hypothetical" injury. [Price v. City of Charlotte, 93 F.3d 1241, 1247 (4th Cir. 1996) (citing Lujan).]

In the federal judicial circuit covering the City of Tacoma, the "injury in fact" element for standing was analyzed in Monterey Mechanical Co. v. Wilson, 125 F.3d 702 (9th Cir. 1997), with the Court applying guidance earlier supplied by the Supreme Court:

[I]n Bras v. California Public Utilities Commission, 59 F.3d 869 (9th Cir.1995)[,] [w]e held that in a challenge to an affirmative action program, "plaintiffs did not have to prove that they would lose any bids or identifiable contracts in order to sustain actual injury." Id. at 873. "An injury results not only when [the bidder] actually loses a bid, but every time the company simply places a bid." Id. at 873, quoting Coral Construction Company v. King County, 941 F.2d 910 (9th Cir.1991). Our analysis of standing in Coral Construction was approved of by the Court in Northeastern Florida Contractors, 508 U.S. at 660, 113 S.Ct. at 2300. A bidder need not establish that the discriminatory policy caused it to lose the contract. To establish standing bidders "need only show that they are forced to compete on an unequal basis." Bras, 59 F.3d at 873. Being forced to compete on an unequal basis because of race (or sex) is an injury under the Equal Protection Clause.

[Monterey Mechanical, 125 F.3d at 770.]

The goal, of course, is to design and implement an MWBE program in such a manner that no legitimate claims of “reverse discrimination” by majority contractors will result, and thus, no constitutional challenge will ensue. Absent achievement of such a program, standing issues will need to be addressed at the outset of any litigation.

### **C. Burdens of Production/Proof**

As noted above, the Croson court struck down the City of Richmond's minority set-aside program because the City failed to provide an adequate evidentiary showing of past and present discrimination as was its initial burden. [Croson, 488 U.S. at 498-506.]

Since the Fourteenth Amendment only allows race-conscious programs that narrowly seek to remedy particularized discrimination, the Court held that state and local governments “must identify that discrimination . . . with some specificity before they may use race-conscious relief.” The Court's rationale for judging the sufficiency of the City's factual predicate for affirmative action legislation was whether there existed a “strong basis in evidence for its [government's] conclusion that remedial action was necessary.” [Croson, 488 U.S. at 500 (quoting Wygant v. Jackson Bd. of Educ., 476 U.S. 267, 277, 106 S.Ct. 1842, 1849 (1986)).]

The initial burden of production on the state or local governmental entity is to demonstrate a “strong basis in evidence” that its race-conscious and gender-conscious contract program is aimed at remedying identified past or present discrimination. See Western States Paving Co., Inc. v. Washington State DOT, 407 F.3d 983, 991 (9th Cir. 2005) (citing Croson; Adarand). Merely stating a “benign” or “remedial” purpose does not constitute a “strong basis in evidence” that the remedial plan is necessary, nor does it establish a prima facie case of discrimination. Thus, the local government must identify the discrimination it seeks to redress, [Croson, 488 U.S. at 500-01], and produce particularized findings of discrimination.

A governmental entity may, for example, establish an inference of discrimination by using empirical evidence that proves a significant statistical disparity between the number of qualified MWBEs, the number of MWBE contractors actually awarded a contract by the governmental entity, and MWBEs brought in as subcontractors by prime contractors to which a contract is awarded.

The courts maintain that the quantum of evidence required for the governmental entity is to be determined on a case-by-case basis in the context and breadth of the MWBE program it purports to advance. See Concrete Works, 36 F.3d 1513 (10th Cir. 1994). If the local government is able to do this, then the burden shifts to the challenging party to rebut the municipality's showing. [Id.]

Once the governmental entity has shown acceptable proof of a compelling interest in remedying past discrimination and illustrated that its plan is narrowly tailored to achieve this goal, the party challenging the affirmative action plan bears the ultimate burden of proving that the plan is unconstitutional. Sherbrooke Turf, Inc. v. Minnesota D.O.T., 345 F.3d 964, 971 (8th Cir. 2003) (“Sherbrooke and Gross Seed have the ultimate burden of establishing that the DBE program is not narrowly tailored.”); Geyer Signal, Inc. v. Minnesota D.O.T., 2014 WL 1309092, \*26 (D. Minn. 2014) (“The party challenging the constitutionality of the DBE program bears the burden of demonstrating that the government's evidence did not support an inference of prior discrimination.”), citing Adarand III, 228 F.3d at 1166.

### **D. Equal Protection and Levels of Judicial Scrutiny**

The Fourteenth Amendment provides that “No state shall . . . deny to any person within its jurisdiction the equal protection of the laws”. [U.S. Const. Amend. XIV, § 1.] Courts determine the appropriate standard of equal protection review by “[f]irst. . . [determining] whether a state or local government has developed the program, or whether Congress has authorized the program's creation”, then by examining the protected

classes embodied in the statute. [S. J. Groves & Sons Company v. Fulton County et al, 920 F.2d 752, 767 (11th Cir. 1991).]

Because the program instituted by the City of Tacoma makes classifications based both on race/ethnicity and on gender, each is addressed in this analysis with respect to the applicable standard of review (for example, strict or intermediate scrutiny).

#### 1. Strict Scrutiny for Race-Based Classifications

“We have held that all racial classifications imposed by government must be analyzed by a reviewing court under strict scrutiny.” [Grutter v. Bollinger, 539 U.S. 306, 326 (2003); see also Adarand II, 515 U.S. at 212 (same).]

The Ninth Circuit previously expounded upon the parameters of and justification for this level of judicial review:

We review racial classifications under the strict scrutiny standard, which requires that the policy in question be narrowly tailored to achieve a compelling state interest. See Johnson v. California, \_\_\_ U.S. \_\_\_, 125 S.Ct. 1141 1146, 160 L.Ed.2d 949 (2005); Grutter, 539 U.S. at 326, 123 S.Ct. 2325; Adarand Constructors, Inc. v. Pena, 515 U.S. 200, 226-27, 115 S.Ct. 2097, 132 L.Ed.2d 158 (1995). The strict scrutiny standard is not “strict in theory, but fatal in fact.” Adarand, 515 U.S. at 237, 115 S.Ct. 2097 (internal quotation marks omitted). “Although all governmental uses of race are subject to strict scrutiny, not all are invalidated by it.” Grutter, 539 U.S. at 326-27, 123 S.Ct. 2325. We employ strict scrutiny to “smoke out” impermissible uses of race by ensuring that the government is pursuing a goal important enough to warrant use of a highly suspect tool. Id. at 327, 123 S.Ct. 2325 (internal quotation marks omitted). This heightened standard of review provides a framework for carefully examining the importance and the sincerity of the reasons advanced by the governmental decision maker for the use of race in that particular context. Smith v. Univ. of Washington, 392 F.3d 367, 372 (9th Cir.2004). In evaluating the District’s Plan under strict scrutiny, we also bear in mind the Court’s directive that “[c]ontext matters when reviewing race-based governmental action under the Equal Protection Clause.” Grutter, 539 U.S. at 326, 123 S.Ct. 2325.

[Parents Involved in Community Schools, v. Seattle School District, 426 F.3d 1162, 1172-1173 (9th Cir. 2005) (en banc).]

Under strict scrutiny, a racial classification must (1) serve a **compelling state interest** and (2) be **narrowly tailored** to achieve that interest. [Western States Paving, 407 F.3d at 991-993 (citing Adarand III); Mountain West Holding Co. v. State of Montana, Case No. 15-35003, p. 6 (9th Cir., May 16, 2017) (same).]

#### 2. Strict or Intermediate Scrutiny for Gender-Based Classifications

Though still a live debate in some federal circuits, it appears settled in the Ninth Circuit that programs with gender-based classifications are evaluated for constitutionality under intermediate scrutiny, and not the strict scrutiny standard applied to race-based classifications. [Associated General Contractors of America v. California DOT, 713 F.2d 1187, 1195 (9th Cir. 2013), citing Western States Paving, 407 F.3d at 990, n. 6.]

“Intermediate scrutiny requires that gender-conscious programs be ‘supported by an “exceedingly persuasive justification” and substantially related to the achievement of that underlying objective.’” [ Id.]

### 3. “Compelling Public Interest” Considerations

In order for a local government to enact a constitutionally valid MWBE program or ordinance which applies to awards of its contracts, it must show a compelling governmental interest. H.B. Rowe Company, Incorporated v. W. Lyndo Tippett, 615 F.3d 233 (4th Cir. 2010):

Although imposing a substantial burden, strict scrutiny is not automatically “fatal in fact.” Adarand, 515 U.S. at 237, 115 S.Ct. 2097. After all, “[t]he unhappy persistence of both the practice and the lingering effects of racial discrimination against minority groups in this country is an unfortunate reality, and government is not disqualified from acting in response to it.” Id.; Alexander, 95 F.3d at 315. In so acting, a governmental entity must demonstrate it had a compelling interest in “remedying the effects of past or present racial discrimination.” Shaw v. Hunt, 517 U.S. 899, 909, 116 S.Ct. 1894, 135 L.Ed.2d 207 (1996).

Thus, to justify a race-conscious measure, a state must “identify that discrimination, public or private, with some specificity,” Croson, 488 U.S. at 504, 109 S.Ct. 706, and must have a “‘strong basis in evidence for its conclusion that remedial action [is] necessary,’ ” id. at 500, 109 S.Ct. 706 (quoting Wygant v. Jackson Bd. of Educ., 476 U.S. 267, 277, 106 S.Ct. 1842, 90 L.Ed.2d 260 (1986) (plurality opinion)); see also Podberesky v. Kirwan, 38 F.3d 147, 153 (4th Cir.1994). As courts have noted, “there is no ‘precise mathematical formula to assess the quantum of evidence that rises to the Croson ‘strong basis in evidence’ benchmark.’ ” Rothe Dev. Corp. v. Dep’t of Def., 545 F.3d 1023, 1049 (Fed.Cir.2008) (Rothe II) (quoting W.H. Scott Constr. Co. v. City of Jackson, 199 F.3d 206, 218 n. 11 (5th Cir.1999)).

[Id. at 241.]

This compelling interest must be proven by particularized findings of discrimination. The strict scrutiny test ensures that the means used to address the compelling goal of remedying discrimination “fit” so closely that there is little likelihood that the motive for the racial classification is illegitimate racial prejudice or stereotype. [Croson; Parents Involved, 426 F.3d at 1173] (“Under strict scrutiny, a government action will not survive unless motivated by a ‘compelling state interest.’ Because strict scrutiny requires us to evaluate the ‘fit’ between the government’s means and its ends, it is critical to identify precisely the governmental interests – the ends – to which the government’s use of race must fit.”) (citations omitted). See also, Adarand II, 515 U.S. at 235.

The relevant case law establishes that the compelling state interests of remedying past discrimination and of avoiding discrimination in the context of governmental procurement programs are well-accepted and not controversial at this point. See W.H. Scott Const. Co. v. City of Jackson, 199 F.3d 206, 217 (5th Cir. 1999) (“Combating racial discrimination is a compelling government interest.”); Croson, 488 U.S. at 492 (“It is beyond dispute that any public entity, state or federal, has a compelling interest in assuring that public dollars, drawn from the tax contributions of all citizens, do not serve to finance the evils of private prejudice.”); Adarand III, 515 U.S. at 237 (“The unhappy persistence of both the practice and the lingering effects of racial discrimination against minority groups in this country is an unfortunate reality, and government is not disqualified from acting in response to it.”).

#### A. The Level of Governmental Participation/Involvement in Discrimination

The courts have uniformly held that general societal discrimination is insufficient to justify the use of race-based measures to satisfy a compelling governmental interest. [Adarand II, 515 U.S. at 227; Croson, 488 U.S. at 496-97.] Rather, there must be some showing of prior discrimination by the governmental actor involved, either as an “active” or “passive” participant. [Croson, 488 U.S. at 498.]

The upshot of this dual-faceted evaluation of the enacting governmental entity is that, even if the entity did not directly discriminate, it can take corrective action. Engineering Contractors, 122 F.3d at 907 (“[I]f the County could show that it had essentially become a ‘passive participant’ in a system of racial exclusion practiced by elements of the local construction industry, the Supreme Court has made it clear that the [County] could take affirmative steps to dismantle such a system.”); Croson, 488 U.S. at 492 (“Thus, if the city could show that it had essentially become a ‘passive participant’ in a system of racial exclusion practiced by elements of the local construction industry, we think it clear that the city could take affirmative steps to dismantle such a system.”).

Subsequent lower court rulings have provided more guidance on passive participation by local governments. In Concrete Works, 36 F.3d 1513, the Tenth Circuit held that it was sufficient for the local government to demonstrate that it engaged in passive participation in discrimination rather than showing that it actively participated in the discrimination:

Neither Croson nor its progeny clearly state whether private discrimination that is in no way funded with public tax dollars can, by itself, provide the requisite strong basis in evidence necessary to justify a municipality's affirmative action program. Although we do not read Croson as requiring the municipality to identify an exact linkage between its award of public contracts and private discrimination, such evidence would at least enhance the municipality's factual predicate for a race/gender-conscious program.

[Concrete Works, 36 F.3d at 1529.]

Thus, the desire for a government entity to prevent the infusion of public funds into a discriminatory industry is enough to satisfy the requirement.

The next question, however, is whether a public entity has the requisite factual support for its MWBE program in order to satisfy the particularized showing of discrimination required by Croson. This factual support can be developed from anecdotal and statistical evidence, as discussed hereafter.

## **B. Types of Evidence Available to Meet the Applicable Standard**

The types of evidence routinely presented to show the existence of a compelling interest include statistical and anecdotal evidence. [Croson, 488 U.S. at 501.] Where gross statistical disparities exist, they alone may constitute prima facie proof of a pattern or practice of discrimination. Anecdotal evidence, such as testimony from minority contractors, is most useful as a *supplement* to strong statistical evidence, as it cannot carry the burden for the entity by itself.

The majority decision in Croson implicitly endorsed the inclusion of personal accounts of discrimination, but Croson and subsequent decisions also make clear that selective anecdotal evidence about MWBE experiences alone would not provide an ample basis in evidence to demonstrate public or private discrimination in a municipality's construction industry. Croson, 488 U.S. at 480, noting, as a weakness in the City's case, that the Richmond City Council heard "no direct evidence of race-conscious discrimination on the part of the city in letting contracts or any evidence that the City's prime contractors had discriminated against minority owned subcontractors"; See also Coral Construction Co. v. King County, 941 F.2d 910, 919 (9<sup>th</sup> Cir. 1991) (“While anecdotal evidence may suffice to prove individual claims of discrimination, rarely, if ever, can such evidence show a systematic pattern of discrimination necessary for the adoption of an affirmative action plan.”); Mountain West Holding, Case no. 15-35003, at 10 (same).

In summary, personal accounts of actual discrimination or the effects of discriminatory practices are admissible and effective, and anecdotal evidence of a governmental entity's institutional practices that

provoke discriminatory market conditions is particularly probative. In order to carry the day, however, such evidence must be supplemented with strong statistical proof:

A state need not conclusively prove the existence of past or present racial discrimination to establish a strong basis in evidence for concluding that remedial action is necessary. See, e.g., Concrete Works, 321 F.3d at 958. Instead, a state may meet its burden by relying on “a significant statistical disparity” between the availability of qualified, willing, and able minority subcontractors and the utilization of such subcontractors by the governmental entity or its prime contractors. Croson, 488 U.S. at 509, 109 S.Ct. 706 (plurality opinion). We further require that such evidence be “corroborated by significant anecdotal evidence of racial discrimination.” Md. Troopers Ass'n, Inc. v. Evans, 993 F.2d 1072, 1077 (4th Cir.1993).

[H.B. Rowe, 615 F.3d 241.]

Accordingly, a combination of statistical disparities in the utilization of MWBEs and particularized anecdotal accounts of discrimination by the MWBEs (or others) are required to satisfy the factual predicate. See Associated General Contractors, 713 F.2d at 1196 (“Although generally not sufficient, anecdotal evidence complements statistical evidence because of its ability to bring ‘the cold numbers convincingly to life.’”).

#### 1. The Use of Post-Enactment Evidence

Pre-enactment evidence refers to evidence developed prior to the enactment of an MWBE program by a governmental entity. Such evidence is strong predicate for the decision to implement such a program in the first place, and a lack of relevant pre-enactment evidence of discrimination may make it difficult for a governmental entity to satisfy the standards established in Croson.

Post-enactment evidence is that which has been developed since the affirmative action program was enacted and therefore was not specifically relied upon as a rationale for the government’s race/gender-conscious efforts. As such, post-enactment evidence can often be devalued when a constitutional challenge is made, though most courts applying Croson’s evidentiary requirement allow reliance on post-enactment evidence. See, for example, Contractors Assn., 6 F.3d, at 1003-04 (3rd Cir. 1993).

Before looking at specific types of statistical and anecdotal evidence a governmental entity may utilize in order to meet its initial burden to show a “strong basis in evidence” that its race-conscious and gender-conscious contract program is aimed at remedying identified past or present discrimination, we first note that the evidence offered need not pre-date the enactment of the program or legislation under challenge.

In Croson, the Court stated that a state or local government “must identify that discrimination . . . with some specificity before they may use race-conscious relief.” Croson, 488 U.S. at 504. However, the Court declined to require that all relevant evidence of such discrimination be gathered *prior* to the enactment of the program. This is important, as it allows a governmental entity to utilize a variety of evidentiary sources (as discussed below), but also to supplement such pre-enactment evidence with disparity evidence gathered *after* the program has been initiated.

The utility and appropriateness of post-enactment evidence was discussed by the Ninth Circuit in Coral Construction, 941 F.2d 910:

Whether post-enactment studies may be considered in reviewing an MBE program is not simply a matter of appellate procedure but rather implicates the core of the pertinent equal protection analysis. The Croson Court noted that “a generalized assertion that there has been past discrimination in an entire industry provides no guidance for a legislative body to determine the precise scope of the injury it seeks to remedy.” Croson, 488 U.S. at 498, 109 S.Ct. at 723 (majority).

Similarly, we have observed that “[b]efore [a] city [may] embark on an affirmative action program, it must have convincing evidence that remedial action is warranted. Associated General Contractors v. City and County of San Francisco, 813 F.2d 922, 932 (9th Cir.1987). Relying on these statements, Coral Construction reasons that any post-enactment data is simply irrelevant. In so arguing, however, Coral Construction has collapsed two entirely independent inquiries into one.

It is true that a municipality must have some concrete evidence of discrimination in a particular industry before it may adopt a remedial program. See id.; see also Croson, 488 U.S. at 509, 109 S.Ct. at 729 (plurality) (“If the city of Richmond had evidence before it that non-minority contractors were systematically excluding minority businesses from subcontracting opportunities, it could take action to end the discriminatory exclusion.”). Race-based classifications must be reserved strictly for remedial settings. Croson, 488 U.S. at 493, 109 S.Ct. at 720 (plurality); id. at 524, 109 S.Ct. at 737 (Scalia, J., concurring in the judgment). Without any evidence of discrimination, it cannot be fairly said that the state is seeking to “remedy” a problem. Moreover, the benign nature of the classification is questionable where no evidence of discrimination has been adduced. Cf. id. at 493-96, 109 S.Ct. at 720-22 (plurality). Thus, any program adopted without some legitimate evidence of discrimination is presumptively invalid.

However, this requirement of some evidence does not mean that a program will be automatically struck down if the evidence before the municipality at the time of enactment does not completely fulfill both prongs of the strict scrutiny test. Rather, **the factual predicate for the program should be evaluated based upon all evidence presented to the district court, whether such evidence was adduced before or after enactment of the MBE.**

[Id. at 920 (emphasis added).]

## 2. Statistical Data Generally

The Court in Croson explained that an inference of discrimination may be made with empirical evidence that demonstrates “a significant statistical disparity between the number of qualified minority contractors . . . and the number of such contractors actually engaged by the locality or the locality’s prime contractors.” [Croson, 488 U.S. at 509.]

A predicate to governmental action is a demonstration that gross statistical disparities exist between the proportion of MBEs awarded government contracts and the proportion of MBEs in the local industry “willing and able to do the work,” in order to justify its use of race-conscious contract measures. [Ensley Branch, 31 F.3d at 1565.]

In order to adequately assess statistical evidence, there must be information identifying the basic qualifications of minority contractors “willing and able to do the job,” and the Court must determine, based upon these qualifications, the relevant statistical pool with which to make the appropriate statistical comparisons. See e.g., Associated General Contractors, 713 F.2d at 1197-1199. Although subsequent lower court decisions have provided considerable guidelines for statistical analyses sufficient for satisfying the Croson factual predicate, there are multiple methods that the courts have accepted for conducting statistical analyses. The most prevalent of these are outlined hereafter.

### *a) Availability*

The attempted methods of calculating MWBE availability have varied from case to case. In Contractors Association of Eastern Pennsylvania v. City of Philadelphia, 6 F.3d 990 (3rd Cir. 1993), the Third Circuit stated that available and qualified minority owned businesses comprise the “relevant statistical pool” for purposes of determining availability. The Court permitted availability to be based on the metropolitan



statistical area (MSA) and local list of the Office of Minority Opportunity for non MWBEs, which itself was based on census data.

In Associated General Contractors v. City of Columbus, the City's consultants collected data on the number of MWBE owned firms in the Columbus MSA in order to calculate the percentage of available MWBE owned firms. Three sources were considered to determine the number of MWBEs "ready, willing and able" to perform construction work for the city. [Associated General Contractors of America v. City of Columbus, 936 F. Supp. 1363 (1996), reversed on related grounds, 172 F.3d 411 (6th Cir. 1999).]

However, the Court found that none of the measures of availability purported to measure the number of MWBEs who were qualified and willing to bid as a prime contractor on City construction projects, because neither the City Auditor Vendor Payment History file, nor the Subcontractor Participation Reports, nor the Contract Document Database of the City were attentive to which firms were able to be responsible or to provide either a bid bond or performance bond. The Court wrote, "[t]here is no basis in the evidence for an inference that qualified MWBE firms exist in the same proportions as they do in relation to all construction firms in the market." [Associated General Contractors, 936 F. Supp. at 1389.]<sup>1</sup>

The issue of availability also was examined by the Eleventh Circuit in Contractors Association of South Florida v. Metropolitan Dade County, 122 F.3d 895 (11th Cir. 1997). There, the Court opined that when reliance is made upon statistical disparity, and special qualifications are necessary to undertake a particular task, the relevant statistical pool must include only those minorities owned firms qualified to provide the requested services. Moreover, these minority owned firms must be qualified, willing and able to provide the requested services. If the statistical analysis includes the proper pool of eligible minorities, any resulting disparity, in a proper case, may constitute prima facie proof of a pattern or practice of discrimination.

#### *b) Utilization*

Utilization is a natural corollary of availability, in terms of statistical calculation. Different courts have applied utilization rates to different base measures, including percentage-based analyses regarding contract awards and dollars paid.

In Associated General Contractors, 713 F.2d at 1191-1193, the State's disparity study consultants calculated the percentage of contracting dollars that were paid to MWBE firms. This is referred to as the rate of utilization. From this point, one can determine if a disparity exists and, if so, to what extent.

In Cone Corp. v. Hillsborough County, 908 F.3d 908 (11th Cir. 1990), the following utilization statistics were developed and presented to justify an MBE program:

The County documented the disparity between the percentage of MBE contractors in the area and the percentage of contracts awarded to those MBE contractors. Hillsborough County determined that the percentage of County construction dollars going to MBE contractors compared to the total percentage of County construction dollars spent. . . . The data extracted from the studies indicates that while ten percent of the businesses and twelve percent of the contractors in the County were minorities, only 7.89% of the County purchase orders, 1.22% of the County purchase dollars, 6.3% of the awarded bids, and 6.5% of the awarded dollars went to minorities. The statistical disparities between the total percentage of minorities involved in construction and the work going to minorities, therefore, varied from approximately four to ten percent, with a glaring 10.78% disparity between the percentage of minority contractors in the County and the percentage of County construction dollars awarded to minorities. Such a disparity clearly constitutes a prima

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<sup>1</sup> The Court also questioned why the City did not simply use the records it already maintains "of all firms which have submitted bids on prime contracts" since it represents "a ready source of information regarding the identity of the firms which are qualified to provide contracting services as prime contractors." Id.

facie case of discrimination indicating that the racial classification in the County plan were necessary.

[Id. at 915-16.]

*c) Disparity Indices*

To demonstrate the under-utilization of MWBEs in a particular area, parties can employ a statistical device known as the “disparity index.” The use of such an index was explained, and cited approvingly, in H.B. Rowe, 615 F.3d at 243-44.

In H.B. Rowe, after noting the increasing use of disparity indices, the Court explained that the State (through a consulting firm) calculated a disparity index for each relevant racial or gender group covered by the MWBE (DBE) program, and further, conducted a standard deviation analysis on each of those indices using t-tests. [Id. at 244.]<sup>2</sup> The resulting calculations “demonstrated marked underutilization of [] African American and Native American subcontractors,” according to the Court. [Id.]

The utility of disparity indices or similar measures to examine the utilization of minorities or Nonminority Female in a particular industry has been recognized by a number of federal circuit courts. See Associated General Contractors, 713 F.2d at 1191 (citing H.B. Rowe); Associated Gen. Contractors v. Coalition for Economic Equity, 950 F.2d 1401, 1414 (9th Cir.1991) (employing similar statistical data). Concrete Works, 36 F.3d at 1523 n. 10 (10th Cir.1994) (employing disparity index); Contractors Ass'n, 6 F.3d at 1005 (3d Cir.1993) (employing disparity index).

Specifically, courts have used these MWBE disparity indices to apply the “strong basis in evidence” standard in Croson. As noted, the disparity index in H.B. Rowe was 0.46 for African Americans, and was 0.48 for Native Americans. Id. at 245. Based on a disparity index of 0.22, the Ninth Circuit upheld the denial of a preliminary injunction to a challenger of the City of San Francisco's MBE plan based upon an equal protection claim. AGC v. Coal. for Economic Equity, 950 F.2d 1401, 1414 (9th Cir. 1991). Similarly, the Third Circuit held that a disparity of 0.04 was “probative of discrimination in City contracting in the Philadelphia construction industry.”

[Contractors Ass'n, 6 F.3d at 1005.]

*d) Standard Deviations*

The number calculated via the disparity index (established above) is then tested for its validity through the application of a standard deviation analysis. Standard deviation analysis measures the probability that a result is a random deviation from the predicted result (the more standard deviations, the lower the probability the result is a random one). Social scientists consider a finding of two standard deviations significant, meaning that there is about one chance in 20 that the explanation for the deviation could be random, so the deviation must be accounted for by some factor.

As noted above, standard deviations were applied by the State of Washington in the statistical analysis utilized to defend its MWBE program in H.B. Rowe. 615 F.3d at 244-45. The Fourth Circuit described the significance of the findings as follows:

For African Americans the t-value of 3.99 fell outside of two standard deviations from the mean and, therefore, was statistically significant at a 95 percent confidence level. In other words, there

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<sup>2</sup> The disparity index is calculated by dividing the percentage of available MWBE participation (amount of contract dollars) by the percentage of MWBEs in the relevant population of local firms. A disparity index of one (1) demonstrates full MWBE participation, whereas the closer the index is to zero, the greater the MWBE under-utilization. Some courts multiply the disparity index by 100, thereby creating a scale between 0 and 100, with 100 representing full utilization. [Engineering Contractors, 122 F.3d at 914.]

was at least a 95 percent probability that prime contractors' underutilization of African American subcontractors was not the result of mere chance. For Native American subcontractors, the t-value of 1.41 was significant at a confidence level of approximately 85 percent.

[Id. at 245.]

Similarly, the Eleventh Circuit has directed that “where the difference between the expected value and the observed number is greater than two or three standard deviations’, then the hypothesis that [employees] were hired without regard to race would be suspect.” Peightal v. Metropolitan Dade County, 26 F.3d 1545, 1556 (11th Cir. 1994) (quoting Hazelwood School District et al. v. United States, 433 U.S. 308, quoting Castaneda v. Partida, 430 U.S. 482, 497 n.17, 97 S.Ct. 1272, 1281 n.17, (1977)).

#### *e) Regression Analyses*

The statistical significance of certain quantitative analyses was further evaluated in H.B. Rowe, 615 F.3d at 244-46. The H.B. Rowe court indicated that the appropriate test should resemble the one employed in Engineering Contractors, wherein two standard deviations or any disparity ratio that was higher than .80 (which is insignificant), should be used. [Id.; see also, infra, analysis using standard deviations.]

In evaluating the disparity evidence offered, and the regression analysis conducted by the State, the Court favorably noted:

To corroborate the disparity data, MGT conducted a regression analysis studying the influence of certain company and business characteristics - with a particular focus on owner race and gender - on a firm's gross revenues. MGT obtained the data from a telephone survey of firms that conducted or attempted to conduct business with the Department. The survey pool consisted of a random sample of 647 such firms; of this group, 627 participated in the survey.

MGT used the firms' gross revenues as the dependent variable in the regression analysis to test the effect of other variables, including company age and number of full-time employees, and the owners' years of experience, level of education, race, ethnicity, and gender. The analysis revealed that minority and Nonminority Female ownership universally had a negative effect on revenue. African American ownership of a firm had the largest negative effect on that firm's gross revenue of all the independent variables included in the regression model. These findings led MGT to conclude that “for African Americans, in particular, the disparity in firm revenue was not due to capacity-related or managerial characteristics alone.”

[Id. at 245-46; 250.]

#### *f) Geographic Scope of Data*

The Croson Court also observed that because discrimination varies across market areas, state and local governments cannot rely on national statistics of discrimination in the disputed industry to draw conclusions about prevailing market conditions in their respective regions. Croson, 488 U.S. at 504. However, to confine the permissible data to a governmental entity's strict geographical borders would ignore the economic reality that contracts are awarded to firms located in adjacent areas. Thus, courts closely scrutinize pertinent data related to the jurisdictional area of the state or municipality.

Generally, the scope of the statistical analyses pertains to the geographic market area from which the governmental entity offerors come. In addition, disparities concerning utilization, firm size, and formation are also relevant in determining discrimination in a marketplace. It has been deemed appropriate to examine the existence of discrimination against MWBES even when these areas go beyond the geographical

boundaries of the local jurisdictions. See Contractors Association of Eastern Pennsylvania v. City of Philadelphia, 91 F.3d 586, 604 (3rd Cir. 1996).

When utilizing evidence of discrimination from nearby public entities and from within the relevant private marketplace, however, extra-jurisdictional evidence must still pertain to the operation of an industry within geographic boundaries of the jurisdiction. As the Court wrote in Tennessee Asphalt v. Farris, “[s]tates and lesser units of local government are limited to remedying sufficiently identified past and present discrimination within their own spheres of authority.” [942 F.2d 969 974 (6th Cir. 1991).]

### C. Requirement for a Narrowly-Tailored Remedy

Under the Croson framework, any race-conscious plan must be narrowly tailored to ameliorate the effects of past discrimination. See Michigan Road Builders Ass’n v. Milliken, 834 F.2d 583, 589-90 (6th Cir. 1987). “Generally, while ‘goals’ are permissible, unyielding preferential ‘quotas’ will normally doom an affirmative action plan.”

[ Viridi v. DeKalb County School District, 135 Fed. Appx. 262 (2005); see also Sherbrooke Turf, 345 F.3d at 972 (citing Croson, 488 U.S. at 496).]

The Ninth Circuit addressed the parameters of this requirement in Western States Paving, 407 F.3d 983:

Once the government has demonstrated that it has a compelling basis for classifying individuals according to race, it must also establish that its use of race is narrowly tailored to further that interest. Indeed, “racial classifications are simply too pernicious to permit any but the most exact connection between justification and classification.” Gratz, 539 U.S. at 270, 123 S.Ct. 2411 (internal quotation marks omitted). The Supreme Court has identified several factors that are relevant in determining whether a racial classification is narrowly tailored: “the efficacy of alternative remedies; the flexibility and duration of the relief, including the availability of waiver provisions; the relationship of the numerical goals to the relevant labor market; and the impact of the relief on the rights of third parties.” [United States v. Paradise, 480 U.S. 149, 171, 107 S.Ct. 1053, 94 L.Ed.2d 203 (1987).]

Although “[n]arrow tailoring does not require exhaustion of every conceivable race-neutral alternative,” it does “require serious, good faith consideration of workable race-neutral alternatives.” [Grutter v. Bollinger, 539 U.S. 306, 339, 123 S.Ct. 2325, 156 L.Ed.2d 304 (2003)]; see also Adarand III, 515 U.S. at 237-38, 115 S.Ct. 2097.]

When undertaking narrow tailoring analysis, courts must inquire “whether there was any consideration of the use of race-neutral means to increase minority business participation in government contracting” (internal quotation marks omitted).

[Id. at 993.]

In Croson, the Court considered similar factors, including (1) whether the city has first considered race-neutral measures, but found them to be ineffective; (2) the basis offered for the goals selected; (3) whether the program provides for waivers; and (4) whether the program applies only to MBEs who operate in the geographic jurisdiction covered by the program. [488 U.S. at 507-08.]

More refined guideposts are provided in several post-Croson cases wrestling with efforts to meet the “narrowly tailored” prong – which we simply list for ease of reference:

- Relief is limited to minority groups for which there is identified discrimination;

- Remedies are limited to redressing the discrimination within the boundaries of the enacting jurisdiction;
- The goals of the programs should be flexible and provide waiver provisions;
- Race and/or gender-neutral measures should be considered; and
- The program should include provisions or mechanisms for periodic review and sunset.

See generally, Western States Paving, 407 F.3d at 993-994 (listing considerations).

Inherent in the above discussion is the notion that MWBE Programs and remedies must maintain flexibility with regard to local conditions in the public and private sectors. Courts have suggested project-by-project goal setting and waiver provisions as means of ensuring fairness to all vendors.

Finally, “review” or “sunset” provisions are strongly suggested components for an MWBE program to guarantee that remedies do not out-live their intended remedial purpose. [*Id.*, at 994.]

#### **D. Conclusion for Federal Construct**

The Croson decision, handed down more than 25 years ago, continues to cast a long shadow over MWBE programs and legislation. Croson certainly changed the face of remedial programs, but it merely set the standards to be applied, leaving open questions regarding the acceptable or proper methodologies for achieving such standards. There is guidance in Croson itself, to be sure, and significant refinement by the Supreme Court and the federal Circuit Courts of Appeal in its aftermath, but there nonetheless remains significant uncertainty and fluidity in the law governing such programs to this day.

#### **E. Analysis of Possible Effect of Washington State Initiative 200 on Program**

In 1999 the Washington Legislature codified a non-discrimination initiative approved by voters in 1998 (Initiative 200). See RCW 49.60.400. The possible effect of this legislation on the City of Tacoma MWBE program is uncertain, as there has been no decisional law from the courts of the State applying RCW 49.60.400 in the context of such a program.

There is, however, a recent formal opinion by the Attorney General of Washington indicating that the law would be applied in a manner more strictly than set forth the federal decisional law discussed at length above, but that such programs are not prohibited entirely --- even where some favorable treatment is afforded. Key to the acceptability of such a program, according to the Attorney General, would be a disparity study showing a disparate impact on government contracting (state or local), and demonstration that race-neutral or gender-neutral efforts had not been sufficient to remedy such disparity. See infra. Practically speaking, therefore, the strict scrutiny analysis addressed hereinabove – with special emphasis on the narrow tailoring requirement (and considerations) – should be instructive as an adjunct to the Attorney General Opinion until such time as the appellate courts of Washington render a decision on RCW 49.60.400 in the context of public contracting and MWBE programs.

##### **1. The Statute**

RCW 49.60.400 reads, in pertinent part:

(1) The state shall not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting.

(2) This section applies only to action taken after December 3, 1998.

(3) This section does not affect any law or governmental action that does not discriminate against, or grant preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin.

(6) This section does not prohibit action that must be taken to establish or maintain eligibility for any federal program, if ineligibility would result in a loss of federal funds to the state.

(7) For the purposes of this section, "state" includes, but is not necessarily limited to, the state itself, any city, county, public college or university, community college, school district, special district, or other political subdivision or governmental instrumentality of or within the state.

(8) The remedies available for violations of this section shall be the same, regardless of the injured party's race, sex, color, ethnicity, or national origin, as are otherwise available for violations of Washington antidiscrimination law.

(9) This section shall be self-executing. If any part or parts of this section are found to be in conflict with federal law, the United States Constitution, or the Washington state Constitution, the section shall be implemented to the maximum extent that federal law, the United States Constitution, and the Washington state Constitution permit. Any provision held invalid shall be severable from the remaining portions of this section.

As discussed below, the critical sections of the statute for present purposes are sections (1) and (3), which read together apparently permit race-conscious and gender-conscious actions by a governmental entity to remedy or avoid disparate impact on protected groups without disadvantaging others. In addition, as the Attorney General has reasoned, allow actions that favor a particular race or gender under "very narrow circumstances." Also, Section (6) of the statute has some relevance here, to the extent that federal funding is present. [See *infra*.]

#### **F. The PICS Decision and the Attorney General's March 2017 Opinion**

In 2002, the Supreme Court of the State of Washington had occasion to address a challenge under RCW 49.60.400 in the context of school choice or education access. See Parents Involved in Community Schools ("PICS") v. Seattle School District, 149 Wash.2d 660 (2002) (en banc). Ultimately, the Court ruled that "the act prohibits some, but not all, race-cognizant government action. Affirmative action programs which advance a less qualified applicant over a more qualified applicant are now impermissible under Washington law. Programs which are racially neutral are lawful." [*Id.* at 662.]

The PICS court framed the question as one primarily concerning possible "reverse discrimination," including in the context of government contracting, and focused on the significance of the terms "preference" and "discrimination" in the statute.

For our purposes, reverse discrimination refers to programs that grant a preference to less qualified persons over more qualified persons on the basis of race. . . . Racially neutral programs treat all races equally and do not provide an advantage to the less qualified, but do take positive steps to achieve greater representation of underrepresented groups.

Subsection (3) [of RCW 49.60.400] carves out from the prohibition of the statute government action cognizant of race, sex, color, ethnicity, or national origin that does not discriminate or grant preferential treatment based on the enumerated characteristics.

We conclude that RCW 49.60.400 prohibits reverse discrimination where race or gender is used by government to select a less qualified applicant over a more qualified applicant. It does not prohibit that Seattle School District's open choice plan tie breaker based upon race so long as it remains

neutral on race and ethnicity and does not promote a less qualified minority applicant over a more qualified applicant.

[Id. at 669, 671-73, 675.]

Until 2017, the PICS decision provided the only formal guidance regarding the scope and application of RCW 49.60.400. Though specific to questions of school choice, the Court decision nonetheless provided some clarity regarding the availability of race-conscious or gender-conscious actions to remedy or avoid disparate impacts in government contracting. Whether the strict limits on “preference” or favorable treatment set forth in PICS likewise apply equally in this context remains an open question. However, some additional guidance specific to government contracting was recently provided by the executive branch.

On March 20, 2017, Washington Attorney General Bob Ferguson issued a lengthy formal opinion (“Attorney General Opinion” or “AGO”), addressing the scope and purposes of Initiative 200 as related to state contracting. See AGO 2017 No. 2 (Use of Race- Or Sex-Conscious Measures Or Preferences To Remedy Discrimination In State Contracting”).<sup>3</sup>

AGO 2017 No. 2 resulted from a two-part inquiry from the Department of Enterprise Services (Director Chris Liu): “1. Does Initiative 200 prohibit the State from implementing race- or sex-conscious measures to address significant disparities in the public contracting sector that are documented in a disparity study if it is first determined that race- and sex-neutral measures will be insufficient to address those disparities? 2. Does the answer to the first question depend on whether the contracts at issue are being awarded by a state agency that receives federal funds and is therefore subject to Title VI of the federal Civil Right Act of 1964?” [Id. at pp. 1-2.]

Though the Attorney General provided a lengthy analysis, aspects of which will be discussed more fully below, the parameters of the statute – in the view of the Attorney General – are captured in the “Brief Answers” provided:

1. Initiative 200 (I-200) does not categorically prohibit all race- and sex-conscious actions regarding state contracting. I-200 draws a distinction between (1) preferences that have the effect of using race or gender to select a less qualified contractor over a more qualified contractor, and (2) race- or sex-conscious measures that do not have that effect. I-200 conditionally prohibits the former, with important exceptions, but does not prohibit the latter. We therefore draw three conclusions in response to your first question:

a. I-200 prohibits only situations in which government uses race or gender to select a less qualified contractor over a more qualified contractor. We use the word “preference” to describe such measures. It does not prohibit measures that, although race- or sex-conscious, do not use race

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<sup>3</sup> Under Washington law, the Attorney General Opinion does not have the force of law itself, but can be persuasive on the scope and application of a statute:

[F]ormal AGO opinions are entitled to weight and may be persuasive authority because (1) they represent the legal opinion of the legal adviser of state officers designated by article. III, section 21 of the Washington Constitution, (2) we presume that the legislature is aware of any formal AGO opinions issued and this court may treat a failure to amend the statute in response to the formal opinion as legislative acquiescence to the AGO opinion, and (3) when an opinion is issued close in time to the passage of the statute in question, “it may shed light on the intent of the legislature, keeping in mind, of course, that the attorney general is a member of a separate branch of government.” *Five Corners Family Farmers v. State*, 173 Wash.2d 296, 308, 268 P.3d 892 (2011). *SEIU Healthcare 775NW v. State of Washington Dep’t of Soc. and Health Servs.*, 193 Wash.App. 377, 402 (Wash. Ct. App. 2016). See also *Thurston County v. City of Olympia*, 151 Wash.2d 171, 177 (2004) (“Although not controlling, attorney general opinions are entitled to great weight.”).

or gender to select a less qualified contractor over a more qualified contractor. This category of measures that are not prohibited is open to innovation, but examples could include aspirational goals, outreach, training, use of race or gender as a tiebreaker between equally qualified contractors, and similar measures that do not cause a less qualified contractor to be selected over a more qualified contractor. RCW 49.60.400(1).

b. Under very narrow circumstances, I-200 may allow agencies to use preferences based on race or gender that may elevate a less qualified contractor over a more qualified contractor. Such circumstances could arise based upon evidence of discrimination in state contracting that cannot be resolved through race- or sex- neutral means. We do not suggest that a statistical disparity documented through a valid disparity study is necessarily sufficient to justify the use of a preference. We do conclude, however, that evidence of discrimination in state contracting that race- or sex-neutral measures are insufficient to remedy may justify the use of a race- or sex-conscious preference to remedy that disparity. RCW 49.60.400(1), (3).

c. Finally, we conclude that agencies may employ preferences based on race or gender when necessary to avoid losing eligibility for programs providing federal funds. RCW 49.60.400(6).

2. Our answer to your first question depends only partially upon whether the contracts at issue are being awarded by a state agency that receives federal funds. Our conclusions summarized in items 1(a) and 1(b) above do not depend on whether the agency receives federal funds. Our conclusion in item 1(c) above is based upon RCW 49.60.400(6), which provides an exception to I-200's prohibition against the use of preferences when necessary to avoid a loss of federal funds.

[AGO 2017 No. 2, p. 2.]

In his deeper analysis, the Attorney General provides some important guidance regarding the statute and the tools available to a governmental body faced with a disparity in contracting. First, the Attorney General underscores the validity and significance of disparity studies in evaluating possible discrimination and/or disparate impact upon certain disadvantaged populations (e.g., based on race or gender). [Id. at p. 3] (“A valid disparity study evaluates statistical evidence, other factual evidence, and legal standards to determine whether a legally significant disparity exists.”).

Also, he identifies acceptable race-conscious or gender-conscious actions a government may take to reduce disparities without running afoul of the statute:

Such measures might include aspirational goals for minorities or Nonminority Female, solicitation of Nonminority Female and minority businesses to participate in public contracting, training and outreach targeted to Nonminority Female and minority-owned firms, or other measures designed to increase participation in public contracting by underrepresented groups. Use of race or sex as a tiebreaker between equally qualified applicants, as approved in Parents Involved, or the use of other non-dispositive factors, may also be candidates for inclusion in this category. See Parents Involved, 149 Wn.2d at 666-68; see also Fisher v. Univ. of Texas at Austin, 136 S. Ct. 2198, 2210, 195 L. Ed. 2d 511 (2016) (approving under equal protection analysis the use of race as a non-dispositive factor in University admissions). For example, consistent with Parents Involved, an agency could potentially rank applicants as “exceptionally well qualified,” “well qualified,” “qualified,” and “not qualified,” and use race or gender as a tiebreaker between applicants who fell within the same category. So long as such measures do not elevate a less qualified applicant over a more qualified applicant, they do not fall within the prohibition of RCW 49.60.400(1) as limited by RCW 49.60.400(3).

[Id. at p. 5.]



As this analysis indicates, the Attorney General looks to the federal case law for guidance. See also, Id. at p. 3 (“[T]he use of race- and sex-conscious measures to address contracting disparities is also covered by a body of United States Supreme Court precedent applying federal constitutional principles.”). That said, however, he also makes clear in his extended analysis that he considers the state statutory law (under RCW 49.60.400) to be stricter than the federal Equal Protection jurisprudence. Id. at p.3.<sup>4</sup> How much stricter – a critical matter – is not clear from the Opinion though.

Recognizing a potentially inescapable tension between the statute’s prohibitions and discrimination law, essentially revealed by the contrasting provisions of Sections (1) and (3) of the statute, the Attorney General ultimately reasons that race- or sex-conscious “preferences” or “favorable treatments” are permitted, but only in very narrow circumstances:

[I]f significant disparities are adequately documented in a disparity study and race- and sex-neutral measures are insufficient to remedy those disparities, there are two limited circumstances in which I-200 would allow the use of narrowly tailored preferences as remedies. First, if an agency concludes that there is a strong basis in evidence to support a claim against the state for discriminatory contracting practices within the program in question and can demonstrate that a preference based on race or sex is necessary to avoid illegal race or gender discrimination, then I-200 may not prohibit granting preferential treatment as a remedy. Second, if a race- or sex-conscious remedy is necessary in order to establish or maintain eligibility for a federal program where ineligibility would result in a loss of federal funds to the state, I-200 would not prohibit the use of preferences in contracting.

[Id. at 3-4.]

The requirements for a “strong basis in evidence” and exhaustion of race-neutral and gender-neutral efforts prior to implementation of race-conscious or gender-conscious methods harken back to the strict scrutiny analysis outlined in the prior section of this analysis. For these reasons, it would appear that the federal precedent remains instructive in Washington, even under the “stricter” statutory scheme. It is unclear, however, how much stricter the state law is, that is, how a program could satisfy the federal strict scrutiny standard but nonetheless fail under the state law.

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<sup>4</sup> In a pre-Initiative 200 court ruling, the Supreme Court of Washington indicated that state law would be **more** favorable to affirmative action programs than the developing federal Equal Protection jurisprudence. See Southwest Washington Chapter, NECA v. Peirce County, 100 Wash.2d 109, 126-127 (1983) (en banc).

Appellants also contend that the Pierce County affirmative action plan violates the state constitution. First, they claim that the plan violates Const. art. 1, § 12, our counterpart to the federal equal protection clause. Second, appellants claim that the favorable treatment accorded WBE’s violates Const. art. 31, our Equal Rights Amendment (ERA).

**In general, we have construed Const. art. 1, § 12 to provide the same protection as the federal equal protection clause.** Griffin v. Department of Social & Health Servs., 91 Wash.2d 616, 627, 590 P.2d 816 (1979); but see State v. Wood, 89 Wash.2d 97, 100, 569 P.2d 1148 (1977). While we could interpret the state provision to place more stringent limitations on affirmative action than does Fullilove, we see no compelling reason to do so. **If anything, we would be inclined to adopt a lesser standard**, but we need not address that question here.”).

## **TABLE OF AUTHORITIES**

Adarand Constructors, Inc. v. Pena, 515 U.S. 200 (1995) (Adarand II)

Adarand Constructors, Inc. v. Slater, 228 F.3d 1147 (10th Cir. 2000) (Adarand III)

Associated Gen. Contractors v. California DOT, 713 F.3d 1189 (9<sup>th</sup> Cir. 2013)

Associated Gen. Contractors v. Coalition for Economic Equity, 950 F.2d 1401 (9<sup>th</sup> Cir.1991)

Associated Gen. Contractors v. City of Columbus, 936 F.Supp. 1363, rev'd, 172 F.3d 411 (6<sup>th</sup> Cir. 1999)

Castaneda v. Partida, 430 U.S. 482 (1977)

City of Richmond v. J. A. Croson Company, 488 U.S. 469 (1989)

Concrete Works of Colorado, Inc. v. City of Denver, 36 F.3d 1513 (10<sup>th</sup> Cir. 1994)

Cone Corp. v. Hillsborough County, 908 F.3d 908 (11<sup>th</sup> Cir. 1990)

Contractors Association of Eastern Pennsylvania v. City of Philadelphia, 6 F.3d 990 (3<sup>rd</sup> Cir. 1993)

Contractors Association of Eastern Pennsylvania v. City of Philadelphia, 91 F.3d 586 (3<sup>rd</sup> Cir. 1996)

Coral Construction Co. v. King County, 941 F.2d 910 (9<sup>th</sup> Cir. 1991)

Engineering Contractors Ass'n v. Metropolitan Dade County, 122 F.3d 895 (11<sup>th</sup> Cir. 1997)

Ensley Branch N.A.A.C.P. v. Seibels, 31 F.3d 1548 (11<sup>th</sup> Cir. 1994)

Geyer Signal, Inc. v. Minnesota D.O.T., 2014 WL 1309092 (D. Minn. 2014)

Grutter v. Bollinger, 539 U.S. 306 (2003)

Hazelwood School District et. al. v. United States, 433 U.S. 299 (1977)

H.B. Rowe Company, Incorporated v. W. Lyndo Tippett, 615 F.3d 233 (4<sup>th</sup> Cir. 2010)

Lujan v. Defenders of Wildlife, 504 U.S. 555 (1992)

Michigan Road Builders Assn. v. Milliken, 834 F.2d 583 (6<sup>th</sup> Cir. 1987)

Monterey Mechanical Co. v. Wilson, 125 F.3d 702 (9<sup>th</sup> Cir. 1997)

Mountain West Holding Co. v. State of Montana, Case No. 15-35003 (9<sup>th</sup> Cir. 2017)

Parents Involved in Cmty. Schs. v. Seattle Sch. Dist. No. 1, 149 Wash.2d 660 (2002)

Parents Involved in Cmty. Schs. v. Seattle Sch. Dist. No. 1, 426 F.3d 1162 (9<sup>th</sup> Cir. 2005)

Parents Involved in Cmty. Schs. v. Seattle Sch. Dist. No. 1, 551 U.S. 701 (2007)

Peightal v. Metropolitan Dade County, 26 F.3d 1545 (11<sup>th</sup> Cir. 1994)

Price v. City of Charlotte, 93 F.3d 1241 (4<sup>th</sup> Cir. 1996)

Sherbrooke Turf, Inc. v. Minnesota D.O.T., 345 F.3d 964 (8<sup>th</sup> Cir. 2003)

S. J. Groves & Sons Company v. Fulton County et. al., 920 F.2d 752 (11<sup>th</sup> Cir. 1991)

Tennessee Asphalt v. Farris, 942 F.2d 969 (6th Cir. 1991)

Virdi v. DeKalb County School District, 135 Fed. Appx. 262 (11th Cir. 2005) (unpublished)

Western States Paving Co. v. Washington State DOT, 407 F.3d 983 (9<sup>th</sup> Cir. 2005)

W.H. Scott Const. Co. v. City of Jackson, 199 F.3d 206 (5th Cir. 1999)

Wygant v. Jackson Bd. of Educ., 476 U.S. 267 (1986)

U.S. Const. art. III, § 2, cl. 1

U.S. Const. amend. XIV

State of Washington Initiative 200, RCW 49.60.400

Washington Attorney General Opinion, 2017 No. 2



# APPENDIX B

## Data Assessment Report

**CITY OF TACOMA, WASHINGTON**  
**2018 DISPARITY STUDY**  
**DATA ASSESSMENT REPORT**

Griffin & Strong, P.C. (“GSPC”) conducted a data assessment meeting on August 28 and 29, 2017, regarding the City of Tacoma, Washington (“City”) 2018 Disparity Study (“Study”). This report summarizes that meeting and sets forth action items and preliminary questions to be answered. It is necessary to issue a data assessment report prior to completing the data collection plan in order to confirm that GSPC has the correct understanding of how and where data is kept by the City of Tacoma.

**I. Scope Statement**

The purpose of this Study is to review the current policies, plan and programs of the City of Tacoma for contracting services and goods and to constructing a legally and economically meaningful test of whether there are disparities in the availability vs utilization of ready, willing, able and qualified women and minority-owned business enterprises within the relevant geographic market.

The Study will collect and analyze relevant data on “ready, willing and able” vendors in the areas of:

- A. Construction
- B. Services
- C. Goods/Supplies

The dollars spent with these same types of businesses (whether as prime contractors or subcontractors) will also be collected and analyzed.

The study period for the disparity study has been determined as a five (5) year study period from July 1, 2011-June 30, 2016 (FY2012- FY2016)

**II. Data Assessment Meeting**

GSPC conducted a data assessment meeting to ascertain the location, types, and constraints on the data needed for the disparity study, as well as to obtain a basic understanding of City of Tacoma’s purchasing practices. GSPC met with the following personnel:

Bill Gaines – CEO, Tacoma Public Utilities  
Debra Trevorrow – Finance Office Administrator  
Kimberly Ward – Senior Buyer, Purchasing

Rockelle Orinkey – Senior Buyer, Purchasing  
JoAleen Ainslie – Management Analyst III  
Patsy Best – Procurement and Payables Division Manager

### III. Preliminary Purchasing Practices

#### A. General Purchasing

City of Tacoma has a totally centralized procurement system for its 4 major divisions including Tacoma Public Utilities. All City departments will be part of the Study

Note: Included as a City department is the cable company “Click” which is wholly owned by the City. Individuals who handle pricing and Click data will need to sign a NDA prior to release of information.

#### B. Purchasing Levels

1. The City’s contracting is estimated to be the following from 2009-2016:
  - (a) \$600M – Construction (35%)
  - (b) \$391M – Professional Services (21%)
  - (c) \$355M – Externally contracted services (19%)
  - (d) \$216M – Goods & Supplies (11%)
2.
  - (a) 75% of purchases are competitive
  - (b) 10% by interlocal agreements
  - (c) 7% are exempt purchases (required to pay e.g. utilities, settlements, etc.)
3. P-Card Purchases over \$5,000.00 will be excluded in the Study. P-card usage is generally limited to purchases up to \$5,000.00 but waivers can be given for p-card purchases above those limits. Purchases over \$5,000.00 are then subject to competitive bid. The P-card purchases over \$5,000.00 which will be analyzed in this study are generally tied to purchase orders. The exceptions can be pulled by JoAleen Ainslie.
4. Purchases over \$5,000 are subject to competitive bids.
5. All Goods/Supplies or Services purchases over \$25,000 have an SBE goals evaluation. Construction projects over \$25,000 have mandatory SBE goals. Approximately 85% of all contracts over \$25,000 are competitively bid. Approximately 25-30% of these contracts go through Public Works.
6. Municipal code requires competitive solicitations for services. Because they are a “First Class” city they impose their own competitive bid limits. The State of Washington does not have set guidelines on competitive bidding.

### C. Prequalification

The Tacoma “Small Works” roster serves as a City list of prequalified firms. Businesses on the small works list are permitted to participate in a sheltered market program to compete for awards under \$200,000. Firms who are on the small works roster are not required to register with the City of Tacoma.

The Small Works roster was set by state law that allows for small, public works, construction projects. It was intended as a means of more efficient solicitation of vendors. Vendors must provide references, income information, tax information and have a valid business and contractor’s license in addition to their application. The program also permits waiving of bonding under certain specialty trades. Firms are then grouped by categories by NAICS codes and vendors are solicited by the City either in groups of fives or the solicitation is sent to everyone within the group.

### D. SBE/LEAP Program

1. The current SBE Program is goal based. The LEAP apprenticeship program has a 15% goal for a projects total hour labor on qualifying public works contracts. If goals are not fulfilled, a penalty will be imposed.
2. The City of Tacoma offers its own SBE certification.
3. There is no minority or woman owned business goals because of Prop 200 that does not permit affirmative action programs in the State of Washington.
4. It should be noted that Tacoma has a strong union presence and many projects are conducted under union requirements.

## IV. Specific Data Files

It was determined in this meeting that GSPC will need from City of Tacoma:

- List of Solicitations– (Study Period)
- Vendor List (current)
- Contracts (made during Study Period)
- P.O.s (made during the Study Period)
- Payments (made during Study Period)
- Bidders list (during the Study Period)
- Subcontractor data (during the Study Period)
- Certified SBE/DBE list (current)
- LEAP Study Data



#### A. Solicitations

The City's "Bid Log" is a list of solicitations. In the data file, spec# is equal to the solicitation #.

#### B. Vendor List

The Vendor list is inward facing. There is no outward facing registration system. Not clear how up-to-date the information is. Also Vendor list may not have emails. Asked about what list is used for bid notifications. Departments provide a list for bid notifications as an informal invitation. They don't use the vendor list.

#### C. Contracts

SAP has contracts from FY2009-2016. This is available in excel spreadsheet. In some cases, we will see \$.01 (penny). Those are likely contracts that have been assigned somewhere else and the penny is a placeholder. Vendors should have a vendor number that we can use to match to the vendor list. On-call contracts should have dollar amounts. Should not appear as zeros. All contracts have a value. The contract amount is the amount of the total award. Nothing under \$5,000 will be included in the Study.

#### D. P.O.s

If a P.O. is based upon a contract, it will show a contract number. There are about 80,000 records per year in the P.O. files. Those are available from Patsy Best in an Excel Spreadsheet. Nothing under \$5,000 will be included in the Study.

#### E. Payments

Payments may not be very useful because they only give us P.O. and Contract number along with amount

#### F. Bidders

Procurement can give us access into their SAP system (we may have to sign a non-disclosure). Informal bid tabs are in there. Formal bids over \$200,000 are available as scanned data. (PDFs) Bidders do not have to be registered to bid. Bid submittals are available.

We can also get a list of plan holders who have to register in order to get the plans directly. We may be able to adapt that list to a partial bidder list. (Some firms may not register for plans because competitors can see the list as well)

#### G. Subcontractors

For all public works projects, GSPC can go to <http://lni.wa.gov/> that will report on who was given awards and their subcontractors. Debra Trevorrow will assist us in navigating the site. We may

also be able to use data from the pre-work forms from prime contracts and subcontractors that include workforce data.

#### H. Certified SBE /DBE list

The Small Works Roster is a list of prequalified firms. Firms stay on the list as long as their contractor license and insurance are kept up to date. There is no minority and women owned business list and the City's data does not indicate any ethnicities.

GSPC has not been provided a data source for DBEs as yet but the data will be electronic. Keith Armstrong will provide.

#### I. LEAP Study Data

The City does maintain workforce data including the pre-work form for prime contractors and subcontractors. Most fall under public works and we will have to enter each bid form.

Sales tax information may not be available.

# APPENDIX C

## Data Collection Plan

**TACOMA, WASHINGTON  
DISPARITY STUDY  
DATA COLLECTION PLAN**

The data collection plan utilizes the information gathered in the Data Assessment Report, and sets forth a preliminary plan for actual retrieval of the data.

A. Collect Electronic Data

Assigned	Task	Start	Finish	Completed
MCJ/RH	Submit request for electronic data (Excel or Scanned) to <b>Patsy Best (NOTE: Several reports already exist from 2009-2016. GSPC will accept the larger data files as they exist)</b> 1. Bid Log- (7/1/11-6/30/16) 2. Vendor List (current) 3. Contracts –(7/1/11-6/30/16) 4. P.O.s- (7/1/11-6/30/16) 5. Payments (7/1/11-6/30/16) 6. Over \$200,000 bidder data - (7/1/11-6/30/16) 7. Bid Submittals – (7/1/11-6/30/16) 8. Provide Access to SAP to retrieve informal bid tabs 9. Plan holders (7/1/11-6/30/16) 10. Pre-work forms for prime contractors and subcontractors- (7/1/11-6/30/16) 11. Small Works Roster (7/1/11-6/30/16) if not available historically, then just current list.	9/18/17  9/18/17	10/20/17  10/2/17	
MCJ/RH	Submit request to Keith Armstrong 12. Certified SBE list- (current) 13. Certified DBE list –(current)	9/18/17	9/29/17	

B. Survey of Business Owners

Assigned	Task	Start	Finish	Completed
MCJ/GP	Prepare questions for Survey of Business Owners which its primary use is for Private Sector Analysis and Anecdotal Evidence	8/18/2017	8/26/2017	
MCJ	Obtain City's current vendor files (or other files with emails)	8/17/2017	8/17/2017	
Creative Research Solutions, LLC	Launch Survey	9/6/2017	9/6/2017	
TJ/FL	Clean data files	8/17/2017	10/18/2017	
Creative Research Solutions, LLC	Send questions and data files to Creative Research Solutions, LLC to conduct the telephone survey of at least 200 firms	8/29/2017	11/18/2017	
	ALL SURVEY TABLES RECEIVED BY GSPC		11/22/2017	

C. Prime Vendor Questionnaire

Assigned	Task	Start	Finish	Completed
Mcj/sj	Prepare questions for Prime Vendor Questionnaire – primary purpose is to obtain subcontractor data, as well as information on the prime itself to verify the City's data.	10/20/17	10/27/17	
Mcj/sj	Prepare letter for signature by the City Manager to accompany the questionnaire	10/30/17	11/3/17	
Fl/tj	Clean data files to prepare for mail merge	11/6/17	11/9/17	
Sj to Mailing House	Send survey instrument to mailing house to do mail merge a) Vendor Name & Address and b) Contract information, then questionnaires sent by mailing house with a return date of 4	11/10/17	12/8/17	
Ra/spm	Phone or email follow up on all unreturned questionnaires	12/11/17	12/15/17	
	ALL COMPLETED QUESTIONNAIRES IN BY		12/15/17	

#### D. Survey of Business Owners

Assigned	Task	Start	Finish	Completed
Sterj/price	Prepare questions for Survey of Business Owners primary use is for Private Sector Analysis and Anecdotal Evidence	10/16/17	10/20/17	
Mcj	Obtain City's current data files	10/23/17	10/27/17	
Fl/tj	Clean data files	10/30/17	11/3/17	
Creative Research Solutions, LLC	Send questions and data files to Creative Research Solutions, LLC to conduct the telephone survey of at least 200 firms	11/3/17	11/3/17	
	ALL SURVEY TABLES RECEIVED BY GSPC		11/3/17	

#### E. Purchasing Practices, Policies & Procedures Interviews

Assigned	Task	Start	Finish	Completed
JVE	Contact Purchasing departments to make appointments to be interviewed	9/11/17	9/22/17	
JVE	Conduct policy interviews	9/25/17	9/29/17	
JVE	Interviews will be written up as completed	9/25/17	10/13/17	
	PURCHASING PRACTICES INTERVIEWS COMPLETED		10/13/17	

#### F. Anecdotal Evidence

Assigned	Task	Start	Finish	Completed
Mcj/fl/tj	Take random sample of Relevant Market Vendors	10/5/17	10/6/17	
PS	Set up in-person interviews	10/9/17	12/8/17	
PS	Conduct interviews using a script but receiving information not on script as well (interviews are recorded) and write up summary of interviews, particularly documenting any accounts of marketplace discrimination	10/16/17	12/15/17	
Rks/Sterj/	Conduct public hearings & focus group	12/11/17	12/15/17	
	ANECDOTAL EVIDENCE COLLECTED		12/15/17	

G. Private Sector Analysis

Assigned	Task	Start	Finish	Completed
Price	Collect publicly available data e.g. census and economic data as useful	1/2/18	2/2/18	
	PRIVATE SECTOR DATA COLLECTED		2/2/18	

H. External Data

Assigned	Task	Start	Finish	Completed
mcj	Request electronic vendor data from surrounding cities, counties & the State of Washington	9/18/17	10/13/17	
SterJ	Research and request recent disparity studies (executive summaries) from nearby jurisdictions	9/18/17	10/13/17	
	EXTERNAL DATA COLLECTED		10/13/17	

I. Miscellaneous Reports & Data

Assigned	Task	Start	Finish	Completed
Mcj	Hoover's D&B List (to identify minority firms)	10/2/17	10/20/17	
	MISCELLANEOUS REPORTS & DATA COLLECTED		10/20/17	

Personnel Assigned Key:

MCJ-Michele Clark Jenkins, Project Manager  
 SGJ-Susan G. Johnson, Contract Administrator  
 SJ-Sterling Johnson, Deputy Project Manager  
 TJ-Tanisha Jones, Sr. Data Analyst  
 FL-Felicia Loetscher, Data Analyst  
 AMS-Andrea Stokes, Administrative Support  
 RKS-Rodney Strong, Project Executive  
 DM-David Maher-Legal Analyst  
 GP-Dr. Gregory Price, Senior Economist  
 JVE-Dr. Vince Eagan  
 RH-Dr. Rom Haghighi  
 PS-The Planning Studio

Respectfully submitted this 14<sup>th</sup> day of September, 2017

By Michele Clark Jenkins  
 Project Manager  
 Griffin & Strong, P.C.

# APPENDIX D

## Work Category Assignments



## APPENDIX D -WORK CATEGORY DESCRIPTIONS

### Construction:

- Building construction
- Road construction
- Excavation and demolition
- Concrete work
- Pavement
- Pipeline building
- Water-work construction
- Renovation
- Electrical Services
- Wood (84 Lumber Co.)

### Architecture and Engineering:

- Architecture
- Engineering
- Surveying

### Services:

- Consulting services
- Accounting
- Legal
- A &E
- Laboratory analysis/work
- Forensic work
- Analytical work
- Translation
- Research and analysis
- Computer programing
- Environmental services
- Trucking Services
- Repairs
- Landscaping
- Janitorial and cleaning services
- IT and data management
- Building services
- Building maintenance
- Plumbing
- Hauling Services
- Packaging
- Personnel and staffing services
- Tree care and services
- Handyman services

### Goods

- Fuel
- Supplies (including construction, electrical, and landscaping)
- Furniture
- Auto and auto parts
- Pre-fabricated items
- Road and traffic signs
- Cleaning supplies
- Anything which can be sold in a store including office machines and computers

# APPENDIX E

Relevant Market by County/State

## APPENDIX E - RELEVANT MARKET BY COUNTY/STATE

Dollars Awarded from Largest to Smallest (Contracts & Purchase Orders) FY2012-FY2016

Table E-1  
Procurement by Counties and States – Prime Construction  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
PIERCE COUNTY, WA	\$ 184,653,131	44.02%	44.02%
KING COUNTY, WA	\$ 106,022,253	25.27%	69.29%
GRAYS HARBOR COUNTY, WA	\$ 32,025,671	7.63%	76.92%
SNOHOMISH COUNTY, WA	\$ 24,295,022	5.79%	82.72%
SPOKANE COUNTY, WA	\$ 17,546,299	4.18%	86.90%
HENNEPIN COUNTY, MN	\$ 9,400,414	2.24%	89.14%
THURSTON COUNTY, WA	\$ 7,673,765	1.83%	90.97%
HARRIS COUNTY, TX	\$ 6,994,569	1.67%	92.64%
WHATCOM COUNTY, WA	\$ 6,087,034	1.45%	94.09%
SOLANO COUNTY, CA	\$ 4,961,326	1.18%	95.27%
KITSAP COUNTY, WA	\$ 4,870,775	1.16%	96.43%
LEWIS COUNTY, WA	\$ 2,652,725	0.63%	97.06%
CLARK COUNTY, WA	\$ 2,076,264	0.49%	97.56%
MARATHON COUNTY, WI	\$ 1,856,747	0.44%	98.00%
SAN BERNARDINO COUNTY, CA	\$ 1,446,490	0.34%	98.34%
CLACKAMAS COUNTY, OR	\$ 1,019,830	0.24%	98.59%
COWLITZ COUNTY, WA	\$ 755,106	0.18%	98.77%
JEFFERSON COUNTY, WA	\$ 732,565	0.17%	98.94%
MARION COUNTY, OR	\$ 607,048	0.14%	99.09%
MARICOPA COUNTY, AZ	\$ 572,145	0.14%	99.22%
SAN JOAQUIN COUNTY, CA	\$ 444,196	0.11%	99.33%
ALAMEDA COUNTY, CA	\$ 412,865	0.10%	99.43%
CANADA	\$ 365,998	0.09%	99.52%
YAKIMA COUNTY, WA	\$ 337,711	0.08%	99.60%
MULTNOMAH COUNTY, OR	\$ 282,000	0.07%	99.66%
FAYETTE COUNTY, GA	\$ 200,000	0.05%	99.71%
ALEXANDRIA CITY COUNTY, VA	\$ 196,940	0.05%	99.76%
STEVENS COUNTY, WA	\$ 160,085	0.04%	99.80%
SKAGIT COUNTY, WA	\$ 135,857	0.03%	99.83%
POLK COUNTY, FL	\$ 121,150	0.03%	99.86%
WELD COUNTY, CO	\$ 109,590	0.03%	99.88%

Table E-1 (con't)  
Procurement by Counties and States – Prime Construction  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
TARRANT COUNTY, TX	\$ 73,356	0.02%	99.90%
PACIFIC COUNTY, WA	\$ 68,072	0.02%	99.92%
LOS ANGELES COUNTY, CA	\$ 58,650	0.01%	99.93%
CONTRA COSTA COUNTY, CA	\$ 53,724	0.01%	99.94%
HUMBOLDT COUNTY, CA	\$ 53,386	0.01%	99.96%
GRANT COUNTY, WA	\$ 37,283	0.01%	99.97%
SAGINAW COUNTY, MI	\$ 32,080	0.01%	99.97%
MASON COUNTY, WA	\$ 24,700	0.01%	99.98%
MIDDLESEX COUNTY, MA	\$ 19,205	0.00%	99.98%
DENTON COUNTY, TX	\$ 19,098	0.00%	99.99%
PIMA COUNTY, AZ	\$ 12,290	0.00%	99.99%
NEVADA COUNTY, CA	\$ 12,088	0.00%	99.99%
WAYNE COUNTY, MI	\$ 9,123	0.00%	100.00%
WASHINGTON COUNTY, OR	\$ 5,940	0.00%	100.00%
MONROE COUNTY, NY	\$ 5,440	0.00%	100.00%
COOK COUNTY, IL	\$ 5,405	0.00%	100.00%
Total	\$ 419,505,408	100.00%	

Griffin & Strong, P.C. 2018

Table E-2  
Procurement by Counties and States – Prime A&E  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
KING COUNTY, WA	\$ 21,579,947	52.82%	52.82%
PIERCE COUNTY, WA	\$ 10,257,674	25.11%	77.93%
THURSTON COUNTY, WA	\$ 4,700,777	11.51%	89.44%
SAN FRANCISCO COUNTY, CA	\$ 1,348,440	3.30%	92.74%
WASHINGTON COUNTY, OR	\$ 1,173,000	2.87%	95.61%
SPOKANE COUNTY, WA	\$ 756,097	1.85%	97.46%
SNOHOMISH COUNTY, WA	\$ 657,260	1.61%	99.07%
DUPAGE COUNTY, IL	\$ 180,000	0.44%	99.51%
COOK COUNTY, IL	\$ 145,050	0.36%	99.86%
MULTNOMAH COUNTY, OR	\$ 35,400	0.09%	99.95%
BUCKS COUNTY, PA	\$ 15,000	0.04%	99.99%
KITSAP COUNTY, WA	\$ 5,500	0.01%	100.00%
Total	\$ 40,854,144	100.00%	

Griffin & Strong, P.C. 2018

Table E-3  
Procurement by Counties and States – Prime Services  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
KING COUNTY, WA	\$ 89,777,138	30.61%	30.61%
PIERCE COUNTY, WA	\$ 84,466,016	28.80%	59.40%
SPOKANE COUNTY, WA	\$ 11,990,227	4.09%	63.49%
POLK COUNTY, IA	\$ 5,727,380	1.95%	65.44%
MARICOPA COUNTY, AZ	\$ 5,721,374	1.95%	67.39%
ALLEGHENY COUNTY, PA	\$ 5,465,135	1.86%	69.26%
DALLAS COUNTY, TX	\$ 4,794,565	1.63%	70.89%
MULTNOMAH COUNTY, OR	\$ 3,877,649	1.32%	72.21%
SEMINOLE COUNTY, FL	\$ 3,500,000	1.19%	73.41%
ADA COUNTY, ID	\$ 3,206,633	1.09%	74.50%
FAIRFAX COUNTY, VA	\$ 3,203,751	1.09%	75.59%
SAN FRANCISCO COUNTY, CA	\$ 3,173,699	1.08%	76.67%
CONTRA COSTA COUNTY, CA	\$ 2,756,780	0.94%	77.61%
JACKSON COUNTY, MO	\$ 2,673,675	0.91%	78.53%
CANADA	\$ 2,623,977	0.89%	79.42%
KITSAP COUNTY, WA	\$ 2,586,625	0.88%	80.30%
YAKIMA COUNTY, WA	\$ 2,234,466	0.76%	81.06%
MIDDLESEX COUNTY, MA	\$ 2,210,881	0.75%	81.82%
SNOHOMISH COUNTY, WA	\$ 2,151,766	0.73%	82.55%
LOS ANGELES COUNTY, CA	\$ 2,130,443	0.73%	83.28%
BOULDER COUNTY, CO	\$ 2,021,874	0.69%	83.97%
COOK COUNTY, IL	\$ 1,920,918	0.65%	84.62%
PALM BEACH COUNTY, FL	\$ 1,799,526	0.61%	85.24%
ORANGE COUNTY, FL	\$ 1,445,085	0.49%	85.73%
WASHINGTON COUNTY, OR	\$ 1,432,517	0.49%	86.22%
THURSTON COUNTY, WA	\$ 1,420,434	0.48%	86.70%
DODGE COUNTY, WI	\$ 1,277,000	0.44%	87.14%
CLACKAMAS COUNTY, OR	\$ 1,256,721	0.43%	87.56%
BUCKS COUNTY, PA	\$ 1,240,000	0.42%	87.99%

Table E-3 (con't)  
Procurement by Counties and States – Prime Services  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
WHATCOM COUNTY, WA	\$ 1,128,233	0.38%	88.37%
COWLITZ COUNTY, WA	\$ 1,122,911	0.38%	88.75%
SANTA CLARA COUNTY, CA	\$ 1,044,046	0.36%	89.11%
ERIE COUNTY, NY	\$ 1,029,271	0.35%	89.46%
FOND DU LAC COUNTY, WI	\$ 900,000	0.31%	89.77%
CLARK COUNTY, WA	\$ 898,430	0.31%	90.07%
HARRIS COUNTY, TX	\$ 851,525	0.29%	90.37%
ARAPAHOE COUNTY, CO	\$ 844,988	0.29%	90.65%
DISTRICT OF COLUMBIA COUNTY, DC	\$ 785,986	0.27%	90.92%
HENNEPIN COUNTY, MN	\$ 757,128	0.26%	91.18%
MECKLENBURG COUNTY, NC	\$ 750,716	0.26%	91.44%
BRAZOS COUNTY, TX	\$ 673,217	0.23%	91.66%
WAYNE COUNTY, MI	\$ 648,000	0.22%	91.89%
MONMOUTH COUNTY, NJ	\$ 625,260	0.21%	92.10%
ALAMEDA COUNTY, CA	\$ 614,157	0.21%	92.31%
FULTON COUNTY, GA	\$ 531,013	0.18%	92.49%
SUFFOLK COUNTY, MA	\$ 512,644	0.17%	92.66%
SALT LAKE COUNTY, UT	\$ 501,477	0.17%	92.83%
DEKALB COUNTY, GA	\$ 489,473	0.17%	93.00%
SAN BERNARDINO COUNTY, CA	\$ 475,603	0.16%	93.16%
NEW HAVEN COUNTY, CT	\$ 463,019	0.16%	93.32%
TRAVIS COUNTY, TX	\$ 449,708	0.15%	93.48%
WALLA WALLA COUNTY, WA	\$ 420,420	0.14%	93.62%
DELAWARE COUNTY, PA	\$ 413,059	0.14%	93.76%
FAYETTE COUNTY, PA	\$ 407,373	0.14%	93.90%
BENTON COUNTY, OR	\$ 406,215	0.14%	94.04%
BEXAR COUNTY, TX	\$ 398,520	0.14%	94.17%
NEW YORK COUNTY, NY	\$ 397,894	0.14%	94.31%
ORANGE COUNTY, CA	\$ 395,658	0.13%	94.44%
VENTURA COUNTY, CA	\$ 393,394	0.13%	94.58%

Table E-3 (con't)  
Procurement by Counties and States – Prime Services  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
LEWIS COUNTY, WA	\$ 388,484	0.13%	94.71%
SANTA BARBARA COUNTY, CA	\$ 387,635	0.13%	94.84%
MONTGOMERY COUNTY, MD	\$ 383,697	0.13%	94.97%
ONONDAGA COUNTY, NY	\$ 372,386	0.13%	95.10%
SKAGIT COUNTY, WA	\$ 362,016	0.12%	95.22%
WAKE COUNTY, NC	\$ 361,089	0.12%	95.35%
HOWARD COUNTY, MD	\$ 360,150	0.12%	95.47%
ANNE ARUNDEL COUNTY, MD	\$ 350,000	0.12%	95.59%
DUPAGE COUNTY, IL	\$ 344,603	0.12%	95.71%
SACRAMENTO COUNTY, CA	\$ 342,778	0.12%	95.82%
LEHIGH COUNTY, PA	\$ 335,500	0.11%	95.94%
GRAYS HARBOR COUNTY, WA	\$ 329,832	0.11%	96.05%
SAN MATEO COUNTY, CA	\$ 328,584	0.11%	96.16%
HONOLULU COUNTY, HI	\$ 324,390	0.11%	96.27%
KANE COUNTY, IL	\$ 317,263	0.11%	96.38%
RAMSEY COUNTY, MN	\$ 315,597	0.11%	96.49%
JEFFERSON COUNTY, CO	\$ 310,674	0.11%	96.59%
ESSEX COUNTY, NJ	\$ 297,000	0.10%	96.69%
CUYAHOGA COUNTY, OH	\$ 283,925	0.10%	96.79%
MERCER COUNTY, NJ	\$ 280,000	0.10%	96.89%
PLATTE COUNTY, NE	\$ 275,000	0.09%	96.98%
HUDSON COUNTY, NJ	\$ 269,000	0.09%	97.07%
YORK COUNTY, PA	\$ 268,624	0.09%	97.16%
HILLSBOROUGH COUNTY, FL	\$ 253,970	0.09%	97.25%
SAN DIEGO COUNTY, CA	\$ 246,318	0.08%	97.33%
DENVER COUNTY, CO	\$ 240,554	0.08%	97.42%



Table E-3 (con't)  
Procurement by Counties and States – Prime Services  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
LAKE COUNTY, IL	\$ 232,236	0.08%	97.50%
RIVERSIDE COUNTY, CA	\$ 213,125	0.07%	97.57%
LA PLATA COUNTY, CO	\$ 212,200	0.07%	97.64%
LA SALLE COUNTY, IL	\$ 209,000	0.07%	97.71%
PLACER COUNTY, CA	\$ 203,951	0.07%	97.78%
LIVINGSTON COUNTY, IL	\$ 198,000	0.07%	97.85%
PASSAIC COUNTY, NJ	\$ 195,280	0.07%	97.92%
SAINT LOUIS COUNTY, MO	\$ 190,000	0.06%	97.98%
WAUKESHA COUNTY, WI	\$ 189,000	0.06%	98.05%
KLICKITAT COUNTY, WA	\$ 187,836	0.06%	98.11%
CHARLOTTE COUNTY, FL	\$ 183,789	0.06%	98.17%
FRESNO COUNTY, CA	\$ 160,862	0.05%	98.23%
HAMILTON COUNTY, IN	\$ 151,272	0.05%	98.28%
MINNEHAHA COUNTY, SD	\$ 145,000	0.05%	98.33%
PHILADELPHIA COUNTY, PA	\$ 143,368	0.05%	98.38%
CLATSOP COUNTY, OR	\$ 137,022	0.05%	98.42%
JOHNSON COUNTY, KS	\$ 135,773	0.05%	98.47%
HOOD RIVER COUNTY, OR	\$ 133,165	0.05%	98.51%
FORT BEND COUNTY, TX	\$ 128,840	0.04%	98.56%
CUMBERLAND COUNTY, NJ	\$ 125,200	0.04%	98.60%
LANE COUNTY, OR	\$ 125,129	0.04%	98.64%
TULSA COUNTY, OK	\$ 125,000	0.04%	98.69%
SANTA CRUZ COUNTY, CA	\$ 120,000	0.04%	98.73%
JEFFERSON COUNTY, KY	\$ 118,053	0.04%	98.77%
MONROE COUNTY, NY	\$ 107,106	0.04%	98.80%
MESA COUNTY, CO	\$ 107,086	0.04%	98.84%
FAIRFIELD COUNTY, CT	\$ 106,645	0.04%	98.88%
CHESTER COUNTY, PA	\$ 106,132	0.04%	98.91%
WORCESTER COUNTY, MA	\$ 97,400	0.03%	98.95%

Table E-3 (con't)  
Procurement by Counties and States – Prime Services  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
UTAH COUNTY, UT	\$ 96,000	0.03%	98.98%
SARASOTA COUNTY, FL	\$ 93,420	0.03%	99.01%
ORANGE COUNTY, VT	\$ 91,908	0.03%	99.04%
KAUAI COUNTY, HI	\$ 89,804	0.03%	99.07%
MADISON COUNTY, AL	\$ 83,675	0.03%	99.10%
MIDDLESEX COUNTY, NJ	\$ 79,845	0.03%	99.13%
CHAMPAIGN COUNTY, IL	\$ 78,000	0.03%	99.16%
JACKSON COUNTY, OR	\$ 77,521	0.03%	99.18%
DANE COUNTY, WI	\$ 75,000	0.03%	99.21%
NEW CASTLE COUNTY, DE	\$ 73,683	0.03%	99.23%
RENSSELAER COUNTY, NY	\$ 72,840	0.02%	99.26%
DOUGLAS COUNTY, NV	\$ 70,000	0.02%	99.28%
JEFFERSON COUNTY, WA	\$ 65,900	0.02%	99.30%
COWETA COUNTY, GA	\$ 62,000	0.02%	99.32%
VIRGINIA BEACH CITY COUNTY, VA	\$ 60,244	0.02%	99.35%
ALAMANCE COUNTY, NC	\$ 60,000	0.02%	99.37%
PUTNAM COUNTY, FL	\$ 60,000	0.02%	99.39%
SHELBY COUNTY, TN	\$ 57,725	0.02%	99.41%
MOBILE COUNTY, AL	\$ 57,575	0.02%	99.43%
VOLUSIA COUNTY, FL	\$ 56,008	0.02%	99.44%
KERN COUNTY, CA	\$ 51,458	0.02%	99.46%
ARLINGTON COUNTY, VA	\$ 50,000	0.02%	99.48%
ERIE COUNTY, OH	\$ 50,000	0.02%	99.50%
PINAL COUNTY, AZ	\$ 50,000	0.02%	99.51%
ALBANY COUNTY, NY	\$ 48,000	0.02%	99.53%
BALTIMORE COUNTY, MD	\$ 44,244	0.02%	99.54%
SAINT LOUIS CITY COUNTY, MO	\$ 43,420	0.01%	99.56%
BROWARD COUNTY, FL	\$ 42,868	0.01%	99.57%
CHITTENDEN COUNTY, VT	\$ 41,836	0.01%	99.59%
ORLEANS COUNTY, LA	\$ 36,000	0.01%	99.60%
SONOMA COUNTY, CA	\$ 35,416	0.01%	99.61%

Table E-3 (con't)  
Procurement by Counties and States – Prime Services  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
SANDOVAL COUNTY, NM	\$ 34,625	0.01%	99.62%
SUMMIT COUNTY, OH	\$ 34,400	0.01%	99.64%
BENTON COUNTY, WA	\$ 31,325	0.01%	99.65%
MASON COUNTY, WA	\$ 31,000	0.01%	99.66%
SOMERSET COUNTY, NJ	\$ 30,960	0.01%	99.67%
WASHINGTON COUNTY, MN	\$ 30,625	0.01%	99.68%
CADDO COUNTY, LA	\$ 30,000	0.01%	99.69%
COBB COUNTY, GA	\$ 30,000	0.01%	99.70%
DELAWARE COUNTY, OH	\$ 26,955	0.01%	99.71%
PINELLAS COUNTY, FL	\$ 25,740	0.01%	99.72%
CLALLAM COUNTY, WA	\$ 25,000	0.01%	99.73%
HAMILTON COUNTY, OH	\$ 25,000	0.01%	99.73%
HAMILTON COUNTY, TN	\$ 25,000	0.01%	99.74%
HAYS COUNTY, TX	\$ 25,000	0.01%	99.75%
PORTER COUNTY, IN	\$ 25,000	0.01%	99.76%
SANTA FE COUNTY, NM	\$ 25,000	0.01%	99.77%
WASHTENAW COUNTY, MI	\$ 25,000	0.01%	99.78%
WINDSOR COUNTY, VT	\$ 25,000	0.01%	99.79%
MAHONING COUNTY, OH	\$ 24,995	0.01%	99.79%
NAPA COUNTY, CA	\$ 24,975	0.01%	99.80%
GRUNDY COUNTY, IL	\$ 24,907	0.01%	99.81%
YAMHILL COUNTY, OR	\$ 24,882	0.01%	99.82%
RICHMOND COUNTY, NY	\$ 24,355	0.01%	99.83%
HILLSBOROUGH COUNTY, NH	\$ 22,314	0.01%	99.84%
DAVIS COUNTY, UT	\$ 22,020	0.01%	99.84%
PRINCE GEORGES COUNTY, MD	\$ 21,211	0.01%	99.85%
SAINT CHARLES COUNTY, MO	\$ 20,000	0.01%	99.86%
WILLIAMSON COUNTY, TX	\$ 19,854	0.01%	99.86%
KNOX COUNTY, TN	\$ 18,800	0.01%	99.87%
SOCORRO COUNTY, NM	\$ 18,000	0.01%	99.88%

Table E-3 (con't)

Procurement by Counties and States – Prime Services  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
WELLS COUNTY, IN	\$ 17,700	0.01%	99.88%
BUTLER COUNTY, OH	\$ 17,548	0.01%	99.89%
MATAGORDA COUNTY, TX	\$ 16,750	0.01%	99.89%
MILWAUKEE COUNTY, WI	\$ 16,485	0.01%	99.90%
ENGLAND	\$ 16,332	0.01%	99.91%
BURLINGTON COUNTY, NJ	\$ 15,873	0.01%	99.91%
YAVAPAI COUNTY, AZ	\$ 15,000	0.01%	99.92%
BERGEN COUNTY, NJ	\$ 14,527	0.00%	99.92%
NASSAU COUNTY, NY	\$ 12,816	0.00%	99.92%
WASHINGTON COUNTY, PA	\$ 12,800	0.00%	99.93%
PRINCE WILLIAM COUNTY, VA	\$ 12,044	0.00%	99.93%
LOUDOUN COUNTY, VA	\$ 12,000	0.00%	99.94%
CLARK COUNTY, NV	\$ 11,765	0.00%	99.94%
CUMBERLAND COUNTY, PA	\$ 11,500	0.00%	99.95%
POLK COUNTY, FL	\$ 11,286	0.00%	99.95%
SOLROD STRAND	\$ 10,000	0.00%	99.95%
LINN COUNTY, OR	\$ 9,900	0.00%	99.96%
PACIFIC COUNTY, WA	\$ 9,279	0.00%	99.96%
SCHENECTADY COUNTY, NY	\$ 9,240	0.00%	99.96%
LANCASTER COUNTY, NE	\$ 9,000	0.00%	99.97%
MARION COUNTY, OR	\$ 8,474	0.00%	99.97%
SOLANO COUNTY, CA	\$ 8,400	0.00%	99.97%
LINCOLN COUNTY, MO	\$ 8,131	0.00%	99.97%
FAYETTE COUNTY, KY	\$ 7,991	0.00%	99.98%
LEXINGTON COUNTY, SC	\$ 7,788	0.00%	99.98%
MARION COUNTY, IN	\$ 7,737	0.00%	99.98%
FRANKLIN COUNTY, OH	\$ 7,365	0.00%	99.98%
BONNEVILLE COUNTY, ID	\$ 7,005	0.00%	99.99%
BERNALILLO COUNTY, NM	\$ 6,250	0.00%	99.99%
MARIN COUNTY, CA	\$ 6,200	0.00%	99.99%
GALLATIN COUNTY, MT	\$ 6,000	0.00%	99.99%
GREENE COUNTY, IN	\$ 5,200	0.00%	99.99%
KLAMATH COUNTY, OR	\$ 5,000	0.00%	100.00%
MONTGOMERY COUNTY, TX	\$ 5,000	0.00%	100.00%
SUFFOLK COUNTY, NY	\$ 5,000	0.00%	100.00%
Total	\$ 293,321,847	100.00%	

Griffin & Strong, P.C. 2018

Table E-4  
Procurement by Counties and States – Prime Goods  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
PIERCE COUNTY, WA	\$ 73,058,181	30.44%	30.44%
KING COUNTY, WA	\$ 56,433,505	23.51%	53.95%
COWLITZ COUNTY, WA	\$ 9,220,180	3.84%	57.79%
CANADA	\$ 8,706,864	3.63%	61.42%
THURSTON COUNTY, WA	\$ 8,519,806	3.55%	64.97%
SNOHOMISH COUNTY, WA	\$ 7,801,608	3.25%	68.22%
DISTRICT OF COLUMBIA COUNTY, DC	\$ 5,667,047	2.36%	70.58%
WASHINGTON COUNTY, OR	\$ 5,301,663	2.21%	72.79%
SAN BERNARDINO COUNTY, CA	\$ 4,572,266	1.90%	74.69%
DYER COUNTY, TN	\$ 3,961,486	1.65%	76.34%
STEVENS COUNTY, MN	\$ 3,555,049	1.48%	77.82%
SPOKANE COUNTY, WA	\$ 2,718,372	1.13%	78.95%
WHATCOM COUNTY, WA	\$ 2,452,749	1.02%	79.98%
ORANGE COUNTY, CA	\$ 2,214,934	0.92%	80.90%
JEFFERSON COUNTY, NY	\$ 2,188,400	0.91%	81.81%
BROWARD COUNTY, FL	\$ 2,077,451	0.87%	82.68%
WAUKESHA COUNTY, WI	\$ 2,014,277	0.84%	83.51%
CLALLAM COUNTY, WA	\$ 1,909,464	0.80%	84.31%
SAN MATEO COUNTY, CA	\$ 1,719,010	0.72%	85.03%
MCLENNAN COUNTY, TX	\$ 1,587,179	0.66%	85.69%
FRANKLIN COUNTY, WA	\$ 1,378,007	0.57%	86.26%
BENTON COUNTY, WA	\$ 1,352,473	0.56%	86.83%
HILLSBOROUGH COUNTY, FL	\$ 1,287,211	0.54%	87.36%
MORRIS COUNTY, NJ	\$ 1,116,648	0.47%	87.83%
DOUGLAS COUNTY, WA	\$ 1,101,067	0.46%	88.29%
IREDELL COUNTY, NC	\$ 1,094,154	0.46%	88.74%
LOS ANGELES COUNTY, CA	\$ 1,000,389	0.42%	89.16%
FAIRFAX COUNTY, VA	\$ 899,926	0.37%	89.53%
YAKIMA COUNTY, WA	\$ 883,446	0.37%	89.90%
KITSAP COUNTY, WA	\$ 840,881	0.35%	90.25%
SAN DIEGO COUNTY, CA	\$ 745,088	0.31%	90.56%
COOK COUNTY, IL	\$ 706,305	0.29%	90.86%
WESTMORELAND COUNTY, PA	\$ 655,058	0.27%	91.13%

Table E-4 (con't)

Procurement by Counties and States – Prime Goods  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
MULTNOMAH COUNTY, OR	\$ 618,669	0.26%	91.39%
DAUPHIN COUNTY, PA	\$ 606,437	0.25%	91.64%
SKAGIT COUNTY, WA	\$ 597,452	0.25%	91.89%
LEWIS COUNTY, WA	\$ 547,284	0.23%	92.12%
ELMORE COUNTY, AL	\$ 540,983	0.23%	92.34%
ANNE ARUNDEL COUNTY, MD	\$ 538,100	0.22%	92.57%
DALLAS COUNTY, TX	\$ 468,423	0.20%	92.76%
WILL COUNTY, IL	\$ 454,557	0.19%	92.95%
MONTGOMERY COUNTY, MD	\$ 445,579	0.19%	93.14%
SUFFOLK CITY COUNTY, VA	\$ 441,500	0.18%	93.32%
SAN JUAN COUNTY, WA	\$ 415,400	0.17%	93.49%
LAKE COUNTY, IL	\$ 412,172	0.17%	93.66%
HARRIS COUNTY, TX	\$ 365,382	0.15%	93.82%
NORFOLK COUNTY, MA	\$ 359,295	0.15%	93.97%
BUCKS COUNTY, PA	\$ 357,412	0.15%	94.12%
BERKSHIRE COUNTY, MA	\$ 347,245	0.14%	94.26%
MONTGOMERY COUNTY, AL	\$ 338,500	0.14%	94.40%
STARK COUNTY, OH	\$ 338,217	0.14%	94.54%
ALLEGHENY COUNTY, PA	\$ 318,823	0.13%	94.67%
CANYON COUNTY, ID	\$ 316,822	0.13%	94.81%
ALAMEDA COUNTY, CA	\$ 307,163	0.13%	94.93%
FULTON COUNTY, GA	\$ 306,775	0.13%	95.06%
ROBERTSON COUNTY, TN	\$ 305,270	0.13%	95.19%
PALM BEACH COUNTY, FL	\$ 302,187	0.13%	95.32%
FRANKLIN COUNTY, OH	\$ 293,735	0.12%	95.44%
WILLIAMSON COUNTY, TX	\$ 275,900	0.11%	95.55%
CLACKAMAS COUNTY, OR	\$ 270,264	0.11%	95.67%
CLARK COUNTY, WA	\$ 262,131	0.11%	95.77%
MIDDLESEX COUNTY, NJ	\$ 260,791	0.11%	95.88%
SAINT LOUIS COUNTY, MO	\$ 257,533	0.11%	95.99%
CASS COUNTY, ND	\$ 249,497	0.10%	96.09%
BREVARD COUNTY, FL	\$ 245,888	0.10%	96.20%
YELLOWSTONE COUNTY, MT	\$ 239,858	0.10%	96.30%

Table E-4 (con't)  
Procurement by Counties and States – Prime Goods  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
MARION COUNTY, OR	\$ 238,149	0.10%	96.40%
ANDERSON COUNTY, TN	\$ 231,500	0.10%	96.49%
SOMERSET COUNTY, NJ	\$ 226,852	0.09%	96.59%
YORK COUNTY, ME	\$ 219,990	0.09%	96.68%
LEE COUNTY, IL	\$ 207,270	0.09%	96.77%
SUFFOLK COUNTY, MA	\$ 206,660	0.09%	96.85%
SANTA BARBARA COUNTY, CA	\$ 199,800	0.08%	96.93%
LANE COUNTY, OR	\$ 195,428	0.08%	97.02%
BURLINGTON COUNTY, NJ	\$ 194,982	0.08%	97.10%
ARAPAHOE COUNTY, CO	\$ 194,793	0.08%	97.18%
TALBOT COUNTY, MD	\$ 184,427	0.08%	97.26%
MARICOPA COUNTY, AZ	\$ 182,032	0.08%	97.33%
NEW HAVEN COUNTY, CT	\$ 178,531	0.07%	97.41%
SANTA CLARA COUNTY, CA	\$ 172,278	0.07%	97.48%
GWINNETT COUNTY, GA	\$ 161,830	0.07%	97.54%
WINNEBAGO COUNTY, WI	\$ 149,620	0.06%	97.61%
MIDDLESEX COUNTY, MA	\$ 139,067	0.06%	97.66%
BENTON COUNTY, OR	\$ 138,839	0.06%	97.72%
HENNEPIN COUNTY, MN	\$ 135,095	0.06%	97.78%
SEMINOLE COUNTY, FL	\$ 132,299	0.06%	97.83%
TIPPECANOE COUNTY, IN	\$ 130,774	0.05%	97.89%
SACRAMENTO COUNTY, CA	\$ 124,503	0.05%	97.94%
DOUGLAS COUNTY, NV	\$ 120,000	0.05%	97.99%
UTAH COUNTY, UT	\$ 114,020	0.05%	98.04%
HOOD RIVER COUNTY, OR	\$ 113,754	0.05%	98.09%
KALAMAZOO COUNTY, MI	\$ 111,790	0.05%	98.13%
WAKE COUNTY, NC	\$ 106,254	0.04%	98.18%
JEFFERSON COUNTY, OR	\$ 101,964	0.04%	98.22%
WATONWAN COUNTY, MN	\$ 101,761	0.04%	98.26%
RICHLAND COUNTY, SC	\$ 100,840	0.04%	98.30%
MISSOULA COUNTY, MT	\$ 99,978	0.04%	98.34%
TULSA COUNTY, OK	\$ 98,877	0.04%	98.39%

Table E-4 (con't)  
Procurement by Counties and States – Prime Goods  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
CONTRA COSTA COUNTY, CA	\$ 97,773	0.04%	98.43%
PLACER COUNTY, CA	\$ 94,457	0.04%	98.47%
FAIRFIELD COUNTY, CT	\$ 93,896	0.04%	98.50%
BOULDER COUNTY, CO	\$ 92,416	0.04%	98.54%
SAN LUIS OBISPO COUNTY, CA	\$ 85,035	0.04%	98.58%
SPARTANBURG COUNTY, SC	\$ 85,000	0.04%	98.61%
SEWARD COUNTY, NE	\$ 84,788	0.04%	98.65%
ESSEX COUNTY, NJ	\$ 84,534	0.04%	98.68%
TARRANT COUNTY, TX	\$ 80,789	0.03%	98.72%
MARION COUNTY, IN	\$ 79,481	0.03%	98.75%
GRAYS HARBOR COUNTY, WA	\$ 77,551	0.03%	98.78%
WORCESTER COUNTY, MA	\$ 76,930	0.03%	98.82%
MECKLENBURG COUNTY, NC	\$ 72,452	0.03%	98.85%
BERKELEY COUNTY, SC	\$ 70,200	0.03%	98.88%
BUCHANAN COUNTY, MO	\$ 67,899	0.03%	98.90%
UNION COUNTY, SD	\$ 65,176	0.03%	98.93%
LA SALLE COUNTY, IL	\$ 65,000	0.03%	98.96%
SALT LAKE COUNTY, UT	\$ 64,599	0.03%	98.98%
DELAWARE COUNTY, PA	\$ 61,753	0.03%	99.01%
ADA COUNTY, ID	\$ 59,519	0.02%	99.04%
MONROE COUNTY, NY	\$ 58,600	0.02%	99.06%
RIVERSIDE COUNTY, CA	\$ 58,042	0.02%	99.08%
BRAZOS COUNTY, TX	\$ 58,028	0.02%	99.11%
SUSSEX COUNTY, NJ	\$ 56,614	0.02%	99.13%
LINN COUNTY, OR	\$ 56,076	0.02%	99.16%
JEFFERSON COUNTY, CO	\$ 52,000	0.02%	99.18%
JEFFERSON COUNTY, AL	\$ 49,754	0.02%	99.20%
SUFFOLK COUNTY, NY	\$ 49,563	0.02%	99.22%
GLOUCESTER COUNTY, VA	\$ 48,146	0.02%	99.24%
MARIN COUNTY, CA	\$ 47,186	0.02%	99.26%
CRAWFORD COUNTY, MO	\$ 46,440	0.02%	99.28%
SANTA CRUZ COUNTY, CA	\$ 46,373	0.02%	99.30%



Table E-4 (con't)  
Procurement by Counties and States – Prime Goods  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
ORANGE COUNTY, FL	\$ 44,800	0.02%	99.32%
BERGEN COUNTY, NJ	\$ 42,034	0.02%	99.33%
LUZERNE COUNTY, PA	\$ 41,227	0.02%	99.35%
ROCK COUNTY, WI	\$ 40,725	0.02%	99.37%
MILWAUKEE COUNTY, WI	\$ 38,445	0.02%	99.38%
GRANVILLE COUNTY, NC	\$ 38,276	0.02%	99.40%
DENTON COUNTY, TX	\$ 37,134	0.02%	99.41%
DUPAGE COUNTY, IL	\$ 37,000	0.02%	99.43%
MIAMI-DADE COUNTY, FL	\$ 36,975	0.02%	99.45%
DAVIDSON COUNTY, NC	\$ 36,579	0.02%	99.46%
GRANT COUNTY, WA	\$ 36,440	0.02%	99.48%
MEDINA COUNTY, OH	\$ 36,300	0.02%	99.49%
BALTIMORE COUNTY, MD	\$ 34,853	0.01%	99.51%
UNION COUNTY, NJ	\$ 34,145	0.01%	99.52%
JESSAMINE COUNTY, KY	\$ 33,900	0.01%	99.53%
HARTFORD COUNTY, CT	\$ 32,640	0.01%	99.55%
MERCER COUNTY, WV	\$ 32,129	0.01%	99.56%
DELTA COUNTY, MI	\$ 32,125	0.01%	99.57%
NEWPORT NEWS CITY COUNTY, VA	\$ 31,520	0.01%	99.59%
HAMPDEN COUNTY, MA	\$ 30,982	0.01%	99.60%
SONOMA COUNTY, CA	\$ 30,140	0.01%	99.61%
COLQUITT COUNTY, GA	\$ 30,000	0.01%	99.62%
COLUMBIA COUNTY, OR	\$ 29,459	0.01%	99.64%
HOUSTON COUNTY, GA	\$ 28,000	0.01%	99.65%
MINNEHAHA COUNTY, SD	\$ 27,201	0.01%	99.66%
DOUGLAS COUNTY, NE	\$ 26,500	0.01%	99.67%
JOHNSON COUNTY, IN	\$ 22,547	0.01%	99.68%
COLLIN COUNTY, TX	\$ 22,521	0.01%	99.69%
KOSCIUSKO COUNTY, IN	\$ 22,225	0.01%	99.70%
PINELLAS COUNTY, FL	\$ 22,151	0.01%	99.71%
CARVER COUNTY, MN	\$ 22,090	0.01%	99.72%
WOOD COUNTY, WI	\$ 21,787	0.01%	99.73%
BEXAR COUNTY, TX	\$ 21,528	0.01%	99.74%

Table E-4 (con't)  
Procurement by Counties and States – Prime Goods  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
ANDERSON COUNTY, KY	\$ 21,197	0.01%	99.74%
SALEM CITY COUNTY, VA	\$ 21,037	0.01%	99.75%
RACINE COUNTY, WI	\$ 20,108	0.01%	99.76%
SHELBY COUNTY, OH	\$ 19,676	0.01%	99.77%
NEVADA COUNTY, CA	\$ 18,584	0.01%	99.78%
PRINCE GEORGES COUNTY, MD	\$ 18,033	0.01%	99.79%
KINGS COUNTY, NY	\$ 17,947	0.01%	99.79%
KNOX COUNTY, TN	\$ 17,815	0.01%	99.80%
ANOKA COUNTY, MN	\$ 17,797	0.01%	99.81%
RAMSEY COUNTY, MN	\$ 17,520	0.01%	99.81%
UNION COUNTY, NC	\$ 16,375	0.01%	99.82%
LARIMER COUNTY, CO	\$ 16,025	0.01%	99.83%
HOWARD COUNTY, MD	\$ 15,180	0.01%	99.83%
SAN FRANCISCO COUNTY, CA	\$ 14,613	0.01%	99.84%
RICHMOND CITY COUNTY, VA	\$ 14,400	0.01%	99.85%
ROWAN COUNTY, NC	\$ 13,958	0.01%	99.85%
KENT COUNTY, MI	\$ 13,305	0.01%	99.86%
BARNSTABLE COUNTY, MA	\$ 13,216	0.01%	99.86%
STANISLAUS COUNTY, CA	\$ 12,798	0.01%	99.87%
FORREST COUNTY, MS	\$ 12,653	0.01%	99.87%
JEROME COUNTY, ID	\$ 12,372	0.01%	99.88%
FAYETTE COUNTY, KY	\$ 12,216	0.01%	99.88%
HUDSON COUNTY, NJ	\$ 12,147	0.01%	99.89%
LAFAYETTE COUNTY, LA	\$ 12,000	0.00%	99.89%
SEDGWICK COUNTY, KS	\$ 12,000	0.00%	99.90%
DODGE COUNTY, NE	\$ 11,796	0.00%	99.90%
ROCKINGHAM COUNTY, VA	\$ 11,015	0.00%	99.91%
WAYNE COUNTY, MI	\$ 9,945	0.00%	99.91%
CLARK COUNTY, NV	\$ 9,607	0.00%	99.92%
CAMPBELL COUNTY, KY	\$ 9,545	0.00%	99.92%

Table E-4 (con't)  
Procurement by Counties and States – Prime Goods  
(Using Award Dollars - FY2012-2016)  
City of Tacoma Disparity Study

County and State	Amount	Percent	Cumulative Percent
COOKE COUNTY, TX	\$ 8,980	0.00%	99.92%
BEDFORD COUNTY, PA	\$ 8,955	0.00%	99.93%
BRISTOL COUNTY, MA	\$ 8,889	0.00%	99.93%
COBB COUNTY, GA	\$ 8,856	0.00%	99.94%
JOHNSON COUNTY, KS	\$ 8,672	0.00%	99.94%
EAST BATON ROUGE COUNTY, LA	\$ 8,585	0.00%	99.94%
MERCER COUNTY, NJ	\$ 8,579	0.00%	99.95%
NASSAU COUNTY, NY	\$ 8,489	0.00%	99.95%
CACHE COUNTY, UT	\$ 8,464	0.00%	99.95%
CENTRE COUNTY, PA	\$ 8,095	0.00%	99.96%
GUADALUPE COUNTY, TX	\$ 7,451	0.00%	99.96%
HAMILTON COUNTY, OH	\$ 7,344	0.00%	99.96%
CHESTERFIELD COUNTY, VA	\$ 7,141	0.00%	99.97%
GILES COUNTY, VA	\$ 7,073	0.00%	99.97%
KENT COUNTY, DE	\$ 6,790	0.00%	99.97%
BOONE COUNTY, KY	\$ 6,713	0.00%	99.97%
GLOUCESTER COUNTY, NJ	\$ 6,650	0.00%	99.98%
RANDALL COUNTY, TX	\$ 6,602	0.00%	99.98%
DALLAS COUNTY, AR	\$ 6,563	0.00%	99.98%
JEFFERSON COUNTY, TX	\$ 6,500	0.00%	99.99%
SAINT CLAIR COUNTY, IL	\$ 6,420	0.00%	99.99%
JACKSON COUNTY, OR	\$ 6,392	0.00%	99.99%
FRANKLIN COUNTY, AL	\$ 5,695	0.00%	99.99%
SAINT LOUIS COUNTY, MN	\$ 5,420	0.00%	100.00%
YORK COUNTY, PA	\$ 5,020	0.00%	100.00%
VIRGINIA BEACH CITY COUNTY, VA	\$ 5,010	0.00%	100.00%
Total	\$ 240,034,015	100.00%	

Griffin & Strong, P.C. 2018

# APPENDIX F

## Threshold Tables

APPENDIX F

THRESHOLD ANALYSIS TABLES

Table F-1

Tacoma Disparity Study Threshold Analysis Number of Awards, Prime Utilization All Procurement Categories (Using Award Dollars, FY 2012-2016)				
Award Threshold	Number of Awards	Percent of Awards	Dollars	Percent of Dollars
5,000 to 10,000	1,828	27.21%	\$ 13,196,052	1.33%
10,001 to 50,000	2,976	44.29%	\$ 70,146,216	7.06%
50,001 to 100,000	641	9.54%	\$ 48,138,876	4.84%
100,001 to 250,000	702	10.45%	\$ 114,781,809	11.55%
250,001 to 500,000	222	3.30%	\$ 78,393,308	7.89%
500,001 to 750,000	99	1.47%	\$ 62,305,549	6.27%
750,001 to 1,000,000	54	0.80%	\$ 46,539,482	4.68%
1,000,001 to 1,500,000	79	1.18%	\$ 98,160,337	9.88%
1,500,001 to 2,000,000	38	0.57%	\$ 66,304,859	6.67%
2,000,001 to 2,500,000	20	0.30%	\$ 43,357,868	4.36%
2,500,001 to 5,000,000	36	0.54%	\$ 122,640,342	12.34%
Over 5,000,000	24	0.36%	\$ 229,750,717	23.12%
<b>Total</b>	<b>6,719</b>	<b>100.00%</b>	<b>\$ 993,715,414</b>	<b>100.00%</b>
Griffin & Strong, P.C. 2017				
Mean = \$ 147,896				
Median = \$ 22,229				

Table F-2

**Tacoma Disparity Study  
Threshold Analysis  
Number of Awards, Prime Utilization Construction  
(Using Award Dollars, FY 2012-2016)**

Award Threshold	Number of Awards	Percent of Awards	Dollars	Percent of Dollars
5,000 to 10,000	103	13.24%	\$ 764,753	0.18%
10,001 to 50,000	250	32.13%	\$ 5,869,685	1.40%
50,001 to 100,000	74	9.51%	\$ 5,628,402	1.34%
100,001 to 250,000	123	15.81%	\$ 19,933,077	4.75%
250,001 to 500,000	66	8.48%	\$ 24,290,290	5.79%
500,001 to 750,000	42	5.40%	\$ 26,491,585	6.31%
750,001 to 1,000,000	24	3.08%	\$ 20,780,358	4.95%
1,000,001 to 1,500,000	32	4.11%	\$ 39,695,274	9.46%
1,500,001 to 2,000,000	23	2.96%	\$ 39,948,726	9.52%
2,000,001 to 2,500,000	10	1.29%	\$ 22,119,098	5.27%
2,500,001 to 5,000,000	17	2.19%	\$ 55,492,690	13.23%
Over 5,000,000	14	1.80%	\$ 158,491,471	37.78%
<b>Total</b>	<b>778</b>	<b>100.00%</b>	<b>\$ 419,505,408</b>	<b>100.00%</b>
Griffin & Strong, P.C. 2017				
Mean = \$ 539,210				
Median = \$ 72,588				

Table F-3

Tacoma Disparity Study Threshold Analysis Number of Awards, Prime Utilization A & E (Using Award Dollars, FY 2012-2016)				
Award Threshold	Number of Awards	Percent of Awards	Dollars	Percent of Dollars
5,000 to 10,000	70	19.50%	\$ 526,471	1.29%
10,001 to 50,000	147	40.95%	\$ 3,608,094	8.83%
50,001 to 100,000	61	16.99%	\$ 4,853,623	11.88%
100,001 to 250,000	50	13.93%	\$ 8,373,292	20.50%
250,001 to 500,000	13	3.62%	\$ 4,203,600	10.29%
500,001 to 750,000	9	2.51%	\$ 5,640,842	13.81%
750,001 to 1,000,000	3	0.84%	\$ 2,730,670	6.68%
1,000,001 to 1,500,000	4	1.11%	\$ 4,992,646	12.22%
1,500,001 to 2,000,000	1	0.28%	\$ 1,871,206	4.58%
2,000,001 to 2,500,000	0	0.00%	\$ -	0.00%
2,500,001 to 5,000,000	1	0.28%	\$ 4,053,700	9.92%
Over 5,000,000	0	0.00%	\$ -	0.00%
<b>Total</b>	<b>359</b>	<b>100.00%</b>	<b>\$ 40,854,144</b>	<b>100.00%</b>
Griffin & Strong, P.C. 2017				
Mean = \$ 113,780				
Median = \$ 30,000				

Table F-4

Tacoma Disparity Study Threshold Analysis Number of Awards, Prime Utilization Services (Using Award Dollars, FY 2012-2016)				
Award Threshold	Number of Awards	Percent of Awards	Dollars	Percent of Dollars
5,000 to 10,000	704	25.87%	\$ 5,113,792	1.74%
10,001 to 50,000	1,240	45.57%	\$ 29,767,542	10.15%
50,001 to 100,000	290	10.66%	\$ 21,877,169	7.46%
100,001 to 250,000	320	11.76%	\$ 52,862,133	18.02%
250,001 to 500,000	79	2.90%	\$ 27,326,969	9.32%
500,001 to 750,000	29	1.07%	\$ 18,072,983	6.16%
750,001 to 1,000,000	11	0.40%	\$ 9,749,298	3.32%
1,000,001 to 1,500,000	21	0.77%	\$ 26,241,389	8.95%
1,500,001 to 2,000,000	8	0.29%	\$ 13,538,063	4.62%
2,000,001 to 2,500,000	4	0.15%	\$ 8,523,497	2.91%
2,500,001 to 5,000,000	8	0.29%	\$ 26,353,475	8.98%
Over 5,000,000	7	0.26%	\$ 53,895,536	18.37%
<b>Total</b>	2,721	100.00%	\$ 293,321,847	100.00%
Griffin & Strong, P.C. 2017				
Mean = \$ 107,799				
Median = \$ 24,000				



Table F-5

Tacoma Disparity Study Threshold Analysis Number of Awards, Prime Utilization Goods and Supplies (Using Award Dollars, FY 2012-2016)				
Award Threshold	Number of Awards	Percent of Awards	Dollars	Percent of Dollars
5,000 to 10,000	951	33.24%	\$ 6,791,035	2.83%
10,001 to 50,000	1,339	46.80%	\$ 30,900,895	12.87%
50,001 to 100,000	216	7.55%	\$ 15,779,682	6.57%
100,001 to 250,000	209	7.31%	\$ 33,613,307	14.00%
250,001 to 500,000	64	2.24%	\$ 22,572,450	9.40%
500,001 to 750,000	19	0.66%	\$ 12,100,139	5.04%
750,001 to 1,000,000	16	0.56%	\$ 13,279,157	5.53%
1,000,001 to 1,500,000	22	0.77%	\$ 27,231,028	11.34%
1,500,001 to 2,000,000	6	0.21%	\$ 10,946,863	4.56%
2,000,001 to 2,500,000	6	0.21%	\$ 12,715,273	5.30%
2,500,001 to 5,000,000	10	0.35%	\$ 36,740,476	15.31%
Over 5,000,000	3	0.10%	\$ 17,363,711	7.23%
<b>Total</b>	<b>2,861</b>	<b>100.00%</b>	<b>\$ 240,034,015</b>	<b>100.00%</b>
Griffin & Strong, P.C. 2017				
Mean = \$ 83,899				
Median = \$ 17,081				

## APPENDIX G

Utilization/Disparity for Awards  
Under \$100,000, \$500,000, and  
\$1,000,000

## APPENDIX G

### UTILIZATION AND DISPARITY ANALYSIS LESS THAN \$100,000, \$500,000, AND LESS THAN \$1,000,000

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Table G1

Tacoma Disparity Study						
Utilization of Prime Analysis in Relevant Market Area (Less Than \$100,000)						
Distribution of Dollars by Business Ownership and Fiscal Year, Prime Construction						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 40,000	\$ -	\$ 89,472	\$ -	\$ -	\$ 129,472
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hispanic American	\$ -	\$ 22,000	\$ -	\$ 39,380	\$ -	\$ 61,380
Native American	\$ -	\$ 47,145	\$ 71,150	\$ 15,000	\$ -	\$ 133,295
<b>TOTAL MINORITY</b>	<b>\$ 40,000</b>	<b>\$ 69,145</b>	<b>\$ 160,622</b>	<b>\$ 54,380</b>	<b>\$ -</b>	<b>\$ 324,147</b>
Nonminority Female	\$ 47,696	\$ -	\$ 80,377	\$ 45,237	\$ -	\$ 173,309
<b>TOTAL M/WBE</b>	<b>\$ 87,696</b>	<b>\$ 69,145</b>	<b>\$ 240,998</b>	<b>\$ 99,617</b>	<b>\$ -</b>	<b>\$ 497,456</b>
NON-M/WBE	\$ 2,170,012	\$ 1,362,481	\$ 2,089,027	\$ 1,944,223	\$ 1,844,229	\$ 9,409,973
<b>TOTAL FIRMS</b>	<b>\$ 2,257,708</b>	<b>\$ 1,431,626</b>	<b>\$ 2,330,026</b>	<b>\$ 2,043,840</b>	<b>\$ 1,844,229</b>	<b>\$ 9,907,428</b>
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	1.77%	0.00%	3.84%	0.00%	0.00%	1.31%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.00%	1.54%	0.00%	1.93%	0.00%	0.62%
Native American	0.00%	3.29%	3.05%	0.73%	0.00%	1.35%
<b>TOTAL MINORITY</b>	<b>1.77%</b>	<b>4.83%</b>	<b>6.89%</b>	<b>2.66%</b>	<b>0.00%</b>	<b>3.27%</b>
Nonminority Female	2.11%	0.00%	3.45%	2.21%	0.00%	1.75%
<b>TOTAL M/WBE</b>	<b>3.88%</b>	<b>4.83%</b>	<b>10.34%</b>	<b>4.87%</b>	<b>0.00%</b>	<b>5.02%</b>
NON-M/WBE	96.12%	95.17%	89.66%	95.13%	100.00%	94.98%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Griffin & Strong, P.C. 2018

Table G2

Tacoma Disparity Study							
Disparity Results, Relevant Market Area (Less Than \$100,000)							
Business Ownership Classification by Fiscal Year, Prime Construction							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	1.77%	2.81%	62.99	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.69%	0.00	Underutilization	*	
	Native American	0.00%	2.03%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>1.77%</b>	<b>12.50%</b>	<b>14.17</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	2.11%	3.13%	67.60	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>3.88%</b>	<b>15.63%</b>	<b>24.86</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	96.12%	84.38%	113.91	Overutilization		
2013	African American	0.00%	2.81%	0.00	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	1.54%	4.69%	32.78	Underutilization	*	
	Native American	3.29%	2.03%	162.12	Overutilization		
	<b>TOTAL MBE</b>	<b>4.83%</b>	<b>12.50%</b>	<b>38.64</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.00%	3.13%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>4.83%</b>	<b>15.63%</b>	<b>30.91</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	95.17%	84.38%	112.79	Overutilization		
2014	African American	3.84%	2.81%	136.53	Overutilization		
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.69%	0.00	Underutilization	*	
	Native American	3.05%	2.03%	150.33	Overutilization		
	<b>TOTAL MBE</b>	<b>6.89%</b>	<b>12.50%</b>	<b>55.15</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	3.45%	3.13%	110.39	Overutilization		
	<b>TOTAL M/WBE</b>	<b>10.34%</b>	<b>15.63%</b>	<b>66.20</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	89.66%	84.38%	106.26	Overutilization		
2015	African American	0.00%	2.81%	0.00	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	1.93%	4.69%	41.10	Underutilization	*	
	Native American	0.73%	2.03%	36.13	Underutilization	*	
	<b>TOTAL MBE</b>	<b>2.66%</b>	<b>12.50%</b>	<b>21.29</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	2.21%	3.13%	70.83	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>4.87%</b>	<b>15.63%</b>	<b>31.19</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	95.13%	84.38%	112.74	Overutilization		
2016	African American	0.00%	2.81%	0.00	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.69%	0.00	Underutilization	*	
	Native American	0.00%	2.03%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>0.00%</b>	<b>12.50%</b>	<b>0.00</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.00%	3.13%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>0.00%</b>	<b>15.63%</b>	<b>0.00</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	100.00%	84.38%	118.52	Overutilization		
Total	African American	1.31%	2.81%	46.46	Underutilization	*	p <.05
	Asian American	0.00%	2.97%	0.00	Underutilization	*	p <.05
	Hispanic American	0.62%	4.69%	13.22	Underutilization	*	p <.05
	Native American	1.35%	2.03%	66.24	Underutilization	*	
	<b>TOTAL MBE</b>	<b>3.27%</b>	<b>12.50%</b>	<b>26.17</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt;.05</b>
	Nonminority Female	1.75%	3.13%	55.98	Underutilization	*	p <.05
	<b>TOTAL M/WBE</b>	<b>5.02%</b>	<b>15.63%</b>	<b>32.13</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt;.05</b>
	Non-M/WBE	94.98%	84.38%	112.57	Overutilization		

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Table G 3

Tacoma Disparity Study						
Utilization of Prime Analysis in Relevant Market Area (Less Than \$100,000)						
Distribution of Dollars by Business Ownership and Fiscal Year, Prime A & E						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012 (\$)	2013 (\$)	2014 (\$)	2015 (\$)	2016 (\$)	TOTAL (\$)
African American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asian American	\$ 12,660	\$ -	\$ 20,000	\$ 75,000	\$ 9,000	\$ 116,660
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	<b>\$ 12,660</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ 75,000</b>	<b>\$ 9,000</b>	<b>\$ 116,660</b>
Nonminority Female	\$ -	\$ 14,432	\$ 148,561	\$ 335,956	\$ 42,250	\$ 541,199
<b>TOTAL M/WBE</b>	<b>\$ 12,660</b>	<b>\$ 14,432</b>	<b>\$ 168,561</b>	<b>\$ 410,956</b>	<b>\$ 51,250</b>	<b>\$ 657,859</b>
NON-M/WBE	\$ 1,241,526	\$ 1,429,649	\$ 1,387,973	\$ 1,344,914	\$ 1,215,317	\$ 6,619,380
<b>TOTAL FIRMS</b>	<b>\$ 1,254,186</b>	<b>\$ 1,444,081</b>	<b>\$ 1,556,534</b>	<b>\$ 1,755,869</b>	<b>\$ 1,266,567</b>	<b>\$ 7,277,238</b>
Business Ownership Classification	2012 (%)	2013 (%)	2014 (%)	2015 (%)	2016 (%)	TOTAL (%)
African American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Asian American	1.01%	0.00%	1.28%	4.27%	0.71%	1.60%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>TOTAL MINORITY</b>	<b>1.01%</b>	<b>0.00%</b>	<b>1.28%</b>	<b>4.27%</b>	<b>0.71%</b>	<b>1.60%</b>
Nonminority Female	0.00%	1.00%	9.54%	19.13%	3.34%	7.44%
<b>TOTAL M/WBE</b>	<b>1.01%</b>	<b>1.00%</b>	<b>10.83%</b>	<b>23.40%</b>	<b>4.05%</b>	<b>9.04%</b>
NON-M/WBE	98.99%	99.00%	89.17%	76.60%	95.95%	90.96%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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Table G4

Tacoma Disparity Study							
Disparity Results (Less Than \$100,000)							
Business Ownership Classification by Fiscal Year, Prime A & E							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	1.01%	12.86%	7.85	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	1.01%	18.65%	<b>5.41</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	19.61%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	1.01%	38.26%	<b>2.64</b>	<b>Underutilization</b>	*	
	Non-M/WBE	98.99%	61.74%	160.34	Overutilization		
2013	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.00%	12.86%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	18.65%	<b>0.00</b>	<b>Underutilization</b>	*	
	Nonminority Female	1.00%	19.61%	5.10	Underutilization	*	
	<b>TOTAL M/WBE</b>	1.00%	38.26%	<b>2.61</b>	<b>Underutilization</b>	*	
	Non-M/WBE	99.00%	61.74%	160.36	Overutilization		
2014	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	1.28%	12.86%	9.99	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	1.28%	18.65%	<b>6.89</b>	<b>Underutilization</b>	*	
	Nonminority Female	9.54%	19.61%	48.66	Underutilization	*	
	<b>TOTAL M/WBE</b>	10.83%	38.26%	<b>28.30</b>	<b>Underutilization</b>	*	
	Non-M/WBE	89.17%	61.74%	144.44	Overutilization		
2015	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	4.27%	12.86%	33.21	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	4.27%	18.65%	<b>22.90</b>	<b>Underutilization</b>	*	
	Nonminority Female	19.13%	19.61%	97.55	Underutilization		
	<b>TOTAL M/WBE</b>	23.40%	38.26%	<b>61.17</b>	<b>Underutilization</b>	*	
	Non-M/WBE	76.60%	61.74%	124.07	Overutilization		
2016	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.71%	12.86%	5.52	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.71%	18.65%	<b>3.81</b>	<b>Underutilization</b>	*	
	Nonminority Female	3.34%	19.61%	17.01	Underutilization	*	
	<b>TOTAL M/WBE</b>	4.05%	38.26%	<b>10.57</b>	<b>Underutilization</b>	*	
	Non-M/WBE	95.95%	61.74%	155.42	Overutilization		
Total	African American	0.00%	1.93%	0.00	Underutilization	*	p < .05
	Asian American	1.60%	12.86%	12.46	Underutilization	*	p < .05
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	p < .05
	Native American	0.00%	0.96%	0.00	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	1.60%	18.65%	<b>8.60</b>	<b>Underutilization</b>	*	p < .05
	Nonminority Female	7.44%	19.61%	37.92	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	9.04%	38.26%	<b>23.63</b>	<b>Underutilization</b>	*	p < .05
	Non-M/WBE	90.96%	61.74%	147.34	Overutilization		

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Services

Table G 5

<b>Tacoma Disparity Study</b>						
<b>Utilization of Prime Analysis in Relevant Market Area (Less Than \$100,000)</b>						
<b>Distribution of Dollars by Business Ownership and Fiscal Year, Prime Services</b>						
<b>(Using Award Dollars, FY 2012-2016)</b>						
<b>Business Ownership Classification</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
African American	\$ 7,500	\$ 50,400	\$ 7,000	\$ 90,632	\$ 65,000	\$ 220,532
Asian American		\$ 87,000	\$ 167,301	\$ 52,696	\$ 38,930	\$ 345,927
Hispanic American	\$ 6,350		\$ 61,450	\$ 30,000	\$ 20,000	\$ 117,800
Native American	\$ 59,341			\$ 20,000	\$ 50,000	\$ 129,341
<b>TOTAL MINORITY</b>	<b>\$ 73,191</b>	<b>\$ 137,400</b>	<b>\$ 235,751</b>	<b>\$ 193,328</b>	<b>\$ 173,930</b>	<b>\$ 813,600</b>
Nonminority Female	\$ 152,486	\$ 121,591	\$ 180,041	\$ 480,686	\$ 182,413	\$ 1,117,217
<b>TOTAL M/WBE</b>	<b>\$ 225,677</b>	<b>\$ 258,991</b>	<b>\$ 415,792</b>	<b>\$ 674,014</b>	<b>\$ 356,343</b>	<b>\$ 1,930,817</b>
NON-M/WBE	\$5,309,062	\$7,077,063	\$5,942,720	\$6,581,604	\$6,126,825	\$31,037,274
<b>TOTAL FIRMS</b>	<b>\$ 5,534,738</b>	<b>\$ 7,336,055</b>	<b>\$ 6,358,512</b>	<b>\$ 7,255,618</b>	<b>\$ 6,483,168</b>	<b>\$32,968,091</b>
<b>Business Ownership Classification</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>
African American	0.14%	0.69%	0.11%	1.25%	1.00%	0.67%
Asian American	0.00%	1.19%	2.63%	0.73%	0.60%	1.05%
Hispanic American	0.11%	0.00%	0.97%	0.41%	0.31%	0.36%
Native American	1.07%	0.00%	0.00%	0.28%	0.77%	0.39%
<b>TOTAL MINORITY</b>	<b>1.32%</b>	<b>1.87%</b>	<b>3.71%</b>	<b>2.66%</b>	<b>2.68%</b>	<b>2.47%</b>
Nonminority Female	2.76%	1.66%	2.83%	6.63%	2.81%	3.39%
<b>TOTAL M/WBE</b>	<b>4.08%</b>	<b>3.53%</b>	<b>6.54%</b>	<b>9.29%</b>	<b>5.50%</b>	<b>5.86%</b>
NON-M/WBE	95.92%	96.47%	93.46%	90.71%	94.50%	94.14%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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Table G 6

Tacoma Disparity Study							
Disparity Results (Less Than \$100,000)							
Business Ownership Classification by Fiscal Year, Prime Services							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.14%	4.04%	3.35	Underutilization	*	
	Asian American	0.00%	4.60%	0.00	Underutilization	*	
	Hispanic American	0.11%	2.65%	4.33	Underutilization	*	
	Native American	1.07%	1.50%	71.63	Underutilization	*	
	<b>TOTAL MBE</b>	<b>1.32%</b>	<b>12.79%</b>	<b>10.34</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	2.76%	12.00%	22.96	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>4.08%</b>	<b>24.79%</b>	<b>16.45</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	95.92%	75.21%	127.54	Overutilization		
2013	African American	0.69%	4.04%	16.99	Underutilization	*	
	Asian American	1.19%	4.60%	25.81	Underutilization	*	
	Hispanic American	0.00%	2.65%	0.00	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>1.87%</b>	<b>12.79%</b>	<b>14.65</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	1.66%	12.00%	13.81	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>3.53%</b>	<b>24.79%</b>	<b>14.24</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	96.47%	75.21%	128.27	Overutilization		
2014	African American	0.11%	4.04%	2.72	Underutilization	*	
	Asian American	2.63%	4.60%	57.25	Underutilization	*	
	Hispanic American	0.97%	2.65%	36.44	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>3.71%</b>	<b>12.79%</b>	<b>28.99</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	2.83%	12.00%	23.59	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>6.54%</b>	<b>24.79%</b>	<b>26.38</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	93.46%	75.21%	124.27	Overutilization		
2015	African American	1.25%	4.04%	30.89	Underutilization	*	
	Asian American	0.73%	4.60%	15.80	Underutilization	*	
	Hispanic American	0.41%	2.65%	15.59	Underutilization	*	
	Native American	0.28%	1.50%	18.42	Underutilization	*	
	<b>TOTAL MBE</b>	<b>2.66%</b>	<b>12.79%</b>	<b>20.83</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	6.63%	12.00%	55.20	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>9.29%</b>	<b>24.79%</b>	<b>37.47</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	90.71%	75.21%	120.61	Overutilization		
2016	African American	1.00%	4.04%	24.79	Underutilization	*	
	Asian American	0.60%	4.60%	13.07	Underutilization	*	
	Hispanic American	0.31%	2.65%	11.63	Underutilization	*	
	Native American	0.77%	1.50%	51.52	Underutilization	*	
	<b>TOTAL MBE</b>	<b>2.68%</b>	<b>12.79%</b>	<b>20.98</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	2.81%	12.00%	23.44	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>5.50%</b>	<b>24.79%</b>	<b>22.17</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	94.50%	75.21%	125.65	Overutilization		
Total	African American	0.67%	4.04%	16.54	Underutilization	*	p < .05
	Asian American	1.05%	4.60%	22.83	Underutilization	*	p < .05
	Hispanic American	0.36%	2.65%	13.47	Underutilization	*	p < .05
	Native American	0.39%	1.50%	26.21	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	<b>2.47%</b>	<b>12.79%</b>	<b>19.30</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt; .05</b>
	Nonminority Female	3.39%	12.00%	28.24	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	<b>5.86%</b>	<b>24.79%</b>	<b>23.63</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt; .05</b>
	Non-M/WBE	94.14%	75.21%	125.17	Overutilization		



Table G7

Tacoma Disparity Study						
Utilization of Prime Analysis in Relevant Market Area (Less Than \$100,000)						
Distribution of Dollars by Business Ownership and Fiscal Year, Prime Goods and Supplies						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 22,644	\$ -	\$ 6,540	\$ 27,103	\$ -	\$ 56,287
Asian American	\$ 135,297	\$ 107,180	\$ 191,450	\$ 187,088	\$ 148,458	\$ 769,473
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	<b>\$ 157,941</b>	<b>\$ 107,180</b>	<b>\$ 197,990</b>	<b>\$ 214,191</b>	<b>\$ 148,458</b>	<b>\$ 825,760</b>
Nonminority Female	\$ 118,522	\$ 119,021	\$ 57,474	\$ 38,395	\$ 151,320	\$ 484,731
<b>TOTAL M/WBE</b>	<b>\$ 276,463</b>	<b>\$ 226,200</b>	<b>\$ 255,463</b>	<b>\$ 252,586</b>	<b>\$ 299,779</b>	<b>\$ 1,310,491</b>
NON-M/WBE	\$7,225,140	\$6,858,661	\$8,594,394	\$6,185,690	\$8,581,571	\$37,445,456
<b>TOTAL FIRMS</b>	<b>\$ 7,501,603</b>	<b>\$ 7,084,861</b>	<b>\$ 8,849,857</b>	<b>\$ 6,438,277</b>	<b>\$ 8,881,350</b>	<b>\$38,755,948</b>
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.30%	0.00%	0.07%	0.42%	0.00%	0.15%
Asian American	1.80%	1.51%	2.16%	2.91%	1.67%	1.99%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>TOTAL MINORITY</b>	<b>2.11%</b>	<b>1.51%</b>	<b>2.24%</b>	<b>3.33%</b>	<b>1.67%</b>	<b>2.13%</b>
Nonminority Female	1.58%	1.68%	0.65%	0.60%	1.70%	1.25%
<b>TOTAL M/WBE</b>	<b>3.69%</b>	<b>3.19%</b>	<b>2.89%</b>	<b>3.92%</b>	<b>3.38%</b>	<b>3.38%</b>
NON-M/WBE	96.31%	96.81%	97.11%	96.08%	96.62%	96.62%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Griffin &amp; Strong, P.C. 2018

Table G8

Tacoma Disparity Study							
Disparity Results, all Prime Awards (Less Than \$100,000)							
Business Ownership Classification by Fiscal Year, Prime Goods and Supplies							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.30%	0.92%	32.75	Underutilization	*	
	Asian American	1.80%	2.63%	68.49	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	2.11%	5.00%	<b>42.08</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	1.58%	5.27%	30.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	3.69%	10.27%	<b>35.89</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	96.31%	89.73%	107.34	Overutilization		
2013	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	1.51%	2.63%	57.45	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	1.51%	5.00%	<b>30.24</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	1.68%	5.27%	31.90	Underutilization	*	
	<b>TOTAL M/WBE</b>	3.19%	10.27%	<b>31.09</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	96.81%	89.73%	107.89	Overutilization		
2014	African American	0.07%	0.92%	8.02	Underutilization	*	
	Asian American	2.16%	2.63%	82.15	Underutilization		
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	2.24%	5.00%	<b>44.71</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.65%	5.27%	12.33	Underutilization	*	
	<b>TOTAL M/WBE</b>	2.89%	10.27%	<b>28.11</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	97.11%	89.73%	108.23	Overutilization		
2015	African American	0.42%	0.92%	45.67	Underutilization	*	
	Asian American	2.91%	2.63%	110.35	Overutilization		
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	3.33%	5.00%	<b>66.49</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.60%	5.27%	11.32	Underutilization	*	
	<b>TOTAL M/WBE</b>	3.92%	10.27%	<b>38.20</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	96.08%	89.73%	107.07	Overutilization		
2016	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	1.67%	2.63%	63.48	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	1.67%	5.00%	<b>33.41</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	1.70%	5.27%	32.35	Underutilization	*	
	<b>TOTAL M/WBE</b>	3.38%	10.27%	<b>32.87</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	96.62%	89.73%	107.68	Overutilization		
Total	African American	0.15%	0.92%	15.76	Underutilization	*	p < .05
	Asian American	1.99%	2.63%	75.40	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	p < .05
	Native American	0.00%	0.33%	0.00	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	2.13%	5.00%	<b>42.59</b>	<b>Underutilization</b>	<b>*</b>	p < .05
	Nonminority Female	1.25%	5.27%	23.75	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	3.38%	10.27%	<b>32.93</b>	<b>Underutilization</b>	<b>*</b>	p < .05
	Non-M/WBE	96.62%	89.73%	107.68	Overutilization		

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Table G9

<b>Tacoma Disparity Study</b>						
<b>Utilization of Prime Analysis in Relevant Market Area (Less Than \$500,000)</b>						
<b>Distribution of Dollars by Business Ownership and Fiscal Year, Prime Construction</b>						
<b>(Using Award Dollars, FY 2012-2016)</b>						
<b>Business Ownership Classification</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
African American	\$ 200,000	\$ -	\$ 241,402	\$ -	\$ -	\$ 441,402
Asian American	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Hispanic American	\$ 292,736	\$ 22,000	\$ 279,330	\$ 39,380	\$ -	\$ 633,445
Native American	\$ 518,506	\$ 47,145	\$ 71,150	\$ 217,500	\$ -	\$ 854,301
<b>TOTAL MINORITY</b>	<b>\$ 1,051,241</b>	<b>\$ 69,145</b>	<b>\$ 591,881</b>	<b>\$ 256,880</b>	<b>\$ -</b>	<b>\$ 1,969,147</b>
Nonminority Female	\$ 316,741	\$ 309,509	\$ 754,425	\$ 45,237	\$ 236,335	\$ 1,662,246
<b>TOTAL M/WBE</b>	<b>\$ 1,367,982</b>	<b>\$ 378,654</b>	<b>\$ 1,346,306</b>	<b>\$ 302,117</b>	<b>\$ 236,335</b>	<b>\$ 3,631,393</b>
NON-M/WBE	\$ 7,404,979	\$ 7,324,960	\$ 9,786,526	\$ 9,846,693	\$ 10,696,894	\$ 45,060,052
<b>TOTAL FIRMS</b>	<b>\$ 8,772,960</b>	<b>\$ 7,703,614</b>	<b>\$ 11,132,832</b>	<b>\$ 10,148,810</b>	<b>\$ 10,933,229</b>	<b>\$ 48,691,445</b>
<b>Business Ownership Classification</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>
African American	2.28%	0.00%	2.17%	0.00%	0.00%	0.91%
Asian American	0.46%	0.00%	0.00%	0.00%	0.00%	0.08%
Hispanic American	3.34%	0.29%	2.51%	0.39%	0.00%	1.30%
Native American	5.91%	0.61%	0.64%	2.14%	0.00%	1.75%
<b>TOTAL MINORITY</b>	<b>11.98%</b>	<b>0.90%</b>	<b>5.32%</b>	<b>2.53%</b>	<b>0.00%</b>	<b>4.04%</b>
Nonminority Female	3.61%	4.02%	6.78%	0.45%	2.16%	3.41%
<b>TOTAL M/WBE</b>	<b>15.59%</b>	<b>4.92%</b>	<b>12.09%</b>	<b>2.98%</b>	<b>2.16%</b>	<b>7.46%</b>
NON-M/WBE	84.41%	95.08%	87.91%	97.02%	97.84%	92.54%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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Table G10

Tacoma Disparity Study							
Disparity Results, Relevant Market Area (Less Than \$500,000)							
Business Ownership Classification by Fiscal Year, Prime Construction							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	2.28%	2.81%	81.06	Underutilization		
	Asian American	0.46%	2.97%	15.36	Underutilization	*	
	Hispanic American	3.34%	4.69%	71.18	Underutilization	*	
	Native American	5.91%	2.03%	290.97	Overutilization		
	<b>TOTAL MBE</b>	11.98%	12.50%	<b>95.86</b>	<b>Underutilization</b>		
	Nonminority Female	3.61%	3.13%	115.53	Overutilization		
	<b>TOTAL M/WBE</b>	15.59%	15.63%	<b>99.80</b>	<b>Underutilization</b>		
2013	Non-M/WBE	84.41%	84.38%	100.04	Overutilization		
	African American	0.00%	2.81%	0.00	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	0.29%	4.69%	6.09	Underutilization	*	
	Native American	0.61%	2.03%	30.13	Underutilization	*	
	<b>TOTAL MBE</b>	0.90%	12.50%	<b>7.18</b>	<b>Underutilization</b>	*	
	Nonminority Female	4.02%	3.13%	128.57	Overutilization		
2014	<b>TOTAL M/WBE</b>	4.92%	15.63%	<b>31.46</b>	<b>Underutilization</b>	*	
	Non-M/WBE	95.08%	84.38%	112.69	Overutilization		
	African American	2.17%	2.81%	77.10	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	2.51%	4.69%	53.53	Underutilization	*	
	Native American	0.64%	2.03%	31.46	Underutilization	*	
	<b>TOTAL MBE</b>	5.32%	12.50%	<b>42.53</b>	<b>Underutilization</b>	*	
2015	Nonminority Female	6.78%	3.13%	216.85	Overutilization		
	<b>TOTAL M/WBE</b>	12.09%	15.63%	<b>77.40</b>	<b>Underutilization</b>	*	
	Non-M/WBE	87.91%	84.38%	104.19	Overutilization		
	African American	0.00%	2.81%	0.00	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	0.39%	4.69%	8.28	Underutilization	*	
	Native American	2.14%	2.03%	105.51	Overutilization		
2016	<b>TOTAL MBE</b>	2.53%	12.50%	<b>20.25</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.45%	3.13%	14.26	Underutilization	*	
	<b>TOTAL M/WBE</b>	2.98%	15.63%	<b>19.05</b>	<b>Underutilization</b>	*	
	Non-M/WBE	97.02%	84.38%	114.99	Overutilization		
	African American	0.00%	2.81%	0.00	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.69%	0.00	Underutilization	*	
Total	Native American	0.00%	2.03%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	12.50%	<b>0.00</b>	<b>Underutilization</b>	*	
	Nonminority Female	2.16%	3.13%	69.17	Underutilization	*	
	<b>TOTAL M/WBE</b>	2.16%	15.63%	<b>13.83</b>	<b>Underutilization</b>	*	
	Non-M/WBE	97.84%	84.38%	115.96	Overutilization		
	African American	0.91%	2.81%	32.23	Underutilization	*	p <.05
	Asian American	0.08%	2.97%	2.77	Underutilization	*	p <.05
Hispanic American	1.30%	4.69%	27.75	Underutilization	*	p <.05	
Native American	1.75%	2.03%	86.38	Underutilization			
<b>TOTAL MBE</b>	4.04%	12.50%	<b>32.35</b>	<b>Underutilization</b>	*	p <.05	
Nonminority Female	3.41%	3.13%	109.24	Overutilization			
<b>TOTAL M/WBE</b>	7.46%	15.63%	<b>47.73</b>	<b>Underutilization</b>	*	p <.05	
Non-M/WBE	92.54%	84.38%	109.68	Overutilization			

Table G 11

Tacoma Disparity Study						
Utilization of Prime Analysis in Relevant Market Area (Less Than \$500,000)						
Distribution of Dollars by Business Ownership and Fiscal Year, Prime A & E						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asian American	\$ 12,660	\$ -	\$ 20,000	\$ 75,000	\$ 189,000	\$ 296,660
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	<b>\$ 12,660</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ 75,000</b>	<b>\$ 189,000</b>	<b>\$ 296,660</b>
Nonminority Female	\$ -	\$ 186,680	\$ 324,550	\$ 335,956	\$ 658,228	\$ 1,505,413
<b>TOTAL M/WBE</b>	<b>\$ 12,660</b>	<b>\$ 186,680</b>	<b>\$ 344,550</b>	<b>\$ 410,956</b>	<b>\$ 847,228</b>	<b>\$ 1,802,073</b>
NON-M/WBE	\$ 4,332,632	\$ 4,184,372	\$ 3,324,593	\$ 3,563,655	\$ 3,766,805	\$ 19,172,057
<b>TOTAL FIRMS</b>	<b>\$ 4,345,292</b>	<b>\$ 4,371,052</b>	<b>\$ 3,669,143</b>	<b>\$ 3,974,611</b>	<b>\$ 4,614,032</b>	<b>\$ 20,974,130</b>
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Asian American	0.29%	0.00%	0.55%	1.89%	4.10%	1.41%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>TOTAL MINORITY</b>	<b>0.29%</b>	<b>0.00%</b>	<b>0.55%</b>	<b>1.89%</b>	<b>4.10%</b>	<b>1.41%</b>
Nonminority Female	0.00%	4.27%	8.85%	8.45%	14.27%	7.18%
<b>TOTAL M/WBE</b>	<b>0.29%</b>	<b>4.27%</b>	<b>9.39%</b>	<b>10.34%</b>	<b>18.36%</b>	<b>8.59%</b>
NON-M/WBE	99.71%	95.73%	90.61%	89.66%	81.64%	91.41%

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Table G12

Tacoma Disparity Study							
Disparity Results (Less Than \$500,000)							
Business Ownership Classification by Fiscal Year, Prime A & E							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.29%	12.86%	2.27	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.29%	18.65%	<b>1.56</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	19.61%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.29%	38.26%	<b>0.76</b>	<b>Underutilization</b>	*	
	Non-M/WBE	99.71%	61.74%	161.51	Overutilization		
2013	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.00%	12.86%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	18.65%	<b>0.00</b>	<b>Underutilization</b>	*	
	Nonminority Female	4.27%	19.61%	21.77	Underutilization	*	
	<b>TOTAL M/WBE</b>	4.27%	38.26%	<b>11.16</b>	<b>Underutilization</b>	*	
	Non-M/WBE	95.73%	61.74%	155.06	Overutilization		
2014	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.55%	12.86%	4.24	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.55%	18.65%	<b>2.92</b>	<b>Underutilization</b>	*	
	Nonminority Female	8.85%	19.61%	45.10	Underutilization	*	
	<b>TOTAL M/WBE</b>	9.39%	38.26%	<b>24.54</b>	<b>Underutilization</b>	*	
	Non-M/WBE	90.61%	61.74%	146.77	Overutilization		
2015	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	1.89%	12.86%	14.67	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	1.89%	18.65%	<b>10.12</b>	<b>Underutilization</b>	*	
	Nonminority Female	8.45%	19.61%	43.09	Underutilization	*	
	<b>TOTAL M/WBE</b>	10.34%	38.26%	<b>27.02</b>	<b>Underutilization</b>	*	
	Non-M/WBE	89.66%	61.74%	145.23	Overutilization		
2016	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	4.10%	12.86%	31.85	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	4.10%	18.65%	<b>21.96</b>	<b>Underutilization</b>	*	
	Nonminority Female	14.27%	19.61%	72.73	Underutilization	*	
	<b>TOTAL M/WBE</b>	18.36%	38.26%	<b>47.99</b>	<b>Underutilization</b>	*	
	Non-M/WBE	81.64%	61.74%	132.24	Overutilization		
Total	African American	0.00%	1.93%	0.00	Underutilization	*	p < .05
	Asian American	1.41%	12.86%	11.00	Underutilization	*	p < .05
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	p < .05
	Native American	0.00%	0.96%	0.00	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	1.41%	18.65%	<b>7.58</b>	<b>Underutilization</b>	*	p < .05
	Nonminority Female	7.18%	19.61%	36.59	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	8.59%	38.26%	<b>22.45</b>	<b>Underutilization</b>	*	p < .05
	Non-M/WBE	91.41%	61.74%	148.06	Overutilization		

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Table G 13

<b>Tacoma Disparity Study</b>						
<b>Utilization of Prime Analysis in Relevant Market Area (Less Than \$500,000)</b>						
<b>Distribution of Dollars by Business Ownership and Fiscal Year, Prime Services</b>						
<b>(Using Award Dollars, FY 2012-2016)</b>						
<b>Business Ownership Classification</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
African American	\$ 157,500	\$ 50,400	\$ 157,000	\$ 90,632	\$ 65,000	\$ 520,532
Asian American	\$ -	\$ 283,020	\$ 362,820	\$ 202,696	\$ 1,025,910	\$ 1,874,446
Hispanic American	\$ 6,350	\$ -	\$ 61,450	\$ 30,000	\$ 20,000	\$ 117,800
Native American	\$ 59,341	\$ -	\$ -	\$ 20,000	\$ 50,000	\$ 129,341
<b>TOTAL MINORITY</b>	<b>\$ 223,191</b>	<b>\$ 333,420</b>	<b>\$ 581,270</b>	<b>\$ 343,328</b>	<b>\$ 1,160,910</b>	<b>\$ 2,642,119</b>
Nonminority Female	\$ 651,621	\$ 496,591	\$ 370,061	\$ 1,496,696	\$ 730,535	\$ 3,745,504
<b>TOTAL M/WBE</b>	<b>\$ 874,812</b>	<b>\$ 830,011</b>	<b>\$ 951,331</b>	<b>\$ 1,840,024</b>	<b>\$ 1,891,445</b>	<b>\$ 6,387,623</b>
NON-M/WBE	\$ 13,853,835	\$ 15,982,044	\$ 11,845,463	\$ 17,811,162	\$ 16,521,769	\$ 76,014,273
<b>TOTAL FIRMS</b>	<b>\$ 14,728,647</b>	<b>\$ 16,812,055</b>	<b>\$ 12,796,794</b>	<b>\$ 19,651,186</b>	<b>\$ 18,413,215</b>	<b>\$82,401,895</b>
<b>Business Ownership Classification</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>
African American	1.07%	0.30%	1.23%	0.46%	0.35%	0.63%
Asian American	0.00%	1.68%	2.84%	1.03%	5.57%	2.27%
Hispanic American	0.04%	0.00%	0.48%	0.15%	0.11%	0.14%
Native American	0.40%	0.00%	0.00%	0.10%	0.27%	0.16%
<b>TOTAL MINORITY</b>	<b>1.52%</b>	<b>1.98%</b>	<b>4.54%</b>	<b>1.75%</b>	<b>6.30%</b>	<b>3.21%</b>
Nonminority Female	4.42%	2.95%	2.89%	7.62%	3.97%	4.55%
<b>TOTAL M/WBE</b>	<b>5.94%</b>	<b>4.94%</b>	<b>7.43%</b>	<b>9.36%</b>	<b>10.27%</b>	<b>7.75%</b>
NON-M/WBE	94.06%	95.06%	92.57%	90.64%	89.73%	92.25%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Griffin &amp; Strong, P.C. 2018

Table G14

Tacoma Disparity Study							
Disparity Results (Less Than \$500,000)							
Business Ownership Classification by Fiscal Year, Prime Services							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	1.07%	4.04%	26.44	Underutilization	*	
	Asian American	0.00%	4.60%	0.00	Underutilization	*	
	Hispanic American	0.04%	2.65%	1.63	Underutilization	*	
	Native American	0.40%	1.50%	26.92	Underutilization	*	
	<b>TOTAL MBE</b>	1.52%	12.79%	11.85	<b>Underutilization</b>	*	
	Nonminority Female	4.42%	12.00%	36.86	Underutilization	*	
	<b>TOTAL M/WBE</b>	5.94%	24.79%	23.96	<b>Underutilization</b>	*	
	Non-M/WBE	94.06%	75.21%	125.06	Overutilization		
2013	African American	0.30%	4.04%	7.41	Underutilization	*	
	Asian American	1.68%	4.60%	36.63	Underutilization	*	
	Hispanic American	0.00%	2.65%	0.00	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	1.98%	12.79%	15.51	<b>Underutilization</b>	*	
	Nonminority Female	2.95%	12.00%	24.61	Underutilization	*	
	<b>TOTAL M/WBE</b>	4.94%	24.79%	19.92	<b>Underutilization</b>	*	
	Non-M/WBE	95.06%	75.21%	126.40	Overutilization		
2014	African American	1.23%	4.04%	30.34	Underutilization	*	
	Asian American	2.84%	4.60%	61.69	Underutilization	*	
	Hispanic American	0.48%	2.65%	18.10	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	4.54%	12.79%	35.52	<b>Underutilization</b>	*	
	Nonminority Female	2.89%	12.00%	24.10	Underutilization	*	
	<b>TOTAL M/WBE</b>	7.43%	24.79%	29.99	<b>Underutilization</b>	*	
	Non-M/WBE	92.57%	75.21%	123.08	Overutilization		
2015	African American	0.46%	4.04%	11.40	Underutilization	*	
	Asian American	1.03%	4.60%	22.44	Underutilization	*	
	Hispanic American	0.15%	2.65%	5.76	Underutilization	*	
	Native American	0.10%	1.50%	6.80	Underutilization	*	
	<b>TOTAL MBE</b>	1.75%	12.79%	13.66	<b>Underutilization</b>	*	
	Nonminority Female	7.62%	12.00%	63.46	Underutilization	*	
	<b>TOTAL M/WBE</b>	9.36%	24.79%	37.77	<b>Underutilization</b>	*	
	Non-M/WBE	90.64%	75.21%	120.51	Overutilization		
2016	African American	0.35%	4.04%	8.73	Underutilization	*	
	Asian American	5.57%	4.60%	121.24	Overutilization		
	Hispanic American	0.11%	2.65%	4.10	Underutilization	*	
	Native American	0.27%	1.50%	18.14	Underutilization	*	
	<b>TOTAL MBE</b>	6.30%	12.79%	49.30	<b>Underutilization</b>	*	
	Nonminority Female	3.97%	12.00%	33.06	Underutilization	*	
	<b>TOTAL M/WBE</b>	10.27%	24.79%	41.44	<b>Underutilization</b>	*	
	Non-M/WBE	89.73%	75.21%	119.30	Overutilization		
Total	African American	0.63%	4.04%	15.62	Underutilization	*	p < .05
	Asian American	2.27%	4.60%	49.50	Underutilization	*	p < .05
	Hispanic American	0.14%	2.65%	5.39	Underutilization	*	p < .05
	Native American	0.16%	1.50%	10.49	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	3.21%	12.79%	25.07	<b>Underutilization</b>	*	p < .05
	Nonminority Female	4.55%	12.00%	37.88	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	7.75%	24.79%	31.27	<b>Underutilization</b>	*	p < .05
	Non-M/WBE	92.25%	75.21%	122.65	Overutilization		

Griffin &amp; Strong, P.C. 2018



Table G 15

Tacoma Disparity Study						
Utilization of Prime Analysis in Relevant Market Area (Less Than \$500,000)						
Distribution of Dollars by Business Ownership and Fiscal Year, Prime Goods and Supplies						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012 (\$)	2013 (\$)	2014 (\$)	2015 (\$)	2016 (\$)	TOTAL (\$)
African American	\$ 22,644		\$ 6,540	\$ 27,103		\$ 56,287
Asian American	\$ 135,297	\$ 357,180	\$ 191,450	\$ 187,088	\$ 473,060	\$ 1,344,075
Hispanic American						\$ -
Native American						\$ -
<b>TOTAL MINORITY</b>	<b>\$ 157,941</b>	<b>\$ 357,180</b>	<b>\$ 197,990</b>	<b>\$ 214,191</b>	<b>\$ 473,060</b>	<b>\$ 1,400,362</b>
Nonminority Female	\$ 118,522	\$ 119,021	\$ 57,474	\$ 38,395	\$ 421,320	\$ 754,731
<b>TOTAL M/WBE</b>	<b>\$ 276,463</b>	<b>\$ 476,200</b>	<b>\$ 255,463</b>	<b>\$ 252,586</b>	<b>\$ 894,381</b>	<b>\$ 2,155,094</b>
NON-M/WBE	\$14,681,022	\$14,172,002	\$16,772,113	\$13,302,733	\$18,951,361	\$77,879,231
<b>TOTAL FIRMS</b>	<b>\$ 14,957,486</b>	<b>\$ 14,648,202</b>	<b>\$ 17,027,576</b>	<b>\$ 13,555,319</b>	<b>\$ 19,845,742</b>	<b>\$80,034,325</b>
Business Ownership Classification	2012 (%)	2013 (%)	2014 (%)	2015 (%)	2016 (%)	TOTAL (%)
African American	0.15%	0.00%	0.04%	0.20%	0.00%	0.07%
Asian American	0.90%	2.44%	1.12%	1.38%	2.38%	1.68%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>TOTAL MINORITY</b>	<b>1.06%</b>	<b>2.44%</b>	<b>1.16%</b>	<b>1.58%</b>	<b>2.38%</b>	<b>1.75%</b>
Nonminority Female	0.79%	0.81%	0.34%	0.28%	2.12%	0.94%
<b>TOTAL M/WBE</b>	<b>1.85%</b>	<b>3.25%</b>	<b>1.50%</b>	<b>1.86%</b>	<b>4.51%</b>	<b>2.69%</b>
NON-M/WBE	98.15%	96.75%	98.50%	98.14%	95.49%	97.31%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Griffin &amp; Strong, P.C. 2018

Table G 16

Tacoma Disparity Study							
Disparity Results, all Prime Awards (Less Than \$500,000)							
Business Ownership Classification by Fiscal Year, Prime Goods and Supplies							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.15%	0.92%	16.43	Underutilization	*	
	Asian American	0.90%	2.63%	34.35	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	1.06%	5.00%	<b>21.10</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.79%	5.27%	15.05	Underutilization	*	
	<b>TOTAL M/WBE</b>	1.85%	10.27%	<b>18.00</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	98.15%	89.73%	109.39	Overutilization		
2013	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	2.44%	2.63%	92.60	Underutilization		
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	2.44%	5.00%	<b>48.74</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.81%	5.27%	15.43	Underutilization	*	
	<b>TOTAL M/WBE</b>	3.25%	10.27%	<b>31.65</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	96.75%	89.73%	107.82	Overutilization		
2014	African American	0.04%	0.92%	4.17	Underutilization	*	
	Asian American	1.12%	2.63%	42.70	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	1.16%	5.00%	<b>23.24</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.34%	5.27%	6.41	Underutilization	*	
	<b>TOTAL M/WBE</b>	1.50%	10.27%	<b>14.61</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	98.50%	89.73%	109.77	Overutilization		
2015	African American	0.20%	0.92%	21.69	Underutilization	*	
	Asian American	1.38%	2.63%	52.41	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	1.58%	5.00%	<b>31.58</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.28%	5.27%	5.38	Underutilization	*	
	<b>TOTAL M/WBE</b>	1.86%	10.27%	<b>18.14</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	98.14%	89.73%	109.37	Overutilization		
2016	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	2.38%	2.63%	90.52	Underutilization		
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	2.38%	5.00%	<b>47.64</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	2.12%	5.27%	40.31	Underutilization	*	
	<b>TOTAL M/WBE</b>	4.51%	10.27%	<b>43.88</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	95.49%	89.73%	106.42	Overutilization		
Total	African American	0.07%	0.92%	7.63	Underutilization	*	p < .05
	Asian American	1.68%	2.63%	63.77	Underutilization	*	p < .05
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	p < .05
	Native American	0.00%	0.33%	0.00	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	1.75%	5.00%	<b>34.97</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt; .05</b>
	Nonminority Female	0.94%	5.27%	17.91	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	2.69%	10.27%	<b>26.22</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt; .05</b>
	Non-M/WBE	97.31%	89.73%	108.44	Overutilization		

Griffin &amp; Strong, P.C. 2018

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Table G 17

<b>Tacoma Disparity Study</b>						
<b>Utilization of Prime Analysis in Relevant Market Area (Less Than \$1000,000)</b>						
<b>Distribution of Dollars by Business Ownership and Fiscal Year, Prime Construction</b>						
<b>(Using Award Dollars, FY 2012-2016)</b>						
<b>Business Ownership Classification</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
African American	\$ 200,000	\$ 724,950	\$ 241,402	\$ -	\$ 683,050	\$ 1,849,402
Asian American	\$ 40,000	\$ -	\$ -		\$ -	\$ 40,000
Hispanic American	\$ 292,736	\$ 22,000	\$ 279,330	\$ 39,380	\$ -	\$ 633,445
Native American	\$ 518,506	\$ 47,145	\$ 71,150	\$ 217,500	\$ -	\$ 854,301
<b>TOTAL MINORITY</b>	<b>\$ 1,051,241</b>	<b>\$ 794,095</b>	<b>\$ 591,881</b>	<b>\$ 256,880</b>	<b>\$ 683,050</b>	<b>\$ 3,377,147</b>
Nonminority Female	\$ 316,741	\$ 309,509	\$ 754,425	\$ 1,207,502	\$ 236,335	\$ 2,824,511
<b>TOTAL M/WBE</b>	<b>\$ 1,367,982</b>	<b>\$ 1,103,604</b>	<b>\$ 1,346,306</b>	<b>\$ 1,464,382</b>	<b>\$ 919,385</b>	<b>\$ 6,201,658</b>
NON-M/WBE	\$ 15,494,708	\$ 16,768,144	\$ 18,600,765	\$ 16,625,873	\$ 17,720,132	\$ 85,209,623
<b>TOTAL FIRMS</b>	<b>\$ 16,862,690</b>	<b>\$ 17,871,748</b>	<b>\$ 19,947,071</b>	<b>\$ 18,090,255</b>	<b>\$ 18,639,517</b>	<b>\$ 91,411,281</b>
<b>Business Ownership Classification</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>TOTAL</b>
	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>
African American	1.19%	4.06%	1.21%	0.00%	3.66%	2.02%
Asian American	0.24%	0.00%	0.00%	0.00%	0.00%	0.04%
Hispanic American	1.74%	0.12%	1.40%	0.22%	0.00%	0.69%
Native American	3.07%	0.26%	0.36%	1.20%	0.00%	0.93%
<b>TOTAL MINORITY</b>	<b>6.23%</b>	<b>4.44%</b>	<b>2.97%</b>	<b>1.42%</b>	<b>3.66%</b>	<b>3.69%</b>
Nonminority Female	1.88%	1.73%	3.78%	6.67%	1.27%	3.09%
<b>TOTAL M/WBE</b>	<b>8.11%</b>	<b>6.18%</b>	<b>6.75%</b>	<b>8.09%</b>	<b>4.93%</b>	<b>6.78%</b>
NON-M/WBE	91.89%	93.82%	93.25%	91.91%	95.07%	93.22%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Griffin &amp; Strong, P.C. 2018

Table G 18

Tacoma Disparity Study							
Disparity Results, Relevant Market Area (Less Than \$1000,000)							
Business Ownership Classification by Fiscal Year, Prime Construction							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	1.19%	2.81%	42.17	Underutilization	*	
	Asian American	0.24%	2.97%	7.99	Underutilization	*	
	Hispanic American	1.74%	4.69%	37.03	Underutilization	*	
	Native American	3.07%	2.03%	151.38	Overutilization		
	<b>TOTAL MBE</b>	6.23%	12.50%	<b>49.87</b>	<b>Underutilization</b>	*	
	Nonminority Female	1.88%	3.13%	60.11	Underutilization	*	
	<b>TOTAL M/WBE</b>	8.11%	15.63%	<b>51.92</b>	<b>Underutilization</b>	*	
	Non-M/WBE	91.89%	84.38%	108.90	Overutilization		
2013	African American	4.06%	2.81%	144.23	Overutilization		
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	0.12%	4.69%	2.63	Underutilization	*	
	Native American	0.26%	2.03%	12.99	Underutilization	*	
	<b>TOTAL MBE</b>	4.44%	12.50%	<b>35.55</b>	<b>Underutilization</b>	*	
	Nonminority Female	1.73%	3.13%	55.42	Underutilization	*	
	<b>TOTAL M/WBE</b>	6.18%	15.63%	<b>39.52</b>	<b>Underutilization</b>	*	
	Non-M/WBE	93.82%	84.38%	111.20	Overutilization		
2014	African American	1.21%	2.81%	43.03	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	1.40%	4.69%	29.87	Underutilization	*	
	Native American	0.36%	2.03%	17.56	Underutilization	*	
	<b>TOTAL MBE</b>	2.97%	12.50%	<b>23.74</b>	<b>Underutilization</b>	*	
	Nonminority Female	3.78%	3.13%	121.03	Overutilization		
	<b>TOTAL M/WBE</b>	6.75%	15.63%	<b>43.20</b>	<b>Underutilization</b>	*	
	Non-M/WBE	93.25%	84.38%	110.52	Overutilization		
2015	African American	0.00%	2.81%	0.00	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	0.22%	4.69%	4.64	Underutilization	*	
	Native American	1.20%	2.03%	59.19	Underutilization	*	
	<b>TOTAL MBE</b>	1.42%	12.50%	<b>11.36</b>	<b>Underutilization</b>	*	
	Nonminority Female	6.67%	3.13%	213.60	Overutilization		
	<b>TOTAL M/WBE</b>	8.09%	15.63%	<b>51.81</b>	<b>Underutilization</b>	*	
	Non-M/WBE	91.91%	84.38%	108.92	Overutilization		
2016	African American	3.66%	2.81%	130.29	Overutilization		
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.69%	0.00	Underutilization	*	
	Native American	0.00%	2.03%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	3.66%	12.50%	<b>29.32</b>	<b>Underutilization</b>	*	
	Nonminority Female	1.27%	3.13%	40.57	Underutilization	*	
	<b>TOTAL M/WBE</b>	4.93%	15.63%	<b>31.57</b>	<b>Underutilization</b>	*	
	Non-M/WBE	95.07%	84.38%	112.67	Overutilization		
Total	African American	2.02%	2.81%	71.93	Underutilization	*	
	Asian American	0.04%	2.97%	1.47	Underutilization	*	p <.05
	Hispanic American	0.69%	4.69%	14.78	Underutilization	*	p <.05
	Native American	0.93%	2.03%	46.01	Underutilization	*	p <.05
	<b>TOTAL MBE</b>	3.69%	12.50%	<b>29.56</b>	<b>Underutilization</b>	*	p <.05
	Nonminority Female	3.09%	3.13%	98.88	Underutilization		
	<b>TOTAL M/WBE</b>	6.78%	15.63%	<b>43.42</b>	<b>Underutilization</b>	*	p <.05
	Non-M/WBE	93.22%	84.38%	110.48	Overutilization		

Griffin &amp; Strong, P.C. 2018

Table G19

Tacoma Disparity Study						
Utilization of Prime Analysis in Relevant Market Area (Less Than \$1000,000)						
Distribution of Dollars by Business Ownership and Fiscal Year, Prime A & E						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asian American	\$12,660.00	\$ -	\$20,000.00	\$75,000.00	\$189,000.00	\$ 296,660
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	<b>\$ 12,660</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ 75,000</b>	<b>\$ 189,000</b>	<b>\$ 296,660</b>
Nonminority Female	\$ -	\$186,680.00	\$324,550.00	\$335,955.50	\$658,227.60	\$ 1,505,413
<b>TOTAL M/WBE</b>	<b>\$ 12,660</b>	<b>\$ 186,680</b>	<b>\$ 344,550</b>	<b>\$ 410,956</b>	<b>\$ 847,228</b>	<b>\$ 1,802,073</b>
NON-M/WBE	\$5,010,865.90	\$5,443,946.26	\$5,630,262.97	\$4,846,591.93	\$5,865,804.66	\$26,797,472
<b>TOTAL FIRMS</b>	<b>\$ 5,023,526</b>	<b>\$ 5,630,626</b>	<b>\$ 5,974,813</b>	<b>\$ 5,257,547</b>	<b>\$ 6,713,032</b>	<b>\$28,599,545</b>
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Asian American	0.25%	0.00%	0.33%	1.43%	2.82%	1.04%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>TOTAL MINORITY</b>	<b>0.25%</b>	<b>0.00%</b>	<b>0.33%</b>	<b>1.43%</b>	<b>2.82%</b>	<b>1.04%</b>
Nonminority Female	0.00%	3.32%	5.43%	6.39%	9.81%	5.26%
<b>TOTAL M/WBE</b>	<b>0.25%</b>	<b>3.32%</b>	<b>5.77%</b>	<b>7.82%</b>	<b>12.62%</b>	<b>6.30%</b>
NON-M/WBE	99.75%	96.68%	94.23%	92.18%	87.38%	93.70%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Griffin &amp; Strong, P.C. 2018

**Tacoma Disparity Study**  
**Disparity Results (Less Than \$1000,000)**  
**Business Ownership Classification by Fiscal Year, Prime A & E**  
**(Using Award Dollars, FY 2012-2016)**

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.25%	12.86%	1.96	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>0.25%</b>	<b>18.65%</b>	<b>1.35</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.00%	19.61%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>0.25%</b>	<b>38.26%</b>	<b>0.66</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	99.75%	61.74%	161.57	Overutilization		
2013	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.00%	12.86%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>0.00%</b>	<b>18.65%</b>	<b>0.00</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	3.32%	19.61%	16.90	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>3.32%</b>	<b>38.26%</b>	<b>8.66</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	96.68%	61.74%	156.61	Overutilization		
2014	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.33%	12.86%	2.60	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>0.33%</b>	<b>18.65%</b>	<b>1.79</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	5.43%	19.61%	27.69	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>5.77%</b>	<b>38.26%</b>	<b>15.07</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	94.23%	61.74%	152.64	Overutilization		
2015	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	1.43%	12.86%	11.09	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>1.43%</b>	<b>18.65%</b>	<b>7.65</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	6.39%	19.61%	32.58	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>7.82%</b>	<b>38.26%</b>	<b>20.43</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	92.18%	61.74%	149.32	Overutilization		
2016	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	2.82%	12.86%	21.89	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>2.82%</b>	<b>18.65%</b>	<b>15.10</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	9.81%	19.61%	49.99	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>12.62%</b>	<b>38.26%</b>	<b>32.98</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	87.38%	61.74%	141.54	Overutilization		
Total	African American	0.00%	1.93%	0.00	Underutilization	*	p < .05
	Asian American	1.04%	12.86%	8.06	Underutilization	*	p < .05
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	p < .05
	Native American	0.00%	0.96%	0.00	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	<b>1.04%</b>	<b>18.65%</b>	<b>5.56</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt; .05</b>
	Nonminority Female	5.26%	19.61%	26.84	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	<b>6.30%</b>	<b>38.26%</b>	<b>16.47</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt; .05</b>
	Non-M/WBE	93.70%	61.74%	151.77	Overutilization		

Griffin &amp; Strong, P.C. 2018

Table G21

Tacoma Disparity Study						
Utilization of Prime Analysis in Relevant Market Area (Less Than \$1000,000)						
Distribution of Dollars by Business Ownership and Fiscal Year, Prime Services						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012 (\$)	2013 (\$)	2014 (\$)	2015 (\$)	2016 (\$)	TOTAL (\$)
African American	\$ 157,500	\$ 50,400	\$ 157,000	\$ 90,632	\$ 65,000	\$ 520,532
Asian American	\$ 544,600	\$ 283,020	\$ 362,820	\$ 202,696	\$ 1,025,910	\$ 2,419,046
Hispanic American	\$ 6,350	\$ -	\$ 61,450	\$ 30,000	\$ 20,000	\$ 117,800
Native American	\$ 59,341	\$ -	\$ -	\$ 20,000	\$ 50,000	\$ 129,341
<b>TOTAL MINORITY</b>	<b>\$ 767,791</b>	<b>\$ 333,420</b>	<b>\$ 581,270</b>	<b>\$ 343,328</b>	<b>\$ 1,160,910</b>	<b>\$ 3,186,719</b>
Nonminority Female	\$ 651,621	\$ 496,591	\$ 1,359,156	\$ 2,737,108	\$ 730,535	\$ 5,975,012
<b>TOTAL M/WBE</b>	<b>\$ 1,419,412</b>	<b>\$ 830,011</b>	<b>\$ 1,940,426</b>	<b>\$ 3,080,437</b>	<b>\$ 1,891,445</b>	<b>\$ 9,161,730</b>
NON-M/WBE	\$19,129,304	\$21,236,240	\$13,718,967	\$20,155,484	\$19,217,981	\$ 93,457,976
<b>TOTAL FIRMS</b>	<b>\$ 20,548,716</b>	<b>\$ 22,066,251</b>	<b>\$ 15,659,393</b>	<b>\$ 23,235,920</b>	<b>\$ 21,109,427</b>	<b>\$102,619,707</b>
Business Ownership Classification	2012 (%)	2013 (%)	2014 (%)	2015 (%)	2016 (%)	TOTAL (%)
African American	0.77%	0.23%	1.00%	0.39%	0.31%	0.51%
Asian American	2.65%	1.28%	2.32%	0.87%	4.86%	2.36%
Hispanic American	0.03%	0.00%	0.39%	0.13%	0.09%	0.11%
Native American	0.29%	0.00%	0.00%	0.09%	0.24%	0.13%
<b>TOTAL MINORITY</b>	<b>3.74%</b>	<b>1.51%</b>	<b>3.71%</b>	<b>1.48%</b>	<b>5.50%</b>	<b>3.11%</b>
Nonminority Female	3.17%	2.25%	8.68%	11.78%	3.46%	5.82%
<b>TOTAL M/WBE</b>	<b>6.91%</b>	<b>3.76%</b>	<b>12.39%</b>	<b>13.26%</b>	<b>8.96%</b>	<b>8.93%</b>
NON-M/WBE	93.09%	96.24%	87.61%	86.74%	91.04%	91.07%

Griffin &amp; Strong, P.C. 2018

Table G22

Tacoma Disparity Study							
Disparity Results (Less Than \$1000,000)							
Business Ownership Classification by Fiscal Year, Prime Services							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.77%	4.04%	18.95	Underutilization	*	
	Asian American	2.65%	4.60%	57.67	Underutilization	*	
	Hispanic American	0.03%	2.65%	1.17	Underutilization	*	
	Native American	0.29%	1.50%	19.29	Underutilization	*	
	<b>TOTAL MBE</b>	<b>3.74%</b>	<b>12.79%</b>	<b>29.22</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	3.17%	12.00%	26.42	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>6.91%</b>	<b>24.79%</b>	<b>27.86</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	93.09%	75.21%	123.78	Overutilization		
2013	African American	0.23%	4.04%	5.65	Underutilization	*	
	Asian American	1.28%	4.60%	27.91	Underutilization	*	
	Hispanic American	0.00%	2.65%	0.00	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>1.51%</b>	<b>12.79%</b>	<b>11.81</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	2.25%	12.00%	18.75	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>3.76%</b>	<b>24.79%</b>	<b>15.17</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	96.24%	75.21%	127.96	Overutilization		
2014	African American	1.00%	4.04%	24.79	Underutilization	*	
	Asian American	2.32%	4.60%	50.42	Underutilization	*	
	Hispanic American	0.39%	2.65%	14.80	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>3.71%</b>	<b>12.79%</b>	<b>29.02</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	8.68%	12.00%	72.32	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>12.39%</b>	<b>24.79%</b>	<b>49.99</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	87.61%	75.21%	116.49	Overutilization		
2015	African American	0.39%	4.04%	9.64	Underutilization	*	
	Asian American	0.87%	4.60%	18.98	Underutilization	*	
	Hispanic American	0.13%	2.65%	4.87	Underutilization	*	
	Native American	0.09%	1.50%	5.75	Underutilization	*	
	<b>TOTAL MBE</b>	<b>1.48%</b>	<b>12.79%</b>	<b>11.55</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	11.78%	12.00%	98.16	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>13.26%</b>	<b>24.79%</b>	<b>53.48</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	86.74%	75.21%	115.33	Overutilization		
2016	African American	0.31%	4.04%	7.61	Underutilization	*	
	Asian American	4.86%	4.60%	105.75	Overutilization		
	Hispanic American	0.09%	2.65%	3.57	Underutilization	*	
	Native American	0.24%	1.50%	15.82	Underutilization	*	
	<b>TOTAL MBE</b>	<b>5.50%</b>	<b>12.79%</b>	<b>43.00</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	3.46%	12.00%	28.84	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>8.96%</b>	<b>24.79%</b>	<b>36.14</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	91.04%	75.21%	121.05	Overutilization		
Total	African American	0.51%	4.04%	12.54	Underutilization	*	p < .05
	Asian American	2.36%	4.60%	51.29	Underutilization	*	p < .05
	Hispanic American	0.11%	2.65%	4.33	Underutilization	*	p < .05
	Native American	0.13%	1.50%	8.42	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	<b>3.11%</b>	<b>12.79%</b>	<b>24.28</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt; .05</b>
	Nonminority Female	5.82%	12.00%	48.52	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	<b>8.93%</b>	<b>24.79%</b>	<b>36.01</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt; .05</b>
	Non-M/WBE	91.07%	75.21%	121.09	Overutilization		

Griffin &amp; Strong, P.C. 2018



Table G23

Tacoma Disparity Study						
Utilization of Prime Analysis in Relevant Market Area (Less Than \$1000,000)						
Distribution of Dollars by Business Ownership and Fiscal Year, Prime Goods and Supplies						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 22,644.00		\$ 6,540.00	\$ 27,103.00		\$ 56,287.00
Asian American	\$ 135,297.13	\$ 357,179.53	\$ 191,449.58	\$ 187,088.49	\$ 473,060.40	\$ 1,344,075.13
Hispanic American						\$ -
Native American						\$ -
<b>TOTAL MINORITY</b>	<b>\$ 157,941.13</b>	<b>\$ 357,179.53</b>	<b>\$ 197,989.58</b>	<b>\$ 214,191.49</b>	<b>\$ 473,060.40</b>	<b>\$ 1,400,362.13</b>
Nonminority Female	\$ 118,522.15	\$ 119,020.57	\$ 57,473.55	\$ 38,394.74	\$ 421,320.36	\$ 754,731.37
<b>TOTAL M/WBE</b>	<b>\$ 276,463.28</b>	<b>\$ 476,200.10</b>	<b>\$ 255,463.13</b>	<b>\$ 252,586.23</b>	<b>\$ 894,380.76</b>	<b>\$ 2,155,093.50</b>
NON-M/WBE	\$ 19,838,065.83	\$ 17,317,273.35	\$ 18,384,842.61	\$ 18,740,122.87	\$ 26,086,606.53	\$ 100,366,911.19
<b>TOTAL FIRMS</b>	<b>\$ 20,114,529.11</b>	<b>\$ 17,793,473.45</b>	<b>\$ 18,640,305.74</b>	<b>\$ 18,992,709.10</b>	<b>\$ 26,980,987.29</b>	<b>\$ 102,522,004.69</b>
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.11%	0.00%	0.04%	0.14%	0.00%	0.05%
Asian American	0.67%	2.01%	1.03%	0.99%	1.75%	1.31%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>TOTAL MINORITY</b>	<b>0.79%</b>	<b>2.01%</b>	<b>1.06%</b>	<b>1.13%</b>	<b>1.75%</b>	<b>1.37%</b>
Nonminority Female	0.59%	0.67%	0.31%	0.20%	1.56%	0.74%
<b>TOTAL M/WBE</b>	<b>1.37%</b>	<b>2.68%</b>	<b>1.37%</b>	<b>1.33%</b>	<b>3.31%</b>	<b>2.10%</b>
NON-M/WBE	98.63%	97.32%	98.63%	98.67%	96.69%	97.90%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Griffin &amp; Strong, P.C. 2018

Table G24

Tacoma Disparity Study							
Disparity Results, all Prime Awards (Less Than \$1000,000)							
Business Ownership Classification by Fiscal Year, Prime Goods and Supplies							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.11%	0.92%	12.21	Underutilization	*	
	Asian American	0.67%	2.63%	25.54	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>0.79%</b>	<b>5.00%</b>	<b>15.69</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.59%	5.27%	11.19	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>1.37%</b>	<b>10.27%</b>	<b>13.38</b>	<b>Underutilization</b>	<b>*</b>	
2013	Non-M/WBE	98.63%	89.73%	109.91	Overutilization		
	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	2.01%	2.63%	76.23	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>2.01%</b>	<b>5.00%</b>	<b>40.12</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.67%	5.27%	12.70	Underutilization	*	
2014	<b>TOTAL M/WBE</b>	<b>2.68%</b>	<b>10.27%</b>	<b>26.06</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	97.32%	89.73%	108.46	Overutilization		
	African American	0.04%	0.92%	3.81	Underutilization	*	
	Asian American	1.03%	2.63%	39.00	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>1.06%</b>	<b>5.00%</b>	<b>21.23</b>	<b>Underutilization</b>	<b>*</b>	
2015	Nonminority Female	0.31%	5.27%	5.85	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>1.37%</b>	<b>10.27%</b>	<b>13.34</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	98.63%	89.73%	109.92	Overutilization		
	African American	0.14%	0.92%	15.48	Underutilization	*	
	Asian American	0.99%	2.63%	37.41	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
2016	<b>TOTAL MBE</b>	<b>1.13%</b>	<b>5.00%</b>	<b>22.54</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.20%	5.27%	3.84	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>1.33%</b>	<b>10.27%</b>	<b>12.95</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	98.67%	89.73%	109.96	Overutilization		
	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	1.75%	2.63%	66.58	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
Total	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>1.75%</b>	<b>5.00%</b>	<b>35.04</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	1.56%	5.27%	29.65	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>3.31%</b>	<b>10.27%</b>	<b>32.28</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	96.69%	89.73%	107.75	Overutilization		
	African American	0.05%	0.92%	5.96	Underutilization	*	p < .05
	Asian American	1.31%	2.63%	49.79	Underutilization	*	p < .05
Hispanic American	0.00%	1.12%	0.00	Underutilization	*	p < .05	
Native American	0.00%	0.33%	0.00	Underutilization	*	p < .05	
<b>TOTAL MBE</b>	<b>1.37%</b>	<b>5.00%</b>	<b>27.30</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt; .05</b>	
Nonminority Female	0.74%	5.27%	13.98	Underutilization	*	p < .05	
<b>TOTAL M/WBE</b>	<b>2.10%</b>	<b>10.27%</b>	<b>20.47</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt; .05</b>	
Non-M/WBE	97.90%	89.73%	109.10	Overutilization			

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# APPENDIX H

## Subcontracting Tables

## APPENDIX H – SUBCONTRACTING TABLES

Table H 1

Tacoma Disparity Study						
Utilization of Subcontract Analysis						
Distribution of Dollars by Business Ownership and Fiscal Year, Construction						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 3,041	\$ 31,240	\$ 36,476			\$ 70,757
Asian American	\$ 16,587	\$ 20,378	\$ 223,788	\$ 10,422	\$ 75,444	\$ 346,619
Hispanic American			\$ 204,334	\$ 746,116	\$ 60,000	\$ 1,010,450
Native American				\$ 100,265	\$ 8,894	\$ 109,159
<b>TOTAL MINORITY</b>	<b>\$ 19,628</b>	<b>\$ 51,618</b>	<b>\$ 464,598</b>	<b>\$ 856,803</b>	<b>\$ 144,338</b>	<b>\$ 1,536,985</b>
Nonminority Female	\$ 411,792		\$ 563,338	\$ 123,268	\$ 811,872	\$ 1,910,270
<b>TOTAL M/WBE</b>	<b>\$ 431,420</b>	<b>\$ 51,618</b>	<b>\$ 1,027,936</b>	<b>\$ 980,071</b>	<b>\$ 956,210</b>	<b>\$ 3,447,255</b>
NON-M/WBE	\$3,453,063	\$13,121,300	\$19,869,597	\$24,005,371	\$10,124,421	\$70,573,752
<b>TOTAL FIRMS</b>	<b>\$ 3,884,483</b>	<b>\$ 13,172,918</b>	<b>\$ 20,897,533</b>	<b>\$ 24,985,442</b>	<b>\$ 11,080,631</b>	<b>\$74,021,007</b>
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.08%	0.24%	0.17%	0.00%	0.00%	0.10%
Asian American	0.43%	0.15%	1.07%	0.04%	0.68%	0.47%
Hispanic American	0.00%	0.00%	0.98%	2.99%	0.54%	1.37%
Native American	0.00%	0.00%	0.00%	0.40%	0.08%	0.15%
<b>TOTAL MINORITY</b>	<b>0.51%</b>	<b>0.39%</b>	<b>2.22%</b>	<b>3.43%</b>	<b>1.30%</b>	<b>2.08%</b>
Nonminority Female	10.60%	0.00%	2.70%	0.49%	7.33%	2.58%
<b>TOTAL M/WBE</b>	<b>11.11%</b>	<b>0.39%</b>	<b>4.92%</b>	<b>3.92%</b>	<b>8.63%</b>	<b>4.66%</b>
NON-M/WBE	88.89%	99.61%	95.08%	96.08%	91.37%	95.34%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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Table H2

Tacoma Disparity Study							
Disparity Results, Subcontract Construction							
Business Ownership Classification by Fiscal Year							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.08%	2.81%	2.78	Underutilization	*	
	Asian American	0.43%	2.97%	14.38	Underutilization	*	
	Hispanic American	0.00%	4.69%	0.00	Underutilization	*	
	Native American	0.00%	2.03%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>0.51%</b>	<b>12.50%</b>	<b>4.04</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	10.60%	3.13%	339.23	Overutilization		
	<b>TOTAL M/WBE</b>	<b>11.11%</b>	<b>15.63%</b>	<b>71.08</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	88.89%	84.38%	105.36	Overutilization		
2013	African American	0.24%	2.81%	8.43	Underutilization	*	
	Asian American	0.15%	2.97%	5.21	Underutilization	*	
	Hispanic American	0.00%	4.69%	0.00	Underutilization	*	
	Native American	0.00%	2.03%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>0.39%</b>	<b>12.50%</b>	<b>3.13</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.00%	3.13%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>0.39%</b>	<b>15.63%</b>	<b>2.51</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	99.61%	84.38%	118.05	Overutilization		
2014	African American	0.17%	2.81%	6.21	Underutilization	*	
	Asian American	1.07%	2.97%	36.07	Underutilization	*	
	Hispanic American	0.98%	4.69%	20.86	Underutilization	*	
	Native American	0.00%	2.03%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	<b>2.22%</b>	<b>12.50%</b>	<b>17.79</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	2.70%	3.13%	86.26	Underutilization		
	<b>TOTAL M/WBE</b>	<b>4.92%</b>	<b>15.63%</b>	<b>31.48</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	95.08%	84.38%	112.69	Overutilization		
2015	African American	0.00%	2.81%	0.00	Underutilization	*	
	Asian American	0.04%	2.97%	1.41	Underutilization	*	
	Hispanic American	2.99%	4.69%	63.71	Underutilization	*	
	Native American	0.40%	2.03%	19.76	Underutilization	*	
	<b>TOTAL MBE</b>	<b>3.43%</b>	<b>12.50%</b>	<b>27.43</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.49%	3.13%	15.79	Underutilization	*	
	<b>TOTAL M/WBE</b>	<b>3.92%</b>	<b>15.63%</b>	<b>25.10</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	96.08%	84.38%	113.87	Overutilization		
2016	African American	0.00%	2.81%	0.00	Underutilization	*	
	Asian American	0.68%	2.97%	22.93	Underutilization	*	
	Hispanic American	0.54%	4.69%	11.55	Underutilization	*	
	Native American	0.08%	2.03%	3.95	Underutilization	*	
	<b>TOTAL MBE</b>	<b>1.30%</b>	<b>12.50%</b>	<b>10.42</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	7.33%	<b>3.13%</b>	<b>234.46</b>	<b>Overutilization</b>		
	<b>TOTAL M/WBE</b>	<b>8.63%</b>	<b>15.63%</b>	<b>55.23</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	91.37%	84.38%	108.29	Overutilization		
Total	African American	0.10%	2.81%	3.40	Underutilization	*	p <.05
	Asian American	0.47%	2.97%	15.77	Underutilization	*	p <.05
	Hispanic American	1.37%	4.69%	29.12	Underutilization	*	p <.05
	Native American	0.15%	2.03%	7.26	Underutilization	*	p <.05
	<b>TOTAL MBE</b>	<b>2.08%</b>	<b>12.50%</b>	<b>16.61</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt;.05</b>
	Nonminority Female	2.58%	3.13%	82.58	Underutilization		
	<b>TOTAL M/WBE</b>	<b>4.66%</b>	<b>15.63%</b>	<b>29.81</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt;.05</b>
	Non-M/WBE	95.34%	84.38%	113.00	Overutilization		

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Table H 3

Tacoma Disparity Study						
Utilization of Subcontract Analysis						
Distribution of Dollars by Business Ownership and Fiscal Year, A & E						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012 (\$)	2013 (\$)	2014 (\$)	2015 (\$)	2016 (\$)	TOTAL (\$)
African American	\$ -	\$ -	\$ -	\$ 11,115	\$ -	\$ 11,115
Asian American	\$ -	\$ -	\$ -	\$ -	\$ 20,900	\$ 20,900
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,115</b>	<b>\$ 20,900</b>	<b>\$ 32,015</b>
Nonminority Female	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL M/WBE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,115</b>	<b>\$ 20,900</b>	<b>\$ 32,015</b>
NON-M/WBE	\$ -	\$ 6,188	\$ 5,200	\$ 22,330	\$ -	\$ 33,718

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Table H 4

Tacoma Disparity Study							
Disparity Results, Subcontract A&E							
Business Ownership Classification by Fiscal Year							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.00%	12.86%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	18.65%	<b>0.00</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	19.61%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.00%	38.26%	<b>0.00</b>	<b>Underutilization</b>	*	
	Non-M/WBE	0.00%	61.74%	0.00	Underutilization	*	
2013	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.00%	12.86%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	18.65%	<b>0.00</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	19.61%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.00%	38.26%	<b>0.00</b>	<b>Underutilization</b>	*	
	Non-M/WBE	100.00%	61.74%	161.98	Overutilization		
2014	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.00%	12.86%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	18.65%	<b>0.00</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	19.61%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.00%	38.26%	<b>0.00</b>	<b>Underutilization</b>	*	
	Non-M/WBE	100.00%	61.74%	161.98	Overutilization		
2015	African American	33.23%	1.93%	1722.61	Overutilization		
	Asian American	0.00%	12.86%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	33.23%	18.65%	<b>178.20</b>	<b>Overutilization</b>		
	Nonminority Female	0.00%	19.61%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	33.23%	38.26%	<b>86.85</b>	<b>Underutilization</b>		
	Non-M/WBE	66.77%	61.74%	108.15	Overutilization		
2016	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	100.00%	12.86%	777.50	Overutilization		
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	100.00%	18.65%	<b>536.21</b>	<b>Overutilization</b>		
	Nonminority Female	0.00%	19.61%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	100.00%	38.26%	<b>261.34</b>	<b>Overutilization</b>		
	Non-M/WBE	0.00%	61.74%	0.00	Underutilization	*	
Total	African American	16.91%	1.93%	876.47	Overutilization		
	Asian American	31.80%	12.86%	247.21	Overutilization		
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	p < .05
	Native American	0.00%	0.96%	0.00	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	48.70%	18.65%	<b>261.16</b>	<b>Overutilization</b>		
	Nonminority Female	0.00%	19.61%	0.00	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	48.70%	38.26%	<b>127.29</b>	<b>Overutilization</b>		
	Non-M/WBE	51.30%	61.74%	83.09	Underutilization		p < .05

Table H 5

Tacoma Disparity Study						
Utilization of Subcontract Analysis, Services						
Distribution of Dollars by Business Ownership and Fiscal Year						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonminority Female	\$ -	\$ -	\$ -	\$ -	\$ 26,000	\$ 26,000
<b>TOTAL M/WBE</b>	\$ -	\$ -	\$ -	\$ -	<b>\$ 26,000</b>	<b>\$ 26,000</b>
NON-M/WBE	\$86,177	\$177,534	\$391,294	\$1,103,455	\$361,229	\$2,119,689

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Table H 6

Tacoma Disparity Study							
Disparity Results, Subcontract Services							
Business Ownership Classification by Fiscal Year							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.00%	4.04%	0.00	Underutilization	*	
	Asian American	0.00%	4.60%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.65%	0.00	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	12.79%	0.00	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	12.00%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.00%	24.79%	0.00	<b>Underutilization</b>	*	
	Non-M/WBE	100.00%	75.21%	132.96	Overutilization		
2013	African American	0.00%	4.04%	0.00	Underutilization	*	
	Asian American	0.00%	4.60%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.65%	0.00	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	12.79%	0.00	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	12.00%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.00%	24.79%	0.00	<b>Underutilization</b>	*	
	Non-M/WBE	100.00%	75.21%	132.96	Overutilization		
2014	African American	0.00%	4.04%	0.00	Underutilization	*	
	Asian American	0.00%	4.60%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.65%	0.00	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	12.79%	0.00	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	12.00%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.00%	24.79%	0.00	<b>Underutilization</b>	*	
	Non-M/WBE	100.00%	75.21%	132.96	Overutilization		
2015	African American	0.00%	4.04%	0.00	Underutilization	*	
	Asian American	0.00%	4.60%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.65%	0.00	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	12.79%	0.00	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	12.00%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.00%	24.79%	0.00	<b>Underutilization</b>	*	
	Non-M/WBE	100.00%	75.21%	132.96	Overutilization		
2016	African American	0.00%	4.04%	0.00	Underutilization	*	
	Asian American	0.00%	4.60%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.65%	0.00	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	12.79%	0.00	<b>Underutilization</b>	*	
	Nonminority Female	6.71%	12.00%	55.95	Underutilization	*	
	<b>TOTAL M/WBE</b>	6.71%	24.79%	27.09	<b>Underutilization</b>	*	
	Non-M/WBE	93.29%	75.21%	124.03	Overutilization		
Total	African American	0.00%	4.04%	0.00	Underutilization	*	p < .05
	Asian American	0.00%	4.60%	0.00	Underutilization	*	p < .05
	Hispanic American	0.00%	2.65%	0.00	Underutilization	*	p < .05
	Native American	0.00%	1.50%	0.00	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	0.00%	12.79%	0.00	<b>Underutilization</b>	*	p < .05
	Nonminority Female	1.21%	12.00%	10.10	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	1.21%	24.79%	4.89	<b>Underutilization</b>	*	p < .05
	Non-M/WBE	98.79%	75.21%	131.35	Overutilization		

Table H 7

Tacoma Disparity Study						
Utilization of Prime Analysis, Goods and Supplies						
Distribution of Dollars by Business Ownership and Fiscal Year						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonminority Female	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL M/WBE</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NON-M/WBE	\$ -	\$ -	\$ 7,520	\$ 117,989	\$ 94,943	\$ 220,452
<b>TOTAL FIRMS</b>	\$ -	\$ -	\$ 7,520	\$ 117,989	\$ 94,943	\$ 220,452
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Asian American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>TOTAL MINORITY</b>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Nonminority Female	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>TOTAL M/WBE</b>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
NON-M/WBE	0.00%	0.00%	100.00%	100.00%	100.00%	100.00%
<b>TOTAL FIRMS</b>	0.00%	0.00%	100.00%	100.00%	100.00%	100.00%

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Table H8

Tacoma Disparity Study							
Disparity Results, Subcontract Goods and Supplies							
Business Ownership Classification by Fiscal Year							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	0.00%	2.63%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	5.00%	<b>0.00</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	5.27%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.00%	10.27%	<b>0.00</b>	<b>Underutilization</b>	*	
2013	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	0.00%	2.63%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	5.00%	<b>0.00</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	5.27%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.00%	10.27%	<b>0.00</b>	<b>Underutilization</b>	*	
2014	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	0.00%	2.63%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	5.00%	<b>0.00</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	5.27%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.00%	10.27%	<b>0.00</b>	<b>Underutilization</b>	*	
2015	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	0.00%	2.63%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	5.00%	<b>0.00</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	5.27%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.00%	10.27%	<b>0.00</b>	<b>Underutilization</b>	*	
2016	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	0.00%	2.63%	0.00	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	5.00%	<b>0.00</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	5.27%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.00%	10.27%	<b>0.00</b>	<b>Underutilization</b>	*	
Total	African American	0.00%	0.92%	0.00	Underutilization	*	p < .05
	Asian American	0.00%	2.63%	0.00	Underutilization	*	p < .05
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	p < .05
	Native American	0.00%	0.33%	0.00	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	0.00%	5.00%	<b>0.00</b>	<b>Underutilization</b>	*	p < .05
	Nonminority Female	0.00%	5.27%	0.00	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	0.00%	10.27%	<b>0.00</b>	<b>Underutilization</b>	*	p < .05
	Non-M/WBE	100.00%	89.73%	111.45	Overutilization		

# APPENDIX I

Utilization Analysis for All Category Spend

APPENDIX I – ALL UTILIZATION/DISPARITY  
(COMBINED WORK CATEGORIES)

Table I 1

Tacoma Disparity Study						
Utilization of Prime Analysis						
Distribution of Dollars by Business Ownership and Fiscal Year, Prime Construction						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 200,000	\$ 724,950	\$ 241,402		\$ 683,050	\$ 1,849,402
Asian American	\$ 40,000					\$ 40,000
Hispanic American	\$ 1,392,781	\$ 5,102,478	\$ 6,694,620	\$ 39,380		\$ 13,229,258
Native American	\$ 518,506	\$ 47,145	\$ 71,150	\$ 217,500		\$ 854,301
<b>TOTAL MINORITY</b>	<b>\$ 2,151,286</b>	<b>\$ 5,874,573</b>	<b>\$ 7,007,172</b>	<b>\$ 256,880</b>	<b>\$ 683,050</b>	<b>\$ 15,972,960</b>
Nonminority Female	\$ 2,511,237	\$ 618,859	\$ 754,425	\$ 2,385,823	\$ 236,335	\$ 6,506,679
<b>TOTAL M/WBE</b>	<b>\$ 4,662,524</b>	<b>\$ 6,493,431</b>	<b>\$ 7,761,596</b>	<b>\$ 2,642,703</b>	<b>\$ 919,385</b>	<b>\$ 22,479,639</b>
NON-M/WBE	\$64,903,597	\$68,021,523	\$87,411,236	\$ 137,338,948	\$39,350,464	\$397,025,768
<b>TOTAL FIRMS</b>	<b>\$ 69,566,120</b>	<b>\$ 74,514,955</b>	<b>\$ 95,172,832</b>	<b>\$ 139,981,651</b>	<b>\$ 40,269,849</b>	<b>\$419,505,408</b>
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.29%	0.97%	0.25%	0.00%	1.70%	0.44%
Asian American	0.06%	0.00%	0.00%	0.00%	0.00%	0.01%
Hispanic American	2.00%	6.85%	7.03%	0.03%	0.00%	3.15%
Native American	0.75%	0.06%	0.07%	0.16%	0.00%	0.20%
<b>TOTAL MINORITY</b>	<b>3.09%</b>	<b>7.88%</b>	<b>7.36%</b>	<b>0.18%</b>	<b>1.70%</b>	<b>3.81%</b>
Nonminority Female	3.61%	0.83%	0.79%	1.70%	0.59%	1.55%
<b>TOTAL M/WBE</b>	<b>6.70%</b>	<b>8.71%</b>	<b>8.16%</b>	<b>1.89%</b>	<b>2.28%</b>	<b>5.36%</b>
NON-M/WBE	93.30%	91.29%	91.84%	98.11%	97.72%	94.64%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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Table I 2

Tacoma Disparity Study							
Prime Data Disparity Results							
Business Ownership Classification by Fiscal Year, Prime Construction							
(Using Award Dollars, FY 2012-2016)							
Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.29%	2.81%	10.22	Underutilization	*	
	Asian American	0.06%	2.97%	1.94	Underutilization	*	
	Hispanic American	2.00%	4.69%	42.71	Underutilization	*	
	Native American	0.75%	2.03%	36.69	Underutilization	*	
	<b>TOTAL MBE</b>	3.09%	12.50%	<b>24.74</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	3.61%	3.13%	115.52	Overutilization		
	<b>TOTAL M/WBE</b>	6.70%	15.63%	<b>42.89</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	93.30%	84.38%	110.58	Overutilization		
2013	African American	0.97%	2.81%	34.59	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	6.85%	4.69%	146.08	Overutilization		
	Native American	0.06%	2.03%	3.11	Underutilization	*	
	<b>TOTAL MBE</b>	7.88%	12.50%	<b>63.07</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.83%	3.13%	26.58	Underutilization	*	
	<b>TOTAL M/WBE</b>	8.71%	15.63%	<b>55.77</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	91.29%	84.38%	108.19	Overutilization		
2014	African American	0.25%	2.81%	9.02	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	7.03%	4.69%	150.06	Overutilization		
	Native American	0.07%	2.03%	3.68	Underutilization	*	
	<b>TOTAL MBE</b>	7.36%	12.50%	<b>58.90</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.79%	3.13%	25.37	Underutilization	*	
	<b>TOTAL M/WBE</b>	8.16%	15.63%	<b>52.19</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	91.84%	84.38%	108.85	Overutilization		
2015	African American	0.00%	2.81%	0.00	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	0.03%	4.69%	0.60	Underutilization	*	
	Native American	0.16%	2.03%	7.65	Underutilization	*	
	<b>TOTAL MBE</b>	0.18%	12.50%	<b>1.47</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	1.70%	3.13%	54.54	Underutilization	*	
	<b>TOTAL M/WBE</b>	1.89%	15.63%	<b>12.08</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	98.11%	84.38%	116.28	Overutilization		
2016	African American	1.70%	2.81%	60.31	Underutilization	*	
	Asian American	0.00%	2.97%	0.00	Underutilization	*	
	Hispanic American	0.00%	4.69%	0.00	Underutilization	*	
	Native American	0.00%	2.03%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	1.70%	12.50%	<b>13.57</b>	<b>Underutilization</b>	<b>*</b>	
	Nonminority Female	0.59%	3.13%	18.78	Underutilization	*	
	<b>TOTAL M/WBE</b>	2.28%	15.63%	<b>14.61</b>	<b>Underutilization</b>	<b>*</b>	
	Non-M/WBE	97.72%	84.38%	115.81	Overutilization		
Total	African American	0.44%	2.81%	15.67	Underutilization	*	p <.05
	Asian American	0.01%	2.97%	0.32	Underutilization	*	p <.05
	Hispanic American	3.15%	4.69%	67.28	Underutilization	*	p <.05
	Native American	0.20%	2.03%	10.03	Underutilization	*	p <.05
	<b>TOTAL MBE</b>	3.81%	12.50%	<b>30.46</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt;.05</b>
	Nonminority Female	1.55%	3.13%	49.63	Underutilization	*	p <.05
	<b>TOTAL M/WBE</b>	5.36%	15.63%	<b>34.30</b>	<b>Underutilization</b>	<b>*</b>	<b>p &lt;.05</b>
	Non-M/WBE	94.64%	84.38%	112.17	Overutilization		

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Table I3

**Tacoma Disparity Study**  
**Utilization of Prime Analysis**  
**Distribution of Dollars by Business Ownership and Fiscal Year, Prime A & E**  
**(Using Award Dollars, FY 2012-2016)**

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asian American	\$ 12,660	\$ -	\$ 20,000	\$ 75,000	\$ 189,000	\$ 296,660
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	<b>\$ 12,660</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ 75,000</b>	<b>\$ 189,000</b>	<b>\$ 296,660</b>
Nonminority Female	\$ -	\$ 186,680	\$ 324,550	\$ 335,956	\$ 658,228	\$ 1,505,413
<b>TOTAL M/WBE</b>	<b>\$ 12,660</b>	<b>\$ 186,680</b>	<b>\$ 344,550</b>	<b>\$ 410,956</b>	<b>\$ 847,228</b>	<b>\$ 1,802,073</b>
NON-M/WBE	\$ 10,343,066	\$ 9,974,798	\$ 6,391,360	\$ 6,296,592	\$ 6,046,255	\$ 39,052,071
<b>TOTAL FIRMS</b>	<b>\$ 10,355,726</b>	<b>\$ 10,161,478</b>	<b>\$ 6,735,910</b>	<b>\$ 6,707,547</b>	<b>\$ 6,893,482</b>	<b>\$ 40,854,144</b>
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Asian American	0.12%	0.00%	0.30%	1.12%	2.74%	0.73%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>TOTAL MINORITY</b>	<b>0.12%</b>	<b>0.00%</b>	<b>0.30%</b>	<b>1.12%</b>	<b>2.74%</b>	<b>0.73%</b>
Nonminority Female	0.00%	1.84%	4.82%	5.01%	9.55%	3.68%
<b>TOTAL M/WBE</b>	<b>0.12%</b>	<b>1.84%</b>	<b>5.12%</b>	<b>6.13%</b>	<b>12.29%</b>	<b>4.41%</b>
NON-M/WBE	99.88%	98.16%	94.88%	93.87%	87.71%	95.59%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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Table I 4

**Tacoma Disparity Study**  
**Prime Data Disparity Results**  
**Business Ownership Classification by Fiscal Year, Prime A & E**  
**(Using Award Dollars, FY 2012-2016)**

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.12%	12.86%	0.95	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.12%	18.65%	<b>0.66</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.00%	19.61%	0.00	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.12%	38.26%	<b>0.32</b>	<b>Underutilization</b>	*	
	Non-M/WBE	99.88%	61.74%	161.78	Overutilization		
2013	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.00%	12.86%	0.00	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.00%	18.65%	<b>0.00</b>	<b>Underutilization</b>	*	
	Nonminority Female	1.84%	19.61%	9.37	Underutilization	*	
	<b>TOTAL M/WBE</b>	1.84%	38.26%	<b>4.80</b>	<b>Underutilization</b>	*	
	Non-M/WBE	98.16%	61.74%	159.00	Overutilization		
2014	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	0.30%	12.86%	2.31	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.30%	<b>18.65%</b>	<b>1.59</b>	<b>Underutilization</b>	*	
	Nonminority Female	4.82%	19.61%	24.56	Underutilization	*	
	<b>TOTAL M/WBE</b>	5.12%	<b>38.26%</b>	<b>13.37</b>	<b>Underutilization</b>	*	
	Non-M/WBE	94.88%	61.74%	153.69	Overutilization		
2015	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	1.12%	12.86%	8.69	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	1.12%	<b>18.65%</b>	<b>6.00</b>	<b>Underutilization</b>	*	
	Nonminority Female	5.01%	19.61%	25.54	Underutilization	*	
	<b>TOTAL M/WBE</b>	6.13%	<b>38.26%</b>	<b>16.01</b>	<b>Underutilization</b>	*	
	Non-M/WBE	93.87%	61.74%	152.06	Overutilization		
2016	African American	0.00%	1.93%	0.00	Underutilization	*	
	Asian American	2.74%	12.86%	21.32	Underutilization	*	
	Hispanic American	0.00%	2.89%	0.00	Underutilization	*	
	Native American	0.00%	0.96%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	2.74%	<b>18.65%</b>	<b>14.70</b>	<b>Underutilization</b>	*	
	Nonminority Female	9.55%	<b>19.61%</b>	<b>48.68</b>	<b>Underutilization</b>	*	
	<b>TOTAL M/WBE</b>	12.29%	<b>38.26%</b>	<b>32.12</b>	<b>Underutilization</b>	*	
	Non-M/WBE	87.71%	61.74%	142.07	Overutilization		



Table I 5

**Tacoma Disparity Study  
Utilization of Prime Analysis  
Distribution of Dollars by Business Ownership and Fiscal Year, Prime Services  
(Using Award Dollars, FY 2012-2016)**

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 207,500	\$ 75,400	\$ 182,000	\$ 115,632	\$ 90,000	\$ 670,532
Asian American	\$ 544,600	\$ 2,399,170	\$ 362,820	\$ 202,696	\$ 1,025,910	\$ 4,535,196
Hispanic American	\$ 6,350		\$ 61,450	\$ 30,000	\$ 20,000	\$ 117,800
Native American	\$ 59,341			\$ 20,000	\$ 80,055	\$ 159,396
<b>TOTAL MINORITY</b>	<b>\$ 817,791</b>	<b>\$ 2,474,570</b>	<b>\$ 606,270</b>	<b>\$ 368,328</b>	<b>\$ 1,215,966</b>	<b>\$ 5,482,924</b>
Nonminority Female	\$ 651,621	\$ 586,356	\$ 1,424,886	\$ 11,307,382	\$ 2,337,114	\$ 16,307,359
<b>TOTAL M/WBE</b>	<b>\$ 1,469,412</b>	<b>\$ 3,060,926</b>	<b>\$ 2,031,155</b>	<b>\$ 11,675,710</b>	<b>\$ 3,553,080</b>	<b>\$ 21,790,283</b>
NON-M/WBE	\$ 60,019,862	\$ 61,133,642	\$ 34,986,269	\$ 70,177,296	\$ 45,214,496	\$ 271,531,564

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Table I 6

**Tacoma Disparity Study  
Prime Data Disparity Results  
Business Ownership Classification by Fiscal Year, Prime Services  
(Using Award Dollars, FY 2012-2016)**

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.34%	4.04%	8.34	Underutilization	*	
	Asian American	0.89%	4.60%	19.27	Underutilization	*	
	Hispanic American	0.01%	2.65%	0.39	Underutilization	*	
	Native American	0.10%	1.50%	6.45	Underutilization	*	
	<b>TOTAL MBE</b>	1.33%	12.79%	10.40	<b>Underutilization</b>	*	
	Nonminority Female	1.06%	12.00%	8.83	Underutilization	*	
	<b>TOTAL M/WBE</b>	2.39%	24.79%	9.64	<b>Underutilization</b>	*	
	Non-M/WBE	97.61%	75.21%	129.78	Overutilization		
2013	African American	0.12%	4.04%	2.90	Underutilization	*	
	Asian American	3.74%	4.60%	81.32	Underutilization		
	Hispanic American	0.00%	2.65%	0.00	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	3.85%	12.79%	30.14	<b>Underutilization</b>	*	
	Nonminority Female	0.91%	12.00%	7.61	Underutilization	*	
	<b>TOTAL M/WBE</b>	4.77%	24.79%	19.23	<b>Underutilization</b>	*	
	Non-M/WBE	95.23%	75.21%	126.62	Overutilization		
2014	African American	0.49%	4.04%	12.16	Underutilization	*	
	Asian American	0.98%	4.60%	21.33	Underutilization	*	
	Hispanic American	0.17%	2.65%	6.26	Underutilization	*	
	Native American	0.00%	1.50%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	1.64%	<b>12.79%</b>	12.81	<b>Underutilization</b>	*	
	Nonminority Female	3.85%	12.00%	32.07	Underutilization	*	
	<b>TOTAL M/WBE</b>	5.49%	<b>24.79%</b>	22.13	<b>Underutilization</b>	*	
	Non-M/WBE	94.51%	75.21%	125.67	Overutilization		
2015	African American	0.14%	4.04%	3.49	Underutilization	*	
	Asian American	0.25%	4.60%	5.39	Underutilization	*	
	Hispanic American	0.04%	2.65%	1.38	Underutilization	*	
	Native American	0.02%	1.50%	1.63	Underutilization	*	
	<b>TOTAL MBE</b>	0.45%	<b>12.79%</b>	3.52	<b>Underutilization</b>	*	
	Nonminority Female	13.81%	12.00%	115.11	Overutilization		
	<b>TOTAL M/WBE</b>	14.26%	<b>24.79%</b>	57.54	<b>Underutilization</b>	*	
	Non-M/WBE	85.74%	75.21%	114.00	Overutilization		
2016	African American	0.18%	4.04%	4.56	Underutilization	*	
	Asian American	2.10%	4.60%	45.78	Underutilization	*	
	Hispanic American	0.04%	2.65%	1.55	Underutilization	*	
	Native American	0.16%	1.50%	10.97	Underutilization	*	
	<b>TOTAL MBE</b>	2.49%	<b>12.79%</b>	19.50	<b>Underutilization</b>	*	
	Nonminority Female	4.79%	<b>12.00%</b>	39.93	<b>Underutilization</b>	*	
	<b>TOTAL M/WBE</b>	7.29%	<b>24.79%</b>	29.39	<b>Underutilization</b>	*	
	Non-M/WBE	92.71%	75.21%	123.27	Overutilization		
Total	African American	0.23%	4.04%	5.65	Underutilization	*	p < .05
	Asian American	1.55%	4.60%	33.64	Underutilization	*	p < .05
	Hispanic American	0.04%	2.65%	1.51	Underutilization	*	p < .05
	Native American	0.05%	1.50%	3.63	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	1.87%	<b>12.79%</b>	14.62	<b>Underutilization</b>	*	p < .05
	Nonminority Female	5.56%	12.00%	46.33	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	7.43%	<b>24.79%</b>	29.97	<b>Underutilization</b>	*	p < .05
	Non-M/WBE	92.57%	75.21%	123.08	Overutilization		

Table I7

**Tacoma Disparity Study**  
**Utilization of Prime Analysis**  
**Distribution of Dollars by Business Ownership and Fiscal Year, Prime Goods and Supplies**  
**(Using Award Dollars, FY 2012-2016)**

Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 22,644		\$ 6,540	\$ 27,103		\$ 56,287
Asian American	\$ 135,297	\$ 357,180	\$ 1,543,838	\$ 187,088	\$ 473,060	\$ 2,696,464
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	<b>\$ 157,941</b>	<b>\$ 357,180</b>	<b>\$ 1,550,378</b>	<b>\$ 214,191</b>	<b>\$ 473,060</b>	<b>\$ 2,752,751</b>
Nonminority Female	\$ 118,522	\$ 161,011	\$ 57,474	\$ 81,775	\$ 421,320	\$ 840,101
<b>TOTAL M/WBE</b>	<b>\$ 276,463</b>	<b>\$ 518,190</b>	<b>\$ 1,607,852</b>	<b>\$ 295,966</b>	<b>\$ 894,381</b>	<b>\$ 3,592,852</b>
NON-M/WBE	\$36,296,034	\$45,372,668	\$44,621,811	\$48,326,307	\$61,824,344	\$236,441,164
<b>TOTAL FIRMS</b>	<b>\$ 36,572,497</b>	<b>\$ 45,890,858</b>	<b>\$ 46,229,663</b>	<b>\$ 48,622,273</b>	<b>\$ 62,718,725</b>	<b>\$240,034,015</b>
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.06%	0.00%	0.01%	0.06%	0.00%	0.02%
Asian American	0.37%	0.78%	3.34%	0.38%	0.75%	1.12%
Hispanic American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Native American	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>TOTAL MINORITY</b>	<b>0.43%</b>	<b>0.78%</b>	<b>3.35%</b>	<b>0.44%</b>	<b>0.75%</b>	<b>1.15%</b>
Nonminority Female	0.32%	0.35%	0.12%	0.17%	0.67%	0.35%
<b>TOTAL M/WBE</b>	<b>0.76%</b>	<b>1.13%</b>	<b>3.48%</b>	<b>0.61%</b>	<b>1.43%</b>	<b>1.50%</b>
NON-M/WBE	99.24%	98.87%	96.52%	99.39%	98.57%	98.50%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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Table I8

**Tacoma Disparity Study**  
**Prime Data Disparity Results**  
**Business Ownership Classification by Fiscal Year, Prime Goods and Supplies**  
**(Using Award Dollars, FY 2012-2016)**

Fiscal Year	Business Ownership	Percent of Dollars	Percent of Available Firms	Disparity Index	Disparate Impact of Utilization	Less than 80%	Statistical Significance
2012	African American	0.06%	0.92%	6.72	Underutilization	*	
	Asian American	0.37%	2.63%	14.05	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.43%	5.00%	<b>8.63</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.32%	5.27%	6.15	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.76%	10.27%	<b>7.36</b>	<b>Underutilization</b>	*	
	Non-M/WBE	99.24%	89.73%	110.60	Overutilization		
2013	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	0.78%	2.63%	29.56	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.78%	5.00%	<b>15.56</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.35%	5.27%	6.66	Underutilization	*	
	<b>TOTAL M/WBE</b>	1.13%	10.27%	<b>11.00</b>	<b>Underutilization</b>	*	
	Non-M/WBE	98.87%	89.73%	110.19	Overutilization		
2014	African American	0.01%	0.92%	1.53	Underutilization	*	
	Asian American	3.34%	2.63%	126.82	Overutilization		
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	3.35%	5.00%	<b>67.03</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.12%	5.27%	2.36	Underutilization	*	
	<b>TOTAL M/WBE</b>	3.48%	10.27%	<b>33.87</b>	<b>Underutilization</b>	*	
	Non-M/WBE	96.52%	89.73%	107.57	Overutilization		
2015	African American	0.06%	0.92%	6.05	Underutilization	*	
	Asian American	0.38%	2.63%	14.61	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.44%	5.00%	<b>8.80</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.17%	5.27%	3.19	Underutilization	*	
	<b>TOTAL M/WBE</b>	0.61%	10.27%	<b>5.93</b>	<b>Underutilization</b>	*	
	Non-M/WBE	99.39%	89.73%	110.77	Overutilization		
2016	African American	0.00%	0.92%	0.00	Underutilization	*	
	Asian American	0.75%	2.63%	28.64	Underutilization	*	
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	
	Native American	0.00%	0.33%	0.00	Underutilization	*	
	<b>TOTAL MBE</b>	0.75%	5.00%	<b>15.08</b>	<b>Underutilization</b>	*	
	Nonminority Female	0.67%	5.27%	<b>12.76</b>	<b>Underutilization</b>	*	
	<b>TOTAL M/WBE</b>	1.43%	10.27%	<b>13.89</b>	<b>Underutilization</b>	*	
	Non-M/WBE	98.57%	89.73%	109.86	Overutilization		
Total	African American	0.02%	0.92%	2.54	Underutilization	*	p < .05
	Asian American	1.12%	2.63%	42.66	Underutilization	*	p < .05
	Hispanic American	0.00%	1.12%	0.00	Underutilization	*	p < .05
	Native American	0.00%	0.33%	0.00	Underutilization	*	p < .05
	<b>TOTAL MBE</b>	1.15%	5.00%	<b>22.92</b>	<b>Underutilization</b>	*	p < .05
	Nonminority Female	0.35%	5.27%	6.65	Underutilization	*	p < .05
	<b>TOTAL M/WBE</b>	1.50%	10.27%	<b>14.57</b>	<b>Underutilization</b>	*	p < .05
	Non-M/WBE	98.50%	89.73%	109.78	Overutilization		



# APPENDIX J

## SBE Utilization

## APPENDIX J – PRIME SBE UTILIZATION IN CONSTRUCTION

Table J 1

Tacoma Disparity Study						
Utilization of Prime SBE, Construction						
Distribution of Dollars by Business Ownership and Fiscal Year						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ 3,041	\$ 31,240	\$ 36,476			\$ 70,757
Asian American	\$ 16,587	\$ 20,378	\$ 223,788	\$ 10,422	\$ 75,444	\$ 346,619
Hispanic American			\$ 204,334	\$ 746,116	\$ 60,000	\$ 1,010,450
Native American				\$ 100,265	\$ 8,894	\$ 109,159
<b>TOTAL MINORITY</b>	<b>\$ 19,628</b>	<b>\$ 51,618</b>	<b>\$ 464,598</b>	<b>\$ 856,803</b>	<b>\$ 144,338</b>	<b>\$ 1,536,985</b>
Nonminority Female	\$ 411,792		\$ 563,338	\$ 123,268	\$ 811,872	\$ 1,910,270
<b>TOTAL M/WBE</b>	<b>\$ 431,420</b>	<b>\$ 51,618</b>	<b>\$ 1,027,936</b>	<b>\$ 980,071</b>	<b>\$ 956,210</b>	<b>\$ 3,447,255</b>
NON-M/WBE	\$3,453,063	\$13,121,300	\$19,869,597	\$24,005,371	\$10,124,421	\$70,573,752
<b>TOTAL FIRMS</b>	<b>\$ 3,884,483</b>	<b>\$ 13,172,918</b>	<b>\$ 20,897,533</b>	<b>\$ 24,985,442</b>	<b>\$ 11,080,631</b>	<b>\$74,021,007</b>
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(%)	(%)	(%)	(%)	(%)	(%)
African American	0.08%	0.24%	0.17%	0.00%	0.00%	0.10%
Asian American	0.43%	0.15%	1.07%	0.04%	0.68%	0.47%
Hispanic American	0.00%	0.00%	0.98%	2.99%	0.54%	1.37%
Native American	0.00%	0.00%	0.00%	0.40%	0.08%	0.15%
<b>TOTAL MINORITY</b>	<b>0.51%</b>	<b>0.39%</b>	<b>2.22%</b>	<b>3.43%</b>	<b>1.30%</b>	<b>2.08%</b>
Nonminority Female	10.60%	0.00%	2.70%	0.49%	7.33%	2.58%
<b>TOTAL M/WBE</b>	<b>11.11%</b>	<b>0.39%</b>	<b>4.92%</b>	<b>3.92%</b>	<b>8.63%</b>	<b>4.66%</b>
NON-M/WBE	88.89%	99.61%	95.08%	96.08%	91.37%	95.34%
<b>TOTAL FIRMS</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

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# APPENDIX K

## DBE Utilization



## APPENDIX K – DBE UTILIZATION

Table K1

Tacoma Disparity Study						
Prime DBE						
Distribution of Dollars by Business Ownership and Fiscal Year, Construction (Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ 47,145	\$ 71,150	\$ 202,500	\$ -	\$ 320,795
<b>TOTAL MINORITY</b>	<b>\$ -</b>	<b>\$ 47,145</b>	<b>\$ 71,150</b>	<b>\$ 202,500</b>	<b>\$ -</b>	<b>\$ 320,795</b>
Nonminority Female	\$ -	\$ 309,350	\$ -	\$ 490,993	\$ -	\$ 800,343
<b>TOTAL M/WBE</b>	<b>\$ -</b>	<b>\$ 356,495</b>	<b>\$ 71,150</b>	<b>\$ 693,493</b>	<b>\$ -</b>	<b>\$ 1,121,138</b>
NON-M/WBE	\$ -	\$ -	\$ -	\$ -	\$ 20,900	\$ 20,900

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Table K2

Tacoma Disparity Study						
Prime DBE						
Distribution of Dollars by Business Ownership and Fiscal Year, A & E (Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012	2013	2014	2015	2016	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
African American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asian American	\$ 12,660	\$ -	\$ 20,000	\$ 75,000	\$ 9,000	\$ 116,660
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	<b>\$ 12,660</b>	<b>\$ -</b>	<b>\$ 20,000</b>	<b>\$ 75,000</b>	<b>\$ 9,000</b>	<b>\$ 116,660</b>
Nonminority Female	\$ -	\$ 172,248	\$ 125,700	\$ 98,700	\$ 343,759	\$ 740,407
<b>TOTAL M/WBE</b>	<b>\$ 12,660</b>	<b>\$ 172,248</b>	<b>\$ 145,700</b>	<b>\$ 173,700</b>	<b>\$ 352,759</b>	<b>\$ 857,067</b>
NON-M/WBE	\$ 5,564	\$ 1,871,206	\$ -	\$ 191,606	\$ -	\$ 2,068,376

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Table K3

Tacoma Disparity Study						
Prime DBE						
Distribution of Dollars by Business Ownership and Fiscal Year, Services						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012 (\$)	2013 (\$)	2014 (\$)	2015 (\$)	2016 (\$)	TOTAL (\$)
African American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asian American	\$544,600	\$2,116,150	\$ 225,372	\$ 45,496	\$ 496,582	\$ 3,428,200
Hispanic American	\$ -	\$ -	\$ 55,000	\$ 30,000	\$ 20,000	\$ 105,000
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	<b>\$544,600</b>	<b>\$2,116,150</b>	<b>\$ 280,372</b>	<b>\$ 75,496</b>	<b>\$ 516,582</b>	<b>\$ 3,533,200</b>
Nonminority Female	\$ 91,600	\$ 156,591	\$246,020	\$9,333,442	\$1,587,774	\$11,415,427
<b>TOTAL M/WBE</b>	<b>\$636,200</b>	<b>\$2,272,741</b>	<b>\$ 526,392</b>	<b>\$ 9,408,938</b>	<b>\$ 2,104,357</b>	<b>\$14,948,627</b>
NON-M/WBE	\$ -	\$ 151,570	\$ 7,000	\$ -	\$ -	\$ 158,570

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Table K4

Tacoma Disparity Study						
Prime DBE						
Distribution of Dollars by Business Ownership and Fiscal Year, Goods						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012 (\$)	2013 (\$)	2014 (\$)	2015 (\$)	2016 (\$)	TOTAL (\$)
African American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asian American	\$ -	\$ -	\$ -	\$ 34,273	\$ 69,597	\$103,870
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 34,273</b>	<b>\$ 69,597</b>	<b>\$103,870</b>
Nonminority Female	\$ 8,784	\$ 6,600	\$ -	\$52,920	\$17,996	\$ 86,300
<b>TOTAL M/WBE</b>	<b>\$ 8,784</b>	<b>\$ 6,600</b>	<b>\$ -</b>	<b>\$ 87,194</b>	<b>\$ 87,593</b>	<b>\$190,170</b>
NON-M/WBE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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Table K5

Tacoma Disparity Study						
Subcontract DBE, Construction						
Distribution of Dollars by Business Ownership and Fiscal Year						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012 (\$)	2013 (\$)	2014 (\$)	2015 (\$)	2016 (\$)	TOTAL (\$)
African American	\$ 3,041	\$ 31,240	\$ 36,476			\$ 70,757
Asian American			\$ 13,848	\$ 10,422	\$ 75,444	\$ 99,714
Hispanic American			\$ 68,765	\$ 746,116	\$ 60,000	\$ 874,881
Native American				\$ 5,265	\$ 8,894	\$ 14,159
<b>TOTAL MINORITY</b>	<b>\$ 3,041</b>	<b>\$ 31,240</b>	<b>\$ 119,089</b>	<b>\$ 761,803</b>	<b>\$ 144,338</b>	<b>\$1,059,511</b>
Nonminority Female	\$ 411,792		\$ 563,338	\$ 76,598	\$ 794,854	\$1,846,582
<b>TOTAL M/WBE</b>	<b>\$ 414,833</b>	<b>\$ 31,240</b>	<b>\$ 682,427</b>	<b>\$ 838,401</b>	<b>\$ 939,192</b>	<b>\$2,906,093</b>
NON-M/WBE		\$ 316,533	\$ 91,895	\$ 922,551	\$ 87,591	\$1,418,570

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Table K6

Tacoma Disparity Study						
Subcontract DBE, A&E						
Distribution of Dollars by Business Ownership and Fiscal Year						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012 (\$)	2013 (\$)	2014 (\$)	2015 (\$)	2016 (\$)	TOTAL (\$)
African American	\$ -	\$ -	\$ -	\$ 11,115		\$ 11,115
Asian American	\$ -	\$ -	\$ -		\$ 20,900	\$ 20,900
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,115</b>	<b>\$ 20,900</b>	<b>\$ 32,015</b>
Nonminority Female	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL M/WBE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,115</b>	<b>\$ 20,900</b>	<b>\$ 32,015</b>
NON-M/WBE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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Table K7

Tacoma Disparity Study						
Subcontract DBE, Services						
Distribution of Dollars by Business Ownership and Fiscal Year						
(Using Award Dollars, FY 2012-2016)						
Business Ownership Classification	2012 (\$)	2013 (\$)	2014 (\$)	2015 (\$)	2016 (\$)	TOTAL (\$)
African American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asian American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hispanic American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Native American	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL MINORITY</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Nonminority Female	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL M/WBE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
NON-M/WBE	\$ -	\$ -	\$ -	\$ 2,630	\$ -	\$ 2,630

Griffin & Strong, P.C. 2017

# APPENDIX L

## Survey of Business Owners Results

## Tacoma Disparity Study

### A brief note on how tables are calculated

Duplicate responses have been removed. Duplicate responses were removed based on businesses having either the same email address or same business name.

The total count of responses for each question includes only those participants who responded to that question. Participants who skipped or were not given a question are not included.

Table 0

<i>Is your company a not for profit organization or a government entity? If Yes, please do not complete the remainder of this survey.</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	<i>Non- Minority</i>	<i>Woman</i>	<i>Black</i>	<i>Subcontinent Asian</i>	<i>Asian Pacific Islander</i>	<i>Hispanic</i>	<i>Native American</i>	<i>Alaskan Native</i>	<i>Bi- Racial or Multi- Racial</i>	<i>Publicly Traded Company</i>	<i>Other</i>	
<b>Yes</b>	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<b>No</b>	123 100 %	50 100 %	28 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	12 100 %	3 100 %	7 100 %	260 100 %
<b>Total</b>	123 100 %	50 100 %	28 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	12 100 %	3 100 %	7 100 %	260 100 %

Table 1

<i>Which one of the following is your company's primary line of business?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>Black</i>	<i>Subcontinent Asian</i>	<i>Asian Pacific Islander</i>	<i>Hispanic</i>	<i>Native American</i>	<i>Alaskan Native</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Publicly Traded Company</i>	<i>Other</i>	
<b>Construction</b>	26 21.1 %	5 10 %	5 18.5 %	0 0 %	1 14.3 %	2 10 %	0 0 %	0 0 %	2 16.7 %	0 0 %	0 0 %	41 15.8 %
<b>Architecture &amp; Engineering Services</b>	17 13.8 %	3 6 %	6 22.2 %	2 28.6 %	2 28.6 %	4 20 %	1 50 %	0 0 %	1 8.3 %	1 33.3 %	0 0 %	37 14.3 %
<b>Goods</b>	41 33.3 %	35 70 %	15 55.6 %	4 57.1 %	4 57.1 %	11 55 %	1 50 %	1 100 %	8 66.7 %	1 33.3 %	6 85.7 %	127 49 %
<b>Goods</b>	39 31.7 %	7 14 %	1 3.7 %	1 14.3 %	0 0 %	3 15 %	0 0 %	0 0 %	1 8.3 %	1 33.3 %	1 14.3 %	54 20.8 %
<b>Total</b>	123 100 %	50 100 %	27 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	12 100 %	3 100 %	7 100 %	259 100 %

Table 2

<i>How long has your company been in existence?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	Non- Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi- Racial or Multi- Racial	Publicly Traded Company	Other	
<b>Under 1 year</b>	1 0.8 %	1 2 %	1 3.7 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	3 1.2 %
<b>1-5 years</b>	5 4.1 %	3 6 %	7 25.9 %	1 14.3 %	3 42.9 %	4 21.1 %	1 50 %	0 0 %	3 25 %	0 0 %	2 28.6 %	29 11.2 %
<b>6-10 years</b>	11 8.9 %	9 18 %	2 7.4 %	1 14.3 %	1 14.3 %	1 5.3 %	1 50 %	0 0 %	0 0 %	0 0 %	0 0 %	26 10.1 %
<b>11-15 year</b>	8 6.5 %	9 18 %	2 7.4 %	1 14.3 %	1 14.3 %	4 21.1 %	0 0 %	1 100 %	0 0 %	0 0 %	0 0 %	26 10.1 %
<b>15-20 years</b>	21 17.1 %	6 12 %	5 18.5 %	2 28.6 %	1 14.3 %	3 15.8 %	0 0 %	0 0 %	1 8.3 %	0 0 %	2 28.6 %	41 15.9 %
<b>Over 20 years</b>	77 62.6 %	22 44 %	10 37 %	2 28.6 %	1 14.3 %	7 36.8 %	0 0 %	0 0 %	8 66.7 %	3 100 %	3 42.9 %	133 51.6 %
<b>Total</b>	123 100 %	50 100 %	27 100 %	7 100 %	7 100 %	19 100 %	2 100 %	1 100 %	12 100 %	3 100 %	7 100 %	258 100 %



Table 3

<i>On average, how many employees and regular independent contractors does your company keep on the payroll, including full-time and part-time staff? (Number of Employees)</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>Black</i>	<i>Subcontinent Asian</i>	<i>Asian Pacific Islander</i>	<i>Hispanic</i>	<i>Native American</i>	<i>Alaskan Native</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Publicly Traded Company</i>	<i>Other</i>	
<b>None</b>	8 6.5 %	11 22 %	8 29.6 %	0 0 %	2 28.6 %	1 5.3 %	2 100 %	0 0 %	2 16.7 %	0 0 %	0 0 %	34 13.2 %
<b>1-10</b>	47 38.2 %	27 54 %	15 55.6 %	3 42.9 %	4 57.1 %	12 63.2 %	0 0 %	1 100 %	5 41.7 %	0 0 %	4 57.1 %	118 45.7 %
<b>11-30</b>	26 21.1 %	7 14 %	2 7.4 %	3 42.9 %	0 0 %	5 26.3 %	0 0 %	0 0 %	2 16.7 %	0 0 %	0 0 %	45 17.4 %
<b>31-50</b>	20 16.3 %	1 2 %	2 7.4 %	1 14.3 %	1 14.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 14.3 %	26 10.1 %
<b>51-75</b>	6 4.9 %	0 0 %	0 0 %	0 0 %	0 0 %	1 5.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	7 2.7 %
<b>76-100</b>	6 4.9 %	1 2 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	7 2.7 %
<b>101-300</b>	6 4.9 %	3 6 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 8.3 %	0 0 %	1 14.3 %	11 4.3 %
<b>Over 300</b>	4 3.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 16.7 %	3 100 %	1 14.3 %	10 3.9 %
<b>Total</b>	123 100 %	50 100 %	27 100 %	7 100 %	7 100 %	19 100 %	2 100 %	1 100 %	12 100 %	3 100 %	7 100 %	258 100 %

Table 4

<i>Is at least 51% percent of your company owned and controlled by a woman or women?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Yes</b>	0 0 %	50 100 %	13 46.4 %	3 42.9 %	6 85.7 %	7 35 %	0 0 %	0 0 %	6 50 %	0 0 %	0 0 %	85 32.7 %
<b>No</b>	123 100 %	0 0 %	15 53.6 %	4 57.1 %	1 14.3 %	13 65 %	2 100 %	1 100 %	6 50 %	3 100 %	7 100 %	175 67.3 %
<b>Total</b>	123 100 %	50 100 %	28 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	12 100 %	3 100 %	7 100 %	260 100 %



Table 6

<i>What is the highest level of education completed by the owner of your company? Would you say:</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Some High School</b>	1 0.8 %	0 0 %	0 0 %	0 0 %	0 0 %	1 5 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 0.8 %
<b>High School graduate</b>	10 8.2 %	5 10.2 %	0 0 %	0 0 %	0 0 %	1 5 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	16 6.2 %
<b>Some College</b>	18 14.8 %	7 14.3 %	2 7.4 %	0 0 %	1 14.3 %	4 20 %	1 50 %	0 0 %	0 0 %	0 0 %	0 0 %	33 12.9 %
<b>College Graduate</b>	47 38.5 %	16 32.7 %	10 37 %	2 28.6 %	4 57.1 %	8 40 %	1 50 %	1 100 %	1 9.1 %	1 33.3 %	3 42.9 %	94 36.7 %
<b>Post Graduate Degree</b>	31 25.4 %	20 40.8 %	13 48.1 %	5 71.4 %	2 28.6 %	5 25 %	0 0 %	0 0 %	7 63.6 %	0 0 %	3 42.9 %	86 33.6 %
<b>Trade or Technical Certificate</b>	3 2.5 %	1 2 %	2 7.4 %	0 0 %	0 0 %	1 5 %	0 0 %	0 0 %	1 9.1 %	0 0 %	0 0 %	8 3.1 %
<b>Don't Know</b>	12 9.8 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 18.2 %	2 66.7 %	1 14.3 %	17 6.6 %
<b>Total</b>	122 100 %	49 100 %	27 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	256 100 %

Table 7

<i>How many years of experience in your company's business line does the primary owner of your company have?</i>	<i>Owners' Minority Status</i>										<i>Total</i>	
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company		Other
<b>None</b>	1 0.8 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.4 %
<b>1-5</b>	2 1.6 %	0 0 %	4 14.8 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	6 2.3 %
<b>6-10</b>	5 4.1 %	2 4.1 %	1 3.7 %	1 14.3 %	0 0 %	1 5 %	1 50 %	0 0 %	0 0 %	0 0 %	1 14.3 %	12 4.7 %
<b>11-15</b>	5 4.1 %	5 10.2 %	2 7.4 %	0 0 %	0 0 %	4 20 %	0 0 %	0 0 %	2 18.2 %	0 0 %	0 0 %	18 7 %
<b>16-20</b>	14 11.4 %	5 10.2 %	4 14.8 %	3 42.9 %	3 42.9 %	1 5 %	1 50 %	1 100 %	0 0 %	0 0 %	1 14.3 %	33 12.8 %
<b>More than 20</b>	96 78 %	37 75.5 %	16 59.3 %	3 42.9 %	4 57.1 %	14 70 %	0 0 %	0 0 %	9 81.8 %	3 100 %	5 71.4 %	187 72.8 %
<b>Total</b>	123 100 %	49 100 %	27 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	257 100 %



Table 9

<i>What is your current single project bonding limit?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>Black</i>	<i>Subcontinent Asian</i>	<i>Asian Pacific Islander</i>	<i>Hispanic</i>	<i>Native American</i>	<i>Alaskan Native</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Publicly Traded Company</i>	<i>Other</i>	
<b>\$100,000 or less</b>	5 4.1 %	2 4.1 %	2 8 %	1 14.3 %	1 14.3 %	2 10 %	0 0 %	0 0 %	1 9.1 %	0 0 %	1 14.3 %	15 5.9 %
<b>\$100,001 - \$250,000</b>	1 0.8 %	0 0 %	1 4 %	0 0 %	0 0 %	2 10 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	4 1.6 %
<b>\$250,001 - \$500,000</b>	3 2.4 %	1 2 %	0 0 %	0 0 %	0 0 %	1 5 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	5 2 %
<b>\$500,001 - \$750,000</b>	0 0 %	0 0 %	0 0 %	0 0 %	1 14.3 %	0 0 %	0 0 %	0 0 %	1 9.1 %	0 0 %	0 0 %	2 0.8 %
<b>\$750,001 - \$1,000,000</b>	9 7.3 %	1 2 %	3 12 %	0 0 %	1 14.3 %	1 5 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	15 5.9 %
<b>\$1,000,001 - \$1,320,000</b>	6 4.9 %	2 4.1 %	0 0 %	1 14.3 %	0 0 %	3 15 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	12 4.7 %
<b>\$1,320,001 - \$1,500,000</b>	2 1.6 %	1 2 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 9.1 %	0 0 %	0 0 %	4 1.6 %
<b>\$1,500,001 - \$5,000,000</b>	9 7.3 %	4 8.2 %	0 0 %	0 0 %	0 0 %	1 5 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	14 5.5 %
<b>\$5,000,001 to \$10,000,000</b>	8 6.5 %	0 0 %	0 0 %	0 0 %	0 0 %	1 5 %	0 0 %	0 0 %	0 0 %	1 33.3 %	1 14.3 %	11 4.3 %
<b>Over \$10 million</b>	9 7.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 100 %	0 0 %	0 0 %	1 14.3 %	11 4.3 %
<b>Don't Know</b>	16 13 %	3 6.1 %	3 12 %	1 14.3 %	1 14.3 %	1 5 %	1 50 %	0 0 %	1 9.1 %	1 33.3 %	1 14.3 %	29 11.4 %
<b>Not Applicable</b>	55 44.7 %	35 71.4 %	16 64 %	4 57.1 %	3 42.9 %	8 40 %	1 50 %	0 0 %	7 63.6 %	1 33.3 %	3 42.9 %	133 52.2 %
<b>Total</b>	123 100 %	49 100 %	25 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	255 100 %







Table 14

<i>[Do not see any benefit in registering.] Why is your company not registered to do business with the City of Tacoma? Indicate all that apply.</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Yes</b>	1 4.3 %	2 13.3 %	0 0 %	0 0 %	0 0 %	1 12.5 %	0 0 %	0 0 %	1 25 %	0 0 %	0 0 %	5 7.2 %
<b>Not selected</b>	22 95.7 %	13 86.7 %	9 100 %	2 100 %	3 100 %	7 87.5 %	2 100 %	0 0 %	3 75 %	0 0 %	3 100 %	64 92.8 %
<b>Total</b>	23 100 %	15 100 %	9 100 %	2 100 %	3 100 %	8 100 %	2 100 %	0 100 %	4 100 %	0 100 %	3 100 %	69 100 %

Table 15

<i>[Do not want to do business with government.] Why is your company not registered to do business with the City of Tacoma? Indicate all that apply.</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Yes</b>	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<b>Not selected</b>	23 100 %	15 100 %	9 100 %	2 100 %	3 100 %	8 100 %	2 100 %	0 0 %	4 100 %	0 0 %	3 100 %	69 100 %
<b>Total</b>	23 100 %	15 100 %	9 100 %	2 100 %	3 100 %	8 100 %	2 100 %	0 100 %	4 100 %	0 100 %	3 100 %	69 100 %



Table 18

<i>[Do not believe firm would be awarded contract.] Why is your company not registered to do business with the City of Tacoma? Indicate all that apply.</i>	<i>Owners' Minority Status</i>										<i>Total</i>	
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company		Other
<b>Yes</b>	2 8.7 %	1 6.7 %	2 22.2 %	0 0 %	2 66.7 %	0 0 %	1 50 %	0 0 %	3 75 %	0 0 %	2 66.7 %	13 18.8 %
<b>Not selected</b>	21 91.3 %	14 93.3 %	7 77.8 %	2 100 %	1 33.3 %	8 100 %	1 50 %	0 0 %	1 25 %	0 0 %	1 33.3 %	56 81.2 %
<b>Total</b>	23 100 %	15 100 %	9 100 %	2 100 %	3 100 %	8 100 %	2 100 %	0 100 %	4 100 %	0 100 %	3 100 %	69 100 %



Table 20

<i>[Private Sector Projects ] From July 1, 2011 through June 30, 2016, how many times has your company submitted bids or proposals for projects as prime contractor on:</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>Black</i>	<i>Subcontinent Asian</i>	<i>Asian Pacific Islander</i>	<i>Hispanic</i>	<i>Native American</i>	<i>Alaskan Native</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Publicly Traded Company</i>	<i>Other</i>	
<b>None</b>	35 29.4 %	19 43.2 %	10 38.5 %	3 42.9 %	3 50 %	8 42.1 %	1 50 %	0 0 %	4 36.4 %	0 0 %	0 0 %	83 33.9 %
<b>1-10</b>	16 13.4 %	6 13.6 %	7 26.9 %	1 14.3 %	1 16.7 %	5 26.3 %	1 50 %	1 100 %	4 36.4 %	0 0 %	2 28.6 %	44 18 %
<b>11-25</b>	7 5.9 %	3 6.8 %	3 11.5 %	1 14.3 %	1 16.7 %	2 10.5 %	0 0 %	0 0 %	0 0 %	0 0 %	1 14.3 %	18 7.3 %
<b>26-50</b>	8 6.7 %	2 4.5 %	2 7.7 %	0 0 %	0 0 %	1 5.3 %	0 0 %	0 0 %	0 0 %	0 0 %	1 14.3 %	14 5.7 %
<b>51-100</b>	3 2.5 %	1 2.3 %	0 0 %	1 14.3 %	1 16.7 %	3 15.8 %	0 0 %	0 0 %	1 9.1 %	1 33.3 %	0 0 %	11 4.5 %
<b>Over 100</b>	24 20.2 %	8 18.2 %	1 3.8 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 9.1 %	2 66.7 %	2 28.6 %	38 15.5 %
<b>Don't Know/NA</b>	26 21.8 %	5 11.4 %	3 11.5 %	1 14.3 %	0 0 %	0 0 %	0 0 %	0 0 %	1 9.1 %	0 0 %	1 14.3 %	37 15.1 %
<b>Total</b>	119 100 %	44 100 %	26 100 %	7 100 %	6 100 %	19 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	245 100 %

Table 21

[Other Public Sector (non-City of Tacoma Projects) ] From July 1, 2011 through June 30, 2016, how many times has your company submitted bids or proposals for projects as prime contractor on:	Owners' Minority Status											Total
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>None</b>	36 30.8 %	12 26.7 %	11 42.3 %	2 28.6 %	2 28.6 %	5 25 %	1 50 %	0 0 %	4 36.4 %	0 0 %	0 0 %	73 29.7 %
<b>1-10</b>	21 17.9 %	16 35.6 %	6 23.1 %	1 14.3 %	1 14.3 %	9 45 %	1 50 %	0 0 %	3 27.3 %	1 33.3 %	3 42.9 %	62 25.2 %
<b>11-25</b>	9 7.7 %	6 13.3 %	2 7.7 %	0 0 %	4 57.1 %	0 0 %	0 0 %	0 0 %	1 9.1 %	0 0 %	1 14.3 %	23 9.3 %
<b>26-50</b>	4 3.4 %	1 2.2 %	3 11.5 %	0 0 %	0 0 %	4 20 %	0 0 %	1 100 %	0 0 %	0 0 %	0 0 %	13 5.3 %
<b>51-100</b>	4 3.4 %	2 4.4 %	1 3.8 %	3 42.9 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	10 4.1 %
<b>Over 100</b>	18 15.4 %	3 6.7 %	1 3.8 %	0 0 %	0 0 %	1 5 %	0 0 %	0 0 %	1 9.1 %	2 66.7 %	2 28.6 %	28 11.4 %
<b>Don't Know/NA</b>	25 21.4 %	5 11.1 %	2 7.7 %	1 14.3 %	0 0 %	1 5 %	0 0 %	0 0 %	2 18.2 %	0 0 %	1 14.3 %	37 15 %
<b>Total</b>	117 100 %	45 100 %	26 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	246 100 %

Table 22

[City of Tacoma Public Projects] From July 1, 2011 through June 30, 2016, how many times has your company been awarded contracts to perform as a prime contractor:	Owners' Minority Status											Total
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>None</b>	47 39.2 %	22 46.8 %	18 64.3 %	5 71.4 %	4 57.1 %	14 70 %	2 100 %	1 100 %	6 54.5 %	0 0 %	3 50 %	122 48.4 %
<b>1-10</b>	44 36.7 %	18 38.3 %	7 25 %	1 14.3 %	2 28.6 %	6 30 %	0 0 %	0 0 %	3 27.3 %	2 66.7 %	2 33.3 %	85 33.7 %
<b>11-25</b>	3 2.5 %	1 2.1 %	1 3.6 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 33.3 %	0 0 %	6 2.4 %
<b>26-50</b>	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<b>51-100</b>	2 1.7 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 0.8 %
<b>Over 100</b>	1 0.8 %	1 2.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 0.8 %
<b>Don't Know/NA</b>	23 19.2 %	5 10.6 %	2 7.1 %	1 14.3 %	1 14.3 %	0 0 %	0 0 %	0 0 %	2 18.2 %	0 0 %	1 16.7 %	35 13.9 %
<b>Total</b>	120 100 %	47 100 %	28 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	6 100 %	252 100 %



Table 23

<i>[Private Sector Projects] From July 1, 2011 through June 30, 2016, how many times has your company been awarded contracts to perform as a prime contractor:</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>Black</i>	<i>Subcontinent Asian</i>	<i>Asian Pacific Islander</i>	<i>Hispanic</i>	<i>Native American</i>	<i>Alaskan Native</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Publicly Traded Company</i>	<i>Other</i>	
<b>None</b>	38 31.7 %	15 33.3 %	15 53.6 %	4 57.1 %	1 16.7 %	9 47.4 %	1 50 %	0 0 %	4 40 %	0 0 %	0 0 %	87 35.1 %
<b>1-10</b>	16 13.3 %	10 22.2 %	9 32.1 %	0 0 %	4 66.7 %	6 31.6 %	1 50 %	1 100 %	3 30 %	0 0 %	3 42.9 %	53 21.4 %
<b>11-25</b>	8 6.7 %	4 8.9 %	2 7.1 %	1 14.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 14.3 %	16 6.5 %
<b>26-50</b>	8 6.7 %	1 2.2 %	0 0 %	1 14.3 %	0 0 %	1 5.3 %	0 0 %	0 0 %	0 0 %	1 33.3 %	1 14.3 %	13 5.2 %
<b>51-100</b>	4 3.3 %	1 2.2 %	0 0 %	0 0 %	0 0 %	3 15.8 %	0 0 %	0 0 %	1 10 %	0 0 %	0 0 %	9 3.6 %
<b>Over 100</b>	19 15.8 %	7 15.6 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 66.7 %	1 14.3 %	29 11.7 %
<b>Don't Know/NA</b>	27 22.5 %	7 15.6 %	2 7.1 %	1 14.3 %	1 16.7 %	0 0 %	0 0 %	0 0 %	2 20 %	0 0 %	1 14.3 %	41 16.5 %
<b>Total</b>	120 100 %	45 100 %	28 100 %	7 100 %	6 100 %	19 100 %	2 100 %	1 100 %	10 100 %	3 100 %	7 100 %	248 100 %

Table 24

<i>[Other Public Sector (non-City of Tacoma Projects) ] From July 1, 2011 through June 30, 2016, how many times has your company been awarded contracts to perform as a prime contractor:</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>Black</i>	<i>Subcontinent Asian</i>	<i>Asian Pacific Islander</i>	<i>Hispanic</i>	<i>Native American</i>	<i>Alaskan Native</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Publicly Traded Company</i>	<i>Other</i>	
<b>None</b>	37 31.4 %	14 30.4 %	16 57.1 %	3 42.9 %	3 42.9 %	7 35 %	1 50 %	0 0 %	3 27.3 %	0 0 %	0 0 %	84 33.6 %
<b>1-10</b>	22 18.6 %	15 32.6 %	8 28.6 %	1 14.3 %	3 42.9 %	9 45 %	1 50 %	0 0 %	4 36.4 %	1 33.3 %	4 57.1 %	68 27.2 %
<b>11-25</b>	10 8.5 %	7 15.2 %	2 7.1 %	0 0 %	0 0 %	2 10 %	0 0 %	1 100 %	1 9.1 %	0 0 %	0 0 %	23 9.2 %
<b>26-50</b>	11 9.3 %	2 4.3 %	0 0 %	1 14.3 %	0 0 %	1 5 %	0 0 %	0 0 %	0 0 %	0 0 %	1 14.3 %	16 6.4 %
<b>51-100</b>	2 1.7 %	1 2.2 %	0 0 %	1 14.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	4 1.6 %
<b>Over 100</b>	10 8.5 %	2 4.3 %	0 0 %	0 0 %	0 0 %	1 5 %	0 0 %	0 0 %	0 0 %	2 66.7 %	1 14.3 %	16 6.4 %
<b>Don't Know/NA</b>	26 22 %	5 10.9 %	2 7.1 %	1 14.3 %	1 14.3 %	0 0 %	0 0 %	0 0 %	3 27.3 %	0 0 %	1 14.3 %	39 15.6 %
<b>Total</b>	118 100 %	46 100 %	28 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	250 100 %

Table 25

<i>Approximately how many times did you serve as a subcontractor on a City of Tacoma project from July 1, 2011 through June 30, 2016?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>None</b>	61 50.8 %	36 76.6 %	18 66.7 %	5 71.4 %	6 85.7 %	15 75 %	2 100 %	1 100 %	7 63.6 %	2 66.7 %	5 71.4 %	158 62.7 %
<b>1-10</b>	29 24.2 %	6 12.8 %	9 33.3 %	1 14.3 %	1 14.3 %	5 25 %	0 0 %	0 0 %	4 36.4 %	1 33.3 %	2 28.6 %	58 23 %
<b>11-25</b>	6 5 %	3 6.4 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	9 3.6 %
<b>26-50</b>	2 1.7 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 0.8 %
<b>51-100</b>	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<b>Over 100</b>	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<b>Don't Know</b>	22 18.3 %	2 4.3 %	0 0 %	1 14.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	25 9.9 %
<b>Total</b>	120 100 %	47 100 %	27 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	252 100 %



Table 27

[Pre-qualification requirements] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)	Owners' Minority Status											Total
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Yes</b>	8 6.8 %	5 10.9 %	4 14.8 %	0 0 %	3 42.9 %	3 15 %	1 50 %	0 0 %	3 27.3 %	0 0 %	1 14.3 %	28 11.3 %
<b>Not selected</b>	109 93.2 %	41 89.1 %	23 85.2 %	7 100 %	4 57.1 %	17 85 %	1 50 %	1 100 %	8 72.7 %	3 100 %	6 85.7 %	220 88.7 %
<b>Total</b>	117 100 %	46 100 %	27 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	248 100 %

Table 28

<p><i>[Performance bond requirements] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)</i></p>	<p><i>Owners' Minority Status</i></p>											<p><i>Total</i></p>
	<p>Non-Minority</p>	<p>Woman</p>	<p>Black</p>	<p>Subcontinent Asian</p>	<p>Asian Pacific Islander</p>	<p>Hispanic</p>	<p>Native American</p>	<p>Alaskan Native</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Publicly Traded Company</p>	<p>Other</p>	
<p><b>Yes</b></p>	<p>4 3.4 %</p>	<p>3 6.5 %</p>	<p>2 7.4 %</p>	<p>0 0 %</p>	<p>1 14.3 %</p>	<p>3 15 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>3 27.3 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>16 6.5 %</p>
<p><b>Not selected</b></p>	<p>113 96.6 %</p>	<p>43 93.5 %</p>	<p>25 92.6 %</p>	<p>7 100 %</p>	<p>6 85.7 %</p>	<p>17 85 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>8 72.7 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>232 93.5 %</p>
<p><b>Total</b></p>	<p>117 100 %</p>	<p>46 100 %</p>	<p>27 100 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>20 100 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>11 100 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>248 100 %</p>

Table 29

<p><i>[Excessive paperwork] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)</i></p>	<p><b>Owners' Minority Status</b></p>											<p><i>Total</i></p>
	<p>Non-Minority</p>	<p>Woman</p>	<p>Black</p>	<p>Subcontinent Asian</p>	<p>Asian Pacific Islander</p>	<p>Hispanic</p>	<p>Native American</p>	<p>Alaskan Native</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Publicly Traded Company</p>	<p>Other</p>	
<p><b>Yes</b></p>	<p>22 18.8 %</p>	<p>9 19.6 %</p>	<p>5 18.5 %</p>	<p>1 14.3 %</p>	<p>1 14.3 %</p>	<p>6 30 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>4 36.4 %</p>	<p>0 0 %</p>	<p>3 42.9 %</p>	<p>51 20.6 %</p>
<p><b>Not selected</b></p>	<p>95 81.2 %</p>	<p>37 80.4 %</p>	<p>22 81.5 %</p>	<p>6 85.7 %</p>	<p>6 85.7 %</p>	<p>14 70 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>7 63.6 %</p>	<p>3 100 %</p>	<p>4 57.1 %</p>	<p>197 79.4 %</p>
<p><b>Total</b></p>	<p>117 100 %</p>	<p>46 100 %</p>	<p>27 100 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>20 100 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>11 100 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>248 100 %</p>

Table 30

*[Bid bond requirements] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)*

**Owners' Minority Status**

*Total*

	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Yes</b>	4 3.4 %	4 8.7 %	2 7.4 %	0 0 %	0 0 %	2 10 %	0 0 %	0 0 %	2 18.2 %	0 0 %	0 0 %	14 5.6 %
<b>Not selected</b>	113 96.6 %	42 91.3 %	25 92.6 %	7 100 %	7 100 %	18 90 %	2 100 %	1 100 %	9 81.8 %	3 100 %	7 100 %	234 94.4 %
<b>Total</b>	117 100 %	46 100 %	27 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	248 100 %



Table 31

*[Financing] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)*

**Owners' Minority Status**

*Total*

	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Yes</b>	5 4.3 %	3 6.5 %	6 22.2 %	0 0 %	0 0 %	2 10 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	16 6.5 %
<b>Not selected</b>	112 95.7 %	43 93.5 %	21 77.8 %	7 100 %	7 100 %	18 90 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	232 93.5 %
<b>Total</b>	117 100 %	46 100 %	27 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	248 100 %

Table 32

[Insurance requirements] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)	Owners' Minority Status											Total
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Yes</b>	3 2.6 %	2 4.3 %	1 3.7 %	0 0 %	0 0 %	2 10 %	0 0 %	0 0 %	3 27.3 %	0 0 %	0 0 %	11 4.4 %
<b>Not selected</b>	114 97.4 %	44 95.7 %	26 96.3 %	7 100 %	7 100 %	18 90 %	2 100 %	1 100 %	8 72.7 %	3 100 %	7 100 %	237 95.6 %
<b>Total</b>	117 100 %	46 100 %	27 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	248 100 %

Table 33

<p><i>[Bid specifications]</i>  <i>The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)</i></p>	<p><i>Owners' Minority Status</i></p>											<p><i>Total</i></p>
	<p>Non-Minority</p>	<p>Woman</p>	<p>Black</p>	<p>Subcontinent Asian</p>	<p>Asian Pacific Islander</p>	<p>Hispanic</p>	<p>Native American</p>	<p>Alaskan Native</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Publicly Traded Company</p>	<p>Other</p>	
<p><b>Yes</b></p>	<p>11 9.4 %</p>	<p>2 4.3 %</p>	<p>1 3.7 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>5 25 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>3 27.3 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>22 8.9 %</p>
<p><b>Not selected</b></p>	<p>106 90.6 %</p>	<p>44 95.7 %</p>	<p>26 96.3 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>15 75 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>8 72.7 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>226 91.1 %</p>
<p><b>Total</b></p>	<p>117 100 %</p>	<p>46 100 %</p>	<p>27 100 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>20 100 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>11 100 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>248 100 %</p>

Table 34

<p><i>[Lack of access to competitive supplier pricing ] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)</i></p>	<p><i>Owners' Minority Status</i></p>											<p><i>Total</i></p>
	<p>Non-Minority</p>	<p>Woman</p>	<p>Black</p>	<p>Subcontinent Asian</p>	<p>Asian Pacific Islander</p>	<p>Hispanic</p>	<p>Native American</p>	<p>Alaskan Native</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Publicly Traded Company</p>	<p>Other</p>	
<p><b>Yes</b></p>	<p>4 3.4 %</p>	<p>2 4.3 %</p>	<p>1 3.7 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>2 10 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>1 9.1 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>10 4 %</p>
<p><b>Not selected</b></p>	<p>113 96.6 %</p>	<p>44 95.7 %</p>	<p>26 96.3 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>18 90 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>10 90.9 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>238 96 %</p>
<p><b>Total</b></p>	<p>117 100 %</p>	<p>46 100 %</p>	<p>27 100 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>20 100 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>11 100 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>248 100 %</p>

Table 35

<p><i>[Limited time given to prepare bid package or quote] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)</i></p>	<p><i>Owners' Minority Status</i></p>											<p><i>Total</i></p>
	<p>Non-Minority</p>	<p>Woman</p>	<p>Black</p>	<p>Subcontinent Asian</p>	<p>Asian Pacific Islander</p>	<p>Hispanic</p>	<p>Native American</p>	<p>Alaskan Native</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Publicly Traded Company</p>	<p>Other</p>	
<p><b>Yes</b></p>	<p>7 6 %</p>	<p>8 17.4 %</p>	<p>4 14.8 %</p>	<p>0 0 %</p>	<p>1 14.3 %</p>	<p>4 20 %</p>	<p>0 0 %</p>	<p>1 100 %</p>	<p>2 18.2 %</p>	<p>1 33.3 %</p>	<p>1 14.3 %</p>	<p>29 11.7 %</p>
<p><b>Not selected</b></p>	<p>110 94 %</p>	<p>38 82.6 %</p>	<p>23 85.2 %</p>	<p>7 100 %</p>	<p>6 85.7 %</p>	<p>16 80 %</p>	<p>2 100 %</p>	<p>0 0 %</p>	<p>9 81.8 %</p>	<p>2 66.7 %</p>	<p>6 85.7 %</p>	<p>219 88.3 %</p>
<p><b>Total</b></p>	<p>117 100 %</p>	<p>46 100 %</p>	<p>27 100 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>20 100 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>11 100 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>248 100 %</p>

Table 36

<p><i>[Limited knowledge of purchasing /contracting policies and procedures] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)</i></p>	<p><i>Owners' Minority Status</i></p>											<p><i>Total</i></p>	
	<p>Non-Minority</p>	<p>Woman</p>	<p>Black</p>	<p>Subcontinent Asian</p>	<p>Asian Pacific Islander</p>	<p>Hispanic</p>	<p>Native American</p>	<p>Alaskan Native</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Publicly Traded Company</p>	<p>Other</p>		
<p><b>Yes</b></p>	<p>9 7.7 %</p>	<p>6 13 %</p>	<p>3 11.1 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>1 5 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>19 7.7 %</p>
<p><b>Not selected</b></p>	<p>108 92.3 %</p>	<p>40 87 %</p>	<p>24 88.9 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>19 95 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>11 100 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>229 92.3 %</p>	
<p><b>Total</b></p>	<p>117 100 %</p>	<p>46 100 %</p>	<p>27 100 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>20 100 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>11 100 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>248 100 %</p>	



Table 38

<i>[Lack of experience] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>Black</i>	<i>Subcontinent Asian</i>	<i>Asian Pacific Islander</i>	<i>Hispanic</i>	<i>Native American</i>	<i>Alaskan Native</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Publicly Traded Company</i>	<i>Other</i>	
<b>Yes</b>	3 2.6 %	3 6.5 %	1 3.7 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	7 2.8 %
<b>Not selected</b>	114 97.4 %	43 93.5 %	26 96.3 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	241 97.2 %
<b>Total</b>	117 100 %	46 100 %	27 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	248 100 %



Table 39

*[Lack of personnel]  
The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)*

*Owners' Minority Status*

*Total*

	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Yes</b>	7 6 %	4 8.7 %	3 11.1 %	1 14.3 %	0 0 %	3 15 %	0 0 %	0 0 %	1 9.1 %	0 0 %	0 0 %	19 7.7 %
<b>Not selected</b>	110 94 %	42 91.3 %	24 88.9 %	6 85.7 %	7 100 %	17 85 %	2 100 %	1 100 %	10 90.9 %	3 100 %	7 100 %	229 92.3 %
<b>Total</b>	117 100 %	46 100 %	27 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	248 100 %

Table 40

<p><i>[Contract too large]</i>  <i>The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)</i></p>	<p><i>Owners' Minority Status</i></p>											<p><i>Total</i></p>
	<p>Non-Minority</p>	<p>Woman</p>	<p>Black</p>	<p>Subcontinent Asian</p>	<p>Asian Pacific Islander</p>	<p>Hispanic</p>	<p>Native American</p>	<p>Alaskan Native</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Publicly Traded Company</p>	<p>Other</p>	
<p><b>Yes</b></p>	<p>16 13.7 %</p>	<p>8 17.4 %</p>	<p>4 14.8 %</p>	<p>0 0 %</p>	<p>2 28.6 %</p>	<p>5 25 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>3 27.3 %</p>	<p>0 0 %</p>	<p>1 14.3 %</p>	<p>39 15.7 %</p>
<p><b>Not selected</b></p>	<p>101 86.3 %</p>	<p>38 82.6 %</p>	<p>23 85.2 %</p>	<p>7 100 %</p>	<p>5 71.4 %</p>	<p>15 75 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>8 72.7 %</p>	<p>3 100 %</p>	<p>6 85.7 %</p>	<p>209 84.3 %</p>
<p><b>Total</b></p>	<p>117 100 %</p>	<p>46 100 %</p>	<p>27 100 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>20 100 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>11 100 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>248 100 %</p>

Table 41

<p><i>[Contract too expensive to bid] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)</i></p>	<p><i>Owners' Minority Status</i></p>											<p><i>Total</i></p>
	<p>Non-Minority</p>	<p>Woman</p>	<p>Black</p>	<p>Subcontinent Asian</p>	<p>Asian Pacific Islander</p>	<p>Hispanic</p>	<p>Native American</p>	<p>Alaskan Native</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Publicly Traded Company</p>	<p>Other</p>	
<p><b>Yes</b></p>	<p>4 3.4 %</p>	<p>2 4.3 %</p>	<p>2 7.4 %</p>	<p>0 0 %</p>	<p>1 14.3 %</p>	<p>5 25 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>2 18.2 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>16 6.5 %</p>
<p><b>Not selected</b></p>	<p>113 96.6 %</p>	<p>44 95.7 %</p>	<p>25 92.6 %</p>	<p>7 100 %</p>	<p>6 85.7 %</p>	<p>15 75 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>9 81.8 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>232 93.5 %</p>
<p><i>Total</i></p>	<p>117 100 %</p>	<p>46 100 %</p>	<p>27 100 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>20 100 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>11 100 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>248 100 %</p>

Table 42

[Informal networks] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)	Owners' Minority Status											Total
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Yes</b>	4 3.4 %	4 8.7 %	3 11.1 %	2 28.6 %	1 14.3 %	2 10 %	1 50 %	0 0 %	1 9.1 %	0 0 %	0 0 %	18 7.3 %
<b>Not selected</b>	113 96.6 %	42 91.3 %	24 88.9 %	5 71.4 %	6 85.7 %	18 90 %	1 50 %	1 100 %	10 90.9 %	3 100 %	7 100 %	230 92.7 %
<b>Total</b>	117 100 %	46 100 %	27 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	248 100 %

Table 43

[Selection process] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)	Owners' Minority Status											Total
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Yes</b>	9 7.7 %	4 8.7 %	3 11.1 %	1 14.3 %	1 14.3 %	7 35 %	1 50 %	0 0 %	1 9.1 %	0 0 %	2 28.6 %	29 11.7 %
<b>Not selected</b>	108 92.3 %	42 91.3 %	24 88.9 %	6 85.7 %	6 85.7 %	13 65 %	1 50 %	1 100 %	10 90.9 %	3 100 %	5 71.4 %	219 88.3 %
<b>Total</b>	117 100 %	46 100 %	27 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	248 100 %

Table 44

<p><i>[Not certified] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)</i></p>	<p><i>Owners' Minority Status</i></p>										<p><i>Total</i></p>	
	<p>Non-Minority</p>	<p>Woman</p>	<p>Black</p>	<p>Subcontinent Asian</p>	<p>Asian Pacific Islander</p>	<p>Hispanic</p>	<p>Native American</p>	<p>Alaskan Native</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Publicly Traded Company</p>		<p>Other</p>
<p><b>Yes</b></p>	<p>6 5.1 %</p>	<p>3 6.5 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>1 14.3 %</p>	<p>2 10 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>1 14.3 %</p>	<p>13 5.2 %</p>
<p><b>Not selected</b></p>	<p>111 94.9 %</p>	<p>43 93.5 %</p>	<p>27 100 %</p>	<p>7 100 %</p>	<p>6 85.7 %</p>	<p>18 90 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>11 100 %</p>	<p>3 100 %</p>	<p>6 85.7 %</p>	<p>235 94.8 %</p>
<p><b>Total</b></p>	<p>117 100 %</p>	<p>46 100 %</p>	<p>27 100 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>20 100 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>11 100 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>248 100 %</p>

Table 45

[Feels smaller firms unfairly complete with large firms for bid] The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)	Owners' Minority Status											Total
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
Yes	13 11.1 %	8 17.4 %	9 33.3 %	3 42.9 %	2 28.6 %	5 25 %	1 50 %	0 0 %	6 54.5 %	0 0 %	2 28.6 %	49 19.8 %
Not selected	104 88.9 %	38 82.6 %	18 66.7 %	4 57.1 %	5 71.4 %	15 75 %	1 50 %	1 100 %	5 45.5 %	3 100 %	5 71.4 %	199 80.2 %
Total	117 100 %	46 100 %	27 100 %	7 100 %	7 100 %	20 100 %	2 100 %	1 100 %	11 100 %	3 100 %	7 100 %	248 100 %

Table 46

<p><i>[None of the above]</i>  <i>The following is a list of things that may prevent companies from bidding or obtaining work on a project. In your experience, have any of the following been a barrier to your firm obtaining work on projects for the City of Tacoma? (check all that apply)</i></p>	<p><i>Owners' Minority Status</i></p>											<p><i>Total</i></p>
	<p>Non-Minority</p>	<p>Woman</p>	<p>Black</p>	<p>Subcontinent Asian</p>	<p>Asian Pacific Islander</p>	<p>Hispanic</p>	<p>Native American</p>	<p>Alaskan Native</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Publicly Traded Company</p>	<p>Other</p>	
<p><b>Yes</b></p>	<p>69 59 %</p>	<p>20 43.5 %</p>	<p>10 37 %</p>	<p>4 57.1 %</p>	<p>4 57.1 %</p>	<p>5 25 %</p>	<p>1 50 %</p>	<p>0 0 %</p>	<p>4 36.4 %</p>	<p>2 66.7 %</p>	<p>2 28.6 %</p>	<p>121 48.8 %</p>
<p><b>Not selected</b></p>	<p>48 41 %</p>	<p>26 56.5 %</p>	<p>17 63 %</p>	<p>3 42.9 %</p>	<p>3 42.9 %</p>	<p>15 75 %</p>	<p>1 50 %</p>	<p>1 100 %</p>	<p>7 63.6 %</p>	<p>1 33.3 %</p>	<p>5 71.4 %</p>	<p>127 51.2 %</p>
<p><i>Total</i></p>	<p>117 100 %</p>	<p>46 100 %</p>	<p>27 100 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>20 100 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>11 100 %</p>	<p>3 100 %</p>	<p>7 100 %</p>	<p>248 100 %</p>



Table 47

<i>What is the amount of time that it typically takes to receive payment from the City of Tacoma for your services on City of Tacoma projects?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Less than 30 days</b>	10 14.3 %	4 18.2 %	0 0 %	0 0 %	2 66.7 %	1 25 %	0 0 %	0 0 %	2 40 %	0 0 %	1 33.3 %	20 16.7 %
<b>30-60 days</b>	50 71.4 %	17 77.3 %	7 77.8 %	2 100 %	1 33.3 %	3 75 %	0 0 %	0 0 %	3 60 %	2 100 %	2 66.7 %	87 72.5 %
<b>60-90 days</b>	9 12.9 %	1 4.5 %	1 11.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	11 9.2 %
<b>90-120 days</b>	1 1.4 %	0 0 %	1 11.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 1.7 %
<b>Over 120 days</b>	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<b>Total</b>	70 100 %	22 100 %	9 100 %	2 100 %	3 100 %	4 100 %	0 100 %	0 100 %	5 100 %	2 100 %	3 100 %	120 100 %



Table 50

[WBE (Women Business Enterprise) ] What is your certification?	Owners' Minority Status											Total
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
Yes	0 0 %	27 96.4 %	7 31.8 %	2 40 %	4 80 %	6 40 %	0 0 %	0 0 %	4 66.7 %	0 0 %	0 0 %	50 45.5 %
No	17 73.9 %	1 3.6 %	12 54.5 %	3 60 %	1 20 %	8 53.3 %	2 100 %	1 100 %	2 33.3 %	0 0 %	2 66.7 %	49 44.5 %
N/A	6 26.1 %	0 0 %	3 13.6 %	0 0 %	0 0 %	1 6.7 %	0 0 %	0 0 %	0 0 %	0 0 %	1 33.3 %	11 10 %
Total	23 100 %	28 100 %	22 100 %	5 100 %	5 100 %	15 100 %	2 100 %	1 100 %	6 100 %	0 100 %	3 100 %	110 100 %

Table 51

[DBE (Disadvantaged Business Enterprise) ] What is your certification?	Owners' Minority Status											Total
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
Yes	1 4.3 %	12 42.9 %	16 72.7 %	2 40 %	2 40 %	8 53.3 %	2 100 %	1 100 %	5 83.3 %	0 0 %	2 66.7 %	51 46.4 %
No	17 73.9 %	12 42.9 %	5 22.7 %	3 60 %	3 60 %	4 26.7 %	0 0 %	0 0 %	1 16.7 %	0 0 %	1 33.3 %	46 41.8 %
N/A	5 21.7 %	4 14.3 %	1 4.5 %	0 0 %	0 0 %	3 20 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	13 11.8 %
Total	23 100 %	28 100 %	22 100 %	5 100 %	5 100 %	15 100 %	2 100 %	1 100 %	6 100 %	0 100 %	3 100 %	110 100 %

Table 52

<i>[City of Tacoma SBE (Small Business Enterprise) certification] What is your certification?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi- Racial or Multi- Racial	Publicly Traded Company	Other	
<b>Yes</b>	5 21.7 %	2 7.1 %	9 40.9 %	2 40 %	0 0 %	6 40 %	0 0 %	0 0 %	2 33.3 %	0 0 %	0 0 %	26 23.6 %
<b>No</b>	13 56.5 %	24 85.7 %	10 45.5 %	2 40 %	4 80 %	6 40 %	2 100 %	1 100 %	4 66.7 %	0 0 %	2 66.7 %	68 61.8 %
<b>N/A</b>	5 21.7 %	2 7.1 %	3 13.6 %	1 20 %	1 20 %	3 20 %	0 0 %	0 0 %	0 0 %	0 0 %	1 33.3 %	16 14.5 %
<b>Total</b>	23 100 %	28 100 %	22 100 %	5 100 %	5 100 %	15 100 %	2 100 %	1 100 %	6 100 %	0 100 %	3 100 %	110 100 %

Table 53

<i>[Non-City of Tacoma SBE certification] What is your certification?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi- Racial or Multi- Racial	Publicly Traded Company	Other	
<b>Yes</b>	16 69.6 %	12 42.9 %	8 36.4 %	3 60 %	1 20 %	10 66.7 %	1 50 %	0 0 %	3 50 %	0 0 %	3 100 %	57 51.8 %
<b>No</b>	5 21.7 %	14 50 %	10 45.5 %	1 20 %	3 60 %	3 20 %	1 50 %	1 100 %	3 50 %	0 0 %	0 0 %	41 37.3 %
<b>N/A</b>	2 8.7 %	2 7.1 %	4 18.2 %	1 20 %	1 20 %	2 13.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	12 10.9 %
<b>Total</b>	23 100 %	28 100 %	22 100 %	5 100 %	5 100 %	15 100 %	2 100 %	1 100 %	6 100 %	0 100 %	3 100 %	110 100 %











Table 62

[Business start-up loan? ] Between July 1, 2011 through June 30, 2016, did your company apply and receive any of the following?	Owners' Minority Status										Total	
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company		Other
<b>Never Applied</b>	110 99.1 %	42 97.7 %	24 92.3 %	6 85.7 %	7 100 %	16 84.2 %	2 100 %	1 100 %	10 90.9 %	2 100 %	6 100 %	226 96.2 %
<b>Applied, Never Approved</b>	0 0 %	0 0 %	2 7.7 %	1 14.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	3 1.3 %
<b>Applied, Some Approved</b>	0 0 %	1 2.3 %	0 0 %	0 0 %	0 0 %	2 10.5 %	0 0 %	0 0 %	1 9.1 %	0 0 %	0 0 %	4 1.7 %
<b>Applied, All Approved</b>	1 0.9 %	0 0 %	0 0 %	0 0 %	0 0 %	1 5.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 0.9 %
<b>Total</b>	111 100 %	43 100 %	26 100 %	7 100 %	7 100 %	19 100 %	2 100 %	1 100 %	11 100 %	2 100 %	6 100 %	235 100 %



Table 64

[Equipment loan? ] Between July 1, 2011 through June 30, 2016, did your company apply and receive any of the following?	Owners' Minority Status											Total
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Never Applied</b>	72 64.9 %	34 79.1 %	23 88.5 %	5 71.4 %	7 100 %	14 73.7 %	2 100 %	1 100 %	8 72.7 %	2 100 %	3 50 %	171 72.8 %
<b>Applied, Never Approved</b>	0 0 %	0 0 %	1 3.8 %	1 14.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 0.9 %
<b>Applied, Some Approved</b>	3 2.7 %	2 4.7 %	1 3.8 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 9.1 %	0 0 %	0 0 %	7 3 %
<b>Applied, All Approved</b>	36 32.4 %	7 16.3 %	1 3.8 %	1 14.3 %	0 0 %	5 26.3 %	0 0 %	0 0 %	2 18.2 %	0 0 %	3 50 %	55 23.4 %
<b>Total</b>	111 100 %	43 100 %	26 100 %	7 100 %	7 100 %	19 100 %	2 100 %	1 100 %	11 100 %	2 100 %	6 100 %	235 100 %

Table 65

<i>[Commercial/Professional liability insurance?] Between July 1, 2011 through June 30, 2016, did your company apply and receive any of the following?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>Black</i>	<i>Subcontinent Asian</i>	<i>Asian Pacific Islander</i>	<i>Hispanic</i>	<i>Native American</i>	<i>Alaska Native</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Publicly Traded Company</i>	<i>Other</i>	
<b>Never Applied</b>	28 25.2 %	11 25.6 %	13 50 %	1 14.3 %	3 42.9 %	4 21.1 %	0 0 %	1 100 %	4 36.4 %	0 0 %	1 16.7 %	66 28.1 %
<b>Applied, Never Approved</b>	0 0 %	0 0 %	0 0 %	1 14.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.4 %
<b>Applied, Some Approved</b>	1 0.9 %	1 2.3 %	4 15.4 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	6 2.6 %
<b>Applied, All Approved</b>	82 73.9 %	31 72.1 %	9 34.6 %	5 71.4 %	4 57.1 %	15 78.9 %	2 100 %	0 0 %	7 63.6 %	2 100 %	5 83.3 %	162 68.9 %
<i>Total</i>	111 100 %	43 100 %	26 100 %	7 100 %	7 100 %	19 100 %	2 100 %	1 100 %	11 100 %	2 100 %	6 100 %	235 100 %

Table 66

<i>What was the largest commercial loan you received from July 1, 2011 through June 30, 2016?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	<i>Non-Minority</i>	<i>Woman</i>	<i>Black</i>	<i>Subcontinent Asian</i>	<i>Asian Pacific Islander</i>	<i>Hispanic</i>	<i>Native American</i>	<i>Alaskan Native</i>	<i>Bi-Racial or Multi-Racial</i>	<i>Publicly Traded Company</i>	<i>Other</i>	
<b>\$50,000 or less</b>	19 17.1 %	7 16.3 %	4 16.7 %	0 0 %	1 14.3 %	2 10.5 %	0 0 %	0 0 %	2 18.2 %	0 0 %	2 33.3 %	37 15.9 %
<b>\$50,001 - \$100,000</b>	7 6.3 %	2 4.7 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	9 3.9 %
<b>\$100,001 - \$300,000</b>	13 11.7 %	3 7 %	2 8.3 %	1 14.3 %	0 0 %	6 31.6 %	0 0 %	0 0 %	1 9.1 %	0 0 %	0 0 %	26 11.2 %
<b>\$300,001 - \$500,000</b>	4 3.6 %	2 4.7 %	0 0 %	1 14.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	7 3 %
<b>\$500,001 - \$1,000,000</b>	4 3.6 %	0 0 %	1 4.2 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	5 2.1 %
<b>\$1,000,001 - \$3,000,000</b>	3 2.7 %	2 4.7 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 9.1 %	0 0 %	0 0 %	6 2.6 %
<b>\$3,000,001 - \$5,000,000</b>	2 1.8 %	1 2.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	3 1.3 %
<b>\$5,000,001 to \$10,000,000</b>	1 0.9 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.4 %
<b>over \$10,000,000</b>	1 0.9 %	0 0 %	1 4.2 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 0.9 %
<b>Don't Know/NA</b>	57 51.4 %	26 60.5 %	16 66.7 %	5 71.4 %	6 85.7 %	11 57.9 %	2 100 %	1 100 %	7 63.6 %	2 100 %	4 66.7 %	137 58.8 %
<b>Total</b>	111 100 %	43 100 %	24 100 %	7 100 %	7 100 %	19 100 %	2 100 %	1 100 %	11 100 %	2 100 %	6 100 %	233 100 %

Table 67

<i>How many times have you been denied a commercial (business) bank loan from July 1, 2011 through June 30, 2016?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	<i>Non- Minority</i>	<i>Woman</i>	<i>Black</i>	<i>Subcontinent Asian</i>	<i>Asian Pacific Islander</i>	<i>Hispanic</i>	<i>Native American</i>	<i>Alaskan Native</i>	<i>Bi- Racial or Multi- Racial</i>	<i>Publicly Traded Company</i>	<i>Other</i>	
<b>None</b>	79 71.2 %	21 48.8 %	13 50 %	6 85.7 %	4 57.1 %	9 47.4 %	1 50 %	0 0 %	7 63.6 %	0 0 %	5 83.3 %	145 61.7 %
<b>1-10</b>	10 9 %	5 11.6 %	6 23.1 %	1 14.3 %	0 0 %	4 21.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	26 11.1 %
<b>11-25</b>	0 0 %	1 2.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.4 %
<b>26-50</b>	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<b>51-100</b>	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<b>Over 100</b>	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %
<b>Don't Know/NA</b>	22 19.8 %	16 37.2 %	7 26.9 %	0 0 %	3 42.9 %	6 31.6 %	1 50 %	1 100 %	4 36.4 %	2 100 %	1 16.7 %	63 26.8 %
<b>Total</b>	111 100 %	43 100 %	26 100 %	7 100 %	7 100 %	19 100 %	2 100 %	1 100 %	11 100 %	2 100 %	6 100 %	235 100 %











Table 72

<i>Do you believe that your race, gender, or ethnicity was a factor in any of those denials?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Yes</b>	0 0 %	2 40 %	1 16.7 %	1 100 %	0 0 %	1 33.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	5 20 %
<b>No</b>	9 100 %	3 60 %	5 83.3 %	0 0 %	0 0 %	2 66.7 %	0 0 %	0 0 %	1 100 %	0 0 %	0 0 %	20 80 %
<b>Total</b>	9 100 %	5 100 %	6 100 %	1 100 %	0 100 %	3 100 %	0 100 %	0 100 %	1 100 %	0 100 %	0 100 %	25 100 %

Table 73

<i>How would you rate the quality of interaction with the City of Tacoma on contract opportunities?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Extremely Satisfied</b>	10 9 %	8 18.6 %	1 3.8 %	1 14.3 %	1 14.3 %	3 17.6 %	0 0 %	1 100 %	0 0 %	0 0 %	1 16.7 %	26 11.2 %
<b>Satisfied</b>	30 27 %	10 23.3 %	4 15.4 %	0 0 %	1 14.3 %	2 11.8 %	0 0 %	0 0 %	1 10 %	2 100 %	1 16.7 %	51 22 %
<b>Somewhat Satisfied</b>	1 0.9 %	3 7 %	2 7.7 %	0 0 %	0 0 %	1 5.9 %	0 0 %	0 0 %	1 10 %	0 0 %	0 0 %	8 3.4 %
<b>Neutral</b>	28 25.2 %	6 14 %	4 15.4 %	1 14.3 %	2 28.6 %	3 17.6 %	1 50 %	0 0 %	0 0 %	0 0 %	0 0 %	45 19.4 %
<b>Somewhat Dissatisfied</b>	7 6.3 %	0 0 %	1 3.8 %	1 14.3 %	0 0 %	2 11.8 %	0 0 %	0 0 %	1 10 %	0 0 %	1 16.7 %	13 5.6 %
<b>Dissatisfied</b>	5 4.5 %	0 0 %	2 7.7 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 20 %	0 0 %	0 0 %	9 3.9 %
<b>Extremely Dissatisfied</b>	1 0.9 %	1 2.3 %	1 3.8 %	2 28.6 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 16.7 %	6 2.6 %
<b>Don't Know/NA</b>	29 26.1 %	15 34.9 %	11 42.3 %	2 28.6 %	3 42.9 %	6 35.3 %	1 50 %	0 0 %	5 50 %	0 0 %	2 33.3 %	74 31.9 %
<b>Total</b>	111 100 %	43 100 %	26 100 %	7 100 %	7 100 %	17 100 %	2 100 %	1 100 %	10 100 %	2 100 %	6 100 %	232 100 %

Table 74

<i>Do you feel as though you experienced discriminatory behavior from the private sector (i.e., non-governmental entities) from July 1, 2011 through June 30, 2016?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Yes</b>	5 4.5 %	6 14 %	11 42.3 %	2 28.6 %	2 28.6 %	4 23.5 %	1 50 %	0 0 %	3 27.3 %	0 0 %	0 0 %	34 14.6 %
<b>No</b>	88 79.3 %	29 67.4 %	13 50 %	3 42.9 %	5 71.4 %	9 52.9 %	0 0 %	1 100 %	6 54.5 %	1 50 %	5 83.3 %	160 68.7 %
<b>Don't Know</b>	18 16.2 %	8 18.6 %	2 7.7 %	2 28.6 %	0 0 %	4 23.5 %	1 50 %	0 0 %	2 18.2 %	1 50 %	1 16.7 %	39 16.7 %
<b>Total</b>	111 100 %	43 100 %	26 100 %	7 100 %	7 100 %	17 100 %	2 100 %	1 100 %	11 100 %	2 100 %	6 100 %	233 100 %

Table 75

<i>From July 1, 2011 through June 30, 2016, how often has your company experienced any racial, gender, or ethnicity discriminatory behavior from the City of Tacoma?</i>	<i>Owners' Minority Status</i>											<i>Total</i>
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Never</b>	94 84.7 %	37 86 %	18 69.2 %	3 42.9 %	5 71.4 %	13 72.2 %	1 50 %	1 100 %	7 63.6 %	1 50 %	4 66.7 %	184 78.6 %
<b>Seldom</b>	1 0.9 %	0 0 %	1 3.8 %	0 0 %	0 0 %	1 5.6 %	0 0 %	0 0 %	1 9.1 %	0 0 %	0 0 %	4 1.7 %
<b>Often</b>	1 0.9 %	0 0 %	1 3.8 %	1 14.3 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	3 1.3 %
<b>Very Often</b>	0 0 %	0 0 %	1 3.8 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.4 %
<b>Don't Know</b>	15 13.5 %	6 14 %	5 19.2 %	3 42.9 %	2 28.6 %	4 22.2 %	1 50 %	0 0 %	3 27.3 %	1 50 %	2 33.3 %	42 17.9 %
<b>Total</b>	111 100 %	43 100 %	26 100 %	7 100 %	7 100 %	18 100 %	2 100 %	1 100 %	11 100 %	2 100 %	6 100 %	234 100 %

Table 76

From July 1, 2011 through June 30, 2016, was it expressed to you by the City of Tacoma that you could not bid or would not be awarded a contract because your company did not have enough contracting experience with the City of Tacoma?	Owners' Minority Status											Total
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Yes</b>	0 0 %	0 0 %	1 3.8 %	2 28.6 %	1 14.3 %	1 5.6 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	5 2.1 %
<b>No</b>	90 81.1 %	32 74.4 %	18 69.2 %	3 42.9 %	5 71.4 %	13 72.2 %	1 50 %	1 100 %	7 63.6 %	2 100 %	5 83.3 %	177 75.6 %
<b>Don't Know</b>	21 18.9 %	11 25.6 %	7 26.9 %	2 28.6 %	1 14.3 %	4 22.2 %	1 50 %	0 0 %	4 36.4 %	0 0 %	1 16.7 %	52 22.2 %
<b>Total</b>	111 100 %	43 100 %	26 100 %	7 100 %	7 100 %	18 100 %	2 100 %	1 100 %	11 100 %	2 100 %	6 100 %	234 100 %





Table 78

[My company's exclusion from this informal network has prevented us from bidding on contracts with the City of Tacoma. ] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:	Owners' Minority Status											Total
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Strongly Disagree</b>	1 5 %	2 13.3 %	0 0 %	0 0 %	1 25 %	1 11.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	5 6.1 %
<b>Disagree</b>	3 15 %	2 13.3 %	0 0 %	1 25 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	6 7.3 %
<b>Neither Agree nor Disagree</b>	10 50 %	7 46.7 %	11 61.1 %	1 25 %	1 25 %	3 33.3 %	0 0 %	1 100 %	5 62.5 %	0 0 %	1 50 %	40 48.8 %
<b>Agree</b>	4 20 %	4 26.7 %	4 22.2 %	1 25 %	1 25 %	4 44.4 %	1 100 %	0 0 %	2 25 %	0 0 %	0 0 %	21 25.6 %
<b>Strongly Agree</b>	2 10 %	0 0 %	3 16.7 %	1 25 %	1 25 %	1 11.1 %	0 0 %	0 0 %	1 12.5 %	0 0 %	1 50 %	10 12.2 %
<b>Total</b>	20 100 %	15 100 %	18 100 %	4 100 %	4 100 %	9 100 %	1 100 %	1 100 %	8 100 %	0 100 %	2 100 %	82 100 %

Table 79

[My company's exclusion from this informal network has prevented us from winning contracts with the City of Tacoma. ] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:	Owners' Minority Status											Total
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Strongly Disagree</b>	0 0 %	2 13.3 %	0 0 %	0 0 %	1 25 %	1 11.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	4 4.9 %
<b>Disagree</b>	2 10 %	1 6.7 %	1 5.6 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 12.5 %	0 0 %	0 0 %	5 6.1 %
<b>Neither Agree nor Disagree</b>	14 70 %	10 66.7 %	10 55.6 %	0 0 %	2 50 %	4 44.4 %	0 0 %	1 100 %	6 75 %	0 0 %	0 0 %	47 57.3 %
<b>Agree</b>	3 15 %	2 13.3 %	5 27.8 %	2 50 %	0 0 %	2 22.2 %	1 100 %	0 0 %	0 0 %	0 0 %	1 50 %	16 19.5 %
<b>Strongly Agree</b>	1 5 %	0 0 %	2 11.1 %	2 50 %	1 25 %	2 22.2 %	0 0 %	0 0 %	1 12.5 %	0 0 %	1 50 %	10 12.2 %
<b>Total</b>	20 100 %	15 100 %	18 100 %	4 100 %	4 100 %	9 100 %	1 100 %	1 100 %	8 100 %	0 100 %	2 100 %	82 100 %

Table 80

*[Exclusion from this informal network has a disproportionate impact on small, disadvantaged, women and minority-owned businesses.] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:*

	<i>Owners' Minority Status</i>											<i>Total</i>
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Strongly Disagree</b>	0 0 %	1 6.2 %	0 0 %	0 0 %	1 25 %	1 11.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	3 3.6 %
<b>Disagree</b>	2 10 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 2.4 %
<b>Neither Agree nor Disagree</b>	10 50 %	9 56.2 %	3 15.8 %	0 0 %	0 0 %	3 33.3 %	0 0 %	1 100 %	5 71.4 %	0 0 %	0 0 %	31 37.3 %
<b>Agree</b>	6 30 %	5 31.2 %	9 47.4 %	1 25 %	1 25 %	3 33.3 %	1 100 %	0 0 %	1 14.3 %	0 0 %	1 50 %	28 33.7 %
<b>Strongly Agree</b>	2 10 %	1 6.2 %	7 36.8 %	3 75 %	2 50 %	2 22.2 %	0 0 %	0 0 %	1 14.3 %	0 0 %	1 50 %	19 22.9 %
<b>Total</b>	20 100 %	16 100 %	19 100 %	4 100 %	4 100 %	9 100 %	1 100 %	1 100 %	7 100 %	0 100 %	2 100 %	83 100 %

Table 81

<p><i>[Double standards in qualifications and work performance make it more difficult for small, disadvantaged, minority, and women-owned businesses to win bids or contracts.] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:</i></p>	<p><b>Owners' Minority Status</b></p>											<p><i>Total</i></p>
	<p>Non-Minority</p>	<p>Woman</p>	<p>Black</p>	<p>Subcontinent Asian</p>	<p>Asian Pacific Islander</p>	<p>Hispanic</p>	<p>Native American</p>	<p>Alaskan Native</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Publicly Traded Company</p>	<p>Other</p>	
<p><b>Strongly Disagree</b></p>	<p>9 8.7 %</p>	<p>7 16.7 %</p>	<p>0 0 %</p>	<p>1 14.3 %</p>	<p>2 28.6 %</p>	<p>2 11.8 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>2 33.3 %</p>	<p>23 10.3 %</p>
<p><b>Disagree</b></p>	<p>17 16.3 %</p>	<p>6 14.3 %</p>	<p>1 3.8 %</p>	<p>0 0 %</p>	<p>1 14.3 %</p>	<p>5 29.4 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>1 10 %</p>	<p>1 50 %</p>	<p>1 16.7 %</p>	<p>33 14.7 %</p>
<p><b>Neither Agree nor Disagree</b></p>	<p>68 65.4 %</p>	<p>15 35.7 %</p>	<p>7 26.9 %</p>	<p>2 28.6 %</p>	<p>1 14.3 %</p>	<p>3 17.6 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>4 40 %</p>	<p>1 50 %</p>	<p>2 33.3 %</p>	<p>103 46 %</p>
<p><b>Agree</b></p>	<p>9 8.7 %</p>	<p>11 26.2 %</p>	<p>11 42.3 %</p>	<p>1 14.3 %</p>	<p>0 0 %</p>	<p>5 29.4 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>4 40 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>44 19.6 %</p>
<p><b>Strongly Agree</b></p>	<p>1 1 %</p>	<p>3 7.1 %</p>	<p>7 26.9 %</p>	<p>3 42.9 %</p>	<p>3 42.9 %</p>	<p>2 11.8 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>1 10 %</p>	<p>0 0 %</p>	<p>1 16.7 %</p>	<p>21 9.4 %</p>
<p><b>Total</b></p>	<p>104 100 %</p>	<p>42 100 %</p>	<p>26 100 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>17 100 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>10 100 %</p>	<p>2 100 %</p>	<p>6 100 %</p>	<p>224 100 %</p>

Table 82

[ The City of Tacoma is generally accommodating to the language needs of its vendor community. ] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:	Owners' Minority Status											Total
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Strongly Disagree</b>	0 0 %	1 2.4 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	1 0.5 %
<b>Disagree</b>	3 2.9 %	0 0 %	0 0 %	0 0 %	0 0 %	1 5.9 %	0 0 %	0 0 %	1 10 %	0 0 %	0 0 %	5 2.3 %
<b>Neither Agree nor Disagree</b>	73 71.6 %	30 71.4 %	21 84 %	4 57.1 %	4 57.1 %	11 64.7 %	2 100 %	1 100 %	5 50 %	1 50 %	6 100 %	158 71.5 %
<b>Agree</b>	23 22.5 %	7 16.7 %	3 12 %	2 28.6 %	3 42.9 %	2 11.8 %	0 0 %	0 0 %	4 40 %	1 50 %	0 0 %	45 20.4 %
<b>Strongly Agree</b>	3 2.9 %	4 9.5 %	1 4 %	1 14.3 %	0 0 %	3 17.6 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	12 5.4 %
<b>Total</b>	102 100 %	42 100 %	25 100 %	7 100 %	7 100 %	17 100 %	2 100 %	1 100 %	10 100 %	2 100 %	6 100 %	221 100 %

Table 83

<p><i>[The amount of experience required by a firm to bid or win contracts with the City of Tacoma is unnecessary and makes it more difficult for small, disadvantaged, minority and women-owned businesses to win bids or contracts.]</i>  <i>Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:</i></p>	<p><b>Owners' Minority Status</b></p>										<p><i>Total</i></p>	
	<p>Non-Minority</p>	<p>Woman</p>	<p>Black</p>	<p>Subcontinent Asian</p>	<p>Asian Pacific Islander</p>	<p>Hispanic</p>	<p>Native American</p>	<p>Alaskan Native</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Publicly Traded Company</p>		<p>Other</p>
<p><b>Strongly Disagree</b></p>	<p>8 7.8 %</p>	<p>3 7.3 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>1 14.3 %</p>	<p>1 5.9 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>1 16.7 %</p>	<p>14 6.3 %</p>
<p><b>Disagree</b></p>	<p>18 17.5 %</p>	<p>12 29.3 %</p>	<p>5 19.2 %</p>	<p>1 14.3 %</p>	<p>2 28.6 %</p>	<p>3 17.6 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>1 10 %</p>	<p>2 100 %</p>	<p>1 16.7 %</p>	<p>45 20.3 %</p>
<p><b>Neither Agree nor Disagree</b></p>	<p>64 62.1 %</p>	<p>20 48.8 %</p>	<p>13 50 %</p>	<p>3 42.9 %</p>	<p>1 14.3 %</p>	<p>7 41.2 %</p>	<p>0 0 %</p>	<p>1 100 %</p>	<p>4 40 %</p>	<p>0 0 %</p>	<p>4 66.7 %</p>	<p>117 52.7 %</p>
<p><b>Agree</b></p>	<p>11 10.7 %</p>	<p>5 12.2 %</p>	<p>7 26.9 %</p>	<p>0 0 %</p>	<p>1 14.3 %</p>	<p>2 11.8 %</p>	<p>1 50 %</p>	<p>0 0 %</p>	<p>3 30 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>30 13.5 %</p>
<p><b>Strongly Agree</b></p>	<p>2 1.9 %</p>	<p>1 2.4 %</p>	<p>1 3.8 %</p>	<p>3 42.9 %</p>	<p>2 28.6 %</p>	<p>4 23.5 %</p>	<p>1 50 %</p>	<p>0 0 %</p>	<p>2 20 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>16 7.2 %</p>
<p><b>Total</b></p>	<p>103 100 %</p>	<p>41 100 %</p>	<p>26 100 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>17 100 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>10 100 %</p>	<p>2 100 %</p>	<p>6 100 %</p>	<p>222 100 %</p>

Table 84

<i>[The bonding and insurance requirements set by the City of Tacoma or its prime vendors are excessive for the projects that are bid.] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:</i>	<i>Owners' Minority Status</i>											<i>Total</i>	
	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other		
<b>Strongly Disagree</b>	11 10.7 %	4 9.5 %	0 0 %	0 0 %	1 14.3 %	1 5.9 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	17 7.6 %
<b>Disagree</b>	20 19.4 %	6 14.3 %	6 23.1 %	0 0 %	2 28.6 %	3 17.6 %	0 0 %	1 100 %	2 20 %	1 50 %	1 16.7 %	1 16.7 %	42 18.8 %
<b>Neither Agree nor Disagree</b>	64 62.1 %	26 61.9 %	15 57.7 %	5 71.4 %	2 28.6 %	10 58.8 %	2 100 %	0 0 %	5 50 %	1 50 %	5 83.3 %	5 83.3 %	135 60.5 %
<b>Agree</b>	5 4.9 %	6 14.3 %	4 15.4 %	0 0 %	2 28.6 %	1 5.9 %	0 0 %	0 0 %	2 20 %	0 0 %	0 0 %	0 0 %	20 9 %
<b>Strongly Agree</b>	3 2.9 %	0 0 %	1 3.8 %	2 28.6 %	0 0 %	2 11.8 %	0 0 %	0 0 %	1 10 %	0 0 %	0 0 %	0 0 %	9 4 %
<b>Total</b>	103 100 %	42 100 %	26 100 %	7 100 %	7 100 %	17 100 %	2 100 %	1 100 %	10 100 %	2 100 %	6 100 %	6 100 %	223 100 %

Table 85

<p><i>[Sometimes, a prime contractor will contact a small, minority, woman or disadvantaged business to ask for quotes but never give their proposal serious consideration.] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:</i></p>	<p><i>Owners' Minority Status</i></p>											<p><i>Total</i></p>	
	<p>Non-Minority</p>	<p>Woman</p>	<p>Black</p>	<p>Subcontinent Asian</p>	<p>Asian Pacific Islander</p>	<p>Hispanic</p>	<p>Native American</p>	<p>Alaskan Native</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Publicly Traded Company</p>	<p>Other</p>		
<p><b>Strongly Disagree</b></p>	<p>10 9.7 %</p>	<p>2 4.9 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>1 14.3 %</p>	<p>1 5.9 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>14 6.3 %</p>
<p><b>Disagree</b></p>	<p>6 5.8 %</p>	<p>4 9.8 %</p>	<p>0 0 %</p>	<p>1 14.3 %</p>	<p>0 0 %</p>	<p>2 11.8 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>1 10 %</p>	<p>0 0 %</p>	<p>1 16.7 %</p>	<p>15 6.8 %</p>	
<p><b>Neither Agree nor Disagree</b></p>	<p>73 70.9 %</p>	<p>25 61 %</p>	<p>16 61.5 %</p>	<p>3 42.9 %</p>	<p>3 42.9 %</p>	<p>7 41.2 %</p>	<p>1 50 %</p>	<p>0 0 %</p>	<p>5 50 %</p>	<p>2 100 %</p>	<p>4 66.7 %</p>	<p>139 62.6 %</p>	
<p><b>Agree</b></p>	<p>11 10.7 %</p>	<p>5 12.2 %</p>	<p>3 11.5 %</p>	<p>1 14.3 %</p>	<p>2 28.6 %</p>	<p>2 11.8 %</p>	<p>0 0 %</p>	<p>1 100 %</p>	<p>2 20 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>27 12.2 %</p>	
<p><b>Strongly Agree</b></p>	<p>3 2.9 %</p>	<p>5 12.2 %</p>	<p>7 26.9 %</p>	<p>2 28.6 %</p>	<p>1 14.3 %</p>	<p>5 29.4 %</p>	<p>1 50 %</p>	<p>0 0 %</p>	<p>2 20 %</p>	<p>0 0 %</p>	<p>1 16.7 %</p>	<p>27 12.2 %</p>	
<p><b>Total</b></p>	<p>103 100 %</p>	<p>41 100 %</p>	<p>26 100 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>17 100 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>10 100 %</p>	<p>2 100 %</p>	<p>6 100 %</p>	<p>222 100 %</p>	





Table 87

<p><i>[In general, S/M/W/DBE's tend to be viewed by Non-S/M/W/DBE businesses as less competent than non-minority male-owned businesses.] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:</i></p>	<p><i>Owners' Minority Status</i></p>										<p><i>Total</i></p>	
	<p>Non-Minority</p>	<p>Woman</p>	<p>Black</p>	<p>Subcontinent Asian</p>	<p>Asian Pacific Islander</p>	<p>Hispanic</p>	<p>Native American</p>	<p>Alaskan Native</p>	<p>Bi-Racial or Multi-Racial</p>	<p>Publicly Traded Company</p>		<p>Other</p>
<p><b>Strongly Disagree</b></p>	<p>10 9.7 %</p>	<p>2 4.8 %</p>	<p>1 3.8 %</p>	<p>0 0 %</p>	<p>1 14.3 %</p>	<p>1 5.9 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>2 20 %</p>	<p>0 0 %</p>	<p>1 16.7 %</p>	<p>18 8.1 %</p>
<p><b>Disagree</b></p>	<p>12 11.7 %</p>	<p>4 9.5 %</p>	<p>1 3.8 %</p>	<p>0 0 %</p>	<p>1 14.3 %</p>	<p>1 5.9 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>1 10 %</p>	<p>0 0 %</p>	<p>1 16.7 %</p>	<p>21 9.4 %</p>
<p><b>Neither Agree nor Disagree</b></p>	<p>64 62.1 %</p>	<p>21 50 %</p>	<p>8 30.8 %</p>	<p>4 57.1 %</p>	<p>3 42.9 %</p>	<p>7 41.2 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>3 30 %</p>	<p>1 50 %</p>	<p>4 66.7 %</p>	<p>115 51.6 %</p>
<p><b>Agree</b></p>	<p>17 16.5 %</p>	<p>11 26.2 %</p>	<p>7 26.9 %</p>	<p>1 14.3 %</p>	<p>1 14.3 %</p>	<p>4 23.5 %</p>	<p>1 50 %</p>	<p>1 100 %</p>	<p>3 30 %</p>	<p>1 50 %</p>	<p>0 0 %</p>	<p>47 21.1 %</p>
<p><b>Strongly Agree</b></p>	<p>0 0 %</p>	<p>4 9.5 %</p>	<p>9 34.6 %</p>	<p>2 28.6 %</p>	<p>1 14.3 %</p>	<p>4 23.5 %</p>	<p>1 50 %</p>	<p>0 0 %</p>	<p>1 10 %</p>	<p>0 0 %</p>	<p>0 0 %</p>	<p>22 9.9 %</p>
<p><b>Total</b></p>	<p>103 100 %</p>	<p>42 100 %</p>	<p>26 100 %</p>	<p>7 100 %</p>	<p>7 100 %</p>	<p>17 100 %</p>	<p>2 100 %</p>	<p>1 100 %</p>	<p>10 100 %</p>	<p>2 100 %</p>	<p>6 100 %</p>	<p>223 100 %</p>

Table 88

*[I believe that some non-minority prime contractors only utilize S/M/W/DBE companies when required to do so by the City of Tacoma. ] Please tell us if you strongly agree, agree, neither agree or disagree, disagree or strongly disagree with each of the following statements:*

*Owners' Minority Status*

*Total*

	Non-Minority	Woman	Black	Subcontinent Asian	Asian Pacific Islander	Hispanic	Native American	Alaskan Native	Bi-Racial or Multi-Racial	Publicly Traded Company	Other	
<b>Strongly Disagree</b>	4 3.9 %	1 2.4 %	0 0 %	0 0 %	1 14.3 %	1 5.9 %	0 0 %	0 0 %	1 10 %	0 0 %	0 0 %	8 3.6 %
<b>Disagree</b>	7 6.8 %	3 7.1 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	0 0 %	2 33.3 %	12 5.4 %
<b>Neither Agree nor Disagree</b>	61 59.2 %	23 54.8 %	7 26.9 %	3 42.9 %	2 28.6 %	6 35.3 %	1 50 %	1 100 %	4 40 %	1 50 %	2 33.3 %	111 49.8 %
<b>Agree</b>	28 27.2 %	10 23.8 %	8 30.8 %	1 14.3 %	2 28.6 %	4 23.5 %	0 0 %	0 0 %	2 20 %	1 50 %	1 16.7 %	57 25.6 %
<b>Strongly Agree</b>	3 2.9 %	5 11.9 %	11 42.3 %	3 42.9 %	2 28.6 %	6 35.3 %	1 50 %	0 0 %	3 30 %	0 0 %	1 16.7 %	35 15.7 %
<b>Total</b>	103 100 %	42 100 %	26 100 %	7 100 %	7 100 %	17 100 %	2 100 %	1 100 %	10 100 %	2 100 %	6 100 %	223 100 %

## APPENDIX M

Organizations Contacted for Participation in  
the Study

## APPENDIX M – ORGANIZATIONS CONTACTED FOR PARTICIPATION IN THE DISPARITY STUDY

<b>Organization</b>
Minority Business Development Center
Office of Minority Womens Business Enterprises
Ethnic Buisness Coalition
Arab Alliance Chamber of Commerce
Northwest Mountain Minority Supplier Development Council
William Factor Small Business Incubator
Washington Women's Business Center
Puget Sound Latino Chamber Of Commerce
Asian Pacific Islander Coalition
Greater Seattle Business Association (LGBTQIA)
African American Chamber of Commerce of the Pacific Northwest
Iron Workers
AGC of Washington
Urban League of Metro Seattle
Tacoma Urban league
Tacoma Pierce Country Chamber of Commerce
Seattle King County NAACP
Tacoma NAACP
Center Stone
National Association of Minority Contractors
Entreprenual Institute of Washington
Seattle Building and Constructions Trade Council
Tabor 100
Washington Asphalt Pavement Association
Tribal Employment Rights Office Tulalip Tribe** (Tulalip)
Washington and Northern Idaho District Council of Labors (Mill Creek)
Women in Highway Contruction
Korean American Chamber of Commerce of Washington State
The Conversation
Tacoma Action Collective

# APPENDIX N

## Disparity Study Definitions

## APPENDIX N – STUDY DEFINITIONS

**Anecdotal** – A reported personal experience or encounter, retold through interview, testimony, email, or survey. Not necessarily verified or based on research.

**Availability** – A calculated percentage computed by dividing the number of businesses in each study group by the total number of businesses in the pool for that work category.

**Awards** – For Prime Contractors, the Awards were measured through contracts and purchase orders. For Subcontractors, the awards were measured through a prime vendor questionnaire that was sent to all prime contractors (except goods where there are typically no subcontractors).

**City of Richmond v. J.A. Croson Company 488 U.S. 469 (1989) (“Croson”)** – Laws that, on their face, favor one class of citizens over another, may run afoul of the Equal Protection Clause of the 14 Amendment of the U.S. Constitution even if those laws are meant to remedy discrimination. Such laws, including those that create race conscious programs, must withstand judicial “strict scrutiny” or they will be dismantled. In its Croson decision, the Supreme Court ruled that the City of Richmond’s Minority Business Enterprise (hereinafter “MBE”) program failed to satisfy the requirements of “strict scrutiny” review under the 14<sup>th</sup> Amendment “Strict scrutiny” review involves two co-equal considerations to determine whether a race conscious program can withstand the Strict Scrutiny: First, the need to demonstrate a compelling governmental interest (which may be established through periodic disparity studies); Second, implementation of a program or method narrowly-tailored to achieve/remedy the compelling interest. In Croson, the Supreme Court concluded that the City of Richmond failed to show that its minority set-aside program was “necessary” to remedy the effects of discrimination in the marketplace.

**Disparity Index** – A statistical measure demonstrated by the failure to meet parity between availability and Utilization. Disparity is calculated by comparing the utilization percentage to the availability percentage of each race/gender/ethnic group. Will result in either overutilization, underutilization or parity.

**Disparity Study (“Study”)** – A tool, identified by the Supreme Court as necessary for satisfying the strict scrutiny threshold for race conscious programs and demonstrating the compelling governmental interest by “factual predicate” that identifies discrimination and a narrowly tailored remedy to redress any finding of discrimination. Must adhere to the legal requirements of U.S Supreme Court decisions like City of Richmond v. J.A. Croson Company, and its progeny. Not designed to be an analysis of any current remedial programs but an analysis of race, ethnicity, and gender status and how it affects participation in the procurement process and in the marketplace.

**Fiscal Year (“FY”)** – The business year for the City of Tacoma for purchasing and accounting purposes. Measured by the City of Tacoma from July 1 – June 30<sup>th</sup>. The study period for this study is FY 2012-2016.

**Good Faith Efforts (“GFE”)** – The documentation and verification process to ensure that prime contractors are soliciting and negotiating with MWBEs in “good faith” for potential subcontracting opportunities.

**Minority Business Enterprise (“MBE”)** – any for-profit business owned and controlled by an individual or group of individuals who have at least 51% stake in ownership and identify with one of the following ethnic minority groups:

- African American
- Asian American
- Hispanic American
- Native American

**MWBE** – For profit businesses owned and controlled by a person or group of individuals who have at least 51% stake in ownership and identify as an MBE or Nonminority Woman.

**Non-MWBE** – Any for profit business owned and controlled by a person or group of individuals who have at least 51% stake in ownership and identify as either Caucasian Males or is Publicly Traded with no majority owner of which to attribute an ethnicity. Not-for-profit and governmental entities are not included as Non-MWBEs.

**Nonminority Female** – Any for profit business owned and controlled by an individual or group of individuals who have at least 51% stake in ownership and identify as Non-Hispanic Caucasian women.

**Overutilization** – The measure by which the utilization percentage is higher than the availability percentage and the Disparity Index is above 100. In order to be statistically significantly overutilized, the Disparity Index must be 110 or more.

**Parity** – The absence of disparity, demonstrated by the utilization percentage being equal to availability percentage and the Disparity Index equaling 100.

**Prime Contractor** – A business who has entered into direct contractual relationship with the City of Tacoma, or other public or private entity to provide a good, service, or perform a scope of services.

**Qualitative Analysis** – Also known as anecdotal analysis. Referring to a measurement of quality (ex. how good over how much). Typified through collection and analysis of constituents' anecdotal impressions, such as interviews, public hearings, focus groups, and other forms of commentary.

**Quantitative Analysis** – Commonly referred to as statistical analysis. Referring to a measurement of quantity over quality (ex. how much over how good). Typified by analysis of mathematical or statistical modeling.

**Regression Analysis** – Statistical measure used to determine whether the race, ethnicity or gender status of a business owner are an impediment in contracting in the Tacoma marketplace and whether but for these, they would have the capacity to provide services on a higher level than is currently utilized.

**Relevant Market** – A statistical measure, determined by where The City of Tacoma has spent at least 75% of its prime awards dollars. All aspects of the availability, utilization, and disparity analysis will encompass only firms located within the relevant market, by work category, to ensure that any resulting program is “narrowly tailored” per Croson standards.

**Strict Scrutiny** – The highest level of judicial scrutiny used in determining the constitutionality of laws.

**Study Period** – The period between which all City contract awards are subject to study analysis. For this study it has been defined as July 1, 2011 – June 30, 2016 (FY12-FY16)

**Subcontractor** – A business who has entered into a direct contractual relationship with a Prime Contractor to either provide a good or service or perform a full scope, or portion of a scope of services.

**Threshold Analysis** – A measure of all awards (contracts and purchase orders) made by the City of Tacoma during in the study period, disaggregated by contract size to determine the level of contracting done by the City of Tacoma. Used to determine if a separate availability measure is necessary for Prime and Subcontractors.

**Utilization** – A review of The City of Tacoma's Awards to determine where and with whom Prime Contractor and Subcontractor were made. The analysis is conducted both with regard to the number of firms and the dollars in each race, ethnicity, gender group during each year of the Study.



**Work Categories** – The work categories for services which are purchased by The City of Tacoma and are utilized by The City of Tacoma (for primes) and The City of Tacoma primes (for subcontractors). For the purpose of this study, contract data was collected and analyzed in the following business sectors.

- Construction
- Architecture & Engineering (“A&E”)
- Services
- Goods

**Underutilization** – The measure by which the utilization percentage is less than the availability percentage and the Disparity Index is below 100. In order to be statistically significantly underutilized, the Disparity Index must be 80 or less.

# APPENDIX O

Distribution of Construction Occupations  
Seattle MSA, 2017

APPENDIX O  
DISTRIBUTION OF CONSTRUCTION OCCUPATIONS,  
SEATTLE MSA  
2017

**2018 Tacoma LEAP Review**

<b>Code</b>	<b>Occupation</b>	<b>Number</b>	<b>Percent</b>
47-0000	Construction and Extraction Occupations	88,530	
47-1011	First-Line Supervisors of Construction Trades and Extraction Workers	7,740	8.7%
47-2011	Boilermakers	NA	NA
47-2021	Brickmasons and Blockmasons	790	0.9%
47-2022	Stonemasons	140	0.2%
47-2031	Carpenters	15,840	17.9%
47-2041	Carpet Installers	620	0.7%
47-2042	Floor Layers, Except Carpet, Wood, and Hard Tiles	NA	NA
47-2044	Tile and Marble Setters	670	0.8%
47-2051	Cement Masons and Concrete Finishers	1,520	1.7%
47-2061	Construction Laborers	14,190	16.0%
47-2071	Paving, Surfacing, and Tamping Equipment Operators	NA	NA
47-2072	Pile-Driver Operators	100	0.1%
47-2073	Operating Engineers and Other Construction Equipment Operators	3,740	4.2%
47-2081	Drywall and Ceiling Tile Installers	3,070	3.5%
47-2082	Tapers	1,300	1.5%
47-2111	Electricians	10,480	11.8%
47-2121	Glaziers	1,630	1.8%
47-2131	Insulation Workers, Floor, Ceiling, and Wall	610	0.7%
47-2132	Insulation Workers, Mechanical	NA	NA
47-2141	Painters, Construction and Maintenance	6,190	7.0%
47-2151	Pipelayers	580	0.7%
47-2152	Plumbers, Pipefitters, and Steamfitters	5,530	6.2%
47-2161	Plasterers and Stucco Masons	110	0.1%
47-2171	Reinforcing Iron and Rebar Workers	440	0.5%
47-2181	Roofers	2,280	2.6%
47-2211	Sheet Metal Workers	2,810	3.2%
47-2221	Structural Iron and Steel Workers	740	0.8%
47-3011	Helpers--Brickmasons, Blockmasons, Stonemasons, and Tile and Marble Setters	240	0.3%
47-3012	Helpers--Carpenters	350	0.4%
47-3013	Helpers--Electricians	NA	NA
47-3014	Helpers--Painters, Paperhangers, Plasterers, and Stucco Masons	NA	NA
47-3015	Helpers--Pipelayers, Plumbers, Pipefitters, and Steamfitters	320	0.4%
47-3019	Helpers, Construction Trades, All Other	NA	NA

47-4011	Construction and Building Inspectors	1,830	2.1%
47-4021	Elevator Installers and Repairers	NA	NA
47-4031	Fence Erectors	360	0.4%
47-4041	Hazardous Materials Removal Workers	540	0.6%
47-4051	Highway Maintenance Workers	680	0.8%
47-4061	Rail-Track Laying and Maintenance Equipment Operators	120	0.1%
47-4071	Septic Tank Servicers and Sewer Pipe Cleaners	310	0.4%
47-4090	Miscellaneous Construction and Related Workers	110	0.1%
47-5021	Earth Drillers, Except Oil and Gas	50	0.1%

Source: Bureau of Labor Statistics