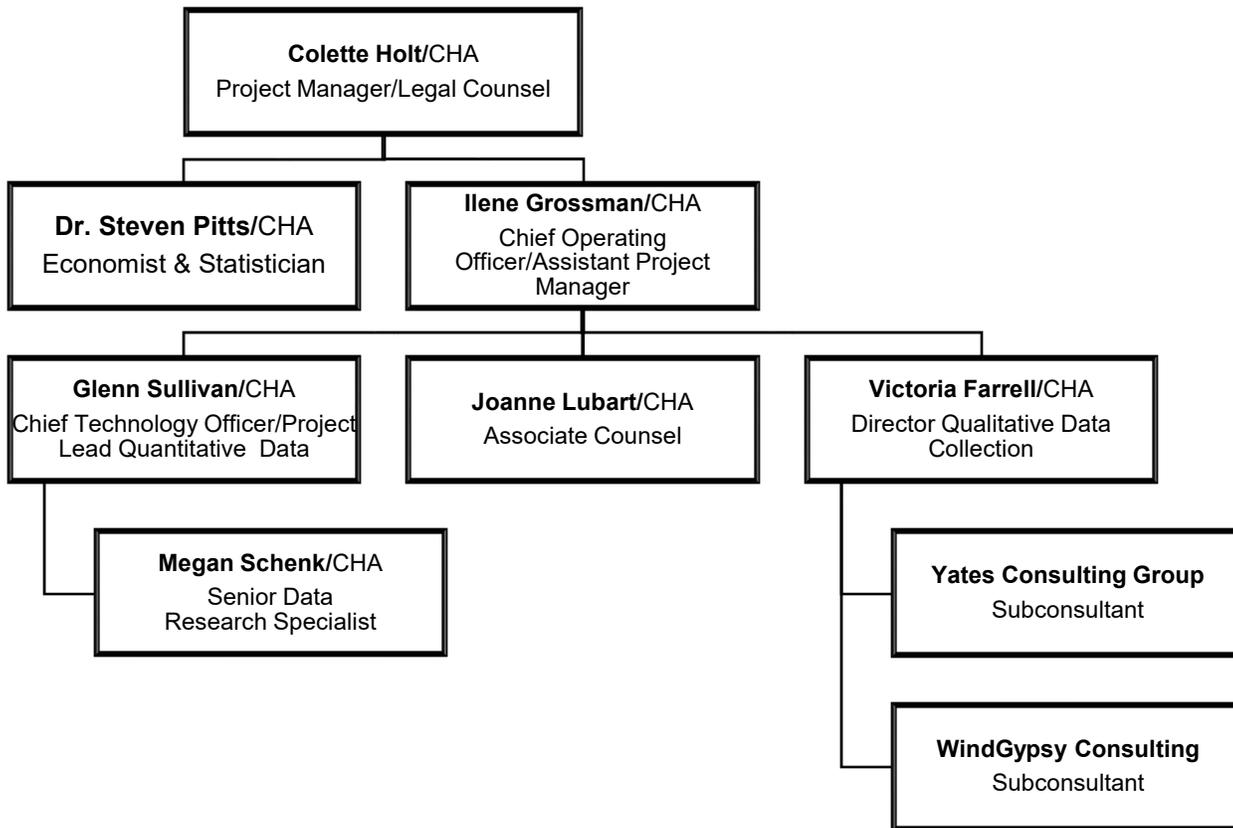


1. Expertise of Firms or Team

WSDOT Disparity Study Team Members

Organizational Chart



Proposed Team

Colette Holt & Associates, Prime Consultant

CHA is an African American- and woman-owned law and consulting firm. CHA is the nation's most experienced team in conducting legally defensible availability and disparity studies that fully meet all constitutional and regulatory requirements. Founded in 1994, CHA has conducted or participated in over 75 availability and disparity studies, including for transportation agencies governed by 49 C.F.R. Part 26. We have conducted successful studies for WSDOT; WSDOT and the FAA; and the Washington State Department of Enterprise Services. We are currently conducting studies for the Port of Seattle, the City of Seattle and King, County. The firm has designed administratively successful programs that provide remedies to a broad array of groups and industries for both prime contract and subcontract opportunities, and defended our clients when programs based upon our work have been challenged. In addition to our study expertise, we have designed DBE goals and programs for dozens of agencies across the nation. Our contract goal setting methodology has been deemed a "best practice" by FHWA. Decades of experience with DBE programs, conducting legally defensible availability and disparity studies, 100% winning litigation record and deep expertise in the Washington construction and consulting markets make us uniquely qualified to undertake this study and ensure that the study process is successful.

CHA does not currently have any offices in Washington State or the Greater Portland Metropolitan area.

CHA has worked on the following Disparity Study projects in the last three years that involved the demonstrated experience needed for the WSDOT FAA Disparity Study:

City of Austin, Texas Disparity Study, 2022

CHA was retained by the City of Austin (“City”) to perform a disparity study examining its DBE program for its FAA funded contracts and its Minority-owned Business Enterprise (“MBE”) and Woman-owned Business Enterprise (“WBE”) Program for locally funded contracts. We determined the City’s utilization of D/M/WBEs during fiscal years 2013 through 2018; the availability of these firms as a percentage of all firms in the City’s geographic and industry market areas by funding source; and any disparities between the City’s utilization of M/WBEs and M/WBE availability for its non-FAA funded contacts. We further analyzed disparities in the Austin Metropolitan Area and the wider Texas economy. We also gathered qualitative data about the experiences of D/M/WBEs in obtaining City contracts and associated subcontracts. Based on these findings, we evaluated the DBE and M/WBE Programs for conformance with constitutional standards, national best practices, and the DBE program for conformance with the DBE program regulations. The compensation for the Disparity Study was approximately \$1,000,000.

Oklahoma Department of Transportation Disparity Study, 2021

CHA was retained by the Oklahoma Department of Transportation (“ODOT”) to perform a disparity study of its contracts funded by the Federal Highway Administration in conformance with strict constitutional scrutiny and DBE program regulations. We determined ODOT’s utilization of DBEs during fiscal years 2015 through 2019; the availability of these firms as a percentage of all firms in ODOT’s geographic and industry market areas; and any disparities between ODOT’s utilization of DBEs and DBE availability. We further analyzed disparities in the wider Oklahoma construction economy. We also gathered qualitative data about the experiences of DBEs in obtaining ODOT contracts and the associated contracts. We evaluated ODOT’s programs for conformance with constitutional standards, national best practices, and DBE program regulations. Based on the results of these extensive analyses, we provided recommendations for the DBE program. The compensation for the Disparity Study was approximately \$486,450.

Nevada Department of Transportation Disparity Study, 2021

CHA was retained by the Nevada Department of Transportation (“NDOT”) to perform a disparity study of its contracts funded by FHWA in conformance with strict constitutional scrutiny and the DBE program regulations, and of its state funded contracts. We determined NDOT’s utilization of DBEs during fiscal years 2015 through 2019; the availability of these firms as a percentage of all firms in NDOT’s geographic and industry market areas; and any disparities between NDOT’s utilization of DBEs and DBE availability. We further analyzed disparities in the wider Nevada construction economy. We also gathered qualitative data about the experiences of DBEs in obtaining NDOT contracts and the associated contracts. We evaluated NDOT’s programs for conformance with constitutional standards, national best practices, and DBE program regulations. Based on the results

of these extensive analyses, we provided recommendations for the DBE program. The compensation for Disparity Study was approximately \$650,000.

Yates Consulting (DBE)

Yates Consulting Group, founded in 2008, specializes in diversity and inclusion support for prime contractors and government agencies. President Henry Yates has more than 30 years of experience in senior state and local government positions. He has helped national and local firms with recruitment, compliance and monitoring of disadvantaged and diverse firms.

Yates Consulting worked with CHA on the WSDOT Disparity Study that is due to be completed at the end of 2023. Yates assisted with the anecdotal data collection and outreach for the disparity study. The work was performed between October 2022 and June 2023.

Yates Consulting will be assisting with anecdotal data collection for the disparity study and will receive 9% of the contract amount.

These following projects demonstrate the outreach and anecdotal data collection support needed for the WSDOT FAA Disparity Study:

Road Usage Charge Study for Washington State- 2020 to the present

This project required significant outreach throughout the state to coordinate more than 200 different groups. Yates Consulting contacted each organization and conducted presentations for several. The firm also crafted focus group questions, surveys and conducted one-on-one interviews with individuals statewide. The compensation for the project was \$161,422.

Inclusion Manager for Design/Engineering of Washington State Hybrid Electric Olympic Class Car Ferry- February 2020- August 2021

Yates identified small businesses and analyzed their ability to perform for Vigor Fabrication, the entity designing and building the next large car ferries for the state. The firm conducted statewide searches for eligible businesses. Mr. Yates participated in the crafting of bi-weekly progress reports to WSDOT. The firm also alerted DBE organizations to the ferry opportunities and facilitated introductions between DBEs and Vigor Fabrication. The approximate compensation for the project was \$150,000.

Inclusion Manager/Diversity Expert for Van Asselt/Mercer Middle School- July 2020-December 2021

To assist the Seattle School District project to meet its M/WBE goals, Yates Consulting identified more than 200 available M/WBEs. In addition, Yates Consulting ensured the community, businesses and residents are aware of the project, its potential impacts and how they can engage with the contractor. The approximate compensation for the project was \$37,000.

WindGypsy Consulting (DBE)

WindGypsy Consulting has 16 years of experience assisting small and diverse businesses with contract data follow-up, analyzing goals, establishing, developing, and improving internal processes.

WindGypsy worked with CHA on the Washington State Department of Transportation Disparity Study that is due to be completed at the end of 2023. WindGypsy assisted with the contract data collection and follow-up with prime contractors for the disparity study. The work was performed between November 2022 and March 2023.

We have continued to use the firm on studies across the country.

WindGypsy will be assisting with contract data collection for the disparity study and will receive 9% of the contract amount.

WindGypsy has worked on the following completed CHA projects in the last three years that involved the demonstrated outreach and anecdotal data collection support needed for the WSDOT FAA Disparity Study:

City of Charlotte Disparity Study, 2022

WindGypsy assisted with quantitative and qualitative data follow-up. The firm contacted prime contractors by telephone and email to validate contract data variables and collect missing information. They contacted businesses to maximize attendance at anecdotal meetings by explaining the importance of participation. The compensation received for the project was \$6,000.

Harris (Texas) Health Disparity Study 2021

WindGypsy assisted with quantitative data collection follow-up. The firm contacted prime contractors by telephone and email to validate contract award data, explain the purpose of the disparity study and the importance of participation, and assist in obtaining responses across industries and socioeconomic demographics. The compensation received for the project was \$6,000.

Cook County, IL Disparity Study 2021

WindGypsy assisted with quantitative data collection follow-up. The firm contacted prime contractors by telephone and email to validate contract award data, explain the purpose of the disparity study and the importance of participation, and assisted in obtaining responses across industries and socioeconomic demographics. The compensation received for the project was \$5,000.

Washington Offices

Yates Consulting

Yates Consulting has one office in the State of Washington, located at 4034 Cascadia Ave. So., Seattle, WA 98118. There are three employees at this location, with expertise in communication, outreach, diversity, equity, compliance, and advocacy for the minority communities.

WindGypsy Consulting

WindGypsy Consulting has one office in the State of Washington, located at 14057 23rd PI NE, Seattle, WA 98125. There is one employee at this location, with expertise in communication and outreach, data gathering, marketing, and information technologies research.

Availability of Key Staff and Resources

Firm and Staff member	Average Hours/Month for 12 Month Timeline
Colette Holt & Associates	
Colette Holt	Approximately 84
Dr. Steven Pitts	Approximately 28
Joanne Lubart	Approximately 16
Glenn Sullivan	Approximately 51
Ilene Grossman	Approximately 18
Victoria Farrell	Approximately 51
Megan Schenk	Approximately 42
Henry Yates Consulting	
Henry Yates	Approximately 38
WindGypsy Consulting	
Marnie Tyson	Approximately 50

2. Qualifications of Proposed Project Manager

Colette Holt, J.D., Project Manager and Legal Counsel

Ms. Holt is the nation's foremost attorney and consultant in the specialty of contracting affirmative action issues, including disparity studies and DBE program development and defense. Ms. Holt has been seminal to the design, enforcement and defense of affirmative action programs across the country for over 30 years, including the USDOT DBE program. She is the co-author of the National Model Disparity Study Guidelines, which have become the accepted standard for disparity studies. Ms. Holt has been repeatedly qualified as a testifying expert on disparity studies and D/M/WBE programs in federal court and has successfully defended clients' programs based on her firm's work product. She has also been retained to review other consultants' studies when an agency's legal counsel has raised questions about the quality or defensibility of their work. She is a nationally sought-after speaker, author and trainer. She has served as the General Counsel for the American Contract Compliance Association for over 20 years.

Ms. Holt received her B.A. in Philosophy from Yale University in 1979 and her J.D. from the University of Chicago Law School in 1985. She will serve as Project Manager and Legal Counsel for the disparity study. All team leads will report directly to Ms. Holt.

Proposed Project Manager's Experience with Similar Projects

Ms. Holt was responsible for managing any way that a project might deviate from the original schedule. Study delays are almost always caused by unforeseen difficulties in the agency producing the contract records. For example, it became clear after contract award that TxDOT would have many more divisions and districts that housed their own contract data from which contract records would have to be extracted than was originally understood. Ms. Holt and her team worked with the client to develop a plan whereby CHA contacted every division and district separately to ascertain if

they issued their own contracts; if they did, CHA then worked with that district to review data requirements and obtain their records.

Agencies are not always able to meet the original schedule. CHA does everything possible to follow-up and take all steps necessary to keep the project and on schedule.

CHA has not had no issues with scope of work or project creep. In conducting a disparity study, it is clear what contracts are to be included (for example, which U.S. Department of Transportation modal administrations or other funding sources are covered), and once the years to be analyzed are determined, the parameters of the project are set. CHA has never requested a change order. We honor our pricing commitments and provide the best quality work product.

Examples of Similar Projects

Nevada Department of Transportation Disparity Study, completed 2021

This disparity study had a twelve-month timeline. The disparity study analyzed NDOT's FHWA and state funded contracts to determine NDOT's utilization of DBEs during fiscal years 2015 through 2019; the availability of these firms as a percentage of all firms in NDOT's geographic and industry market areas; and any disparities between NDOT's utilization of DBEs and DBE availability. The budget for the disparity study was \$650,000. CHA provided these services for this amount, with no changes in scope.

Texas Department of Transportation Disparity Study, completed 2019

This disparity study had a an eighteen-month timeline. The study determined TxDOT's utilization of DBEs and Historically Underutilized Businesses ("HUBs"); the availability of DBEs and HUBs in its market area; any disparities between TxDOT's utilization and the availability of DBE and HUBs; and whether the use of race-conscious measures is supported by the results of this analysis. We were also tasked with making recommendations for increasing the inclusion of DBEs and HUBs and small businesses. We analyzed contract data for fiscal years 2012 through 2016. We also worked with TxDOT to develop its FHWA and FAA triennial goal submissions and managed the public consultation process, including the five public meetings. The study budget was \$1,426,864. Although there were significant delays in TxDOT providing the contract data files to CHA, we did not request a change order for the increased time and resources needed to complete the study.

State of Washington Department of Enterprise Services Disparity Study, completed 2019

This disparity study was a twenty-four-month timeline. We determined the State's utilization of M/WBEs; the availability of M/WBEs in its market area; any disparities between its utilization and M/WBE availability; and whether the use of race-conscious measures was supported by the results of this analysis. We made recommendations for increasing the inclusion of M/WBEs and small businesses. We analyzed contract data for fiscal years 2012 through 2016. The study budget was \$982,925. We added additional business owner interview sessions to ensure robust anecdotal analysis but did not request a change order for the additional meetings.

Colette Holt was the Project Manager on these studies. She oversaw all study aspects, including supervising key team members; conducting all webinars, stakeholder interviews, business owner

interviews, and staff interviews; drafting the legal analysis; reviewing the agency's program; developing the findings and recommendations; and writing the draft and final study reports; and presenting the final study results to the client and to the public.

3. Key Team Members Qualifications (Prime Consultant and Sub-Consultants)

Prime Consultant

Colette Holt, J.D. Project Manager/Legal Counsel

Ms. Holt received her B.A. in Philosophy from Yale University in 1979 and her J.D. from the University of Chicago in 1985.

Colette Holt is the nation's foremost attorney and consultant in the specialty of contracting affirmative action issues, including disparity studies, M/W/DBE program development and M/W/DBE program defense. She is the nationally recognized "go to" expert in designing, implementing and defending affirmative action programs. For over 30 years, Ms. Holt has been instrumental in the development of the law governing these programs, and in designing and implementing defensible disparity studies and effective M/W/DBE programs for dozens of agencies across the country.

Ms. Holt is a frequent educator, author and media commentator on affirmative action topics. She is a former Adjunct Professor of Law at Loyola School of Law and the University of Illinois at Chicago. She has served as General Counsel to the American Contract Compliance Association for over 20 years, the national organization of officials responsible for training minority, woman and disadvantaged business compliance professionals, and has presented training at the National Training Institute since 1993. Ms. Holt is regularly invited to make presentations by groups such as the USDOT, the American Association of State Highway Transportation Officials, the American Public Transit Association, the Conference of Minority Transportation Officials, the Airport Minority Advisory Council, the National Association of Minority Contractors, the American Bar Association, law firms, majority contractors and other organizations.

Ms. Holt has performed work for WSDOT for many years. Her firm performed the disparity studies for WSDOT of its FHWA, FTA and state funded contracts, as well as for FAA funded contracts. She conducted a seminar for WSDOT on the DBE program's legal standards and recent regulatory changes. Ms. Holt has been repeatedly retained by the Washington State Attorney General's Office as a Special Assistant Attorney General ("SAAG") to investigate allegations of discrimination brought pursuant to Title VI, and other issues related to the DBE program. She also served as a SAAG in the *Western States* litigation. In the wake of *Western States*, Ms. Holt conducted an anecdotal study and DBE program review and provided training and counsel to WSDOT staff.

Ms. Holt and her team pride themselves on working across a wide array of diverse communities. Through our over 30 years of practice, we have developed a deep understanding of all actors' viewpoints and experiences. From prime contractors and consultants to minority- and woman-owned firms to federal regulators, to community stakeholders, we generate support and participation, and manage expectations, by explaining the study standards and process. We understand the concerns

of all parties and respect all points of view. Ms. Holt has interviewed over 1000 business owners in her disparity study research and is acutely aware of the various impacts of discrimination in construction, public contracting and employment. Ms. Holt's relationships with national general contractors and relationships with groups such as the Associated General Contractors and the American Council of Engineering Companies, as well as with numerous DBE organizations, has fostered a deep understanding of the experiences and needs of all parties to ensure successful study and program outcomes.

Ms. Holt is the co-author of the National Disparity Study Guidelines, commissioned by the Transportation Research Board of the National Academy of Sciences.¹ These important national standards have been recognized as the best methodology for availability and disparity studies for USDOT recipients.

Ms. Holt is the most prominent attorney in the country in the development of the law governing M/W/DBE programs, through her intimate involvement in almost every major case. Her expert witness and litigation experience include the successful defense of the DBE programs of the Illinois Tollway, the Illinois Department of Transportation and the Minnesota Department of Transportation; the State of Maryland's M/DBE program; the M/WBE programs of the City of Chicago and the City and County of Denver; and the U.S. Small Business Administration's 8(a) program.

Ms. Holt's expertise was further recognized when she was appointed as the three-year Monitor by the U.S. Department of Justice, the Office of the Inspector General of the State of Illinois and the Corporation Counsel for the City of Chicago in the settlement of civil and criminal litigation against a major construction contractor regarding M/W/DBE issues.

Ms. Holt is an active and longstanding member of the Disadvantaged Business Enterprise Committee (now the Contracting Equity Committee) of the Transportation Research Board of the National Academies. She has conducted presentations, served on panels to evaluate draft publications and attended the Annual Meetings every year. In 2020, she was an Honoree of TRB's 16th Dialogue with Leaders in Design and Construction.

Ms. Holt has served as General Counsel to the American Contract Compliance Association since 2000, the national group that provides continuing university education credits to contract compliance officers across the country.

Ms. Holt has been honored by numerous groups for her work on behalf of M/W/DBE programs. She was honored to be the keynote speaker at the Tabor 100 2014 Gala. Other honors include awards from AASHTO, the U.S. Small Business Administration, Black Contractors United, the Women's Business Development Center, the Federation of Women Contractors, Barnes & Thornburg, Harris Bank, and others.

¹ "Guidelines for Conducting a Disparity and Availability Study for the Federal DBE Program," Transportation Research Board of the National Academy of Sciences, NCHRP Report, Issue No. 644, 2010.

Steven Pitts, Ph.D., Economist and Statistician

Dr. Steven Pitts received his B.A. in Economics with honors from Harvard University in 1974 and his Ph.D. in Economics with an emphasis on Urban Economics from the University of Houston in 1994.

Dr. Pitts is a nationally recognized economist and statistician. Recently retired from the University of California at Berkeley, he is one of the nation's foremost African American economists. Dr. Pitts has concentrated his professional efforts for over 40 years in the area of the effects of race discrimination on economic opportunities. He has published over 20 articles on these issues and made dozens of presentations regarding the interplay of race and economics. Dr. Pitts has been collaborating with CHA on disparity studies since 2009. He has extensive experience in using large databases, including those of the Census Bureau, to perform statistical analyses of labor and employment issues. He has offered expert witness testimony on race and employment issues and has been honored for his work with significant grants from many foundations. Dr. Pitts has taught statistics and economics for many years and is thoroughly familiar with the principles of these disciplines and their application to real world problems. He has decades of experience in making complex economic information accessible to the general public.

He will be responsible for all sampling and quantitative analysis of contract data files and documentation of the analytical findings for the study report.

Joanne Lubart, J.D., Associate Counsel

Joanne Lubart received her B.A. in Sociology from University of Pennsylvania in 1976 and her J.D. from American University Law School in 1980.

Ms. Lubart joined CHA after over 30 years of DBE and government contract law practice. She served in the Office of Chief Counsel to the Pennsylvania Department of Transportation, where she became a national expert on M/W/DBE programs and disparity studies. Her work included serving as the statewide adviser on federal DBE regulations and contracting equity program issues; drafting certification, goal setting, commercially useful function and good faith efforts guidance documents; serving as Legal Adviser to the Pennsylvania DBE Unified Certification Program and its Appeals Committee; and providing frequent trainings and lectures on DBE certification, as well as the legal issues associated with M/W/DBE programs. Ms. Lubart has been honored with the appointment as Chair of the Contracting Equity Committee (formerly, the Disadvantaged Business Enterprise Committee) of the Transportation Research Board of the National Academies.

She will be responsible for assisting with all legal research and program elements of the disparity study, including developing recommendations and USDOT modal goal submissions.

Glenn Sullivan, B.S., Chief Technology Officer, Quantitative Data Lead

Glenn Sullivan received his B.S. in Business Management from University of Phoenix in 1997.

Mr. Sullivan has over 36 years of project management experience. He has worked with CHA since 2015 CA to improve the efficiency and accuracy of the data collection process for study analysis. He works closely with the project manager and assistant project manager to help the client with the initial identification and production of its data and then carries that through the entire process to ensure that

complete and accurate data for our analyses. He also works with our economist to define and understand the data collected. He has developed and implemented company policies, standards, changes in operation, and systems that optimize productivity and our work products. Mr. Sullivan has gained knowledge of WSDOT and other public agency procedures through the work he has performed on contract data for disparity studies.

He will be responsible for managing all data processes and will oversee all quantitative data collection elements of the disparity study, including the supervision of our quantitative subconsultants. He will also be responsible for assisting with producing the final disparity study report.

Ilene Grossman, B.S., Chief Operating Officer, Assistant Project Manager

Ilene Grossman received her B.S. in Family and Community Services from Syracuse University in 1978.

Ms. Grossman has extensive experience in project management with government and corporate clients. She coordinates all CHA project requirements and oversees all outside firm resources. She coordinates internal scheduling and project timelines and oversees all departmental communication. She has worked with CHA since 2015. Ms. Grossman was the liaison with WSDOT on the Washington States Airports study as well as the liaison with all agencies to coordinate study functions and obtain contract data records. All team departments report directly to Ms. Grossman. Ms. Grossman also handles all financial transactions for the company, manages payroll, and oversees efficiency and accountability of timelines and budgets.

She will be the direct liaison with WSDOT and the airports to obtain contract data records and will work closely with Mr. Sullivan to create complete contract data files.

Victoria Farrell, M.B.A., Manager Qualitative Data Collection

Victoria Farrell received her B.A. in Sociology from Skidmore College in 1977 and her M.B.A. from George Washington University in 1985.

Ms. Farrell has vast business and organizational experience and has worked extensively on all aspects of disparity studies with CHA. Since joining CHA in 2017, Ms. Farrell manages all subcontractor interactions and anecdotal data collection activities, including the online anecdotal surveys. Ms. Farrell has collaborated effectively with diverse communities. She successfully interacts with and supervises a diverse group of subcontractors on CHA studies. She also communicates effectively with a wide range of individuals in her daily tasks. She regularly interacts with multiple stakeholder organizations and individual business owners from all parts of the country, Ms. Farrell has gained knowledge of agency procedures in working with agency staff to facilitate staff interviews, obtain program and policy documents, and solicit other needed information for the disparity studies.

She will oversee all anecdotal data collection, supervise our anecdotal subconsultants, and assist in coordination of all elements of the draft study report.

Megan Schenck, Senior Data Research Specialist

Megan Schenck received her B.S. in nutrition from California Polytechnic State University in 2017.

Ms. Schenck is an expert in data research and an integral part of the CHA's data collection team. She performs all research necessary to complete contract data files. She is also involved in training all additional research team members. Ms. Schenck has worked with CHA since 2017. Ms. Schenck will be responsible for all research required to complete the study's contract data files.

Prior Relevant CHA Team Projects

All CHA team members worked on the following three previous projects:

- *Illinois State Toll Highway Authority Disparity study, 2023*
- *Nevada Department of Transportation Disparity Study, 2021*
- *Washington State Airports Disparity Study, 2019*

Colette Holt, J.D. Project Manager/Legal Counsel- Ms. Holt oversaw all aspects of the disparity study, including developing recommendations and USDOT modal goal submissions for the TxDOT study. All team leads reported directly to her.

Steven Pitts, Ph.D., Economist and Statistician- Dr. Pitts was responsible for all sampling and quantitative analysis of contract data files, the economy-wide disparity analyses and documentation of the statistical findings for the study report.

Joanne Lubart, J.D., Associate Counsel- Ms. Lubart was responsible for assisting with legal research and program elements of the disparity study, including developing recommendations and USDOT modal goal submissions for the TxDOT study.

Glenn Sullivan, B.S., Chief Technology Officer, Quantitative Data Lead- Mr. Sullivan was responsible for managing all data processes and supervised all quantitative data collection elements of the disparity study. He was also responsible for assisting with producing the final disparity study report.

Ilene Grossman, B.S., Chief Operating Officer, Assistant Project Manager- All team departments reported directly to Ms. Grossman. Ms. Grossman also oversaw efficiency and accountability of timelines and budgets. She was the direct liaison with the client to obtain contract data and worked closely with Mr. Sullivan to create contract data files.

Victoria Farrell, M.B.A., Manager Qualitative Data Collection- Ms. Farrell oversaw all anecdotal data collection, supervised our subconsultants, and assisted in coordination of all elements of the draft study report.

Megan Schenck, Senior Data Research Specialist- Ms. Schenck performed all research necessary to complete contract data files. She was also involved in training all additional research team members.

Subconsultants

Yates Consulting (DBE)

Henry Yates earned a B.A. in Journalism/Communications at Evergreen State College in 1988.

Founded in 2008, Yates Consulting specializes in diversity and inclusion support for prime contractors and government agencies by assisting with recruitment, compliance and monitoring of disadvantaged and diverse firms, with emphasis on the construction industry. Working with entities such as City of Seattle, WSDOT, and DES, as well as large national contractors and smaller local firms, has given him an understanding of the overall impact of discrimination in construction and public contracting on minority communities in the State of Washington. His tenure as a public employee for 32 years in executive agencies, the legislature and local government has given him intimate knowledge and understanding of discrimination in employment and public contracting.

Prior Relevant Yates Consulting Projects:

Washington State Hybrid Electric Ferry Design/Engineering, 2020 – Present

Yates identified small businesses and analyzed their ability to perform for Vigor Fabrication, the entity designing and building the next large car ferries for the state. The firm conducted statewide searches for eligible businesses. Mr. Yates participated in the crafting of bi-weekly progress reports to WSDOT. The firm also alerted DBE organizations to the ferry opportunities and facilitated introductions between DBEs and Vigor Fabrication. The approximate compensation for the project was \$150,000.

WSDOT Office of Equal Opportunity, Miscellaneous Outreach Tasks, 2015 –2020

Yates provided outreach support to WSDOT OEO. He represented the agency at trade organization events and outreach gatherings for individual projects. Yates made presentations to minority contractor and labor groups. He arranged for OEO staff meetings with the minority communities in King and Pierce Counties, as well as meetings with state legislators and the Director of OEO.

Sound Transit Disparity Study, 2019

Henry Yates interacted with various local social, trade and civic organizations to interest their members in participating in the Disparity Study. He conducted email blasts, arranged and attended one informational meeting and accompanied Griffin & Strong (“G&S”) staff to several local meetings. He attended monthly meetings and debriefed G&S on issues that might have a bearing on the Disparity Study.

WindGypsy Consulting (DBE)

Marnie Tyson received her B.A. in Business Administration from Ashford University in 2014 and her Certification as a Procurement Professional from the National Association of Procurement Technical Assistance Centers in 2017.

WindGypsy Consulting has 16 years of experience assisting small and diverse businesses with contract data follow-up, analyzing goals, establishing, developing, and improving internal processes. Ms. Tyson taught Business Planning at Edmonds Community College from 2010 through 2012.

Ms. Tyson has demonstrated capacity for effective collaboration within diverse communities through providing government contracting support services to Native American communities throughout four states. She communicates effectively with a wide range of individuals through coaching and assisting

small business owners across socioeconomic demographics and industries. She has worked with prime contractors and government agencies to improve subcontractor practices. Ms. Tyson has a detailed understanding of public agency regulations/procedures through her work with DBE supportive services agencies. She educates clients on how to work with federal, state and local governments. She has spoken at WSDOT EEO trainings, supported primes with connecting to subcontractors and walked contractors through eligibility and application of OMWBE certifications.

Prior Relevant WindGypsy Consulting Projects:

State of Washington Disparity Study, 2019

Washington State Airports Disparity Study, 2019

Port of Seattle Disparity Study- January 2018- March 2019

WindGypsy performed disparity study contract data follow-up with prime contractors by making follow-up phone calls and sending emails; updating addresses, emails, and new points of contact; contacting individual companies to confirm or update contract data; inputting data into SmartSheet; and maintaining logs of communication with all contractors. Ms. Tyson prepared for small group business owner interview sessions by researching and scheduling venues; collecting data on addresses, emails, and new point of contacts; contacting individual companies; encouraging participation in sessions; and maintaining communication logs.

4. CHA's Project Management System

The CHA team adheres to a strict quality assurance and quality control approach. First, we are in regular contact with all team members, often several times per day. Our entire staff has worked together on previous projects, and we are thoroughly familiar with the steps and protocols that lead to a successful study. Second, we provide formal monthly progress reports that detail the actions taken and describe any issues or obstacles encountered and how they will be addressed. Third, we regularly communicate with clients, in this case WSDOT's project staff, to answer questions and resolve any concerns, on a daily basis if needed.

CHA will work with WSDOT's study manager and the airports' liaisons to ensure that data are received in a timely manner and that deliverables are provided per the attached timeline.

The CHA team begins each study with a master project plan mapping out all functions of the study. The plan is then broken down by category and assigned to the appropriate team member with specific action items and delivery dates.

Our main project management system is a product called SmartSheet. SmartSheet is an online project management tool that allows multiple, separately located users to access, update and review information in real time. We utilize Smartsheet for all areas of project management, including scheduling, scope, and budgeting and to support team collaboration and discussion. This tool allows us to track all quantitative and anecdotal data follow-up efforts, including the date and time of every contact, the person contacted, and notations on information discussed. SmartSheet also allows for reminders for future contacts. We have used SmartSheet for all our studies in the last seven years,

Additionally, we use BOX.com as a method to provide team members access to all needed project documentation as well as keep secure real-time backup and versioning of the project documents. Team members are trained on data storage systems to provide accurate and organized data records. All team members have the opportunity to share information and weigh-in on any questions. BOX.com also provides sophisticated data encryption to ensure all client files are secure.

CHA has been involved in conducting studies for over 30 years. Over time, we have refined our processes in response to both changes in the case law and our actual experience in conducting research. Examples include the development of a method for firms to upload their data that takes advantage of current technologies; a detailed data query form at the beginning of the study so that all parties fully understand, in detail, what data will be required for the study; and a simplified presentation of required study data to make it more accessible to all interested parties. These types of innovations have also allowed us to contain study costs and improve data accuracy over the years.

These process improvements and updated systems have allowed CHA to successfully work on multiple studies simultaneously. They have ensured that each study is effectively managed and that all necessary resources are allocated appropriately to produce an outstanding work product.

5. Disparity Study Work Plan Development

CHA has decades of experience in developing and implementing a disparity study work plan, with a special focus on transportation agencies. We propose to follow the approach we have used successfully for other clients, including WSDOT; WSDOT and the FAA; the Port of Seattle; the Washington State Department of Enterprise Services; the City of Seattle; and King County. Supervised by Ms. Holt, the CHA team will give focused attention to this study, with the work performed directly by our highly experienced professionals. The Project Manager, Assistant Project Manager, and Chief Technology Officer are the team members responsible for creating the work plan. We will review all study requirements and develop a plan based on the variables of contract data, anecdotal data requirements, the number of subcontractors, and multiple other factors that can influence the project plan. We will work closely with WSDOT and the airports to develop the work plan that meets all study requirements and best practices. Our decades-long commitment to the DBE program through producing high quality and legally defensible studies that serve all aspects of the contracting community is our signature and our strength.

Research Paradigm

CHA proposes to conduct a legally defensible disparity study of construction and consulting contracts of the 64 airports in the National Plan of Integrated Airport Systems (referred hereafter as the “airports”) funded by the Federal Aviation Administration (“FAA”). As with our 2019 Disparity Study for WSDOT and the FAA, our court-approved and nationally recognized methodology will meet all aspects of strict constitutional scrutiny applicable to race- and gender-based contracting affirmative action programs, including federal aid funded contracts, as well as the requirements of the U.S. Department of Transportation’s (“USDOT’s”) Disadvantaged Business Enterprise (“DBE”) program. We provide the highly detailed data that accurately reflect the airports’ contracting activities and the firms in its marketplace. Our results will assist the airports to evaluate whether to use race- and gender-conscious methods to meet their DBE triennial goals, within the framework established by the

Western States opinion and subsequent case law. Our methodology has been repeatedly accepted as the basis for goal submissions by USDOT. If contract goals are supportable, our methodology provides the study data to set those goals. We will also address regulatory issues such as overconcentration of DBEs. All data will be provided to the airports and WSDOT at the conclusion of the study, including an Excel spreadsheet listing all firms identified during the course of the study.

Unlike other consultants, we do not skip the hard work of gathering the prime and subcontracting data necessary to satisfy the *Croson* and *Adarand* tests and the DBE regulations. We do not make guesses about the availability of firms that are minority- or woman-owned or even drop available firms because they fail to respond to a survey. We do not make vague allusions to “adjustments” using “econometric techniques”; our report will spell out the precise steps we took to generate correct utilization data and detailed availability results. We “show our work”. CHA will do what it takes to obtain all necessary contracting records, as described below, to ensure that all firms are included in the highly detailed analyses.

CHA’s study methodology answers the following critical legal and research questions and provides a framework for the quantitative and qualitative data collection necessary to meet the requirements of strict constitutional scrutiny and the DBE program regulations, as well as best practices for conducting disparity studies.

- What are the legal standards and regulatory requirements governing FAA’s DBE program?
- What is the empirically based geographic market in which the airports procure and award construction and consulting contracts?
- What are the relevant industry classifications from which the airports procure in their markets? In what six-digit North American Industry Classification System (“NAICS”) codes do firms operate?
- What has been the utilization on FAA funded contracts of racial and ethnic minorities and White women as prime vendors and subcontractors compared to White male-owned firms as prime vendors and subcontractors? What has been the racial, ethnic and gender breakdown of that utilization?
- What is the availability of ready, willing and able DBEs to provide the products purchased by the airports in Washington state?
- What is the availability of ready, willing and able DBEs compared to ready, willing and able non-DBEs throughout the Washington economy, where affirmative action contracting programs are rarely employed? Are there disparities in earnings between minorities and women compared to similarly situated White males? Are there disparities in the rates at which minorities and women form firms compared to similarly situated White males? Are there disparities in the earnings from firms that are formed by minorities and women compared to those of similarly situated White males?
- What have been the experiences of DBEs and non-DBEs with the airports’ DBE programs? How are the programs implemented? What race-neutral measures or small business elements have been helpful? What program aspects could be improved?
- Based on the study’s results, what measures might the airports undertake to ensure the full and fair inclusion of all firms in their contracting opportunities and to comply with the DBE program regulations? What best practices should the airports consider to ensure that all firms

enjoy a level playing field for its contracts? What race- and gender-neutral measures and small business elements are effective and feasible?

- What formula should WSDOT apply to set its triennial DBE goal? If DBE contract goals are supported by the study's findings, what contract goal setting methodology is defensible and results in reasonable and achievable goals?

Our study will address these critical legal and regulatory questions and produce a report that is both legally defensible, regulatory compliant and administratively useful for all the FAA recipients.

Study Initiation and Management Process

Coordination of all efforts, including meeting logistics, will be CHA's responsibility. CHA will provide a full project team, including a Project Manager and Assistant Project Manager who will be the main points of contact between the firm and assigned WSDOT staff and liaisons from the airports. All meetings shall be attended by Colette Holt and any other team members deemed necessary by CHA and WSDOT.

CHA will conduct a Project Kick Off Meeting by video conference with WSDOT's Study Manager and liaisons from the airports to facilitate data collection, project planning and scheduling, and address questions or concerns regarding our approach or timeline. Prior to the meeting, CHA will submit all documents needed such as the agenda, study elements and methodology presentation and Frequently Asked Questions sheet. We will work with WSDOT to identify key personnel to include in the meeting. At the meeting, CHA will present the study approach, timeline, and will review the roles and responsibilities of all parties. We will discuss who will be responsible for providing the contract data records for the study. We will review the data collection aspects of the study and identify requirements from the agencies. CHA will supply all data requests and instruction forms in advance of the video conference.

One of our strengths is excellent communication with our clients. In addition to monthly written progress reports, we will also conduct meetings with WSDOT at least bi-monthly to ensure all parties are fully up to date on the study and resolve any issues with the agencies or stakeholders. Our decades of experience managing studies means any concerns will be addressed quickly and satisfactorily.

To control quality and correct mistakes, our team adheres to a defined quality control approach. We are in regular contact with all team members, often several times per day. We have all worked together on previous projects and are thoroughly familiar with the steps and protocols for a successful study. Next, we provide bi-weekly performance reports and formal monthly progress reports that detail the actions taken and describe any issues or obstacles encountered that month and how they will be addressed. We will be in regular communication with WSDOT's study manager to answer questions and resolve any concerns. This approach will ensure that any contingencies or issues that may arise are addressed promptly and completely.

Statewide Outreach and Public Engagement

CHA is deeply committed to public engagement and outreach. We are highly experienced in reaching all demographic groups and performing statewide studies. Our deep familiarity with

Washington communities through our work for WSDOT, the Port of Seattle, DES, City of Seattle and King County will ensure we reach all demographic groups.

We engage the public through numerous channels.

- At the beginning of the study process, CHA will develop and maintain a public study website to provide information in an accessible and easy to understand format and to gather comments from business owners and stakeholders. This website will be updated throughout the study process to keep the community and all interested parties informed. It will have WSDOT's logo on the home page, along with one or more approved images. There will be pages explaining the elements of a disparity study; a Frequently Asked Questions sheet; a biography of CHA and our subconsultants; and information on how the community can participate in the public introductory webinar, the business owner electronic survey and the stakeholder and business owner Interview sessions. There will also be a page for any interested party to submit contact information to be informed about events and invited to participate. A dedicated study email address and telephone number will be listed on the contact page for easy access to the study team members.
- To ensure that there is as much public participation as possible, CHA will engage Yates Consulting, a Seattle-certified D/MBE consulting firm, to assist with anecdotal data collection and community outreach. Yates has extensive experience working with us on disparity studies and with government agencies, as well as a deep understanding of Washington's DBE and majority and minority contracting communities. Yates will perform extensive outreach to invite firms, industry trade groups, community organizations and other interested stakeholders and business owners to encourage participation in the public informational webinar, electronic survey, stakeholder and small group business owner interview sessions.

Legal Analysis

CHA will provide the legal and regulatory standards that form the governing principles of the study methodology, both to educate the reader about the elements of strict constitutional scrutiny and to provide a framework for a court in litigation. We will describe the current constitutional standards, recent case law, USDOT Guidance and current trends applicable to race- and gender-conscious public contracting programs, with an emphasis on Ninth Circuit case law. We will explain our research methodologies that guide the overall conduct and specific elements of the study to inform readers—including a court—of how the study methodology fully meets strict scrutiny.

Estimation of Utilization

To conduct the analysis of each airport's utilization of DBEs, CHA will first collect prime contract records of awards \$50,000 or greater for construction and consulting contracts let by the 64 FAA recipients during Federal Fiscal Years 2017 through 2022. We will submit detailed contract data collection documents that list all of the contract information necessary to conduct the study.

Based on these records, we will determine the airports' utilization of woman and minority firms and DBEs as prime contractors and as subcontractors as a percentage of overall firms, constrained by the geographic markets. We will use the accepted 75% threshold of the location of the airport's prime firms to define the geographic market, *i.e.*, determine the contiguous political jurisdictions that capture

at least 75% of the dollars in the unconstrained product market. This is the approach recommended by the National Model Disparity Study Guidelines and repeatedly upheld by the courts.

Based on the determination of the geographic market, we will develop the industry market for the airports. We will use the 75% threshold of the spend by industries of the prime firms to define the product or industry market. This will result in the “constrained product market.”

Based on our experience from our earlier FAA study for the Washington State airports, we are confident that we will be able to analyze all the airports’ FAA funded contracts so that we will not have to create a representative sample.

The development of the Final Contract Data File will involve the following steps:

- Collect prime contract award and location data for all contracts above the designated threshold during the study period;
- Conduct outreach to prime vendors to collect missing data for contracts in the Initial Contract Data File;
- Assign missing race and sex values to all firms; and
- Assign any missing detailed industry codes to each firm in the data file.

Our objective is to achieve at least 80% coverage of the contracting dollars in the Final Contract Data File, constrained by the geographic and product markets.

We will use the Final Contract Data File to calculate the utilization of DBEs in the market area as a percentage of all firms by detailed industry code. Following our methodology for the 2019 Study, we will produce estimates of DBE utilization for prime contractors and subcontractors:

- All race and sex groups combined by all industry classifications combined;
- All race and sex groups combined by detailed industry classifications;
- Detailed race and sex groups by all industry classifications combined; and
- Detailed race and sex by detailed industry classifications.

The utilization results will be used to form the weights for the availability analysis.

We will review the results for “overconcentration” of DBEs and non-DBEs in specific work categories or subcategories, as defined in the DBE program regulations. Should we determine that there is overconcentration, we will provide recommendations to address these results.

Estimation of DBE Availability

CHA will conduct a legally defensible availability analysis that comports with the DBE program regulations and Guidance. We will calculate an overall estimate of the number of available ready, willing and able DBE firms in the market area as a percentage of all dollars spent with the total universe of firms. These results will be a narrowly tailored, dollar-weighted average of all the underlying industry availability numbers; larger weights will be applied to industries with relatively more spending and lower weights applied to industries with relatively less spending. The availability figures will be sub-divided by race, ethnicity, gender and six-digit NAICS codes.

At the conclusion of the availability analyses, we will provide to WSDOT the availability data delineated by business name, contact information and work types, in Microsoft Excel.

There are three components to the process of estimating availability: the compilation of the DBE Master Directory; the determination of the constrained product market; and the extraction of firms from the Dun & Bradstreet MarketPlace/Hoovers database.

To perform this analysis, CHA will take the following steps:

- *The development of the Master Business List.* Three data sets are used to develop the Master Business List: a) the firms in the DBE Master Directory; b) the firms contained in the Contract Data Files; and c) the firms extracted from the Dun & Bradstreet MarketPlace/Hoovers database.

To compile the Master Directory, CHA will acquire all available government directories of minority, woman, and disadvantaged firms, as well as listings from reliable private entities. After these records are acquired, we will prepare a final list of the combined directories that consolidates information across fields, resolves field conflicts, and removes duplicates. CHA will limit the firms to those within the airports' geographic and product markets. Next, CHA will return to the product and geographic data in the Final Contract Data Files and compile a list of firms that received contracts from WSDOT. This will require the elimination of any duplications because a firm might have received more than one contract for work in a given NAICS code during the study period.

Finally, using the relevant geographic and product market definitions identified, CHA will define a subset of business data to be licensed from Dun & Bradstreet/Hoover MarketPlace database list. Hoovers maintains a comprehensive, extensive and regularly updated listing of all firms conducting business. The database includes a vast amount of information on each firm, including location and detailed industry codes, and is the broadest publicly available data source for firm information. The Hoovers database is the most comprehensive list of minority-owned and woman-owned businesses available. It is developed from the efforts of a national firm whose business is collecting business information. Hoovers builds its database from over 250 sources, including information from government sources and various associations, and its own efforts. Hoovers conducts an audit of the preliminary database prior to the public release of the data. That audit must result in a minimum of 94% accuracy. Once published, Hoovers has an established protocol to regularly refresh its data. This protocol involves updating any third-party lists that were used and contacting a selection of firms via Hoover's own call centers.

We will purchase the information from Hoovers for the firms in the NAICS codes located in WSDOT's market area in order to form our custom Dun & Bradstreet/Hoovers Database. In the initial download, the data from Hoovers simply identifies a firm as being minority-owned.² However, the company does keep detailed information on ethnicity (*i.e.*, is the minority firm owner Black, Hispanic, Asian, or Native American). We will obtain this additional information from Hoovers by special request.

- *The estimation of unweighted availability.* The Master Business List will be the available universe of relevant firms for the study. This process will significantly improve the identification of minority-owned and woman-owned businesses in the business population. CHA will assign

² The variable is labeled: "Is Minority Owned" and values for the variable can be either "yes" or "no".

race and sex to any firm not already classified in the Contract Data Files. CHA will produce estimates of woman and minority business availability in the airports' geographic markets for each NAICS code in the product market; for woman and minority business availability for all NAICS codes combined; and for the broad industry categories of non-construction goods and services. We will provide an appendix that disaggregates unweighted availability by region.

- *The estimation of weighted availability.* Using the weights from the utilization analysis, the unweighted availability will be adjusted for the share of FAA spending in each NAICS code. This adjustment is important for two reasons. First, disparity analyses compare utilization and availability. The utilization metrics are share of dollars while the unweighted availability metrics are shares of firms. In order to make comparable analyses, the dollar shares are used to weight the unweighted availability. Second, any examination of WSDOT's overall usage of available firms must be conducted with an understanding of what NAICS codes received what share of WSDOT's spending. Without this, a particular group's availability share (high or low) in an area of low spending would carry equal weight as a particular group's availability share (high or low) in an area of large spending. The unweighted availability determination will be weighted by the share of dollars WSDOT actually spends in each NAICS code, derived from the utilization analysis. These resulting weighted availability estimates will be used in the calculation of disparity indices.

Analysis of Disparities and Concentration in WSDOT's Utilization of DBEs

Once the utilization and availability data have been compiled and analyzed, we will then examine whether there are disparities between WSDOT's utilization of DBEs and their availability in the market area. CHA will apply accepted statistical tests to measure the amount of any disparities. Using the DBE firm utilization estimates and the weighted availability estimates, CHA will calculate a disparity index using well accepted statistical principles. The disparity index will be formed by dividing DBE firm availability into utilization and multiplying the result by 100.

CHA will produce statistical comparisons of availability with the utilization of DBE firms on WSDOT's contracts for the study period; produce disparity indices for all race, sex, and detailed industry categories; and apply statistical and substantive significance tests, to the extent permitted by the sample sizes. Separate disparity indices will be calculated in the aggregate and separately for each racial/ethnic group and by gender.

We will evaluate the strength and sufficiency of the statistical evidence of discrimination. We will examine whether disparities between availability and utilization are the result of discrimination or some other factor. These results will shed light on the extent to which identified disparities may be attributable to race and gender discrimination and whether the airports may set DBE contract goals to ensure a level playing field.

Since our last study for WSDOT and the FAA, we have recently expanded our analysis to consider the specific results of disparity testing where the utilization of DBEs exceeds 100%. While the standard disparity ratio presents the difference between the agency's utilization of DBEs and the weighted availability of DBEs, it is important to examine whether a disparity ratio greater than 100% is not the result of an abnormal pattern of DBE concentration or overconcentration. Without this understanding, an agency might reach the unwarranted conclusion that race- or gender-conscious

remedies are not supportable to redress discrimination against a particular socially disadvantaged group. It is possible that a group's disparity ratio that is larger than 100% might be the result of the success of a few firms and not indicative of the experiences of the broad set of firms in that group. The results of excluding a group for goal credit— the drastic and quick reduction in opportunities for that group— counsels caution about concluding from such results that the market failure of discrimination has been fully corrected.

Therefore, after calculating a disparity ratio, CHA will look more closely at contract data for those DBEs where the disparity ratio exceeded 100% across the airports' FAA funded contracts. We will identify those NAICS codes where the airports spend a relatively high amount (typically over four percent) and where the DBEs received a relatively larger share of all of the groups' contract dollars (typically over six percent). With this set of NAICS codes, we will examine the degree to which DBE contract dollars are concentrated among top firms compared to non-DBEs.

The DBE regulations require that recipients examine whether DBEs are overconcentrated compared to non-DBEs. 49 C.F.R. §26.33 requires the airports to determine whether "DBE firms are so overconcentrated in a certain type of work as to unduly burden the opportunity of non-DBE firms to participate in this type of work." To explore this question, we will examine the distribution of contracts and the distribution of contract dollars within each DBE category and within non-DBEs in specific NAICS codes. This approach will illuminate whether the group's success in receiving contract dollars may be caused by an unusual amount of dollars concentrated among a few firms. If that is the case, then the airports can properly narrowly tailor any response to the actual results on its contracts. This analysis is also relevant to whether the use of contract goals that include DBEs in those codes may still be supportable even though a few firms have been able to overcome discriminatory barriers. To the extent our results suggest that non-DBEs are being unduly burdened, we will suggest race-neutral approaches to address this overconcentration.

Economy-Wide Disparity Analyses

To better understand the presence or absence of discrimination in the Washington state FAA market, it is important to analyze the extent to which discrimination exists in the entire Washington economy, where the impact of DBE policies is relatively small. The courts have held that an economy-wide analysis is relevant and probative of the likely results of a fully race- and gender-neutral approach by an agency to its contracting opportunities. This approach contributed to the successful defense of the Illinois Department of Transportation's Disadvantaged Business Enterprise program in which Ms. Holt testified as an expert. Our methodology sheds light on the likely outcomes of dropping any group from the program and whether in fact there is a level playing field for all groups for recipient projects.

To produce this econometric analysis, CHA will examine two large Census Bureau databases: the American Community Survey ("ACS") and the Annual Survey of Businesses ("ABS"). CHA will use approved statistical techniques to examine these data sets, broken out by market sectors.

To evaluate potential disparities in economic outcomes on the basis of race and gender, CHA will use ordinary least squares and probit regression techniques to analyze the most recent ACS data for Washington. We will determine if minorities and women have different economic outcomes compared to non-minority men along four outcomes:

- Business formation rates
- The probability of forming a business
- Business incomes
- Wage earnings

These disparity results can be used to estimate the maximum use of minority- and woman-owned firms. It is important to note that the statistical significance of all of these analyses depends upon the sample size in each analysis.

CHA will further determine whether there are disparate economic outcomes by examining the ABS data, which presents information on the number, sales, employment, and payrolls of businesses owned by women and members of racial and ethnic minority groups. The Census Bureau recently replaced the Survey of Business Owners, which was taken every five years, with the ABS which sampled nationwide approximately 850,000 employer businesses in 2017 and approximately 300,000 employer businesses annually in years 2018-2021. Identified firms were those non-farm businesses which completed the 941, 944, or 1120 tax forms.³ We will limit the firms to those in the State of Washington, which is the smallest geographic unit available for analysis.

Six key variables are used in this analysis:

- The number of all firms
- The sales and receipts of all firms
- The number of firms with employees (employer firms)
- The sales and receipts of all employer firms
- The number of paid employees
- The annual payroll of employer firms

CHA will examine these data in two ways: First, we will calculate the minority- and woman-owned business share of each variable. Second, we calculate three disparity ratios for each grouping of minority- and woman-owned businesses and for the grouping of firms that are not non-White or White woman-owned:

- Ratio of sales and receipts share for all firms over the share of total number of all firms
- Ratio of sales and receipts share for employer firms over the share of total number of employer firms
- Ratio of annual payroll share over the share of total number of employer firms

CHA will test disparities for statistical significance for those cases where data have not been suppressed and where standard errors have been published.

Anecdotal Data Analyses

In addition to our rigorous quantitative data collection and analyses, CHA will elicit and analyze high quality anecdotal data. Qualitative information serves two purposes. First, it addresses whether statistical disparities can be inferred to be the result of discrimination. Second, business owners,

³ For more information on the ABS, please see <https://www.census.gov/programs-surveys/abs/about.html>.

stakeholders, trade groups and other interested parties can provide great insights into the barriers they face in the overall marketplace and to working on FAA projects and how to best reduce or remedy such barriers. People are the experts of their own experiences, and their input will inform our program review and the development of narrowly tailored recommendations.

CHA will collect anecdotal or qualitative evidence of discrimination through multiple avenues.

- CHA will conduct a public informational webinar. We will first make a presentation of the study's objectives, elements and methodology. We will solicit testimony from stakeholders, business owners, and other interested members of the public.
- CHA will also design and administer an electronic survey of firms on the Master Business List. The survey will collect anecdotal information about experiences in conducting business in the marketplace and with WSDOT. The survey collect firm information and firm owner demographics, work profile details and capabilities, experiences with performing work airport and private sector work, and detailed information about experiences with bias, discrimination or race-, gender- or veteran status-based barriers in the marketplace. We will collect the information using both closed-ended and open-ended questions. To provide ease of completion, the survey is emailed to relevant firms as an embedded link. The survey is typically kept open for at least eight weeks. Email reminders with the survey link are sent regularly to encourage responses. Key findings are reported in simple charts and are supported by verbatim quotes.
- CHA will conduct sessions for stakeholder groups to relate the experiences of their members and share suggestions for approaches to reduce barriers to State contracts and subcontracts. Sessions will be divided into stakeholder organizations that represent DBE firms and those that represent non-DBE firms.
- CHA will then invite business owners to participate in small group interview sessions to further explore topics and issues that were identified in the electronic survey. Sessions will be divided into DBE firms and non-DBE firms, and further divided by industry. CHA will explore past and current discriminatory practices within these specific industries that impede the ability of DBE firms to participate in the airports' opportunities or private sector projects. We will discuss possible marketplace discrimination, bidding specifications, requirements, and procedures, anti-competitive practices, or other barriers that we, or the participants, identify. We will also focus on the efficacy of race- and gender-neutral measures and the current DBE Program. Yates Consulting will conduct extensive follow-up to encourage participation.
- CHA and our subconsultant will also encourage all interested parties to submit written comments through the dedicated study email and website.

We will develop data to determine what, if any, barriers may be adversely affecting the participation of DBE firms in the airports' prime and associated subcontracts and may be leading to disparities in DBE firm utilization. We will examine factors affecting the utilization of DBE firms on FAA funded contracts as well as any specific instances of discrimination or discriminatory barriers. Our questions will explore any historical or ongoing practices or patterns that amount to active or passive discrimination.

Review of the Airports' DBE Programs

We will conduct a thorough review of the airports' DBE programs and business assistance initiatives. We will examine relevant program documents; outreach efforts; any supportive services and technical assistance programs; and contract data collection systems and reporting. We will summarize the results of these efforts and identify any practices that may have hindered or impeded the ability of DBE firms to obtain prime contracts or associated subcontracts.

CHA will design and administer an electronic survey to all the smaller airports to collect anecdotal information from the airport's staff members responsible for contracting and administering the DBE program.

We will survey and interview business owners and stakeholders about their experiences with the FAA's DBE program. We will explore how the airports can better assist DBEs and other small firms. We will interview both DBE and non-DBE firms to ensure that all points of view are included. CHA will also interview the appropriate airport staff with responsibility for making decisions, regarding possible barriers faced by DBE firms to FAA funded contracting opportunities.

Findings, Recommendations and Report

CHA will provide a Draft Report of the findings based on the results of our quantitative and qualitative analyses. The draft report will suggest recommendations to current policies and the DBE Programs, including effective race- and gender-neutral measures, to ensure full and fair opportunities for all firms to participate in FAA funded opportunities. We will suggest narrowly tailored measures that meet the DBE program requirements as well as strict constitutional scrutiny as applied in the Ninth Circuit. We will also provide a triennial DBE goal setting methodology for WSDOT. Ms. Holt has drafted many DBE goal submissions and programs, and our methodology has been repeatedly accepted by FAA.

Based on WSDOT and airports' comments and feedback on the Draft Report, we will provide a Final Study Report. The Final Study Report will include all methodologies, findings, recommendations, and tables. CHA will deliver presentations as directed by WSDOT and the FAA.

Monthly Progress Reports

CHA will submit monthly progress reports that will include:

- Status and discussion of major tasks outlined in the proposal and timeline.
- Discussion of any issues, as well as their resolution or attempts at resolution.
- Discussion of any contingencies that may arise.

CHA will also schedule and conduct status phone meetings with WSDOT project staff to update them on progress, findings and challenges and any suggested remedies.

Study Timeline for Key Milestones and Deliverables

TASK	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Conduct Project Kickoff Meeting with WSDOT team and airport liaisons												

TASK	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Perform directory collection and create Master D/M/WBE Directory												
Collect Initial Contract Data Files from WSDOT for the airports it manages and from the remaining airports												
Submit questions and receive answers/clarifications on contract data for 64 airports												
Obtain missing data, including subcontract data, from prime contractors												
Prepare Final Contract Data File for analysis												
Submit request for DBE program documents to all airports												
Review DBE program documents for full submittal												
Review all DBE program documents												
Conduct WSDOT and airport staff interviews												
Conduct statistical utilization analysis												
Conduct statistical availability analysis												
Conduct statistical disparity analysis												
Conduct economy-wide analysis												
Conduct electronic survey of business owners												
Conduct electronic survey of staff members of smaller airports												
Conduct Stakeholder Small Group Interview Sessions												
Conduct Small Group Business Owner Interview Sessions												
Develop narrowly tailored remedies and recommendations												

TASK	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12
Deliver Draft Study Report												
Deliver Final Disparity Report and written recommendations *												
Presentation of Final Report to all airports and the public (as instructed by WSDOT)												

**Timing dependent on when CHA receives comments on Draft Disparity Study Report*

Work Breakdown

TASK	CONSULTANT TEAM DELIVERABLES	WSDOT DELIVERABLES
Conduct video kick off and data collection meeting WSDOT team and airport liaisons	Schedule meeting and provide documents to be reviewed prior to meeting	Participate in meeting
Perform directory collection and create Master D/M/WBE Directory	Research available lists and directories and produce master directory	Provide assistance, if requested, to obtain lists from another government agency
Collect Initial Contract Data Files from WSDOT and the airports	Provide data instruction sheets on variables needed for Initial Contract Data Files	Provide the files to CHA
Submit questions and receive answers/clarifications on WSDOT and the airports' contract data	Review Initial Contract Data Files provided by WSDOT and request any clarifications	Provide answers and clarifications
Obtain missing data, including subcontract data, from prime contractors	Conduct follow-up with prime contractors	Provide CHA with any contract language requested; provide assistance, if requested, with any non-responsive prime contractors
Prepare Final Contract Data File for analysis	Prepare the Final Contract Data File for analysis	None
Submit request for DBE program documents	Submit the DBE program document request to WSDOT and the airports	Provide requested documents
Review DBE program documents for completeness	Review submitted documents for completeness	Provide any additional documents requested

TASK	CONSULTANT TEAM DELIVERABLES	WSDOT DELIVERABLES
Review DBE program documents	Review the airports' DBE programs	Provide answers to any questions that might arise; provide any additional requested information
Conduct WSDOT and airport staff interviews	Schedule and coordinate WSDOT and airport staff interviews; provide agenda prior to session	Provide a list of relevant staff to be included in staff interviews
Conduct statistical utilization analysis	Perform analysis	None
Conduct statistical availability analysis	Perform analysis	None
Conduct statistical disparity analysis	Perform analysis	None
Conduct economy-wide analysis	Perform analysis	None
Conduct electronic survey of business owners	Develop, distribute and analyze survey results	None
Conduct electronic survey of smaller airport staff members	Develop, distribute and analyze survey results	Provide assistance to obtain airport staff response, if requested
Conduct Stakeholder Small Group Interview Sessions	Coordinate all aspects of the small group stakeholder interview sessions	None
Conduct Small Group Business Owner Interview Sessions	Coordinate all aspects of the small group business owner interview sessions	None
Develop narrowly tailored remedies and recommendations	Review all study data and develop recommendations	None
Deliver Draft Study Report	Write the draft study report	Deliver comments and feedback
Deliver Final Disparity Report and written recommendations *	Produce the Final Disparity Study Report incorporating all comments and feedback provided by WSDOT	None
Presentation of Final Report to all airports and public (as instructed by WSDOT)	Coordinate schedules with WSDOT to set up presentations of the final study findings; provide PowerPoint presentations; conduct presentation	Determine recipients of report and audience for presentation

Key Issues and Critical Milestones

Obtaining the prime level contract data from the airports is the key issue that most often impacts a study's schedule. WSDOT and the airport liaisons will need to take an active role in assisting us with obtaining data to stay on schedule.

It is also critical that WSDOT and the airports ensure that someone at each airport is responsible for responding to our data requests and questions and assisting with obtaining data from reluctant or uncooperative prime vendors to the extent such records are not available directly from the airports.

6. Investigation and Analysis

Disparity Studies

CHA has conducted or participated in over 75 availability and disparity studies since 1997. We have pioneered the now accepted, legally defensible, approach to conducting this research that meets all constitutional and regulatory standards while providing the type and quality of data needed for effective program design and implementation. In addition to the studies we have conducted in Washington State, discussed in other sections of our submission, the following are some of the most relevant studies completed for the construction and consulting industries.

City of San Antonio, Texas Disparity Study, 2023

CHA was retained by the City of San Antonio (“City”) to perform a disparity study examining its Small Business Economic Development Advocacy (“SBEDA”) Program. We determined the City’s utilization of M/WBEs during calendar years 2014 through 2020; the availability of these firms; analyzed any disparities between the City’s utilization of M/WBEs and M/WBE availability; conducted an economy-wide analysis; gathered qualitative data about the experiences of M/WBEs in obtaining City contracts and associated subcontracts through surveys and focus groups; evaluated the program; and made recommendations. We continue to work with the City on amending its current program.

Delaware Department of Transportation Availability Analysis, 2023

CHA was retained to conduct an availability analysis for the Delaware Department of Transportation. We analyzed data for federal aid contracts for federal fiscal years 2019 through 2021. We further assisted with developing the triennial goal submission documents and presentation.

Illinois State Toll Highway Authority Disparity Study, 2022

The Illinois State Toll Highway Authority (“Tollway”) retained CHA to perform a disparity study of its construction and construction-related services contracts during fiscal years 2015 through 2019. We determined the Tollway’s utilization of DBEs; estimated the availability of these firms; analyzed any disparities between the Tollway’s utilization of DBEs and DBE availability; conducted an economy-wide analysis; gathered qualitative data about the experiences of DBEs in obtaining Tollway contracts and associated subcontracts; reviewed the DBE program; evaluated whether the Tollway’s continued use of race- and gender-conscious measures was constitutionally permissible; and made recommendations. The report has been accepted by the agency and we will continue to provide counsel on revisions and enhancements to the DBE program,

City of Chicago Disparity Study, 2021

CHA was retained by the City of Chicago to perform a disparity study of its local construction contracts. The study analyzed construction contract data for years 2015 through 2019. We determined the City’s utilization of M/WBEs; estimated the availability of M/WBEs; calculated disparities between its utilization of M/WBEs and their availability; conducted an economy-wide analysis; reviewed the legal standards for the M/WBE program; gathered anecdotal evidence of race- and gender-based barriers in the City’s markets and the experiences of M/WBEs in obtaining agency

work through focus groups and surveys; reviewed the program; evaluated whether the use of race- and gender-conscious measures continues to be supported by the results of this analysis; and made recommendations for the program. The City Council reauthorized the program based on our findings.

Harris County, Texas Disparity Study, 2020

CHA was retained by Harris County (“County”) to perform a disparity study of its County funded contracts. We determined the County’s utilization of M/WBEs during FY2016 through the first quarter of FY2019; the availability of these firms; calculated disparities between the County’s utilization of M/WBEs and M/WBE availability; conducted an economy-wide analysis; gathered anecdotal and qualitative data about the experiences of M/WBEs in obtaining County contracts and associated contracts; evaluated whether the use of race-conscious measures was supported by the results of this analysis; and made recommendations for increasing the inclusion of M/WBEs and small businesses. We worked with the County to establish its first ever M/WBE program and drafted the policies and procedures to implement the new program. We continue to counsel the County about program development and administration.

Texas Department of Transportation Disparity Study, 2019

CHA was retained by TxDOT to perform a Disparity Study of its FHWA FAA and state funded contracts. The Study analyzed contract data for 2012 through 2016. We determined TxDOT’s utilization of DBEs and Historically Underutilized Businesses (“HUBs”) by funding source; estimated the availability of DBEs and HUBs; calculated disparities between its utilization of HUBs on its state funded contracts and HUB availability; conducted an economy-wide analysis; reviewed the legal standards for the DBE and HUB programs; gathered anecdotal evidence of race- and gender-based barriers in TxDOT’s markets and the experiences of DBEs and HUBs in obtaining TxDOT work through focus groups and surveys; reviewed the DBE and HUB programs; evaluated whether the use of race- and gender-conscious measures for TxDOT’s state funded contracts continues to be supported by the results of this analysis; and made recommendations for the programs. We developed the DBE triennial goal submissions and managed the public consultation process, and these have been approved. We continue to provide counsel to TxDOT on its DBE program. We have recently been retained to again conduct the analysis for TxDOT’s FHWA contracts.

Dallas Fort Worth International Airport Disparity Study, 2019

CHA was retained by the Dallas Fort Worth International Airport (“DFW”) to perform a Disparity Study of its FAA and locally funded contracts and airport concession contracts. The Study analyzed contract data for 2012 through 2017. We determined DFW’s utilization of DBEs, ACDBEs and M/WBEs by funding source; estimated the availability of these firms; calculated disparities between DFW’s utilization of M/WBEs on its locally funded contracts and M/WBE availability; conducted an economy-wide analysis; reviewed the legal standards for the programs; gathered anecdotal evidence of race- and gender-based barriers in the Airport’s markets and the experiences of D/M/WBEs and ACDBEs in obtaining Airport contracts and concession opportunities through focus groups and surveys; reviewed the Airport’s programs; evaluated whether the use of race- and gender-conscious measures for DFW’s locally funded contracts was supported by the results of this analysis; and made

recommendations for the Airport's business diversity programs. We continue to provide counsel to DFW on its program updates and enhancements, as we have for many years predating the Study.

Chicago Transit Authority Disparity Study, 2019

CHA was retained by the Chicago Transit Authority ("CTA") to perform a Disparity Study of its Federal Transit Administration ("FTA") funded and non-FTA funded contracts. The Study analyzed contract data for 2012 through 2016. We determined the Authority's utilization of DBEs by funding source; estimated the availability of DBEs; conducted an economy-wide analysis; reviewed the legal standards for the DBE program; gathered anecdotal evidence of race- and gender-based barriers in CTA's markets and the experiences of DBEs in obtaining CTA work through focus groups and surveys; and evaluated the DBE and SBE programs. We provided recommendations for the programs and triennial and contract goal setting and worked with CTA on its FTA goal submissions.

Port of Portland Disparity Study, 2018

CHA was retained by the Port of Portland to perform a Disparity Study of its FAA and locally funded contracts and its concession contracts. We analyzed contract data for 2012 through 2016. We determined the Port's utilization of D/M/WBEs and ACDBEs; the availability of DBEs and ACDBEs in its market area; any disparities between its utilization and DBE availability; conducted an economy-wide analysis; reviewed the legal standards; reviewed the Port's programs; gathered anecdotal evidence; and evaluated whether the use of race-conscious measures was supported by the results of this analysis. We also made recommendations for the DBE, ACDBE and small business development programs. Ms. Holt continues to advise the Port about implementation of the study recommendations and the drafting of its FAA goal submissions.

Investigation and Monitoring Projects

Washington Special Assistant Attorney General Appointment

Ms. Holt was retained as a Washington Special Assistant Attorney General to investigate allegations of race discrimination filed under Title VI involving subcontractors on the Seattle Tunnel Project. She reviewed documents, interviewed the complainants and other witnesses, and made findings regarding the sufficiency of the claims. She also worked with WSDOT on remediation plans for FHWA approval, as well as program enhancements to ensure non-discrimination.

Independent Monitor In the Matter of James McHugh Construction Co.

Ms. Holt was appointed and approved by the federal court as the Independent Monitor to oversee the defendant's compliance with a consent decree that arose out of federal criminal prosecutions for DBE fraud. The contract at issue was funded by the Federal Transit Administration, the State of Illinois and the City of Chicago for the reconstruction of Wacker Drive. McHugh was accused of using a DBE as a "pass through" and submitting false invoices to the agencies. To settle the matter and avoid criminal prosecution, McHugh paid large fines and agreed to an appointed monitor for three years. Ms. Holt monitored all of the firm's public construction projects, including reviewing D/M/WBE compliance plans; checking firms' eligibility for contract goal credit; conducting site visits to ensure that the listed certified firms were working on the project; scrutinizing certified payrolls and other records; reviewing goal attainment; and preparing quarterly reports for the agencies and the court.