

Metropolitan Water Reclamation District of Greater Chicago Public Informational Webinar

Colette Holt & Associates
Sandi Llano & Associates, Inc.

2 February 2021

Disparity Study Team

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

Disparity Study Team, cont.

- Ilene Grossman, B.A. – Assistant Project Manager/COO
 - Experienced manager of disparity studies
- Victoria Farrell, M.B.A. – Anecdotal Team Manager
 - Experienced researcher and data manager
- Carol Borst – Contract Data Collection Team Manager
 - Highly experienced coordinator of all contract data collection activities
- Sandi Llano & Associates (WBE)
 - Specializes in D/M/WBE consulting services to government, small and large firms and non-profits

Disparity Study Objectives

- Comply with constitutional mandate to regularly review evidence supporting race- and gender-based programs
- Develop accurate data for annual and contract goal setting
- Gather feedback for program improvements
- Educate elected officials, MWRD staff, assist agencies and business owners on these issues

Disparity Study Elements

- Study website
 - Home page
 - Meet Our Team
 - Participate
 - Contact Us and Public Comment
- Legal Review
- MWRD's utilization of M/WBEs as a percentage of all dollars
 - Study period is FY 2015 to FY 2019
 - Step 1: Gather the District's prime contracts to create Initial Contact Data File

Disparity Study Elements

- Step 2: Gather any missing data for the (Sample) Initial Contract Data File to construct the Final Contract Data File
- Step 3: Contact primes for missing subcontractor data
 - Collect at least 80% of the contract dollars
 - Assign missing race and gender ownership status
 - Assign missing NAICS codes
- Step 4: Determine geographic and product markets
 - Analyze data for primes, subs and combined
 - Determine the geographic market for at least 75% of the contracts
 - Determine product market constrained by geographic market
 - Determine detailed utilization by race, gender and 6-digit NAICS codes

Disparity Study Elements

- Availability of M/WBEs in MWRD's markets
 - Three sources
 - Create Master List of M/WBEs from multiple entities
 - Develop list from the Contract Data File, City of Chicago, Cook County, State of Illinois and other lists
 - Obtain Hoovers/Dun & Bradstreet for initial business universe
 - Develop a list of firms from the Final Contract Data File
 - Combine these three sources and estimate:
 - Unweighted availability by race and gender disaggregated by industry codes
 - Unweighted availability by race and gender aggregated across all industry codes
 - Weighted availability by race and gender aggregated across all industry codes

Disparity Study Elements

- Disparity analysis
 - Disparity ratio = M/WBE utilization ÷ M/WBE weighted availability
 - Calculate disparity indices:
 - By race and gender aggregated by all industry codes
 - To the extent data are available, calculate disparity indices separately for contracts with and without goals
 - Examine the indices for:
 - Substantive significance – indices of 80% or less
 - Statistical significance – at different levels of statistical confidence

Disparity Study Elements

- Economy-wide disparity analyses
 - Compare revenues of M/WBEs to non-M/WBEs using the Census Bureau's Annual Business Survey
 - Examine the impact of race and gender on wages, business incomes and business formation rates using the Census Bureau's American Community Survey
 - Critical for evaluation of effectiveness of race- and gender-neutral measures

Disparity Study Elements

- Anecdotal data collection and analysis
 - Small group business owner interviews
 - M/WBEs and non-M/WBEs
 - Explore
 - Barriers to M/WBEs' success in the MWRD area markets
 - Experiences with discrimination
 - Ability to access District prime and subcontracts
 - Possible supportive services or other race- and gender-neutral measures
 - MWRD staff interviews
 - Other Chicago area disparity studies

Disparity Study Elements

- M/WBE Ordinance Review
 - Review policy/program documents
 - Solicit stakeholders', business owners' and MWRD staff's suggestions
 - Topics will include:
 - Outreach to M/WBEs and small firms
 - Program elements
 - Annual and contract goal setting
 - Review of bids/proposals
 - Contract monitoring, including commercially useful function evaluations and sub substitutions
 - Barriers to MWRD contracting and subcontracting
 - Contract data collection and reporting processes

Disparity Study Elements

- Recommendations
 - Race- and gender-neutral measures to reduce barriers and increase opportunities
 - Potential narrowly tailored race- and gender-conscious remedies
 - Program eligibility
 - Contract goal setting methodology
 - Bid/proposal evaluation
 - Contract performance policies and processes
 - Monitoring and data collection

Study Participation Information

- Business Owner Interviews Spring 2021
- Study information
 - <http://mwrд.disparity-study.com>
 - mwrд-study@mwbelaw.com
 - 855-692-3529 (855-MWBELAW)
- MWRD Managers
 - Regina Berry, BerryR@mwrд.org
 - PJ Spencer, SpencerPJ@mwrд.org



16 Carriage Hills • San Antonio, Texas 78257

433 West Briar Place #11B • Chicago, Illinois 60657

773.255.6844 • colette.holt@mwbelaw.com

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