



Broward County

Legislation Text

File #: 21-1010, Version: 1

Broward County Commission Regular Meeting

Director's Name: Dale V.C. Holness

Department: County Commission

Information

Requested Action

MOTION TO DIRECT County staff to submit a proposal to conduct a disparity study to determine if there is a statistically significant underutilization in the award of the County's prime contracts and subcontracts to businesses owned by minorities and women. (Commissioner Holness)

Why Action is Necessary

Approval by the Board of County Commissioners ("Board") is required to direct staff to submit a proposal for a disparity study.

What Action Accomplishes

Directs County staff to submit a proposal for a disparity study for the Board's subsequent consideration.

Is this Action Goal Related

Yes

Previous Action Taken

Summary Explanation/Background

This item supports the Commission Value "Ensuring economic opportunities for Broward's diverse population and businesses" and the Commission Goal to "Utilize policies and strategies to create employment opportunities and support for economically disadvantaged members of the community."

The proposed disparity study would provide guidance with respect to the equitable representation of enterprises doing business with the County. The purpose of the proposed disparity study would be to determine if there is a statistically significant underutilization in the award of the County's prime contracts and subcontracts to businesses owned by minorities and women. Under a fair and equitable system of awarding contracts, the proportion of contract dollars awarded to minority and women-owned business enterprises (M/WBEs) should be close to the corresponding proportion of available M/WBEs in the relevant market area. If the available M/WBE prime contractors or subcontractors are underutilized, a statistical test can be conducted to calculate the probability of observing the empirical disparity ratio or any event which is less probable.

There is evidence of ongoing effects of past discrimination in Broward County, Palm Beach County, and Miami-Dade County as reflected in previous studies. In a 2014 comprehensive disparity study

done by Miami-Dade County, prepared by Mason Tillman Associates, disparity was found for African-American, Asian-American, Hispanic-American, and Women Business Enterprise construction prime contractors on contracts valued under \$250,000 (Exhibit 1).

In a disparity study done by Palm Beach County in 2017, there was evidence that found that women and minority-owned business received fewer and smaller contracts than their availability in the county's market area. The study revealed that the disparity for M/WBE firms was statistically significant. For example, black-owned construction firms made up 13% of the marketplace but received about 3% of the value of county contracts awarded between \$50,000 and \$1.3 million from 2009-2013.

A similar disparity study was last conducted for Broward County in 2010. The previous disparity study showed anecdotally that there was a disparity, but more data collection was needed to be specific. More data collection has since been done. County staff should submit to the Board a proposal for conducting a new disparity study, including a budget, timeline for completion, scope, and recommendations.

Source of Additional Information

Heidi Richards, Chief of Staff, District 9, 954-357-7009

Fiscal Impact

Fiscal Impact/Cost Summary

None.