

Multnomah County Central Courthouse Construction Project

Equity Analysis

Mid-Project Analysis (75% to Completion)

November 2019

In the following we present our analysis of contract values and workforce hours (as of June 2019) for the Multnomah County Central Courthouse Project (MCCCP), a publicly funded construction project currently in process.

Contract Dollars

(As of June 2019)

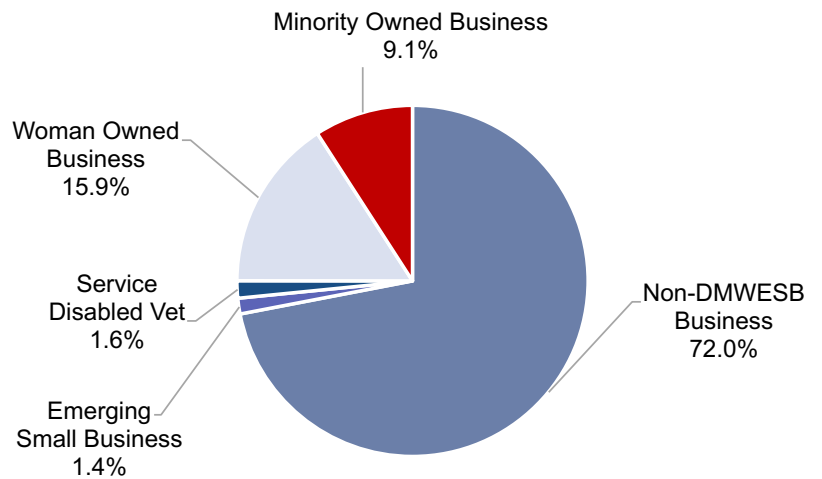
The contract values presented here are the current contract amount, less any dollars paid to subcontractors under that contract.

Of all contract dollars awarded for the MCCCP, 9.1% (\$21,050,235) were awarded to businesses that were registered with Oregon's Certification Office for Business Inclusion and Diversity (COBID) as Minority Owned Businesses, which indicates that the majority owner of the business is a member of a racial minority.

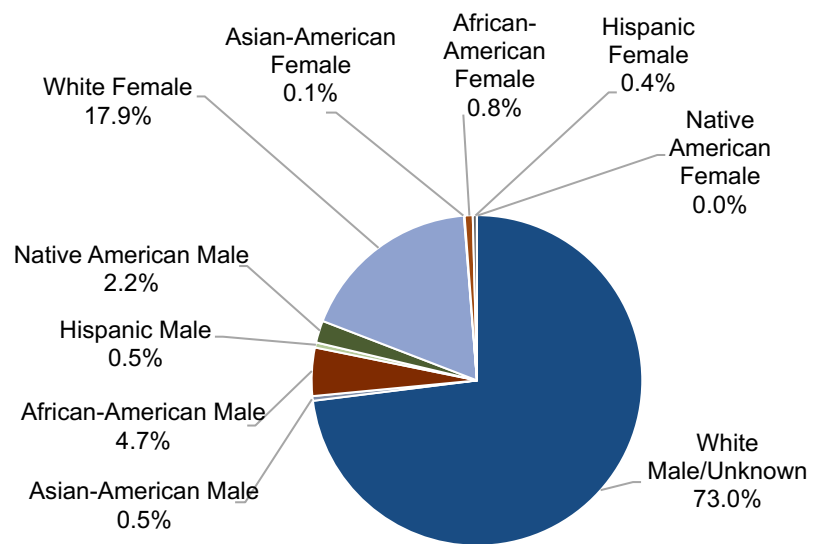
Businesses with COBID certification and an African American majority owner were awarded 5.4% of all contract dollars (\$12,692,851), Native American owned businesses were awarded 2.1% of all contract dollars (\$4,991,700), and Asian American and Hispanic owned businesses received less than 1% (0.6% (\$1,295,301) and 0.9% (\$2,070,383), respectively).

Businesses with COBID certification of being a Woman Owned Business were awarded 15.9% of all contract dollars (\$36,597,761). Service Disabled Veterans received 1.6% of all contract dollars (\$3,681,003), and Emerging

MCCCP Percentage of Total Contract Dollars By Subcontractor COBID Certification



MCCCP Percentage of Total Contract Dollars By Subcontractor Gender and Race



Small Businesses received 1.4% of all contract dollars (\$3,328,781). It is worth noting that all of these businesses are registered to white majority owners.

Businesses without COBID certifications received 72.0% of all contract dollars (\$166,083,439).

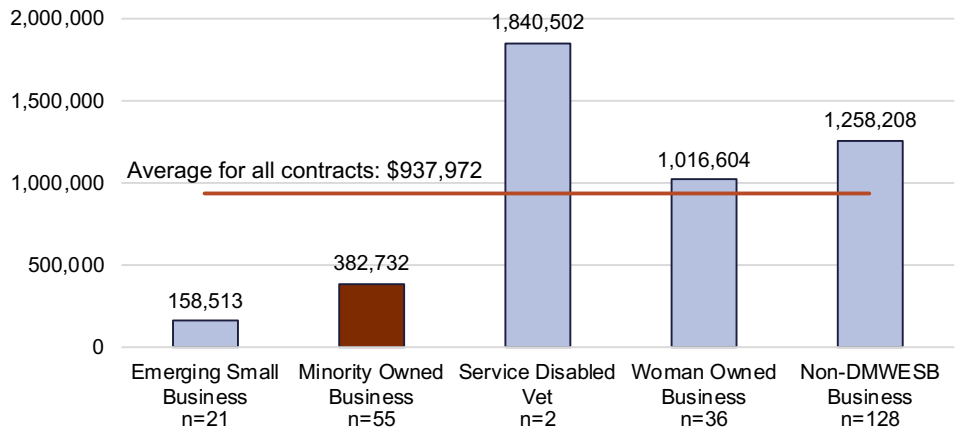
The average value of contracts awarded to Minority Owned Business was 66% less than the average value of non-Minority-Owned Business contracts in dollars (\$382,7322 v. \$1,121,342).

When compared to other MWSDVESB businesses, the contracts awarded to Minority Owned Businesses were, on average, less than 1/3 of the value of those awarded to Woman Owned Businesses and 1/5 of the value of those awarded to Service-Disabled Vet Owned Businesses.

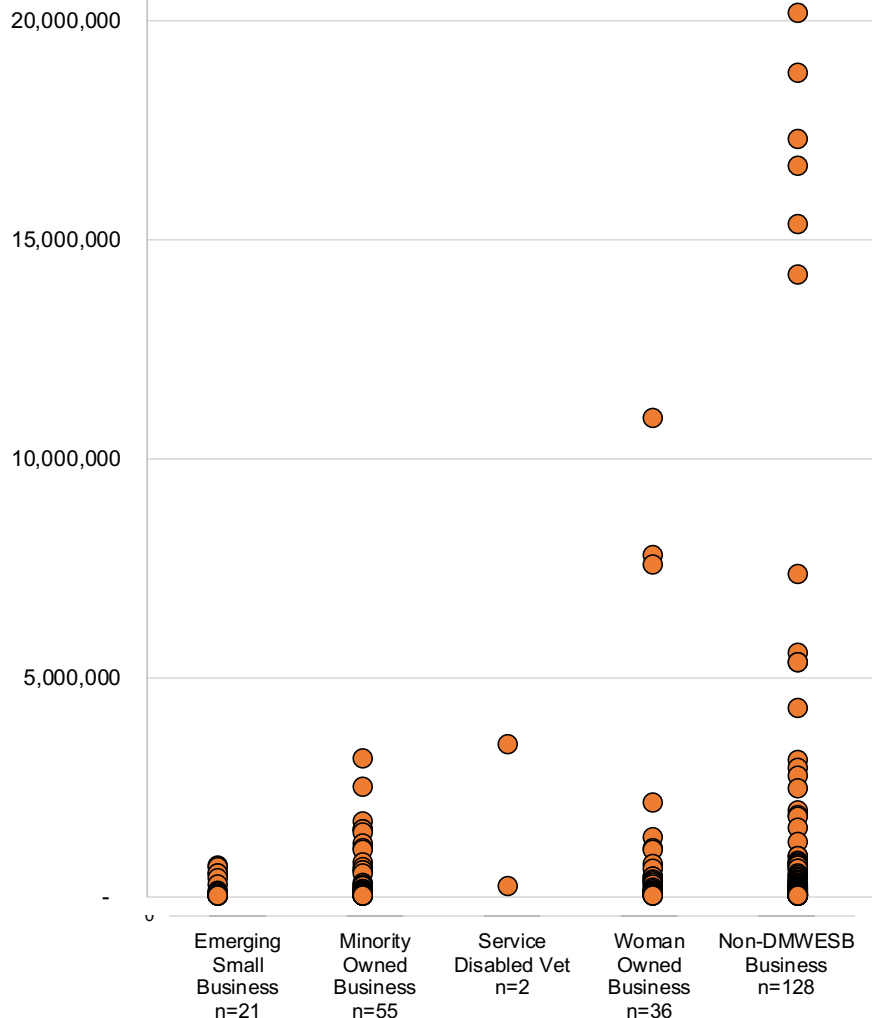
Within the category of Minority Owned Businesses, contracts awarded to Hispanic Owned Companies were 64% smaller, on average, compared to the Minority-Owned Business group average.

By examining the distribution of contract values in each group we see that the average value is sometimes significantly influenced by one (in the case of Service-Disabled Vets) or several (non-certified and Women Owned Businesses) high-value contracts.

MCCCP Average Contract Amount (\$)



MCCCP Distribution of Contract Amounts (\$)

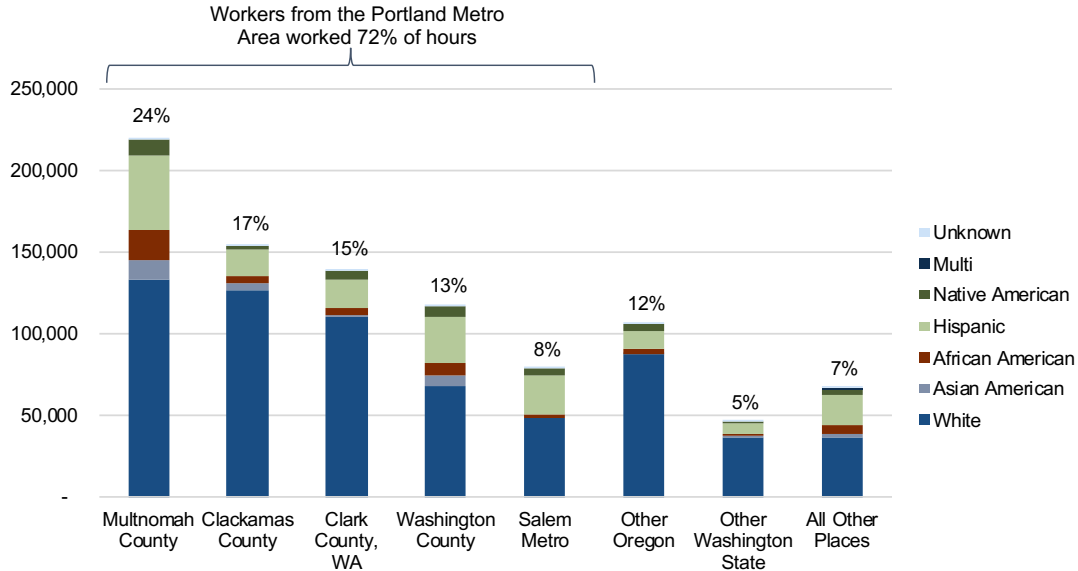


Workforce Hours

(As of June 2019)

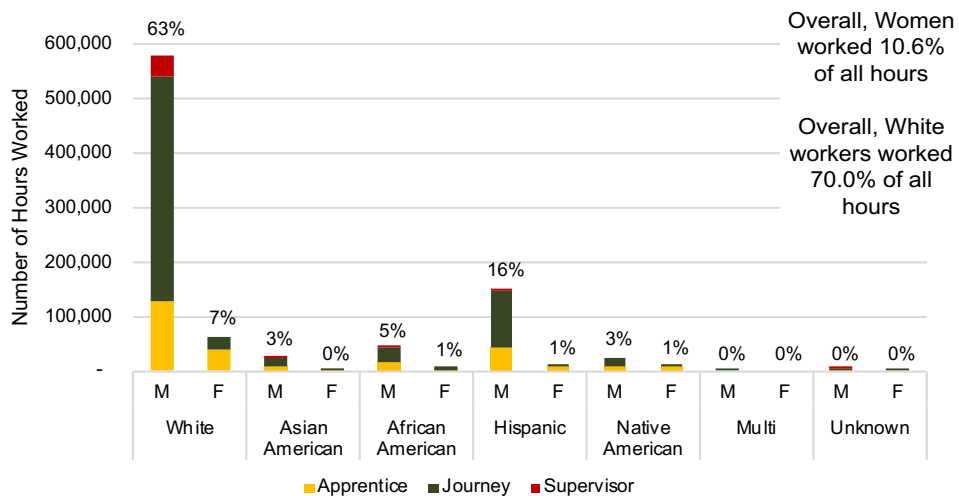
Evaluating the distribution of work hours by region of residence, we found that 72% of hours were worked by workers from the Portland Metro Area, and 31% of those workers from the Portland Metro Area were racial minorities.

MCCCP Hours Worked by Race and Region of Residence



Of all hours worked on the MCCCP by August 2018, 70.1% of those hours were worked by White workers. Hispanic workers had the next largest portion of hours worked, at 17.7% of all hours. African American workers worked 5.4%, Native American workers worked 4.1%, and Asian American workers worked 2.8% of all hours.

Hours Worked by Job Level, Gender, and Race/Ethnicity



Overall, women worked 10.6% of all hours on the MCCCCP as of June 2019. When evaluated by race, we see that women were most strongly represented among Native American workers, among whom women worked 34% of all hours.

We found that racial minorities worked 35.2% of all Apprentice-level hours and 29.8% of all Journey-level hours and as of December 2018. However, racial minorities worked 4.7% of all hours at the Supervisor level

Women worked 21.5% of all Apprentice-level hours and 6.7% of all Journey-level hours. However, women worked 0% of hours at the Supervisor level

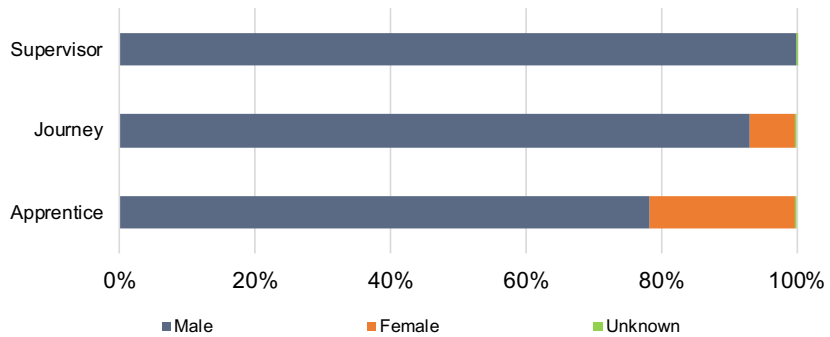
The distribution of worker hours by race and gender also varies by job craft. While some crafts have demonstrated greater diversity in worker hour distribution (e.g. carpentry), others are decidedly less diverse (e.g. plumbing and operators).

For our analysis by Craft, the “Other” category includes the following categories: Drywall Finisher, Exterior-Interior Spec, Firestop Containment, Flagger, Glazier, Insulator/Sprinkler Fitter, Painter, Pilebuck, Roofing, Sheet Metal, Striper, and Trucking.

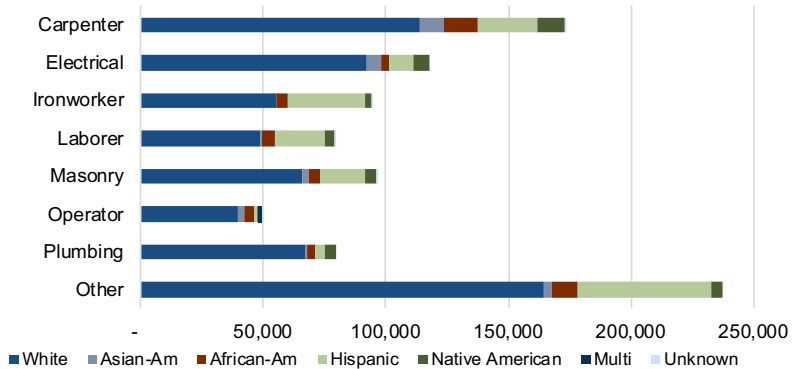
MCCCCP Hours Worked by Job Level and Race/Ethnicity



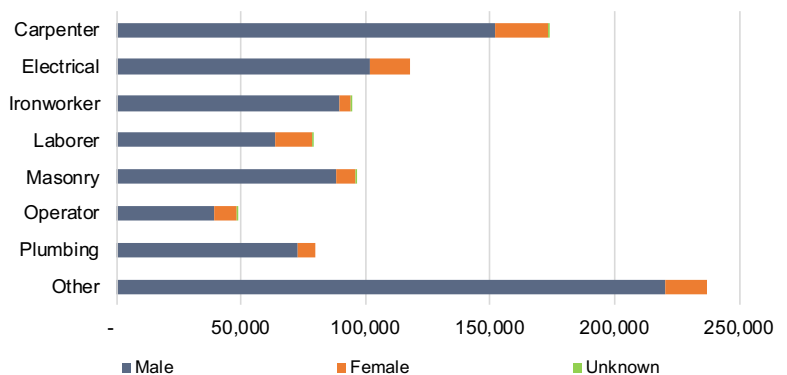
MCCCCP Hours Worked by Job Level and Gender



MCCCCP Hours Worked by Craft and Worker Race/Ethnicity



MCCCCP Hours Worked by Craft and Gender



Workforce Wages and Earnings – The Sellwood Bridge

Although workforce wage data is collected for many large-scale construction projects, it is not collected in an electronic format for all, and it is not being collected electronically for the MCCCCP.

A prior analysis of wage data on the recent Sellwood Bridge Project (SWB) found that “White workers make almost five dollars per hour more on the Sellwood Bridge project than all workers of color combined; when we compare African Americans to White workers, the gap doubles.” (Chorpenning, 2015)

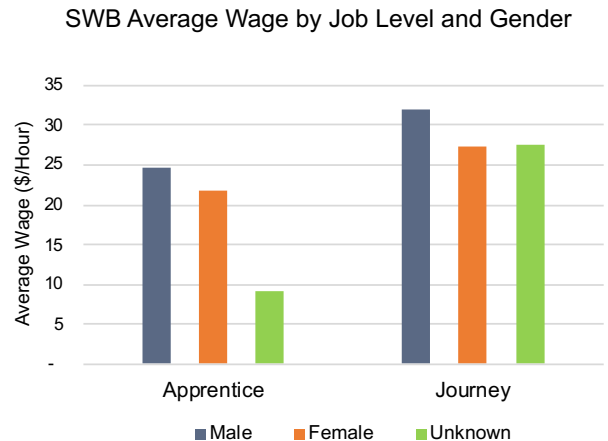
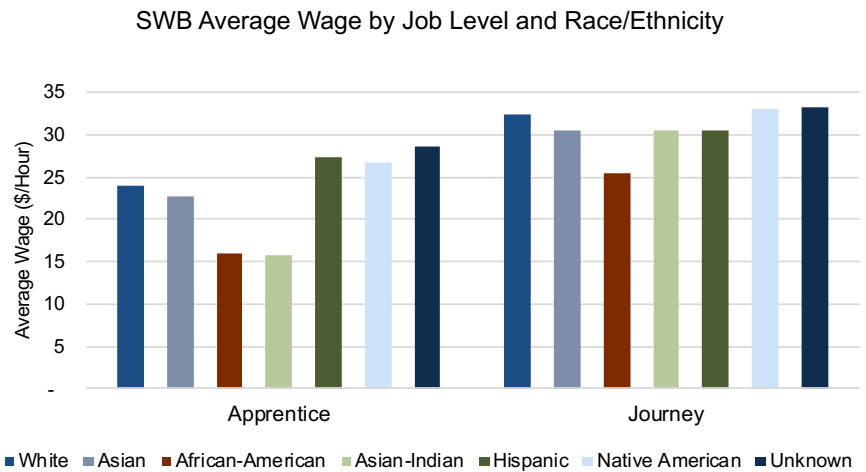
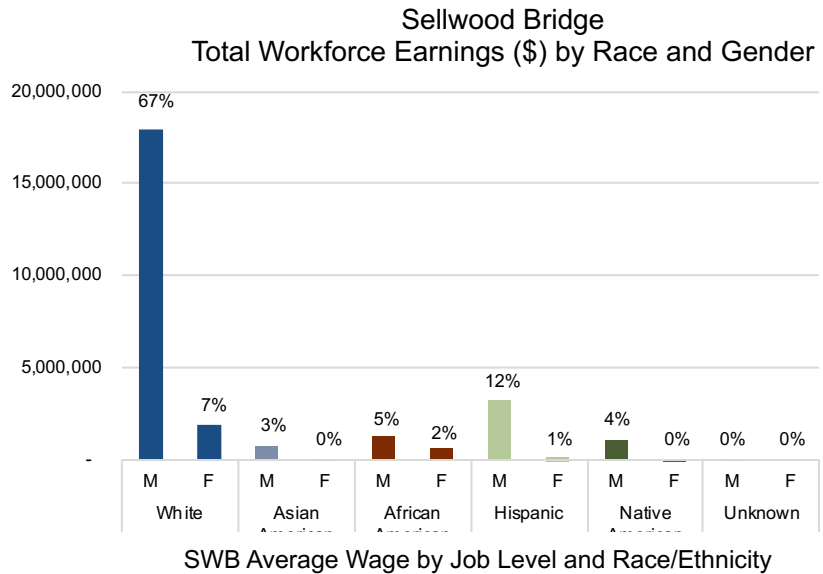
Our own analysis of data for the completed Sellwood Bridge Project found wage disparities between workers of different races and between genders, and that these disparities are greater among Apprentices than for Journey workers. (Supervisor hours were not collected for the Sellwood Bridge Project.)

Importantly, when differences in hours worked are compounded by wage disparities, we see dramatic differences in the number of wages earned. For the Sellwood Bridge, white men took home 67% of all dollars earned by workers. These differences are particularly relevant as we evaluate the economic impact of major publicly funded construction projects for working families in our area.

Performing similar analyses on the wage data for the MCCCCP is particularly relevant as we evaluate progress towards reducing such income disparities in our communities. Without accurate wage data for the MCCCCP we cannot compare the earnings distributions or evaluate progress towards reducing pay inequities.

Conclusion

The ability to compare contract award amounts and hours worked by COBID certification status, race/ethnicity, gender, craft, job level, region of



residence, and pay rate for publicly funded construction projects allows for rapid and comprehensive assessment of the degrees to which diversity-related goals are being met, and evaluation of the relative progress towards equitable distribution of work and wages made from one project to another.

We believe that access to these metrics in clear, well labeled, and easy to understand figures at regular intervals in a project's timeline will be helpful to the residents of Multnomah County and will encourage public engagement and understanding of public works.

We encourage our public representatives and regulatory offices to evaluate the options and constraints that are placed on the contract bidding processes, the recruitment, hiring, and retention of workforces, and the budgetary processes that either encourage or hamper the ability to meet the goals to provide specific inclusion for racial minorities and women in our communities.

Finally, we support efforts by state and local offices to work together to build a coherent process for evaluating past compliance on workforce and contracting goals, particularly as it applies to awarding future contracts.

Acknowledgements

We would like to extend our gratitude to Lee Fleming (Supplier Diversity Officer, Multnomah County), Liz Smith-Currie (Senior Policy Advisor to Multnomah County Chair Deborah Kafoury), Patrick Wybert (Multnomah County Supplier Diversity Program), and Andre Baugh (Group AGB) for providing the data used here for the Multnomah County Central Courthouse Project.

List of Abbreviations

COBID: Certification Office for Business Inclusion and Diversity

DMWESB: Disadvantaged, Minority, Women and Emerging Small Businesses

SDV: Service Disabled Veterans

WBE: Women Owned Businesses

MBE: Minority Owned Businesses

MWSDVESB: Minority Owned, Women Owned, Service Disabled Vet Owned, and Emerging Small Businesses

ESB: Emerging Small Business

MCCCP: Multnomah County Central Courthouse Project

SWB: Sellwood Bridge Project

References & Readings

Chorpenning, M. (2014). *Minority Contracting in Oregon*. Portland, OR: Center to Advance Racial Equity, Portland State University.

Chorpenning, M., Curry-Stevens, A., Schrock, G., and Lamb, N. (2015). *Economic Equity in Communities of Color: The Effectiveness of Minority Contracting Initiatives*. Portland, OR: Center to Advance Racial Equity, Portland State University.

Multnomah County and Hoffman Construction Company of Oregon, (2017) Multnomah County Central Courthouse Project Labor Agreement.

"Needed: a way to keep score on racial disparities." *The Oregonian*, May 25, 2010. p.C4. Editorial.