



2025 OREGON DEPARTMENT OF TRANSPORTATION DISPARITY STUDY UPDATE Final Report

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SUMMARY REPORT — Executive Summary

The federal government requires state and local governments to operate the Federal Disadvantaged Business Enterprise (DBE) Program if they receive U.S. Department of Transportation (USDOT) funds for transportation projects. The Oregon Department of Transportation (ODOT) has been operating some version of the Federal DBE Program for many years.

ODOT must set a separate overall goal for participation of DBEs for Federal Highway Administration (FHWA) every three years. At the time of the report, ODOT’s FHWA DBE overall goal was 23.43 percent, with 6.10 percentage points of that goal projected to be achieved through neutral efforts.

ODOT is using the information from the 2025 Disparity Study Update to consider overall DBE goals for FHWA-funded contracts.

New three-year goals for ODOT’s FHWA-funded contracts must be in place starting October 1, 2025.

Figure 1 presents the current FHWA DBE goal as of 2025, the potential new overall DBE goal that ODOT might propose, and projections of the portion of the proposed goal projected to be met through neutral means.

1. Current and proposed FHWA DBE goals

	Current	Proposed DBE goals		
		Total	Race-neutral	Race-conscious
FHWA	23.43 %	18.90 %	6.82 %	12.08 %

Source: Keen Independent Research from ODOT procurement data.

The balance of this Summary Report and the supporting appendices explain each step in calculating the potential new overall DBE goal.

The public was able to submit feedback and written comments about this analysis and the proposed overall DBE goals. The next page outlines different ways to provide that input.

SUMMARY REPORT — Introduction

2025 Disparity Study Update

ODOT retained Keen Independent Research LLC (Keen Independent) to perform its 2025 Disparity Study Update to help set overall annual goals. The firm also prepared the 2022 Disparity Study for ODOT and related studies since 2016.

Research methods. The Disparity Study Update included:

- A survey of firms available to perform work on public sector transportation contracts in Oregon and two counties in Washington (Clark and Skamania).
- Analysis of prime contractors and subcontractors in past FHWA-funded contracts.

Study team. As a subconsultant to Keen Independent, Customer Research International (CRI) conducted telephone and online surveys with businesses potentially available for ODOT contracts.¹

Public input for the 2025 Disparity Study Update Report and ODOT's Goal and Methodology document. As it did with the 2022 Disparity Study, ODOT published this draft 2025 Disparity Study Update report for public comment before Keen Independent prepares a final report. ODOT has also published its Proposed Preliminary Three-Year Overall DBE Goal & Methodology for its proposed overall DBE goals for FHWA-funded contracts.

The public comment period for the draft report and ODOT's proposed overall DBE goal was from June 4, 2025, through July 4, 2025.

¹ The availability survey was conducted in conjunction with other entities. See Appendix C. Availability Data for details.

ODOT held two virtual public meetings to discuss and obtain verbal comments about the 2025 Disparity Study Update and proposed DBE goals:

- From 12 to 1 p.m. on Monday, June 23, 2025; and
- From 4 to 5 p.m. on Thursday, June 26, 2025.

In addition, ODOT and Keen Independent requested written comments through any of the following means:

- At the virtual public meetings; and
- Via email at ocrprograms@odot.oregon.gov

Keen Independent reviewed information from the public meetings and from written comments submitted before preparing the final Disparity Study Update report. ODOT reviewed comments concerning the proposed FHWA DBE goals.

This process is similar to the approach for receiving and considering comments for the 2022 ODOT Disparity Study and proposed DBE goals.

SUMMARY REPORT — Federal DBE Program

Regulations in 49 Code of Federal Regulations (CFR) Part 26 govern how agencies implement the Federal DBE Program. Three important requirements are:

- Setting overall goals for DBE participation.
(49 CFR Section 26.45)
- Meeting the maximum feasible portion of the overall DBE goal through race- and gender-neutral means.
(49 CFR Section 26.51)
 - Race- and gender-neutral measures include promoting the participation of small or emerging businesses.²
 - If an agency can meet its overall DBE goal solely through race- and gender-neutral means, it must not use race- and gender-conscious measures when implementing the Federal DBE Program.
- Appropriate use of race- and gender-conscious measures, such as contract-specific DBE goals. (49 CFR Section 26.51)
 - Because these measures are based on the race or gender of business owners, use of these measures must satisfy standards in order to be legally valid.
 - Measures such as DBE quotas are prohibited; DBE set-asides may only be used in limited and extreme circumstances (49 CFR Section 26.43).
 - Some agencies restrict eligibility to participate in DBE contract goals programs to certain racial, ethnic and gender groups depending on the relevant evidence for those groups.

Based on these requirements, agencies receiving USDOT funds set overall goals for DBE participation and use race-neutral measures to encourage DBE utilization. Some public agencies, including many state departments of transportation, also use race- and gender-conscious measures such as DBE contract goals where necessary to meet overall DBE goals.

Note that to be certified as a DBE for participation in the Program, a firm must be socially and economically disadvantaged as defined in 49 CFR Part 26. Revenue limits, personal net worth limits and other restrictions apply. Most DBEs are minority- or woman-owned firms, but white male-owned firms that can demonstrate social and economic disadvantage can be certified as DBEs as well.

² Note that all use of the term “race- and gender-neutral” refers to “race-, ethnic- and gender-neutral” in this report.

SUMMARY REPORT — Contract data examined

Contract and Subcontract Data

ODOT provided Keen Independent data on FHWA-funded transportation-related contracts awarded from Federal Fiscal Year (FFY) 2022 through FFY 2024 (Oct. 1, 2021, through Sept. 30, 2024).

In total, Keen Independent examined 501 prime contracts and 3,008 subcontracts. (This does not include contracts with financial institutions and other public entities.) Figure 2 presents the number and dollar value of contracts in FHWA-funded contracts. Appendix B of the Disparity Study Update Report describes the methods used to compile and analyze these data.

The final Keen Independent database of contracts totaled \$2.0 billion for FFY 2022–FFY 2024 (the three-year study period).

2. Number and dollars of ODOT and local public agency transportation contracts and subcontracts, FFY 2022–FFY 2024

	ODOT	Local agency	Total
Number of contracts			
Prime contracts	364	137	501
Subcontracts	2,923	85	3,008
Total	3,287	222	3,509
Dollars (millions)			
Prime contracts	\$ 1,218	\$ 115	\$ 1,333
Subcontracts	688	18	706
Total	\$ 1,906	\$ 132	\$ 2,039

Note: Keen Independent calculated the total dollars going to the prime contractor by subtracting subcontractor amounts (including truckers and suppliers) from the total contract value.

Source: Keen Independent Research from ODOT procurement data.

Types of Work in ODOT Contracts

Based on information in the contract and subcontract records, Keen Independent coded the primary type of work involved in each prime contract and subcontract using 6-digit codes North American Industry Classification System (NAICS) as well as Standard Industrial Classification (SIC) codes.

Figure 3 on the following page provides dollars of spending for 31 different types of prime contract and subcontract work during FFY 2022 through FFY 2024. The figure shows results for FHWA-funded contracts.

Dollars for prime contracts are based on the contract dollars retained (i.e., not subcontracted out) by the prime contractor or prime consultant. As mentioned above, a single type of work was assigned to each prime contract and subcontract (including suppliers) as provided in the contract database.

The 31 specific types of work examined account for 98 percent of the dollars of FHWA-funded contracts. These results are similar to those from previous Keen Independent studies for ODOT.

SUMMARY REPORT — Contract data examined

3. Dollars of ODOT and local public agency FHWA-funded transportation contracts and subcontracts by subindustry, FFY 2022–FFY 2024

Type of work	Dollars (1,000s)	Percent	Type of work	Dollars (1,000s)	Percent
General road construction and widening	\$ 514,735	25.25 %	Painting for road or bridge projects	10,392	0.51
Bridge and elevated highway construction	492,183	24.14	Pavement milling	8,812	0.43
Architecture and engineering	154,463	7.58	Wrecking and demolition	8,466	0.42
Concrete flatwork (including sidewalk, curb and gutter)	152,336	7.47	Materials testing	8,089	0.40
Excavation, site prep, grading and drainage	116,729	5.73	Trucking and hauling	7,201	0.35
Electrical work including lighting and signals	111,060	5.45	Drilling and foundations	5,406	0.27
Asphalt, concrete or other paving	88,713	4.35	Environmental consulting	5,035	0.25
Temporary traffic control	59,178	2.90	Construction remediation and clean-up	3,704	0.18
Installation of guardrails, fencing or signs	53,447	2.62	Other heavy and civil engineering construction	3,418	0.17
Fence or guardrail materials	33,835	1.66	Custom computer programming services	2,682	0.13
Structural steel work	27,972	1.37	Aggregate materials supply	1,518	0.07
Concrete repair	23,764	1.17	Marketing, communications and outreach	1,478	0.07
Striping or pavement marking	21,977	1.08	Total identified subindustries	\$ 1,999,732	98.08 %
Landscaping and related work including erosion control	16,610	0.81			
Steel	15,224	0.75	Other construction	\$ 16,710	0.82 %
Asphalt, concrete and other paving materials	15,152	0.74	Other professional services	4,588	0.23
Surveying and mapping	12,538	0.61	Other goods	110	0.01
Pavement surface treatment (such as sealing)	12,503	0.61	Other services	17,724	0.87
Transportation planning	11,112	0.54	Total	\$ 2,038,864	100.00 %

Source: Keen Independent Research from ODOT procurement data.

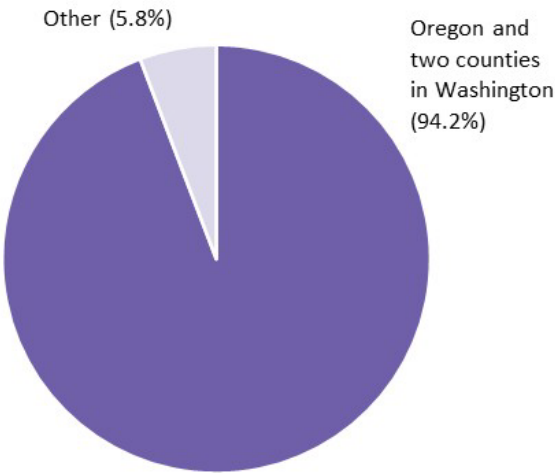
SUMMARY REPORT — Contract data examined

Firms with locations in Oregon and two counties in Washington (Clark and Skamania) performed most of the dollars of the FHWA-funded contracts and subcontracts.

- As shown in Figure 4, businesses with locations in Oregon and two counties in Washington obtained 94 percent of FHWA-funded contract dollars for FFY 2022 through FFY 2024 (after exclusion of contracts with financial institutions and other public entities).
- Keen Independent’s availability analysis focused on this geographic area.

These results are similar to those from previous Keen Independent studies completed for ODOT: Oregon and the two counties in Washington (Clark and Skamania) was the geographic market area determined in each of the earlier Keen Independent disparity and disparity study updates for ODOT.

4. Percentage of ODOT and local public agency transportation contract dollars going to firms with locations in Oregon and two counties in Washington, FFY 2022–FFY 2024



Source: Keen Independent Research from ODOT contract data.

SUMMARY REPORT — Availability analysis

Keen Independent performed a survey of available firms to provide data for the benchmark used in preparing a new overall goal for DBE participation in ODOT contracts.

The study team contacted businesses in the geographic market area to identify companies indicating they were qualified and interested (ready, willing and able) to work on ODOT transportation contracts and subcontracts. The survey asked about the types of work performed, ability to work in a specific location, size of contracts bid and the race, ethnicity and gender ownership of the firm. Figure 5 provides an overview of the steps.

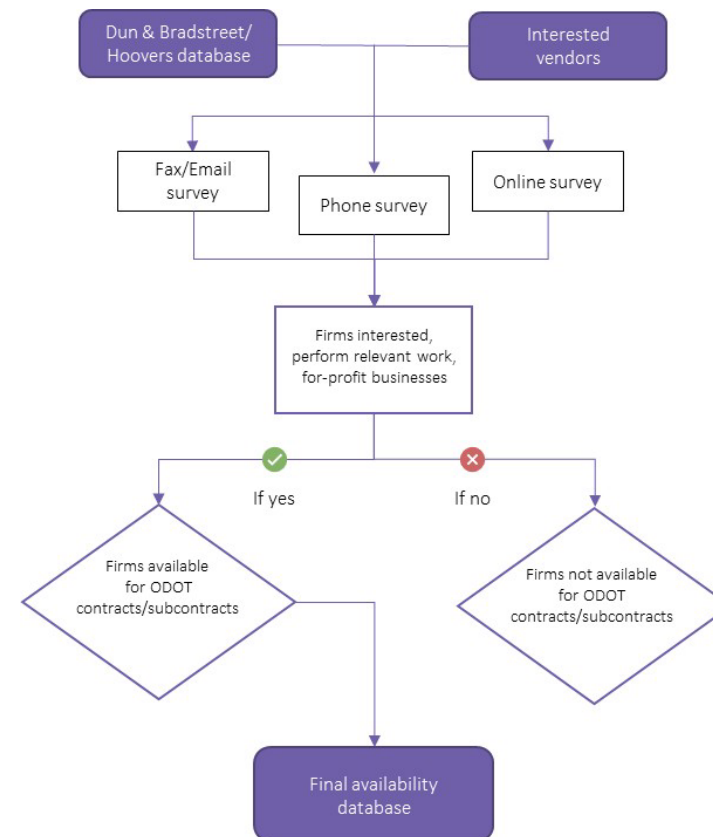
Methodology

List of firms to be surveyed. In addition to an ODOT list of firms interested in bidding on its contracts, Keen Independent compiled the list of firms to be contacted in the availability survey from the Dun & Bradstreet (D&B) Hoover's business establishment database. Use of D&B information has been accepted and approved in connection with disparity study methodology. The study team obtained listings for companies that D&B identified as:³

- Having a location in Oregon or in Clark or Skamania counties in Washington; and
- Performing work or providing goods the study team determined were potentially related to ODOT transportation contracts and subcontracts.

More than 32,500 business establishments were on this initial list. Only some of the firms were determined to be qualified and interested in ODOT contracts, as described on the next page.

5. Keen Independent ODOT availability survey process



³ The availability survey was conducted in conjunction with other entities. See Appendix C. Availability Data for details.

SUMMARY REPORT — Availability analysis

Availability surveys. Keen Independent offered multiple ways to participate in the availability survey.

Telephone survey. The study team conducted telephone surveys with business owners and representatives on the business list described on the previous page. Customer Research International (CRI) performed the surveys under Keen Independent's direction. Surveys were conducted in February and March 2025.

CRI used the following steps to complete telephone surveys with business establishments.

- CRI contacted firms by telephone. The study team offered business representatives the option of completing surveys via fax or email if they preferred not to complete surveys over the telephone. There were 28,430 business establishments called that had working phone numbers for the correct business.
- Interviewers indicated that the calls were made on behalf of Port of Portland, Prosper Portland and ODOT (since they were also conducting disparity study updates at the same time as ODOT) when calling firms with a location in the Portland Metropolitan Statistical Area (MSA) to gather information about companies interested in performing construction, construction related-professional services, other professional services, goods and other services to public entities or on related projects.

Interviewers indicated that the call were made on behalf ODOT when calling firms with a location in other Oregon areas.

- Some firms indicated in the phone calls that they did not perform relevant work or had no interest in work with public entities, so no further survey questions were necessary. (Such surveys were treated as complete at that point.)
- When a business was unable to conduct the interview in English, the study team called back with a bilingual interviewer (English/Spanish) to collect basic information about the company. The bilingual interviewer offered the option of the firm filling out a written version of the full availability survey (in English).
- Up to six phone calls were made at different times of day and different days of the week to attempt to reach each company.

Online survey. Keen Independent developed an online availability survey. ODOT sent an email to firms on their respective interested firms list with email addresses and encouraged them to complete the survey.

SUMMARY REPORT — Availability analysis

Information collected. Survey questions covered topics including:

- Types of work performed or goods supplied;
- Qualifications and interest in performing work or supplying goods for ODOT or other public agencies;
- Qualifications and interest in performing work as a prime contractor or as a subcontractor;
- Largest prime contract or subcontract bid on or performed in the previous three years;
- Regions in Oregon where the company can perform work;
- Year of establishment; and
- Race/ethnicity and gender of firm owners.

Screening of firms for the availability database. Keen Independent considered businesses to be potentially available for ODOT contracts or subcontracts if they reported possessing all of the following characteristics:

- Were a private business;
- Were able to do work in one or more Oregon regions (Portland/Hood River, Northwest, Southwest, Central and Eastern); and
- Reported qualifications and interest in work with public entities and that they were interested in prime contracts or subcontracts or both.

SUMMARY REPORT — Availability analysis

Availability Survey Results

The study team successfully contacted 8,809 businesses in this survey, or 31 percent of the 28,430 firms that were called that had working phone numbers. As in previous Keen Independent availability surveys for ODOT, most of these businesses indicated that they were not interested in ODOT or other public entity work. There were 2,718 businesses in the final database of companies indicating qualifications and interest in public entity contracts or subcontracts.

- About 13.3 percent of firms in the market area available for ODOT contracts were owned by people of color and 14.9 percent were owned by white women. In total, MBE/WBEs accounted for about 28 percent of available firms.
- “Majority-owned firms” are companies that are not MBE/WBEs. They comprised 72 percent of the firms available for ODOT contracts.
- Some of these MBE/WBE firms were certified as DBEs under the Federal DBE Program. Of the 28 percent of available firms that were MBE/WBEs, MBEs that were DBE-certified accounted for 4 percentage points.

Appendix C provides information about availability survey response rates, confidence intervals and analysis of any differences in response rates between groups. Note that the overall response rate in 2025 was lower than previous years, following a national trend of lower participation in surveys. Keen Independent concludes that it did not affect overall results, however.

Figure 6, on the next page, presents the number of businesses included in the availability database for each racial/ethnic/gender group. Results for the 2022 survey are similar to the 2022, 2019 and 2016 studies, with a trend toward somewhat more MBEs and relatively fewer WBEs among the total number of minority- and woman-owned businesses.

SUMMARY REPORT — Availability analysis

6. Number of businesses included in the availability databases in 2016, 2019, 2022, 2025 studies

	2025 Study		2022 Study	2019 Study	2016 Study
	Number of firms	Percent of firms	Percent of firms	Percent of firms	Percent of firms
African American-owned	87	3.20 %	4.42 %	1.67 %	2.32 %
Asian-Pacific American-owned	64	2.35	1.80	1.93	1.65
Subcontinent Asian American-owned	18	0.66	0.69	0.88	0.92
Hispanic American-owned	157	5.78	4.01	3.78	3.48
Native American-owned	35	1.29	2.62	2.37	2.14
Total MBE	361	13.28 %	13.54 %	10.63 %	10.49 %
WBE (white woman-owned)	405	14.90	15.61	16.87	16.72
Total MBE/WBE	766	28.18 %	29.14 %	27.50 %	27.21 %
Majority-owned	1,952	71.82	70.86	72.50	72.79
Total	2,718	100.00 %	100.00 %	100.00 %	100.00 %

Note: Percentages may not add to totals due to rounding.

Source: Keen Independent Research 2025 availability survey.
 Keen Independent 2022 Oregon Department of Transportation Disparity Study Final Report.
 Keen Independent 2019 Oregon Department of Transportation Disparity Study Update Final Report.
 Keen Independent 2016 Oregon Department of Transportation Disparity Study Final Report.

SUMMARY REPORT — Availability analysis

Methodology for Developing Dollar-Weighted Availability Benchmarks

Although MBE/WBEs comprise a large share of total firms available for ODOT contracts, there are industry specializations in which there are relatively few minority- and woman-owned firms. Also, Keen Independent found that minority- and woman-owned firms were less likely than other companies to be available for the largest ODOT FHWA-funded contracts (see discussion of bid capacity in the 2022 ODOT Disparity Study, Appendix H).

Keen Independent conducted a contract-by-contract availability analysis based on the specific types and sizes of ODOT contracts and subcontracts from Oct. 1, 2021, through Sept. 30, 2024, and dollar-weighted those results. (Those contracts are representative of the type, size and location of future FHWA-funded contracts.)

- The study team used the availability database developed in this study, including information about the type of work a firm performed, ability to do work in a geographic location, the size of contracts or subcontracts it bid, and the race, ethnicity and gender of its ownership.
- To determine availability for a contract or subcontract, Keen Independent first identified and counted the firms indicating that they performed that type of work of that size.
- The study team then calculated the MBE and WBE share of firms available for that contract (by group).

Once availability had been determined for every ODOT contract and subcontract, Keen Independent weighted the availability results based on the share of total ODOT contract dollars that each contract represented.

Figure 7 provides an example of this dollar-weighted analysis. Appendix C further discusses these methods.

7. Example of an availability calculation for an ODOT subcontract on an FHWA-funded contract

One of the subcontracts examined was for temporary traffic control (\$15,000) on a 2022 FHWA-funded contract in Portland. To determine the number of MBE/WBEs and majority-owned firms available for that subcontract, the study team identified businesses in the availability database that:

- a. Were in business in 2022;
- b. Indicated that they performed temporary traffic control work;
- c. Reported ability to perform work in Portland;
- d. Indicated qualifications and interest in such subcontracts; and
- e. Reported bidding on work of similar or greater size in the last ten years in Oregon.

There were 62 businesses in the availability database that met those criteria. Of those businesses, 21 were MBE/WBEs. Therefore, MBE/WBE availability for the subcontract was 34 percent (i.e., $21/62 = 33.9\%$).

The contract weight was $\$15,000 \div \$2.0 \text{ billion} = 0.00075\%$ (equal to its share of total FHWA-funded contract dollars). Keen Independent made this calculation to determine the weight for each prime contract and subcontract.

SUMMARY REPORT — Availability analysis

Dollar-Weighted Availability Results

Keen Independent used the approach described on the previous page to estimate the availability of MBE/WBEs and majority-owned businesses for FHWA-funded prime contracts and subcontracts.

The dollar-weighted availability analysis indicates that 22.91 percent of ODOT FHWA-funded contract dollars might be expected to have gone to minority- and woman-owned businesses during the FFY 2022–FFY 2024 study period. Figure 8 provides these availability benchmarks. (Note that these results include FHWA-funded contracts awarded by local agencies.)

Not all of these MBE/WBEs are currently DBE-certified or would be eligible for certification, as further discussed later in this Summary Report. For this and other reasons, the values in Figure 8 serve as only one part of the calculation of the overall DBE goal.

8. Dollar-weighted MBE/WBE availability for ODOT and local agency FHWA-funded contracts, FFY 2022–FFY 2024

	FHWA
African American-owned	1.32 %
Asian-Pacific American-owned	0.83
Subcontinent Asian American-owned	0.12
Hispanic American-owned	1.01
Native American-owned	6.68
Total MBE	9.96 %
WBE (white woman-owned)	12.95
Total MBE/WBE	22.91 %
Majority-owned	77.09
Total	100.00 %

Note: Percentages may not add to totals due to rounding.

Source: Keen Independent Research from 2025 availability survey and analysis of ODOT procurements.

SUMMARY REPORT — Overall FHWA DBE goal and projections of neutral participation

Keen Independent used the availability results discussed in the previous pages to help ODOT set an overall annual goal for DBE participation in its FHWA-funded transportation contracts. Federal regulations govern how these goals are determined. Agencies such as ODOT must determine “the level of DBE participation you would expect absent the effects of discrimination.”⁴

This section provides information for ODOT to consider as it sets its overall triennial DBE goal for FHWA-funded contracts and its projection of how much of the goal to be met through race-neutral measures.

This section is organized in three parts based on the process that 49 CFR Section 26.45 outlines for agencies to set their overall goals and project the portion to be met through neutral means:

- Establishing a base figure;
- Consideration of a step 2 adjustment; and
- Portion of overall DBE goal for FHWA-funded contracts to be met through neutral means.

⁴ 49 CFR Section 26.45(b).

SUMMARY REPORT — Overall FHWA DBE goal and projections of neutral participation

Establishing a Base Figure

Establishing a base figure is the first step in calculating an overall goal for DBE participation in ODOT's FHWA-funded contracts. For the base figure for FHWA-funded contracts, calculations focus on current and potential DBEs and other firms available for ODOT's contracts.

The study team's approach to calculating ODOT's base figure is consistent with:

- Court-reviewed methodologies in several states, including Washington, California, Illinois and Minnesota;⁵
- Instructions in The Final Rule effective February 28, 2011, that outline revisions to the Federal DBE Program;⁶ and
- USDOT's "Tips for Goal-Setting in the Disadvantaged Business Enterprise (DBE) Program."⁷

Projections of the types, sizes and locations of future FHWA-funded contracts and subcontracts. Discussions with ODOT indicate that analysis of FHWA-funded projects for FFY 2022–FFY 2024 provide the best projection of the types, sizes and locations of FHWA-funded contracts for FFY 2026 through FFY 2028.

The mix of FHWA-funded projects for the three years beginning October 2025 is expected to be similar to FHWA-funded projects from October 2021 through September 2024.

Based on the reasons above, Keen Independent used information about FFY 2022–FFY 2024 FHWA-funded work to project the types, sizes and locations of future FHWA-funded contracts and subcontracts for the three years beginning October 2025.

⁵ See discussion of relevant legal decisions in 2022 Disparity Study Report, Appendix E.

⁶ U.S. Department of Transportation. "Final Rule." 76 Fed. Reg. 19, 5083, (January 28, 2011).

⁷ U.S.DOT (2013, February 6.). *Tips for Goal-Setting in the Disadvantaged Business Enterprise Program*. <https://www.transportation.gov/civil-rights/disadvantaged-business-enterprise/tips-goal-setting-disadvantaged-business-enterprise>

SUMMARY REPORT — Overall FHWA DBE goal and projections of neutral participation

Calculations to convert MBE/WBE availability to current and potential DBEs for the base figure. Figure 9 provides the calculations to derive current/potential DBE availability when starting from the 22.47 percent MBE/WBE availability figure for FHWA-funded contracts.

There were three groups of MBE/WBEs that Keen Independent did not count as potential DBEs when calculating the base figure:

- MBE/WBEs that in recent years graduated from the DBE Program or had applied for DBE certification in Oregon and had been denied (based on information supplied by ODOT and information from the USDOT Decertified DBEs, Denials and DBE Appeal Decisions online database);
- MBE/WBEs that in the availability interviews reported having annual revenue over the most recent three years that exceeded the three-year average annual revenue limits for DBE certification for their subindustry; and
- Firms in the availability survey database that were ineligible for work based on their inclusion on the Oregon Bureau of Labor and Industries (BOLI) List of Contractors Ineligible to Receive Public Works Contracts (as of April 2025).⁸

Together, removing these three categories of MBE/WBEs reduced the base figure for FHWA-funded contracts by 0.45 percentage points. After subtracting 0.45 percentage points reflecting the above refinements, dollar-weighted availability for current and potential DBEs was 22.47 percent.

⁸ No firms from the availability survey were on the BOLI list.

9. Overall dollar-weighted availability estimates for current and potential DBEs for FHWA-funded contracts, FFY 2026–FFY 2028

Calculation of base figure from past contracts	Availability
Total MBE/WBE	22.91 %
Less firms that graduated from the DBE program or denied DBE certification in recent years or exceed revenue threshold	0.45
Subtotal	22.47 %
Plus white male-owned firms	-
Current and potential DBEs	22.47 %
Current DBEs only	8.38 %

Note: Numbers may not add to totals due to rounding.
Keen Independent did not identify a white male-owned DBE firm.

Source: Keen Independent availability analysis.

If the types, sizes and locations of FHWA-funded work were to substantially change for the FFY 2026 through FFY 2028 period, ODOT could reexamine its overall DBE goal for this time period.

Dollar-weighted availability of current DBEs. Keen Independent also calculated the base figure if it only counted current DBEs. (In this additional analysis, “potential DBEs” are included, but counted as “non-DBEs.”) The base figure would be 8.38 percent if DBE availability were limited to currently certified DBEs.

SUMMARY REPORT — Overall FHWA DBE goal and projections of neutral participation

Step 2. Determining if an Adjustment is Needed — 49 CFR Section 26.45(d)

Per the Federal DBE Program, ODOT must consider potential adjustments to the base figure as part of determining its overall annual DBE goal for FHWA-funded contracts. Federal regulations outline factors that an agency must consider when assessing whether to make any such “step 2 adjustments” to its base figure:

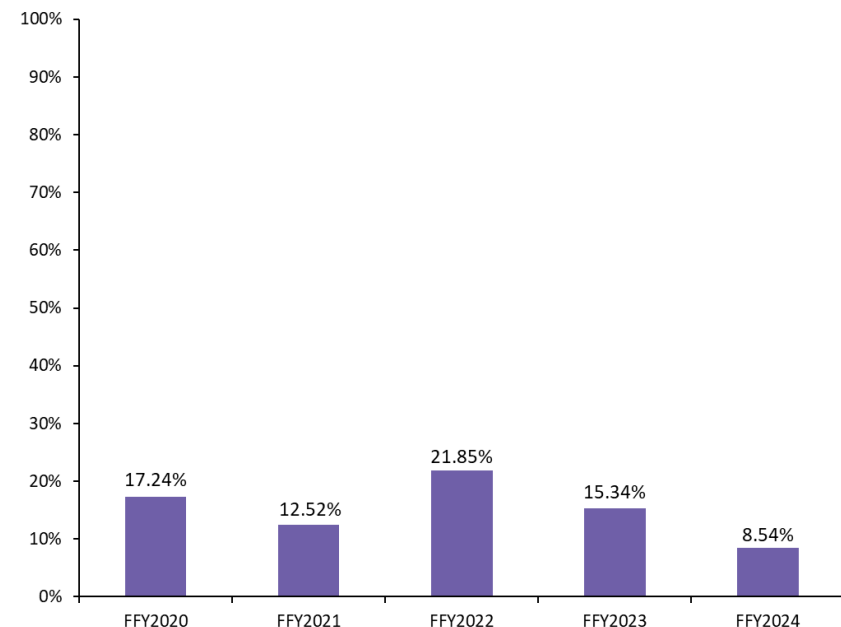
1. Current capacity of DBEs to perform work, as measured by the volume of work DBEs have performed in recent years;
2. Information related to employment, self-employment, education, training and unions;
3. Any disparities in the ability of DBEs to get financing, bonding and insurance; and
4. Other relevant factors.⁹

Keen Independent used relevant marketplace analyses from the 2022 Disparity Study and data from the current Disparity Study Update to analyze each of the above step 2 factors. (Information from the 2022 Study is used throughout this analysis of potential adjustments.)

1. Current capacity of DBEs to perform work, as measured by the volume of work DBEs have performed in recent years. USDOT’s “Tips for Goal-Setting” suggests that agencies should examine data on past DBE participation on their USDOT-funded contracts in recent years (i.e., the percentage of contract dollars going to DBEs).

Figure 10 shows DBE participation based on awards from ODOT Uniform Reports of DBE Awards or Commitments submitted to FHWA. Using the most recent five fiscal years, the median DBE participation was 15.34 percent. As this value is lower than the 22.47 percent base figure, it suggests a possible downward step 2 adjustment based on this factor.

10. DBE participation on FHWA-funded contracts based on awards and commitments in ODOT Uniform Reports to FHWA, FFY 2020–FFY 2024



Source: ODOT Uniform Reports of DBE Awards or Commitments and Payments.

⁹ 49 CFR Section 26.45.

SUMMARY REPORT — Overall FHWA DBE goal and projections of neutral participation

USDOT “Tips for Goal-Setting” suggests taking one-half of the difference between the base figure and evidence of current capacity (using the average of the two numbers) as one approach to a step 2 adjustment for that factor (suggesting *median* DBE participation across several years as a measure of current capacity).

The difference between 15.34 percent DBE participation and a 22.47 percent base figure is 7.13 percentage points (22.47% - 15.34% = 7.13%). One-half of this difference is a downward adjustment of 3.56 percentage points (7.13% ÷ 2 = 3.56%). The DBE goal would then be calculated as follows: 22.47% - 3.56% = 18.90%. These calculations are presented in the top portion of Figure 11.

2. Information related to employment, self-employment, education, training and unions. The 2022 Disparity Study summarizes information about conditions in the Oregon transportation contracting industries for minorities, women and MBE/WBEs. Detailed quantitative analyses of marketplace conditions in Oregon are presented in Appendices E through H of that report. Keen Independent’s analyses indicate that there are barriers that certain minority groups and women face related to entry and advancement and business ownership in the Oregon construction and engineering industries.

In Appendix F of the 2022 Study, the study team used regression analyses to investigate whether race, ethnicity and gender affected rates of business ownership among workers in Oregon study industries. There were statistically significant disparities in business ownership for certain minority groups and women in some of the study industries.

Keen Independent analyzed the impact that those barriers in business ownership would have on the base figure if these groups owned businesses at the same rate as similarly situated nonminorities and white men. This type of inquiry is sometimes referred to as a “but for” analysis because it estimates the availability of MBE/WBEs *but for* the

effects of race- and gender-based discrimination. Quantification of the business ownership factor indicates an upward step 2 adjustment of 4.76 percentage points to reflect the “but for” analyses of business ownership rates (see Appendix D).

If ODOT made this adjustment, the overall DBE goal for FHWA-funded contracts would be 27.23 percent (22.47% + 4.76% = 27.23%). The bottom portion of Figure 11 shows these calculations.

11. Potential step 2 adjustments to ODOT’s overall DBE goal for FHWA-funded contracts

Step 2 adjustment component	Value	Explanation
Lower adjustment of overall DBE goal for current capacity		
Base figure	22.47 %	From base figure analysis
Evidence of current capacity	- 15.34	Past DBE participation
Difference	7.13 %	
	÷ 2	Reduce by one-half
Adjustment	3.56 %	Downward adjustment for current capacity
Base figure	22.47 %	From base figure analysis
Adjustment for current capacity	- 3.56	Downward step 2 adjustment
Overall DBE goal	18.90 %	Lower range of DBE goal
Upward adjustment of overall DBE goal for business ownership		
Base figure	22.47 %	From base figure analysis
Adjustment for "but for" factors	+ 4.76	"But for" step 2 adjustment for business ownership
Overall DBE goal	27.23 %	Upward adjustment of DBE goal for business ownership

Note: Numbers may not add to totals due to rounding.
Source: Keen Independent Research analysis.

SUMMARY REPORT — Overall FHWA DBE goal and projections of neutral participation

3. Any disparities in the ability of DBEs to get financing, bonding and insurance. Analysis of access to financing and bonding revealed quantitative and qualitative evidence of disadvantages for minorities, women and MBE/WBEs.

- Any barriers to obtaining financing and bonding might affect opportunities for minorities and women to successfully form and operate construction and engineering businesses in the Oregon marketplace.
- Any barriers that MBE/WBEs face in obtaining financing and bonding would also place those businesses at a disadvantage in obtaining ODOT and local agency construction and engineering prime contracts and subcontracts.

The information about financing and bonding supports an upward step 2 adjustment in ODOT’s overall annual goal for DBE participation in FHWA-funded contracts.

4. Other factors. The Federal DBE Program suggests that federal aid recipients also examine “other factors” when determining whether to make any step 2 adjustments to their base figure.¹⁰

Among the “other factors” examined in this study was the success of MBE/WBEs relative to majority-owned businesses in the Oregon marketplace. There is quantitative and qualitative evidence that certain groups of MBE/WBEs are less successful than majority-owned firms, and face greater barriers in the marketplace, even after considering neutral factors.

There is no straightforward way to project the number of MBE/WBEs available for ODOT and local public agency work but for the effects of these other factors.

¹⁰ 49 CFR Section 26.45.

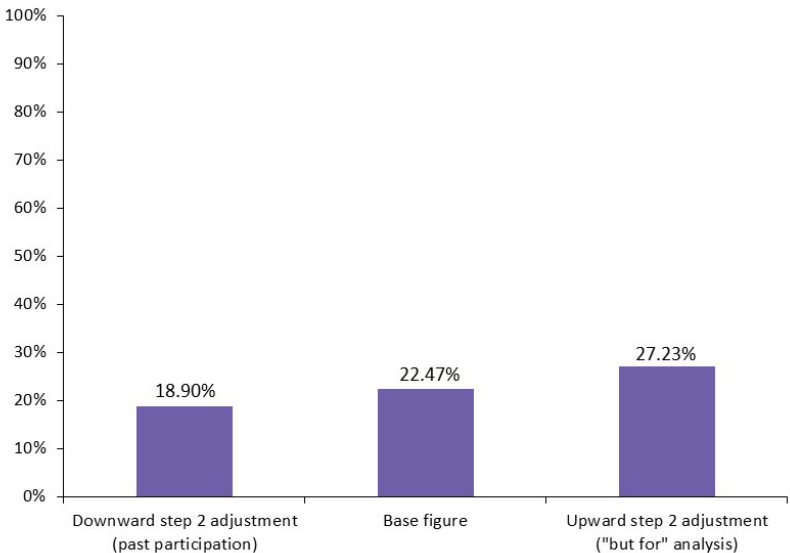
SUMMARY REPORT — Overall FHWA DBE goal and projections of neutral participation

Summary. ODOT considered whether to make a downward, upward or no step 2 adjustment when determining its overall DBE goal.

- A downward step 2 adjustment reflecting current capacity to perform work would lead to an overall goal of 18.90 percent.
- An upward adjustment that reflects analyses of business ownership rates would lead to a DBE goal of 27.23 percent.
- If ODOT made no adjustment at all, its overall DBE goal would be 22.47 percent.

Figure 12 summarizes the potential adjustments described in this section.

12. Potential DBE goal for FHWA-funded contracts after step 2 adjustments



Source: Keen Independent Research analysis.

SUMMARY REPORT — Overall FHWA DBE goal and projections of neutral participation

Projecting the Portion of the Overall DBE Goal to be Met Through Neutral Means

The Federal DBE Program requires state and local transportation agencies to meet the maximum feasible portion of their overall DBE goals using race- and gender-neutral measures.¹¹ Race- and gender-neutral measures are initiatives that encourage the participation of all businesses, or all small businesses, and are not specifically limited to MBE/WBEs or DBEs.

Agencies must determine whether they can meet their overall DBE goals solely through neutral means or whether race- and gender-conscious measures — such as DBE contract goals — are also needed.

- If an agency determines that it can meet its overall DBE goal solely through race- and gender-neutral means, then it would propose using only neutral measures as part of its program.
- If an agency determines that a combination of race- and gender-neutral and race- and gender-conscious measures are needed to meet its overall DBE goal, then the agency would propose using a combination of neutral and conscious measures as part of its program.

Based on 49 CFR Part 26 and the resources above, general areas of questions that transportation agencies might ask related to making any projections include the following.

1. Is there evidence of discrimination within the local transportation contracting marketplace for any racial, ethnic or gender groups? The 2022 Disparity Study considered conditions in the local marketplace to address this question. Quantitative and qualitative information is summarized below.

Marketplace conditions. As discussed in the Summary Report — Quantitative analysis of marketplace conditions and Qualitative analysis of marketplace conditions sections of the 2022 Disparity Study, Keen Independent examined conditions in the Oregon marketplace, including:

- Entry and advancement;
- Business ownership;
- Access to capital, bonding, and insurance; and
- Success of businesses.

There was quantitative evidence of disparities in outcomes for minority- and woman-owned firms in general and for certain MBE/WBE groups concerning the above issues. Qualitative information indicated some evidence that discrimination may have been a factor in these outcomes.

Results of the disparity analysis for FHWA-funded contracts. The 2022 Disparity Study report compared the utilization and availability of minority- and woman-owned firms on ODOT's FHWA-funded contracts without DBE goals. Utilization of minority- and woman-owned businesses in FHWA-funded contracts without goals was substantially below what might be expected from the availability analysis. This was true for each DBE group.

¹¹ 49 CFR Section 26.51.

SUMMARY REPORT — Overall FHWA DBE goal and projections of neutral participation

When examining state-funded contracts, there was a substantial disparity for MBEs overall and for white woman-owned firms. State-funded contracts also did not have DBE contract goals.

Summary. The combined information from the marketplace and the disparity analyses in the 2022 Disparity Study indicated evidence consistent with discrimination against minorities and women, and minority- and woman-owned firms, relevant to the Oregon transportation contracting industry.

2. What has been the agency’s past experience in meeting its overall DBE goal? Figure 13 summarizes ODOT’s reported DBE participation based on DBE commitments/awards to DBEs for FHWA-funded contracts. As shown, reported DBE participation based on DBE commitments/awards on FHWA-funded contracts was lower than the overall DBE goal in FFY 2021, FFY 2023, and FFY 2024. In the other two fiscal years (FFY 2020 and FFY 2022), DBE participation exceeded the overall DBE goal.

13. ODOT overall DBE goal and reported DBE participation on FHWA-funded contracts, FFY 2020–FFY 2024

Federal fiscal year	DBE goal	DBE commitments/awards	Difference from DBE goal
2020	15.37 %	17.24 %	1.87 %
2021	15.37	12.52	-2.85
2022	15.37	21.85	6.48
2023	23.43	15.34	-8.09
2024	23.43	8.54	-14.89

Source: ODOT Uniform Reports of DBE Awards or Commitments and Payments.

3. What has DBE participation been when ODOT has not applied DBE contract goals (or other race-conscious remedies)?

Keen Independent examined three sources of information to assess race-neutral DBE participation:

Race-neutral DBE participation in recent ODOT Uniform Reports.

Per USDOT instructions, ODOT counts as “neutral” participation any prime contracts going to DBEs as well as subcontracts to DBEs beyond what was needed to meet DBE contract goals set for a project or that were otherwise awarded in a race-neutral manner.

ODOT’s Uniform Reports of DBE Awards/Commitments and Payments submitted to FHWA for the five most recent federal fiscal years indicate median race-neutral participation of 6.82 percent. Figure 14 presents these results.

14. ODOT-reported race-neutral and race-conscious DBE participation on FHWA-funded contracts, FFY 2020–FFY 2024

Federal fiscal year	DBE commitments/award		
	Total	Race-conscious	Race-neutral
2020	17.24 %	10.42 %	6.82 %
2021	12.52	6.79	5.73
2022	21.85	11.54	10.30
2023	15.34	7.60	7.74
2024	8.54	7.34	1.19

Source: ODOT Uniform Reports of DBE Awards/Commitments and Payments.

SUMMARY REPORT — Overall FHWA DBE goal and projections of neutral participation

DBE participation in contracts without DBE contract goals.

Keen Independent also analyzed DBE participation on ODOT's FHWA-funded contracts without DBE contract goals. ODOT achieved 5.5 percent DBE participation on these contracts from October 2021 through September 2024.

DBE participation as prime contractors. Keen Independent examined DBE participation as prime contractors on FHWA-funded contracts. From October 2021 through September 2024, the DBE participation on prime contracts was about 1.8 percent for FHWA-funded contracts.

4. What is the extent and effectiveness of race- and gender-neutral measures that the agency could have in place for the next fiscal year? When determining the extent to which it could meet its overall DBE goal through the use of neutral measures, ODOT must review the race- and gender-neutral measures that it and other organizations have in place, and those it has planned or could consider for future implementation.

Keen Independent's analysis of neutral remedies indicates that ODOT has already implemented an extensive set of neutral measures. At this time, it is unclear whether any additional neutral measures would increase race-neutral participation of DBEs in ODOT's FHWA-funded contracts.

SUMMARY REPORT — Overall FHWA DBE goal and projections of neutral participation

If ODOT uses a combination of neutral means and DBE contract goals, how much of the overall DBE goal can ODOT project to be met through neutral means? In 2022, ODOT set an overall DBE goal of 23.43 percent for FHWA-funded contracts for FFY 2023 through FFY 2025 and projected that 6.10 percentage points of its overall goal would be met through neutral means.

For FFY 2026 through FFY 2028, ODOT might increase its projection of race-neutral DBE participation to at least 6.82 percentage points of its overall DBE goal for FHWA-funded contracts.

- The median DBE participation through race-neutral means was 6.82 percent based on ODOT’s reports for FFY 2020 through FFY 2024 (presented earlier in this section).
- ODOT’s current neutral initiatives are already considerable and will continue to expand.
- Keen Independent identified additional neutral measures for ODOT consideration in the 2022 Disparity Study report, including their estimated impact on total neutral DBE participation (which could exceed 4 percentage points).

The second column of numbers in Figure 15 provides projections using an overall DBE goal of 18.90 percent and a 6.82 percentage point race-neutral projection for FFY 2026 through FFY 2028. The race-conscious portion of the goal is 12.08 percentage points.

As indicated in the other columns of Figure 15, the race-conscious projection would need to be higher if ODOT selected an overall DBE goal in the range of 22 to 27 percent.

15. ODOT overall DBE goal and projections of race-neutral participation for FHWA-funded contracts for FFY 2026–FFY 2028

Component of overall DBE goal	FFY2023–FFY2025	FFY2026–FFY2028		
		Downward adjustment - current capacity	Base figure	Upward adjustment - business ownership
Overall goal	23.43 %	18.90 %	22.47 %	27.23 %
Neutral projection	- 6.10	- 6.82	- 6.82	- 6.82
Race-conscious projection	17.33 %	12.08 %	15.65 %	20.41 %

Source: Keen Independent Research analysis.

APPENDIX A. Definition of Terms

Appendix A provides explanations and definitions useful to understanding the 2025 ODOT Availability Study. The following definitions are only relevant in the context of this report.

A&E. “A&E” refers to architecture and engineering (i.e., “A&E contracts”).

Availability analysis. The availability analysis examines the number of minority-, woman- and majority-owned businesses ready, willing and able to perform the specific types of construction, professional services, goods or other services purchased by a government agency.

“Availability” is often expressed as the percentage of contract dollars that might be expected to go to minority- or woman-owned firms based on analysis of the specific type, size and timing of each prime contract and subcontract examined in the disparity study and the relative number of minority- and woman-owned firms available for that work.

Business. A business is a for-profit enterprise, including all its establishments (synonymous with “firm” and “company”).

Business establishment. A business establishment (or simply, “establishment”) is a place of business with an address and working phone number. One business can have many business establishments in different locations.

Business listing. A business listing is a record in the Dun & Bradstreet (D&B) database or other databases of business information. A D&B record is a “listing” until the study team determines it to be an actual business establishment with a working phone number.

Certification Office of Business Inclusion and Diversity (COBID).

The Certification Office of Business Inclusion and Diversity or “COBID” is the state agency responsible for certification of minority- and woman-owned firms, Disadvantaged Business Enterprises (DBE), Airport Concessions Disadvantaged Business Enterprises (ACDBEs) and Emerging Small Businesses (ESBs) in Oregon. COBID also administers a Service Disabled Veteran (SDV) certification.

Certified MBE or WBE. A firm certified as a minority- or woman-owned business. Without the word “certified” in front of “MBE” or “WBE,” Keen Independent is referring to a minority- or woman-owned firm that might or might not be certified as such.

COBID. See Certification Office of Business Inclusion and Diversity.

Code of Federal Regulations or CFR. Code of Federal Regulations (“CFR”) is a codification of the federal agency regulations. An electronic version can be found at <https://www.govinfo.gov/app/collection/cfr/>.

Consultant. A consultant is a business performing professional services contracts.

Contract. A contract is a legally binding agreement between the purchaser and seller of goods or services.

Contract element. As used in this report, a contract element is either a prime contract or subcontract that the study team included in its analyses.

Contractor. A contractor is a business performing construction contracts.

Controlled. Controlled means exercising management and executive authority for a business.

A. Definition of Terms

Croson decision. The U.S. Supreme Court decision that established the new standard that race-conscious contracting programs must satisfy the elements of strict judicial scrutiny. *City of Richmond v. J.A. Croson Co.*, 488 U.S. 469 (1989).

Disadvantaged Business Enterprise (DBE). A “DBE” is a firm certified as such. A small business that is 51 percent or more owned and controlled by one or more individuals who are both socially and economically disadvantaged according to the guidelines in the Federal DBE Program (49 CFR Part 26) can be certified as a DBE. Members of certain racial and ethnic groups identified under “minority-owned business enterprise” in this appendix may meet the presumption of social and economic disadvantage. Women are also presumed to be socially and economically disadvantaged. Examination of economic disadvantage also includes investigating the three-year average gross revenues and the business owner’s personal net worth (at the time of this report, a maximum of \$2.047 million excluding equity in the business and primary personal residence) (<https://www.transportation.gov/civil-rights/disadvantaged-business-enterprise>).

Some minority- and woman-owned businesses do not qualify as DBEs under Part 26 because of gross revenue or net worth limits.

A business owned by a non-minority male may also be certified as a DBE on a case-by-case basis if the enterprise meets its burden to show it is owned and controlled by one or more socially and economically disadvantaged individuals according to the requirements in 49 CFR Part 26.

Some governments use the term “DBE” outside of the USDOT program to describe their minority- and woman-owned business programs.

Dun & Bradstreet (D&B). D&B is the leading global provider of lists of business establishments and other business information (see <https://www.dnb.com/en-us/>). Hoovers is the D&B company that provides these lists. Obtaining a DUNS number, a unique nine-digit identifier for businesses, and being listed by D&B are free to listed companies. Companies are not required to pay to be listed in its database.

eBIDS. Electronic Bidding Information Distribution System, ODOT’s online bidding system for highway construction projects.

Employer firms. Employer firms are firms with paid employees other than the business owner and family members.

Engineering-related services. For purposes of this study, services such as surveying, transportation planning, environmental consulting, construction management and certain related professional services.

Enterprise. An enterprise is an economic unit that is a for-profit business or business establishment, not-for-profit organization or public sector organization.

ESB. See Emerging Small Business.

Establishment. See business establishment.

Federal Disadvantaged Business Enterprise (DBE) Program. Federal DBE Program refers to the Disadvantaged Business Enterprise Program established by the United States Department of Transportation after enactment of the Transportation Equity Act for the 21st Century (TEA-21) as amended in 1998. The regulations for the Federal DBE Program are set forth in 49 CFR Part 26, which can be found at <https://www.ecfr.gov/current/title-49/subtitle-A/part-26?toc=1>.

A. Definition of Terms

Federal fiscal year. The federal fiscal year (FFY) is the time period from October 1 through September 30 of the following year. For example, FFY2025 extends from October 1, 2024, through September 30, 2025. ODOT DBE reporting follows the federal fiscal year.

Federal Highway Administration (FHWA). The FHWA is an agency of the United States Department of Transportation that works with state and local governments to construct, preserve and improve the National Highway System, other roads eligible for federal aid and certain roads on federal and tribal lands.

Federally funded contract. A federally funded contract is any contract or project funded in whole or in part (a dollar or more) with U.S. Department of Transportation financial assistance. As used in this study, it is synonymous with a “USDOT-funded contract.”

Federal Transit Administration (FTA). The FTA is an agency of the United States Department of Transportation that administers federal funding to support local public transportation systems including buses, subways, light rail and passenger ferry boats.

Firm. See business.

Geographic market area. The geographic market area is the area in which the businesses receiving most of a government agency’s contract dollars are located. The geographic market area is also referred to as the “local marketplace.” Case law related to race- and gender-conscious programs requires disparity analyses to focus on the “geographic market area.” It is calculated by examining the share of dollars going to firms in different locations.

Industry. For the purpose of this study, an industry is a broad classification of businesses that are related based on their primary line of business. For example, “construction” is an industry.

Legal framework. Legal framework is the review of relevant case law used as the basis for study methodology.

Local agency. A local agency is any city, county, town, tribal government, regional transportation commission or other local government receiving money through ODOT.

Majority-owned business. A majority-owned business is a for-profit business that is not owned by minorities or women (see definition of “minorities” below).

Market area. See geographic market area.

MBE. Minority-owned business enterprise. See minority-owned business.

A. Definition of Terms

Minorities. In the Federal DBE Program and many MBE programs, minorities are individuals who belong to one or more of the racial/ethnic groups identified in the federal regulations in 49 CFR Section 26.5:

- Black Americans (or African Americans), which include persons having origins in any of the Black racial groups of Africa.
- Hispanic Americans (Latinos), which include persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race.
- Native Americans, which include persons who are American Indians, Eskimos, Aleuts or Native Hawaiians.
- Asian-Pacific Americans, which include persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), Republic of the Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Tuvalu, Nauru, Federated States of Micronesia or Hong Kong.
- Subcontinent Asian Americans (South Asian Americans), which include persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka.

Minority-owned business (MBE). An MBE, also referred to as a minority-owned business, is a business that is at least 51 percent owned and controlled by one or more individuals that belong to a minority group. Minority groups in this study are those listed in 49 CFR Section 26.5. For purposes of this study, a business need not be certified as such to be counted as a minority-owned business.

Businesses owned by minority women are also counted as MBEs in this study (where that information is available).

Non-DBEs. Non-DBEs are firms that are not certified as DBEs, regardless of the race/ethnicity or gender of the owner.

Non-response bias. Non-response bias occurs when the observed responses to a survey question differ (in a non-random way) from what would have been obtained if all individuals in a population, including non-respondents, had answered the question.

North American Industry Classification System (NAICS) codes. NAICS codes are the detailed industry sector codes adopted by the U.S. Census Bureau. They provide one way to define industries (such as “construction”) when reporting an agency’s utilization of firms and the availability of firms. Codes are established at various levels of detail. See <https://www.census.gov/naics/>.

A. Definition of Terms

Oregon Bureau of Labor and Industries (BOLI). Oregon Bureau of Labor and Industries (BOLI) is the state agency responsible for enforcement of anti-discrimination laws that apply to workplaces, housing and public accommodations; enforcement of state laws related to wages, hours and terms and conditions of employment; education of employers concerning wage, hour and civil rights laws; and workforce development through apprenticeship programs and other efforts. This agency also maintains the List of Contractors Ineligible to Receive Public Works Contracts.

Oregon Department of Transportation (ODOT). ODOT is the steward of the State of Oregon's transportation system. ODOT is responsible for building, maintaining and operating the state highway system. In addition, ODOT works with various partners to maintain and improve local transportation infrastructure. ODOT provides other transportation services related to Oregon's roads and bridges, railways, public transportation services, transportation safety, driver and vehicle licensing and motor carrier regulation.

OregonBuys. State of Oregon agencies use the OregonBuys eProcurement system to disseminate notices of bid opportunities to interested companies. Many local government agencies in Oregon participate in OregonBuys as well.

Owned. Owned indicates at least 51 percent ownership of a company. For example, a "minority-owned" business is at least 51 percent owned by one or more minorities.

People of color. See definitions under minorities.

Potential DBE. A potential DBE is a minority- or woman-owned business that appears that it could be DBE-certified (and is not currently DBE certified) based on revenue requirements specified as part of the Federal DBE Program.

Prime consultant. A prime consultant is a professional services firm that performs a prime contract for a client.

Prime contract. A prime contract is a contract between a prime contractor or a prime consultant and a customer.

Prime contractor. A prime contractor is a firm that performs a prime contract for a customer. This term is typically used in the construction industry but can apply to other industries as well.

Procurement. A direct purchase, consulting agreement, prime contract or other acquisition of construction, professional services, goods or other services. This term is intended to encompass all types of purchasing and contracting. It is synonymous with "contract" in this report.

Professional services. Professional services are fields in the service sector requiring special training. Some professional services require holding professional licenses, such engineering.

Project. A project refers to an ODOT or local agency transportation construction and/or engineering endeavor. A project could include one or multiple prime contracts and corresponding subcontracts.

A. Definition of Terms

Race-and gender-conscious measures. Race- and gender-conscious measures are remedial efforts directed towards MBEs and/or WBEs. An MBE/WBE contract goal is one example of a race- and gender-conscious measure.

Note that the term is a shortened version of “race-, ethnicity-, and gender-conscious measures.” For ease of communication, the study team has truncated the term to “race- and gender-conscious measures.”

Race- and gender-neutral measures. Race- and gender-neutral measures apply to businesses regardless of the race/ethnicity or gender of firm ownership. Race- and gender-neutral measures may include assistance in overcoming bonding and financing obstacles, simplifying bidding procedures, providing technical assistance, establishing programs to assist start-up firms, and other methods open to all businesses or any disadvantaged business regardless of race or gender of ownership. A broader list of examples can be found in 49 CFR Section 26.51(b).

Note that the term is more accurately “race-, ethnicity-, and gender-neutral” measures. For ease of communication, the study team has shortened the term to “race- and gender-neutral measures.”

Racial or ethnic minority group. See minorities.

Relevant geographic market area. See geographic market area.

Remedial measure. A remedial measure, sometimes shortened to “remedy,” is a program designed to address barriers to full participation of minorities, women, or minority- or woman-owned firms.

Remedy. See remedial measure.

SBA. See Small Business Administration.

SBA 8(a). SBA 8(a) is a U.S. Small Business Administration business assistance program for small disadvantaged businesses owned and controlled by at least 51 percent socially and economically disadvantaged individuals.

Small business. A small business is a business with low revenues or employment size relative to other businesses in the industry. “Small business” does not necessarily mean that the business is certified as such.

Small Business Administration (SBA). The SBA refers to the United States Small Business Administration, which is an agency of the United States government that assists small businesses.

Small Business Enterprise (SBE). A firm certified as a small business according to the size criteria of the certifying agency.

Small Contracting Program. ODOT’s Small Contracting Program (SCP) encourages small business participation as prime contractors in its architectural and engineering (and related services) contracts, construction contracts, and other services contracts.

Standard Industrial Classification (SIC Code). An SIC code is a four-digit numerical code system developed by the U.S. government to identify the primary line of business of a business establishment.

State-funded contract. A state-funded contract is any contract or project that is entirely or partially funded with State of Oregon funds (and does not use federal funds). As these contracts do not include federal funds, the Federal DBE Program does not apply.

A. Definition of Terms

Subconsultant. A subconsultant is a professional services firm that performs services for a prime consultant as part of the prime consultant's contract for a client.

Subcontract. A subcontract is a contract between a prime contractor or prime consultant and another business selling goods or services to the prime contractor or prime consultant as part of the prime contractor's contract for a customer.

Subcontract goals program. A program in which a public agency sets a percent goal for participation of DBEs, MBE/WBEs, ESBs or another group on a contract. These programs typically require that a bidder either meet the percentage goal with members of the group or show good faith efforts to do so as part of its bid or proposal. See contract goals program.

Subcontractor. A subcontractor is a firm that performs services for a prime contractor as part of a larger project.

Subindustry. For this study, a specialized component within one a broader economic sector such as construction. Electrical work is a subindustry within the construction industry, for example.

Subrecipient. A subrecipient is a local entity receiving financial assistance passed through another agency. For example, if a local government uses USDOT funds that flow through the Oregon Department of Transportation, that local agency is a subrecipient of those monies.

Supplier. A supplier is a firm that sells supplies to a prime contractor as part of a larger project (or in some cases sells supplies directly to an end user or other customer).

United States Department of Transportation (USDOT). USDOT refers to the United States Department of Transportation, which includes the Federal Highway Administration, the Federal Transit Administration and the Federal Aviation Administration.

Utilization. Utilization refers to the percentage of total contracting dollars of a particular type of work going to a specific group of businesses (for example, DBEs).

Vendor. A vendor is a business that is providing goods or services to a customer.

WBE. Woman-owned business enterprise. See woman-owned business.

Woman-owned business (WBE). A WBE is a business that is at least 51 percent owned and controlled by one or more individuals who are non-minority women. A business need not be certified as such to be included as a WBE in this study. For this study, businesses owned and controlled by minority women are counted as minority-owned businesses.

APPENDIX B. ODOT Contract Data — Contract data sources

Keen Independent compiled data about ODOT transportation-related procurements and the firms used as prime contractors and subcontractors on those contracts. The utilization analysis focused on FHWA-funded construction, professional services, goods and other services contracts during the October 2021 through September 2024 study period.

Keen Independent also collected information about local public agency contracts that used FHWA funds administered through ODOT.

Keen Independent examined the availability of DBEs to perform these FHWA-funded contracts for these three federal fiscal years to determine the overall aspirational DBE goals for federal fiscal years beginning October 2025. The size, type and location of these recent contracts provide a sound indication of the mix of ODOT's FHWA-funded contracts expected from October 2025 through September 2028.

ODOT Office of Equity and Civil Rights databases were the primary sources of information for prime contracts and subcontracts for FHWA-funded contracts. These sources identified dollars going to prime contractors and subcontractors for each project, as well as other key project information.

Prime Contract Data

The following information was collected from ODOT records for contracts awarded from October 1, 2021, through September 30, 2024:

- Project number;
- Contract number;
- Contract type;
- Contract description;
- Award date;
- Award amount;
- Current amount;
- ODOT region;
- Federal funding;
- Certified local agency contract;
- Vendor name;
- DBE status; and
- DBE goal.

B. ODOT Contract Data — Contract data sources

Subcontract Data

ODOT's subcontract records included the following information:

- Project number;
- Contract number;
- Contract type;
- Subcontractor firm name;
- Subcontractor tier;
- Subcontract committed amount;
- Subcontract current amount;
- Contract work description;
- DBE status; and
- Prime firm name.

ODOT and Local Agency Contracts

Through ODOT's Statewide Programs Unit and the local agency Certification Program, FHWA funds for transportation projects go to cities, counties, regional transportation commissions, other local agencies and tribal entities. The 2025 availability study included those local agency contracts that used FHWA funds.

Exclusions

Keen Independent made certain exclusions to the contract data received, including payments to non-businesses and types of purchases that ODOT primarily made from national markets. Exclusions amounted to just \$1.2 million in contracts for the three-year period.

Final Database

In total, Keen Independent examined 501 prime contracts and 3,008 subcontracts. The final Keen Independent database of contracts totaled \$2.0 billion for FFY2022–FFY2024 (the three-year study period).

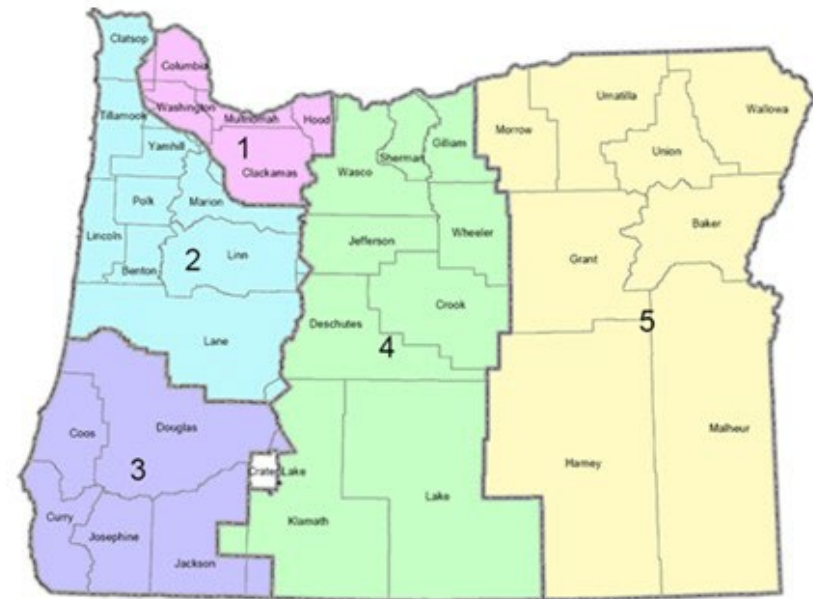
B. ODOT Contract Data — ODOT regions

From the ODOT data for each contract, including and contract descriptions, Keen Independent examined geographic location of contracts based on the five ODOT regions shown in Figure B-1. The region for a contract corresponds to the physical location of the project, not the address of the contractor.

Study regions include Portland Metro (Region 1), Willamette Valley and North Coast (Region 2), Southwestern Oregon (Region 3), Central Oregon (Region 4) and Eastern Oregon (Region 5).

Keen Independent coded the location of statewide assignments and work not in a single physical location as “statewide.”

B-1. ODOT regions



B. ODOT Contract Data — ODOT review and data limitations

Identification of Types of Work Performed

The study team identified the type of work involved in each contract and subcontract through review of contract work descriptions. Keen Independent also researched firms' websites for information about the types of services those vendors typically provide.

Keen Independent used codes from the federal North American Industry Classification System (NAICS) as well as Standard Industrial Classification System (SIC) to identify the appropriate subindustry for each type of work.

The study team assigned NAICS and SIC codes to prime contracts and subcontracts based on the following actions:

- Applied algorithms to identify the type of work performed using company name and contract description.
- Examined the primary type of work performed by the firm, as determined through online research and as reported by Dun & Bradstreet (D&B).
- Further analyzed the description of work performed for each of the largest prime contracts (above \$500,000) and for all subcontracts.
- Performed further review, especially when the NAICS code information for individual firms obtained through D&B did not appear to match the types of purchases that ODOT routinely makes (school building construction, for example).

Identification of Most Local Firm Locations

As part of the identification of types of contracts and subcontracts, Keen Independent also reviewed the addresses provided in the data.

For all firms, the study team also attempted to identify the company location (based on local office if it had one).

B. ODOT Contract Data — ODOT review and data limitations

ODOT Review

ODOT reviewed Keen Independent's analyses of contract data. This included Keen Independent's identification of the types of work that accounted for most of the contract and subcontract dollars in ODOT's FHWA-funded contracts.

Data Limitations

Keen Independent coded type of work for prime contracts and subcontracts based on ODOT information available for that work. In some instances, no information was identified, in which case the types of work were coded based on the primary line of work for the firm receiving the prime contract or subcontract. Final work type coding may not perfectly describe the actual work performed on every contract and subcontract.

It does not appear that this limitation would materially affect overall results of the availability analyses.

APPENDIX C. Availability Data Collection — Survey methods

Keen Independent collected information from firms about their availability for contracts with ODOT through online and telephone surveys and other methods. Appendix C further explains this process, including:

- Survey methods;
- Business listings;
- NAICS and SIC codes included in the survey;
- Development of the survey instrument;
- Establishments successfully contacted;
- Establishments in the availability database;
- Analysis of potential non-response bias;
- Response reliability;
- Analysis of potential limitations; and
- Survey instrument.

ODOT Availability Survey Design

To facilitate logistics and promote contact efficacy, ODOT availability survey efforts were divided between two distinct surveys. The first was a joint availability survey conducted for ODOT, the Port of Portland and Prosper Portland to identify businesses within the Portland metro area that might be interested and qualified in contracting with public entities. The second survey was conducted solely for ODOT and intended to reach firms in Oregon (outside of the Portland metro area) that might be interested and qualified in participating in public entities projects..

Results and analyses presented in this appendix are based on ODOT data from both surveys.

Availability Survey Methods

Keen Independent offered multiple methods for survey participation.

Telephone surveys. Keen Independent also prepared a phone version of the availability survey. Keen Independent submitted a list of firms to Customer Research International (CRI), which then conducted telephone surveys (see discussion of list on next page).

- **Firms contacted by telephone.** CRI attempted to contact each firm at different times of day and different days of the week. CRI made at least six attempts to reach a business. CRI introduced the survey in Spanish, as necessary.
- **Survey sponsorship.** CRI began by saying that the call was made on behalf of the Port of Portland, Prosper Portland and ODOT. CRI explained, “The Port, Prosper Portland and ODOT are compiling a list of companies interested in providing construction, construction-related professional services, other professional services, goods and other services to public entities or on related projects, and our firm is helping them do that.”
- **Survey period.** CRI began surveys on February 12, 2025, and completed them on March 17, 2025.

Online surveys. Keen Independent also developed an online version of the availability survey. On February 7, 2025, ODOT and Port of Portland and on February 18, 2025, Prosper Portland, sent an email to firms on their respective interested firms list that had email addresses encouraging them to complete the online survey.

Other avenues to complete a survey. Business owners could complete the survey using a fillable form that could be returned via email or fax.

C. Availability Data Collection — Business listings

Data on Interested Firms from Participating Entities

Keen Independent requested that the Port, Prosper Portland and ODOT provide any lists of firms that had indicated interest in receiving information about bid opportunities.

Keen Independent reviewed those lists and excluded government and nonprofit entities, companies without a local address and duplicate firms.

Some of the businesses on the interested firms lists had only a phone number. Those companies were only included on the list of firms included in the phone portion of the survey.

After these steps, Keen Independent provided a combined total of 8,149 individual email addresses to the Port, Prosper Portland and ODOT for email blasts requesting participation in the survey.

Dun & Bradstreet

The study team purchased a list of firms from Dun & Bradstreet (D&B) Hoovers' database within relevant types of work that had a location within Oregon and Clark and Skamania counties in Washington. D&B provided phone numbers for these businesses. Firms identified through D&B that had not already completed an online survey were included in the group of businesses to be surveyed by phone. D&B maintains the largest commercially available database of U.S. businesses.

Before combining the interested firm list and D&B list, Keen Independent attempted to exclude any listings that were government agencies or not-for-profit organizations.

The subindustries to be included in the survey were determined after reviewing ODOT, Prosper Portland and Port of Portland's prime contract and subcontract dollars for different types of work. D&B classifies types of work by North American Industry Classification System (NAICS) and Standard Industrial Classification (SIC) codes.

Figures C-2 through C-6 on the following pages identify the six-digit NAICS codes and different SIC codes the study team determined were the most related to contracts and subcontracts examined in the study. There is one table for each industry in the study, however some of the subindustries, such as trucking and hauling, span more than one industry (it is listed in other services, but results would be used to analyze availability for aspects of construction projects as well).

C. Availability Data Collection — Business listings

Combining Lists Prior to Phone Survey

Keen Independent developed the combined list for the phone survey through the following steps:

1. Created a subset of the list of businesses in the interested firms list that had (a) a phone number and (b) were in the subindustries relevant to the study.
2. Merged the combined interested firms list with the business listing purchased from D&B.
3. Removed firms that had already completed an online survey.

The combined list for the phone portion of the survey for ODOT had 32,500 business establishments.

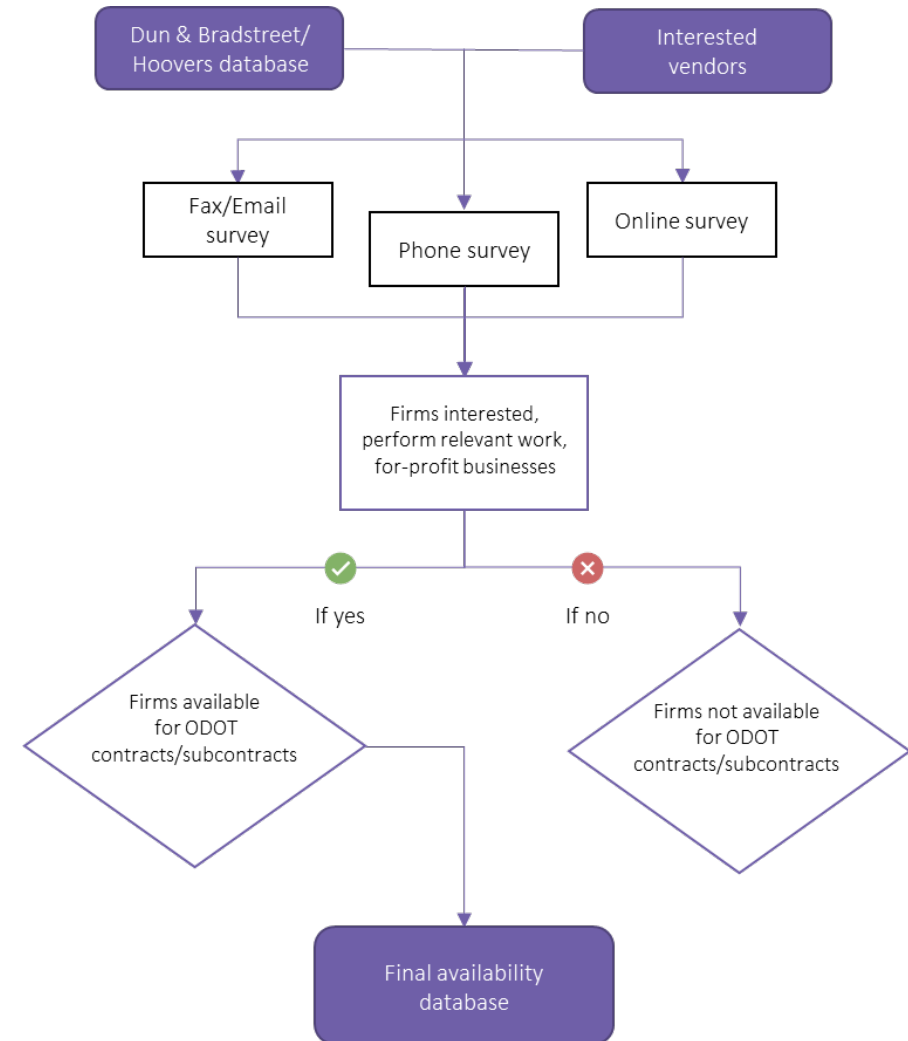
Execution of the Survey

Figure C-1 summarizes the process described above.

Population, not a Sample

Keen Independent did not draw a sample of firms for the availability analysis; rather, the study team attempted to contact each relevant business identified in the combined interested firm list and D&B list. Some courts have referred to similar approaches to gathering availability data as a “custom census.”

C-1. Process for preparing survey lists and conducting availability survey



C. Availability Data Collection — NAICS/SIC codes included in the survey

C-2. Construction NAICS and SIC codes for D&B survey availability list

NAICS/SIC	NAICS/SIC label	NAICS/SIC	NAICS/SIC label
Framing, plastering, drywall and installation		Dock and dredging work	
238310	Drywall and Insulation Contractors	16290106	Dredging Contractor
238130	Framing Contractors	16290104	Dock Construction
Structural steel work		Elevators and elevator services	
238120	Structural Steel and Precast Concrete Contractors	76992501	Elevators, Inspection, Service and Repair
Electrical work		Flooring	
238210	Electrical Contractors and Other Wiring Installation Contractors	238330	Flooring Contractors
Carpentry		Plumbing and HVAC	
238350	Finish Carpentry Contractors	238220	Plumbing, Heating and Air-Conditioning Contractors
Roofing		Glass and glazing contractors	
238160	Roofing Contractors	238150	Glass and Glazing Contractors
Commercial and institutional building construction		Excavation, site prep, grading and drainage	
236220	Commercial and Institutional Building Construction	238910	Site Preparation Contractors
Masonry contractors		Airport runway construction	
238140	Masonry Contractors	16110201	Airport Runway Construction
Concrete flatwork (including sidewalk, curb and gutter)		General road construction and widening	
17710200	Curb and Sidewalk Contractors	237310	Highway, Street, and Bridge Construction
Bridge and elevated highway construction		Installation of guardrails, fencing or signs	
16229901	Bridge Construction	16110100	Highway Signs and Guardrails
16229902	Highway Construction, Elevated	17999912	Fence Construction
Asphalt, concrete or other paving		Striping or pavement marking	
16110200	Surfacing and Paving	17210303	Pavement Marking Contractor

C. Availability Data Collection — NAICS/SIC codes included in the survey

C-2. Construction NAICS and SIC codes for D&B survey availability list (continued)

NAICS/SIC	NAICS/SIC label	NAICS/SIC	NAICS/SIC label
Drilling and foundations		Interior and exterior building painting	
17719901	Concrete Pumping	238320	Painting and Wall Covering Contractors
17719904	Foundation and Footing Contractor	17210200	Commercial Painting
17999906	Core Drilling and Cutting	17210201	Exterior Commercial Painting Contractor
17819901	Geotechnical Drilling	17210202	Interior Commercial Painting Contractor
Concrete repair		Pavement surface treatment (such as sealing)	
17719902	Concrete Repair	16110205	Resurfacing Contractor
Painting for road or bridge projects		Pavement milling	
17210302	Bridge Painting	161102052	Pavement milling
Wrecking and demolition		Other heavy and civil engineering construction	
17959902	Demolition, Buildings and Other Structures	237990	Other Heavy and Civil Engineering Construction
Temporary traffic control			
73899921	Flagging Service (Traffic Control)		

C. Availability Data Collection — NAICS/SIC codes included in the survey

C-3. Construction-related professional services NAICS and SIC codes for D&B survey availability list

NAICS/SIC	NAICS/SIC label	NAICS/SIC	NAICS/SIC label
Environmental consulting		Materials testing	
541620	Environmental Consulting Services	541380	Testing Laboratories and Services
Building inspection services		Transportation planning	
541350	Building Inspection Services	541614	Process, Physical Distribution, and Logistics Consulting Services
Surveying and mapping		Geotechnical services	
541370	Surveying and Mapping (except Geophysical) Services	87119903	Consulting engineer
Architecture and engineering		Construction management	
541330	Engineering Services	87420402	Construction Project Management Consultant
541310	Architectural Services		

C-4. Other professional services NAICS and SIC codes for D&B survey availability list

NAICS/SIC	NAICS/SIC label	NAICS/SIC	NAICS/SIC label
Custom computer programming services		Management consulting and research	
541511	Custom Computer Programming Services	8742	Management Consulting Services
541512	Computer Systems Design Services	541612	Human Resources Consulting Services
518210	Computing Infrastructure Providers, Data Processing, Web Hosting, and Related Services	541611	Administrative Management and General Management Consulting Services
Marketing, communications and outreach			
541910	Marketing Research and Public Opinion Polling		
541810	Advertising Agencies		
541820	Public Relations Agencies		
541613	Marketing Consulting Services		
87439903	Public Relations and Publicity		
87420300	Marketing Consulting Services		
73110000	Advertising Agencies		

C. Availability Data Collection — NAICS/SIC codes included in the survey

C-5. Goods NAICS and SIC codes for the D&B survey availability list

NAICS/SIC	NAICS/SIC label	NAICS/SIC	NAICS/SIC label
Petroleum and petroleum products		Furniture	
324121	Asphalt Paving Mixture and Block Manufacturing	423210	Furniture Merchant Wholesalers
424710	Petroleum Bulk Stations and Terminals	337127	Institutional Furniture Manufacturing
424720	Petroleum and Petroleum Products Merchant Wholesalers (except Bulk Stations and Terminals)	337122	Nonupholstered Wood Household Furniture Manufacturing
		337211	Wood Office Furniture Manufacturing
Industrial equipment and supplies		Asphalt, concrete and other paving materials	
423730	Warm Air Heating and Air-Conditioning Equipment and Supplies	29510000	Asphalt Paving Mixtures and Blacks
423830	Industrial Machinery and Equipment Merchant Wholesalers	50320101	Asphalt Mixture
423720	Plumbing and Heating Equipment and Supplies (Hydronics)	29510203	Concrete, Asphaltic (Not From Refineries)
423860	Transportation Equipment and Supplies (except Motor Vehicle) Merchant Wholesalers	50320504	Concrete Mixtures
333415	Air-Conditioning and Warm Air Heating Equipment and Commercial and Industrial Refrigeration Equipment	32720000	Concrete Products, nec
333998	All Other Miscellaneous General Purpose Machinery	29110505	Road Materials, Bituminous
333310	Commercial and Service Industry Machinery Manufacturing	50329904	Cement
333922	Conveyor and Conveying Equipment Manufacturing	29510201	Asphalt and Asphaltic Paving Mixtures (Not From Refineries)
333995	Fluid Power Cylinder and Actuator Manufacturing	29110506	Road Oils
333413	Industrial and Commercial Fan and Blower and Air Purification Equipment Manufacturing	29510200	Paving Mixtures
423840	Industrial Supplies Merchant Wholesalers	29510202	Coal Tar Paving Materials (Not From Refineries)
333924	Industrial Truck, Tractor, Trailer, and Stacker Machinery	29510204	Concrete, Bituminous
334513	Instruments and Related Products Manufacturing for Measuring, Displaying, and Controlling Industrial Process Variables	29510206	Road Materials, Bituminous (Not From Refineries)
332710	Machine Shops	32730000	Ready-mixed Concrete
333914	Measuring, Dispensing, and Other Pumping Equipment	32729904	Prestressed Concrete Products
333618	Other Engine Equipment Manufacturing	Aggregate materials supply	
333923	Overhead Traveling Crane, Hoist, and Monorail System	423320	Brick, Stone, and Related Construction Material Merchant

C. Availability Data Collection — NAICS/SIC codes included in the survey

C-5. Goods NAICS and SIC codes for the D&B survey availability list (continued)

NAICS/SIC	NAICS/SIC label	NAICS/SIC	NAICS/SIC label
Communications equipment		Carpeting	
423690	Other Electronic Parts and Equipment Merchant Wholesalers	423220	Home Furnishing Merchant Wholesalers
Construction materials		Steel	
423390	Other Construction Material Merchant Wholesalers	332323	Ornamental and Architectural Metal Work Manufacturing
449121	Floor Covering Retailers	332312	Fabricated Structural Metal Manufacturing
332321	Metal Window and Door Manufacturing	332322	Sheet Metal Work Manufacturing
337110	Wood Kitchen Cabinet and Countertop Manufacturing	332311	Prefabricated Metal Building and Component Manufacturing
444180	Other Building Material Dealers	332313	Plate Work Manufacturing
423710	Hardware Merchant Wholesalers	332618	Other Fabricated Wire Product Manufacturing
327320	Ready-Mix Concrete Manufacturing	332420	Metal Tank (Heavy Gauge) Manufacturing
327991	Cut Stone and Stone Product Manufacturing	332439	Other Metal Container Manufacturing
327390	Other Concrete Product Manufacturing	331110	Iron and Steel Mills and Ferroalloy Manufacturing
444140	Hardware Retailers	332999	All Other Miscellaneous Fabricated Metal Product Manufacturing
327331	Concrete Block and Brick Manufacturing	331513	Steel Foundries (except Investment)
332510	Hardware Manufacturing	332996	Fabricated Pipe and Pipe Fitting Manufacturing
327211	Flat Glass Manufacturing	331529	Other Nonferrous Metal Foundries (except Die-Casting)
423330	Roofing, Siding, and Insulation Material Merchant Wholesalers	Fence and guardrail materials	
Electrical equipment and supplies		423310	Lumber, Plywood, Millwork, and Wood Panel Merchant Wholesalers
423610	Electrical Apparatus and Equipment, Wiring Supplies, and Related Equipment Merchant	423510	Metal Service Centers and Other Metal Merchant Wholesalers
335932	Noncurrent-Carrying Wiring Device Manufacturing	Cars and trucks	
335132	Commercial, Industrial, and Institutional Electric Lighting Fixture	441110	New Car Dealers
334515	Instrument Manufacturing for Measuring and Testing Electricity and Electrical Signals	336120	Heavy Duty Truck Manufacturing
335910	Battery Manufacturing	336110	Automobile and Light Duty Motor Vehicle Manufacturing
335139	Electric Lamp Bulb and Other Lighting Equipment Manufacturing	423110	Automobile and Other Motor Vehicle Merchant Wholesalers
335313	Switchgear and Switchboard Apparatus Manufacturing	441227	Motorcycle, ATV, and All Other Motor Vehicle Dealers

C. Availability Data Collection — NAICS/SIC codes included in the survey

C-6. Other services NAICS and SIC codes for D&B survey availability list

NAICS/SIC	NAICS/SIC label	NAICS/SIC	NAICS/SIC label
Parking services		Warehousing and logistics services	
812930	Parking Lots and Garages	488119	Other Airport Operations
Security systems services		Security guard services	
561621	Security Systems Services (except Locksmiths)	561612	Security Guards and Patrol Services
Staffing services		Industrial machinery repair	
561311	Employment Placement Agencies	811310	Commercial and Industrial Machinery and Equipment (except Automotive and Electronic) Repair and Maintenance
561320	Temporary Help Services	811210	Electronic and Precision Equipment Repair and Maintenance
561312	Executive Search Services	Trucking and hauling	
Landscaping and related work including erosion control		484220	Specialized Freight (except Used Goods) Trucking, Local
561730	Landscaping Services	Janitorial services	
Construction remediation and clean-up		561720	Janitorial Services
562910	Remediation Services	Construction equipment rental	
Waste collection and disposal		532412	Construction, Mining, and Forestry Machinery and Equipment Rental and Leasing
562111	Solid Waste Collection	532490	Other Commercial and Industrial Machinery and Equipment Rental and Leasing
562211	Hazardous Waste Treatment and Disposal		
562920	Materials Recovery Facilities		
562212	Solid Waste Landfill		
562112	Hazardous Waste Collection		
Ship and boat repair			
336612	Boat Building		
336611	Ship Building and Repairing		

C. Availability Data Collection — Development of survey instrument

Keen Independent prepared the availability survey instrument for the 2025 Study. CRI did not know the race, ethnicity or gender of the business owner when contacting a business establishment. Obtaining that information was a key part of the survey.

Survey sections included the following:

- **Identification of purpose.** CRI acknowledged Port of Portland, Prosper Portland and ODOT as the sponsor when calling firms with a location in the Portland Metropolitan Statistical Area and described its purpose as identifying companies interested in working on a wide range of construction, construction-related professional services, other professional services, goods and other services to public entities or on related projects.

Interviewers indicated that the call were made on behalf ODOT when calling firms with a location in other Oregon areas.

- **Verification of correct business name.** The phone survey confirmed that the business reached was the business sought out. The online survey asked the respondent to write in the name of the business.
- **Contact information.** The survey compiled contact information for the establishment and the individual who completed the survey.

- **Identification of main lines of business.** Each respondent was asked to describe the main line of business for their company. For construction, construction-related professional services and other professional services firms, respondents were also asked to select multiple types of work that their firm performs from a list.
- **Sole location or multiple locations.** The survey asked respondents if their companies had other locations and whether their establishments are affiliates or subsidiaries of other firms. (Keen Independent merged responses from the same firm from multiple locations.)
- **Qualifications and interest in public sector work.** The survey asked about businesses' qualifications and interest in working with public agencies or on related projects, and for construction, construction-related professional services and other professional services firms, asked whether they are interested in prime contracts and/or subcontracts.

C. Availability Data Collection — Development of survey instrument

- **Geographic areas.** Businesses were asked whether they can do work in five different geographic areas in Oregon:
 - Portland/Hood River region;
 - Willamette Valley and Northwest Oregon (such as Salem, Newport and Eugene);
 - Southwestern Oregon (such as Roseburg and Medford);
 - Central Oregon (such as Bend and Klamath Falls); and
 - Eastern Oregon (such as Pendleton, La Grande and Burns).
- **Largest contracts.** The survey asked businesses to identify the dollar range of the largest contract or subcontract on which they had bid or had been awarded during the past ten years.
- **Ownership.** Businesses were asked if 51 percent or more of the firm is owned and controlled by certain groups (e.g., women and/or minorities, by group). If businesses indicated that they were minority-owned, they were also asked about the race and ethnicity of owners. For companies that identified race/ethnicity as “other,” Keen Independent conducted further research to assign the correct classification.
- **Business background, revenue and employee size.** The survey asked about the year the firm started, average annual revenue for the last three years and number of employees. (This allowed identification of “small businesses.”)

C. Availability Data Collection — Responses to the online and phone surveys

Response to the Online Survey Request

Port of Portland, Prosper Portland and ODOT sent emails to 8,149 individuals requesting participation in the survey. After combining duplicate responses to the online survey, there were 486 completed surveys.

Response to the Phone Survey

Keen Independent provided CRI a database of 32,500 individual firms for availability phone surveys. CRI made up to six attempts to reach each firm (different times and different days of the week). The contact list included firms not responding to the online survey.

CRI attempted to interview a company representative such as the owner, manager or other key official who could provide accurate and detailed responses to the questions included in the survey. Figure C-7 presents the dispositions of the businesses CRI attempted to contact.

- Some listings were non-working or wrong numbers.
- Among the 28,430 firms with working phone numbers, CRI was unable to contact some of them:
 - Some businesses could not be reached after at least six attempts (see “no answer” in Figure C-7).
 - An appropriate staff person could not be reached for the survey after repeated attempts.
 - The study team sent email or fax invitations to those who requested to do the survey via fillable PDF or online survey. Some businesses did not complete and return them.

After taking those unsuccessful attempts into account, the study team was able to successfully contact 8,809 businesses or 31 percent of those with working phone numbers.

This response rate to the telephone survey is high compared to typical surveys.

C-7. Disposition of attempts to survey business establishments.

	Number of firms	Percent of business listings
Beginning list	32,500	
Less non-working phone numbers	3,318	
Less wrong number	752	
Firms with working phone numbers	28,430	100 %
Less no answer	18,226	
Less could not reach appropriate staff member	1,037	
Less unreturned fax/email	345	
Less could not continue in English or Spanish	13	
Firms successfully contacted	8,809	31 %

Note: Study team made up to six attempts to complete an interview with each establishment.

Source: Keen Independent Research from 2025 Availability Surveys.

C. Availability Data Collection — Responses to the online and phone surveys

Analysis of Categories of Responses

Keen Independent also examined the disposition of the 8,809 businesses CRI successfully contacted and how that number resulted in the 2,718 businesses included in the availability database.

- **Establishments not interested in discussing availability for public sector work.** Of the businesses that the study team successfully contacted, 5,622 indicated that they were not interested in discussing their availability for public sector work or reported that they were not qualified or interested in public sector work. (Keen Independent finds this in other availability surveys as well.)

In Keen Independent’s experience, those types of responses are often firms that do not perform relevant types of work. Some respondents also reported that they had already completed a survey but had not.

- **No longer in business or don’t do related work.** Some respondents indicated that their companies are no longer in business or were found not to perform work related to Port of Portland, Prosper Portland, or ODOT contracts. The study team attempted to remove all of these firms from the final database of interested and qualified firms.
- **Non-businesses and firms with no local location.** Some responses were not included in the final availability database because the organizations indicated that they were not a for-profit business. Examples of non-businesses included nonprofits, government agencies and private residences with no associated business. Businesses that did not have a firm location in the study area were excluded from the final availability database.

After the screening steps described to the left, the survey effort produced a database of 2,718 businesses potentially available for work with ODOT (this final figure includes responses from both the online survey sent to businesses by ODOT, the phone survey conducted by CRI and any other responses).

Note that, when there were multiple responses from a single company, Keen Independent combined those responses into a single, summary data record. Each unique business only appears once in the final availability database.

C-8. Disposition of successfully contacted businesses.

	Number of firms
Firms successfully contacted	8,809
Less business not interested	5,622
Firms that completed interviews about business characteristics	
Less no longer in business	731
Less don't do related work	146
Less not for-profit businesses	34
Less duplicated record	23
Less firms with no locations in the study area	21
Plus firms that completed the online survey	486
Firms included in the availability database	2,718

Note: Study team made up to six attempts to complete an interview with each establishment.
Source: Keen Independent Research from 2025 Availability Surveys.

C. Availability Data Collection — Statistical confidence in availability results

Keen Independent did not draw a sample of companies to research in the availability analysis. The study team attempted to reach each firm on the interested firm list that had email addresses and each firm on the phone list (combined interested firm list and D&B listings) that had a location in the relevant geographic market area and appeared to be performing work relevant to the entities participating in this study.

Keen Independent examined the accuracy of the initial list of potentially available firms and the number of firms successfully reached from that list in the availability survey effort. Figure C-9 explains the high level of statistical confidence in the availability results due to the number of responses and the response rate.

C-9. Confidence intervals for availability results

Keen Independent successfully reached 9,295 businesses in the availability survey — a number of completed surveys that might be considered large enough to be treated as a “population,” not a sample.

However, if the results are treated as a sample, the reported 28 percent representation of MBE/WBEs among available firms is accurate within about ± 1.4 percentage points. (This was MBE/WBE availability before dollar-weighting.) By comparison, many survey results for proportions reported in the popular press are accurate within ± 5 percentage points. (Keen Independent applied a 95 percent confidence level and the finite population correction factor when determining these confidence intervals.)

C. Availability Data Collection — Analysis of potential non-response bias

Analysis of non-response bias considers whether businesses that were not successfully surveyed are systematically different from those that were successfully surveyed and included in the final data set. There are opportunities for non-response bias in any survey effort.

The study team considered the potential for non-response bias due to:

- Research sponsorship;
- Calling from a phone number outside Oregon;
- Language barriers; and
- Industry differences in reaching respondents.

Keen Independent also compared response rates for firms identified in D&B records as MBE/WBEs versus other firms.

Research Sponsorship

CRI survey staff introduced themselves by identifying the Port, Prosper Portland and ODOT as the survey sponsors as businesses may be less likely to answer somewhat sensitive business questions if the interviewer was unable to identify the sponsor.

CRI survey staff introduced themselves by identifying ODOT as the survey sponsor when reaching firms in Oregon (outside of the Portland metro area).

This sponsorship represents a strength of the survey (and CRI could also forward a study Fact Sheet the survey if asked).

Calling from Outside Oregon

Telephone calls made by CRI interviewers originated from outside Oregon. It might have been obvious to people in Oregon that the phone calls were placed from outside the state and the interviewers were not from Oregon. This might have reduced the overall response rate. However, there was no indication that minority- and woman-owned firms were less likely to respond to the calls than white male-owned businesses.

Potential Language Barriers

Keen Independent examined whether language barriers affected survey results and concluded that they did not.

Businesses that only had a Spanish-speaking respondent during an initial call were re-contacted by a Spanish-speaking CRI interviewer. The interviewee was asked if there was anyone available to perform the survey in English. If not, CRI completed a shortened version of the survey with the interviewee. If it appeared that the firm performed work related to Port, Prosper Portland or ODOT contracts, CRI asked the company if they would like to complete an email or faxed questionnaire (in English). No respondents requested a fax or email survey. (These additional efforts focused on Spanish-speaking respondents as this was the most common language barrier.)

This approach appeared to eliminate some of the potential language barriers to participating in the availability surveys. Language barriers presented a difficulty in conducting the survey for 13 companies, or less than 0.1 percent of the 28,430 businesses with working phone numbers. It does not appear that any language barriers materially affected results.

C. Availability Data Collection — Analysis of potential non-response bias

Industry Differences in Reaching Respondents

There might be differences in the success of reaching firms by phone in different lines of work. However, Keen Independent concludes that any such differences would not lead to lower or higher availability estimates for MBEs and WBEs than if the study team had been able to successfully reach all firms.

Work specialization as a potential source of non-response bias is minimized because the dollar-weighted availability analysis examines businesses within particular work fields before determining an availability figure. In other words, the potential for landscaping firms to be less likely to complete a survey is encompassed in the availability calculations account because the number of MBE/WBE landscape firms, for example, is compared with the total number of landscape firms when calculating availability for landscaping work. Landscape firms are not compared with engineering firms in Keen Independent's contract-by-contract availability analysis.

Also, many firms also received an email asking them to complete an online survey (which could be completed using a smartphone). Any firm in Oregon had the opportunity to answer the survey online, including on a smartphone.

Comparison of Overall Response Rates for MBE/WBEs and Majority-owned Firms

Keen Independent examined whether minority- and woman-owned firms were more difficult to reach in the telephone survey and found no indication that interviewers were less likely to complete telephone surveys with MBE/WBEs than with majority-owned firms. The study team examined response rates based on MBE/WBE versus non-MBE/WBE business ownership data that D&B had for firms in the list purchased from this source.

- MBE/WBEs were successfully contacted at about the same rate as majority-owned firms. D&B-identified MBE/WBE firms were 6.7 percent of the initial list and 7.4 percent of successfully surveyed firms.
- Note that D&B records under-identify MBE/WBEs and are not the basis for the availability analysis. (This is also the reason the MBE/WBE percentages shown above are so much lower than found in the availability survey.)

Therefore, there is no indication that any potential non-response bias materially affected the estimates of MBE/WBE availability in this study.

C. Availability Data Collection — Analysis of response reliability

Business owners and managers were asked questions that were somewhat difficult to answer, including questions about average annual revenue and employment.

Keen Independent explored the reliability of survey responses in several ways. For example:

- Keen Independent reviewed data from the availability surveys in light of information from other sources. This included data on the race/ethnicity and gender of the owners of DBE-, WBE-, MBE-certified businesses that were compared with survey responses concerning business ownership.
- Keen Independent compared survey responses about the largest contracts that businesses won during the past ten years with actual contract data.
- For firms indicating a high number of types of work performed, the study team reviewed reliability of responses based on other information about those companies.
- Keen Independent reviewed responses of all firms indicating a relatively large bid capacity (contracts bid or awarded of more than \$5 million).

C. Availability Data Collection — Analysis of other potential limitations

There are limitations to this approach to collecting availability data, as discussed below.

Using D&B Lists

Keen Independent purchased D&B business listings for Oregon and Clark and Skamania counties in Washington as one source of firms to be reached in the availability surveys. D&B provides the most comprehensive private database of business listings in the United States. D&B does not require firms to pay a fee to be included — it is completely free (and is separate from its credit rating services). Even so, the database did not include all establishments:

- There may be a lag between formation of a new business and inclusion in D&B listings.
- One way for D&B to identify firms is legal filings concerning an entity (such as registering with a Secretary of State or obtaining a business license), therefore any businesses operating without being legally registered might not be in D&B's lists. (Keen Independent does not view this as a limitation, however.)
- Some businesses providing work related to ODOT projects might not be classified in those industries in the D&B data and might not be included in the survey list. Keen Independent investigated, for example, why some firms receiving work from ODOT were not included in the survey list and whether the firms are out of business or are no longer interested in public sector work. For certain firms, this appeared to be the case.

Selection of Specific Subindustries

Keen Independent identified subindustries primarily using federally defined 6-digit NAICS codes as well as SIC codes to build a business list from D&B. These codes can be imprecise, which potentially leaves some related businesses off the contact list.

Also, Keen Independent focused on the subindustries that represented the largest area of ODOT's spending. Firms in NAICS or SIC codes that represent little spending were not included in the D&B list nor in the records from the combined interested firms list developed for the phone portion of the survey.

Companies Reporting that They Do Not Perform Related Work or Were Not Interested in Discussing Work with Port, Prosper Portland or ODOT

Many firms contacted in the availability survey indicated that they do not perform types of work related to public entity procurements or are otherwise not interested in performing public sector work. This was to be expected as Keen Independent was very broad when preparing the initial list of firms to survey.

There were some firms from both the interested firm list and the D&B list that performed work for the Port, Prosper Portland or ODOT but responded that they were not interested in discussing work with the Port, Prosper Portland or ODOT.

C. Availability Data Collection — Analysis of other potential limitations

Not a Count of All Businesses Available for Public Entity Contracts

The purpose of the availability survey is to provide precise, unbiased estimates of the percentage of firms available for public contracts that are owned by certain groups. Keen Independent did not attempt to develop a list of *every* firm potentially available for *every* type of procurement. The research focused on firms in the geographic market area in subindustries most relevant to the Port, Port of Portland and ODOT procurements.

- Firms in subindustries that comprised a small portion of total dollars of Port of Portland, Prosper Portland and ODOT procurement were not included in the phone survey. Because Keen Independent calculates availability benchmarks on a dollar-weighted basis, inclusion of these firms was not important in developing overall availability results.
- The study team limited its purchase of D&B data to firms in the Oregon market area (Oregon plus Clark and Skamania counties in Washington) as the study focuses on types of purchases primarily made from within the market area. This method is consistent with court decisions that have considered this issue.
- Not all firms on the list of businesses completed surveys, even after repeated attempts to contact them.

Therefore, the availability analysis does not provide a comprehensive listing of every business that could be available for all types of Port of Portland, Prosper Portland or ODOT procurements and should not be used in that way.

NAICS codes sometimes represent broad definitions of the types of work vendors can perform. Therefore, Keen Independent's compiled list of available firms should not be used as a single source of firms available for highly specialized contracts.

Federal courts have approved similar approaches to measuring availability that Keen Independent uses in this study (see Appendix L).

The United States Department of Transportation's (USDOT's) "Tips for Goal-Setting in the Disadvantaged Business Enterprise (DBE) Program" also recommends a similar approach to measuring availability for agencies implementing the Federal DBE Program.¹

A copy of the survey instrument for construction follows:

¹ Tips for Goal-Setting in the Disadvantaged Business Enterprise (DBE) Program. Retrieved from <https://www.transportation.gov/osdbu/disadvantaged-business-enterprise/tips-goal-setting-disadvantaged-business-enterprise>

C. Availability Data Collection — Survey instrument (email construction version)

Port of Portland/Prosper Portland/ODOT Availability Survey Fax/Online Survey

The Port, Prosper Portland, and ODOT are compiling a list of companies interested in providing construction, construction-related professional services, other professional services, goods and other services to public entities or on related projects.

Survey Instructions

When you have finished the survey, please:

- 1) Scan completed survey and email to surveys@cri-research.com; or
- 2) Fax completed survey to 512-353-3696.

If you have any questions, please contact:

John Cárdenas
Port of Portland
Phone: 503-804-6667

Debra Lindsay
Prosper Portland
Phone: 503-823-3028

Omar Alvarado
Oregon Department of Transportation
Email: ocrprograms@odot.oregon.gov

C. Availability Data Collection — Survey instrument (email construction version)

Background Questions

Z5. What is the name of your business?

X5. What would you say is the main line of business of your company?

Public Sector Work

A1. Is your company qualified and interested in working with public agencies or on related projects in the Portland metro area?

☐ 1=Yes

☐ 2=No

☐ 98=Don't know

A2. Is your company qualified and interested in working as a prime, as a subcontractor or both?

☐ 1=Prime only

☐ 2=Sub only

☐ 3=Both

☐ 98=Don't know

C. Availability Data Collection — Survey instrument (email construction version)

Types of Work

C1. Which of the following types of work does your firm perform related to construction? Select all that apply.

- | | |
|--|--|
| <input type="checkbox"/> 1= Commercial and institutional building construction | <input type="checkbox"/> 21=Installation of guardrails, fencing or signs |
| <input type="checkbox"/> 2= Electrical work including lighting and signals | <input type="checkbox"/> 22=Striping or pavement marking |
| <input type="checkbox"/> 3= Excavation, site prep, grading and drainage | <input type="checkbox"/> 23=Concrete repair |
| <input type="checkbox"/> 4= Plumbing and HVAC | <input type="checkbox"/> 24=Pavement surface treatment (such as sealing) |
| <input type="checkbox"/> 5= Framing, plastering, drywall and installation | <input type="checkbox"/> 25=Painting for road or bridge projects |
| <input type="checkbox"/> 6= Structural steel work | <input type="checkbox"/> 26=Pavement milling |
| <input type="checkbox"/> 7= Drilling and foundations | <input type="checkbox"/> 27=Wrecking and demolition |
| <input type="checkbox"/> 8= Glass and glazing work | <input type="checkbox"/> 28=Other heavy and civil engineering construction |
| <input type="checkbox"/> 9= Roofing | <input type="checkbox"/> 29=Temporary traffic control |
| <input type="checkbox"/> 10= Carpentry | <input type="checkbox"/> 82=Landscaping and related work including erosion control |
| <input type="checkbox"/> 11= Elevators and elevator services | <input type="checkbox"/> 83=Trucking and hauling |
| <input type="checkbox"/> 12= Masonry work | <input type="checkbox"/> 76=Construction remediation and clean-up |
| <input type="checkbox"/> 13= Flooring | <input type="checkbox"/> 33=Materials testing |
| <input type="checkbox"/> 14= Interior and exterior building painting | <input type="checkbox"/> 38= Construction management |
| <input type="checkbox"/> 15= Airport runway construction | <input type="checkbox"/> 36= Surveying and mapping |
| <input type="checkbox"/> 16= Dock and dredging work | <input type="checkbox"/> 88=Other [Please specify] |
| <input type="checkbox"/> 17= Concrete flatwork (including sidewalk, curb and gutter) | <input type="checkbox"/> 98=(Don't know) |
| <input type="checkbox"/> 18= General road construction and widening | |
| <input type="checkbox"/> 19= Bridge and elevated highway construction | |
| <input type="checkbox"/> 20= Asphalt, concrete or other paving | |

C. Availability Data Collection — Survey instrument (email construction version)

Geographic Areas

We are also collecting information about where firms are able to work in the state as part of an availability study for ODOT.

D1. Are there areas in Oregon outside of the Portland metro area where your company can perform work or serve customers?

- ☐ 1=Yes
- ☐ 2=No **[SKIP TO E1]**
- ☐ 98=Don't know **[SKIP TO E1]**

D2. Can your company do work in the Willamette Valley and Northwest Oregon region, such as Salem, Newport and Eugene?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 98=Don't know

D3. Can your company do work in Southwestern Oregon such as Roseburg and Medford?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 98=Don't know

D4. Can your company do work in Central Oregon such as Bend and Klamath Falls?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 98=Don't know

D5. Can your company do work in Eastern Oregon such as Pendleton, La Grande and Burns?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 98=Don't know

C. Availability Data Collection — Survey instrument (email construction version)

Contract History

E1. In rough dollar terms, in the past ten years, what was the largest contract or subcontract your company was awarded, bid on, or submitted quotes for?

- ☐ 1=\$100,000 or less
- ☐ 2=More than \$100,000 up to \$500,000
- ☐ 3=More than \$500,000 up to \$1 million
- ☐ 4=More than \$1 million up to \$5 million
- ☐ 5=More than \$5 million up to \$10 million
- ☐ 6=More than \$10 million
- ☐ 97=Not applicable
- ☐ 98=Don't know

C. Availability Data Collection — Survey instrument (email construction version)

Business Ownership

The next questions are about the ownership of the business.

F1. A business is defined as woman-owned if more than half — that is, 51 percent or more — of the ownership and control is by women. By this definition, is your firm a woman-owned business?

☐ 1=Yes

☐ 2=No

☐ 98=Don't know

F2. A business is defined as minority-owned if more than half — that is, 51 percent or more — of the ownership and control is African American, Asian-Pacific American, Hispanic American, Subcontinent Asian American, Native American or another minority group. By this definition, is your firm a minority-owned business?

☐ 1=Yes

☐ 2=No **[SKIP TO G1]**

☐ 98=Don't know **[SKIP TO G1]**

F3. Would you say that the minority group ownership is mostly African American, Asian-Pacific American, Hispanic American, Subcontinent Asian American or Native American?

☐ 1= African American

(This includes persons having origins in any of the Black racial groups of Africa.)

☐ 2= Asian-Pacific American

(This includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), Republic of the Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Tuvalu, Nauru, Federated States of Micronesia or Hong Kong.)

☐ 3= Hispanic American

(This includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race.)

☐ 4= Subcontinent Asian American

(This includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, Maldives, Nepal or Sri Lanka.)

☐ 5= Native American

(This includes persons who are enrolled members of a federally or State recognized Indian Tribe, Alaska Natives, or Native Hawaiians.)

☐ 6=Other group (Please specify): _____

☐ 98=Don't know

C. Availability Data Collection — Survey instrument (email construction version)

Business Background

The next questions are about the background of the business.

G1. About what year was your firm established?

☐ 98=Don't know

G2. Is this the sole location for your business, or do you have offices in other locations?

☐ 1=Sole location

☐ 2=Have other locations

☐ 98=Don't know

G3. Is your company a subsidiary or affiliate of another firm?

☐ 1=Independent **[SKIP TO G6]**

☐ 2=Subsidiary or affiliate of another firm

☐ 98=Don't know **[SKIP TO G6]**

G4. What is the name of your parent company?

☐ 98=Don't know

G6. About how many employees did you have working out of just your location, on average, over the past two years? (This includes employees who work at your location and those who work from your location.)

☐ 98=Don't know

G8 Think about the annual gross revenue of your company, considering just your location. Please estimate the annual average for the past three years.

☐ 1= Up to \$0.5 million

☐ 2= More than \$0.5 million up to \$1 million

☐ 3= More than \$1 million up to \$3.5 million

☐ 4= More than \$3.5 million up to \$8 million

☐ 5= More than \$8 million up to \$12 million

☐ 6= More than \$12 million up to \$16.5 million

☐ 7= More than \$16.5 million up to \$30.72 million

☐ 8= More than \$30.72 million

☐ 98=Don't know

C. Availability Data Collection — Survey instrument (email construction version)

G9. [SKIP IF YOUR FIRM DOES NOT HAVE OTHER LOCATIONS]

About how many employees did you have, on average,
for all of your locations over the past two years?

(Number of employees at all locations should not be fewer
than at just your location.)

☐ 98=Don't know

G10. [SKIP IF YOUR FIRM DOES NOT HAVE OTHER LOCATIONS]

Think about the annual gross revenue of your company,
for all your locations. Please estimate the annual average for
the past three years.

(Revenue at all locations should not be less than at just your
location.)

- ☐ 1= Up to \$0.5 million
- ☐ 2= More than \$0.5 million up to \$1 million
- ☐ 3= More than \$1 million up to \$3.5 million
- ☐ 4= More than \$3.5 million up to \$8 million
- ☐ 5= More than \$8 million up to \$12 million
- ☐ 6= More than \$12 million up to \$16.5 million
- ☐ 7= More than \$16.5 million up to \$30.72 million
- ☐ 8= More than \$30.72 million
- ☐ 98=Don't know

C. Availability Data Collection — Survey instrument (email construction version)

Market Barriers or Difficulties

[This set of questions was asked as part of the Port of Portland/Prosper Portland/ODOT availability survey]

Finally, we're interested in whether your company has experienced barriers or difficulties associated with business start-up or expansion, or with obtaining work. Think about your experiences within the past ten years in the Portland metro area as you answer these questions.

H1a. Has your company experienced any difficulties in obtaining lines of credit or loans?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

H1b. Has your company obtained or tried to obtain a bond for a project or contract?

- ☐ 1=Yes
- ☐ 2=No **[SKIP TO H1d]**
- ☐ 97=Does not apply **[SKIP TO H1d]**
- ☐ 98=Don't know **[SKIP TO H1d]**

H1c. Has your company had any difficulties obtaining bonds needed for a project or contract?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

H1d. Have you had any difficulty in being prequalified for work?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

H1e. Have any insurance requirements on contracts presented a barrier to bidding?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

C. Availability Data Collection — Survey instrument (email construction version)

H1f. Has the large size of projects presented a barrier to bidding?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

H1g1. Has your company experienced any difficulties learning about bid or contract opportunities with the Port of Portland?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

H1g2. Has your company experienced any difficulties learning about bid or contract opportunities with Prosper Portland?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

H1g3. Has your company experienced any difficulties learning about bid or contract opportunities with other public entities?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

H1h. Has your company experienced any difficulties learning about bid opportunities in the private sector?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

H1i. Has your company experienced any difficulties learning about subcontracting opportunities with prime contractors?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

C. Availability Data Collection — Survey instrument (email construction version)

H1j. Has your company experienced any difficulties obtaining final approval on your work from inspectors or prime contractors?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

H1k1. Has your company experienced any difficulties receiving payment from the Port of Portland in a timely manner?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

H1k2. Has your company experienced any difficulties receiving payment from Prosper Portland in a timely manner?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

H1k3. Has your company experienced any difficulties receiving payment from other public entities in a timely manner?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

H1l. Has your company experienced any difficulties receiving payment from prime contractors in a timely manner?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

H1m. Has your company experienced any difficulties receiving payment from other customers in a timely manner?

- ☐ 1=Yes
- ☐ 2=No
- ☐ 97=Does not apply
- ☐ 98=Don't know

C. Availability Data Collection — Survey instrument (email construction version)

H1n. Has your company experienced any difficulties with brand name specifications or other restrictions on bidding?

☐ 1=Yes

☐ 2=No

☐ 97=Does not apply

☐ 98=Don't know

H1o. Has your company experienced any difficulties obtaining supply or distributorship relationships?

☐ 1=Yes

☐ 2=No

☐ 97=Does not apply

☐ 98=Don't know

H1p. Has your company experienced any competitive disadvantages due to the pricing you get from your suppliers?

☐ 1=Yes

☐ 2=No

☐ 97=Does not apply

☐ 98=Don't know

C. Availability Data Collection — Survey instrument (email construction version)

H2. This is an opportunity for the Port of Portland, Prosper Portland and ODOT to hear directly from members of the business community, like you. What other comments about contracting and procurement or local marketplace conditions would you like them to hear?

☐ 1=Yes [Please provide your thoughts in the box below.]

☐ 97=Nothing/None/No comments

☐ 98=Don't know

H3. We would like to hear more from you about conditions in the local marketplace or doing business with public entities. Can we mark you as interested in a follow-up interview, participating in a virtual Business Advisory Group session with other business representatives, or both?

☐ 1= Follow-up interview

☐ 2= BAG discussion

☐ 3= Both

☐ 4= Neither

☐ 97=Does not apply

☐ 98=Don't know

C. Availability Data Collection — Survey instrument (email construction version)

Interviewee and Other Contact Information

Just a few last questions.

I1. What is your full name?

I2. What is your position at the firm?

- ☐ 1=President
- ☐ 2=Owner
- ☐ 3=Manager
- ☐ 4=CFO
- ☐ 5=CEO
- ☐ 6=Assistant to Owner/CEO
- ☐ 7=Sales manager
- ☐ 8=Office manager
- ☐ 9=Receptionist
- ☐ 88=Other (Please specify): _____

I4. What mailing address could the Port, Prosper Portland and ODOT use to contact you?

Street address: _____

City: _____

State: _____

ZIP: _____

I5P.What phone number could they use to contact you?

I6. What e-mail address could the Port, Prosper Portland and ODOT use to contact you?

Survey Instructions

When you have finished the survey, please:

- 1) Scan completed survey and email to surveys@cri-research.com; or**
- 2) Fax completed survey to 512-353-3696.**

Thank you for your time. This is very helpful for the Port of Portland, Prosper Portland and ODOT.

APPENDIX D. Goal Setting — Calculation on the impact on the overall FHWA DBE goal

Federal regulations outline factors that an agency must consider when assessing whether to make any step 2 adjustments to its base figure. This appendix provides the calculations for a potential upward step 2 adjustment for FHWA-funded contracts that considers the additional availability of current and potential DBEs if there were no disparities in the rates of self-employment (business ownership) for people of color and women working in study industries in Oregon.

Analysis of Self-Employment Rates

The 2022 Disparity Study identifies barriers that certain minority groups and women face related to business ownership in Oregon transportation contracting industries (see 2022 Disparity Study, Summary Report and Appendices E through J).

The study team used regression analyses to investigate whether race, ethnicity and gender affected rates of business ownership among workers in the Oregon study industries. (Appendix F provides detailed results of the business ownership regression analyses.)¹

- Those analyses revealed that African Americans, Hispanic Americans and white women working in construction were less likely than non-minorities and white men to own construction businesses, even after accounting for various gender-neutral personal characteristics. Each of these disparities was statistically significant.

- There was a statistically significant disparity in firm ownership for Subcontinent Asian Americans in the Oregon engineering industry.
- Asian Americans were found to be less likely to own businesses in the goods industry than non-minorities.

¹ The study team examined U.S. Census data on business ownership rates using methods similar to analyses examined in court cases involving state departments of transportation in California, Illinois, and Minnesota.

D. Goal Setting — Calculation on the impact on the overall FHWA DBE goal

The study team completed “but for” analyses for construction, engineering and other contracts and then weighted results based on the proportion of FHWA-funded contract dollars that ODOT awarded in each industry for FFY 2022–FFY 2024 (i.e., an 84.7% weight for construction, 9.8% weight for professional services, 3.2% weight for goods and 2.2% for other services). Figure D-1 calculates the impact on overall DBE availability, resulting in a possible upward adjustment of the base figure to 27.23 percent.

The rows and columns of Figure D-1 present the following information from Keen Independent’s “but for” analyses:

- a. **Current and potential availability.** Column (a) presents the current and potential availability of DBEs by group for construction, and engineering and other services. Each row presents the percentage availability by group. The current and potential combined availability of DBEs for ODOT FHWA-funded transportation contracts for October 2021 through September 2024 is 22.47 percent, as shown in bottom row of column (a).
- b. **Disparity indices for business ownership.** As presented in Appendix F of the 2022 Disparity Study report, African Americans, Hispanic Americans and white women were less likely to own construction firms than similarly situated non-minorities and white men. This difference was statistically significant for each of those groups.

Keen Independent calculated simulated business ownership rates if those groups owned businesses at the same rate as nonminorities and white males who share similar personal characteristics. The study team then calculated a business ownership disparity index for each group by dividing the observed business ownership rate by the benchmark business ownership rate and then multiplying the result by 100.

Column (b) of Figure D-1 presents disparity indices related to business ownership for the different racial/ethnic and gender groups. For example, as shown in column (b), African Americans own construction businesses at a rate of 37 percent of what would be expected based on the simulated business ownership rates of white males who share similar personal characteristics. The 2022 Disparity Study, Appendix F, explains how the study team calculated the disparity indices.

- c. **Availability after initial adjustment.** Column (c) presents availability estimates for MBEs and WBEs by industry after initially adjusting for statistically significant disparities in business ownership rates. The study team calculated those estimates by dividing the current and potential availability in column (a) by the disparity index for business ownership in column (b) and then multiplying by 100.

Please note that there was no adjustment possible for weighted availability for Asian Americans in the goods industry, since the disparity index was 0 percent.

D. Goal Setting — Calculation on the impact on the overall FHWA DBE goal

d. **Availability after scaling to 100%.** Column (d) shows adjusted availability estimates that were re-scaled so that the sum of the availability estimates equals 100 percent for each industry. The study team re-scaled the adjusted availability estimates by taking each group's adjusted availability estimate in column (c) and dividing it by the sum of availability estimates shown under "Total firms" in column (c) — and multiplying by 100. For example, the re-scaled availability estimate for African Americans shown for construction was calculated in the following way:
 $(2.59\% \div 108.27\%) \times 100 = 2.39\%$.

e. **Components of overall DBE goal with upward adjustment.** Column (e) of Figure D-1 shows the component of the total base figure attributed to the adjusted DBE availability for each industry. The study team calculated each component by taking the total availability estimate shown in column (d) for each industry and multiplying it by the proportion of total FHWA-funded contract dollars in each industry (i.e., 84.7% weight for construction, 9.8% weight for professional services, 3.2% weight for goods and 2.2% for other services). For example, the study team used the 27.79 percent shown for current and potential DBEs availability for construction firms in column (d) and multiplied it by 84.7 percent for a result of 23.55 percent.

A similar weighting of current and potential DBE availability for professional services produced a value of 2.08 percent for engineering and other services.

The values in column (e) were then summed to equal the overall base figure adjusted for barriers in business ownership, which is 27.23 percent as shown in the bottom of column (e).

Finally, Keen Independent calculated the difference between the "but for" current and potential DBE availability (27.23%) and the current and potential availability (22.47%) to calculate the potential upward adjustment. This difference, and potential upward adjustment, is 4.76 percentage points ($27.23\% - 22.47\% = 4.76$).

D. Goal Setting — Calculation on the impact on the overall FHWA DBE goal

D-1. Potential step 2 adjustment to ODOT's overall DBE goal for FHWA-funded contracts considering disparities in the rates of business ownership

Current and potential DBEs	a. Weighted DBE Availability	b. Disparity index for business ownership	c. Availability after initial adjustment*	d. Availability after scaling to 100%	e. Components of overall DBE availability**
Construction					
African American	0.96 %	37	2.59 %	2.39 %	
Hispanic American	0.98	66	1.49	1.38	
Other minorities	8.49	n/a	8.49	7.84	
White women	11.39	65	17.52	16.18	
Minorities and women	21.82 %	n/a	30.09 %	27.79 %	23.55 %
All other businesses	78.18	n/a	78.18	72.21	
Total firms	100.00 %	n/a	108.27 %	100.00 %	
Professional services					
Subcontinent Asian American	0.21 %	28	0.75 %	0.78 %	
Other minorities	4.41	n/a	4.41	4.59	
White women	19.64	129	15.22	15.84	
Minorities and women	24.26 %	n/a	20.38 %	21.21 %	2.08 %
All other businesses	75.74	n/a	75.74	78.79	
Total firms	100.00 %	n/a	96.12 %	100.00 %	
Goods					
Asian American	0.62 %	0	0.62	0.62	
Other minorities	6.97	n/a	6.97 %	6.97 %	
White women	20.53	n/a	20.53	20.53	
Minorities and women	28.12 %	n/a	28.12 %	28.12 %	0.91 %
All other businesses	71.88	n/a	71.88	71.88	
Total firms	100.00 %	n/a	100.00 %	100.00 %	
Other services					
Minorities	13.22 %	n/a	13.22 %	13.22 %	
White women	17.82	n/a	17.82	17.82	
Minorities and women	31.04 %	n/a	31.04 %	31.04 %	0.69 %
All other businesses	68.96	n/a	68.96	68.96	
Total firms	100.00 %	n/a	100.00 %	100.00 %	
Total for DBEs	22.47 %	n/a	n/a		27.23 %
Difference from base figure					4.76 %

Note: Numbers may not add to 100.00% due to rounding.

* Initial adjustment is calculated as current and potential availability divided by the disparity index for business ownership.

** Components of the goal were calculated as the value after adjustment and scaling to 100 percent, multiplied by the percentage of total FHWA-funded contract dollars in each industry (84.7% weight for construction, 9.8% weight for professional services, 3.2% weight for goods and 2.2% for other services).

Source: Keen Independent Research based on FHWA-funded contracts for October 2018 through September 2024, and statistical analysis of U.S. Census Bureau American Community Survey data for 2015–2019.