

Harris County to consider study to gauge spending with minority, women-owned businesses

By [Mihir Zaveri](#) Updated 10:24 am, Wednesday, May 2, 2018 Chron.com

Harris County Commissioners Court will vote Tuesday on whether to seek a “disparity study” to see who benefits from millions of taxpayer dollars doled out every year for public projects.

If approved by the court, the study likely would look back several years to determine whether county contracts, such as those to design and construct roads, parks and buildings, utilize woman- and minority-owned businesses at a rate commensurate with their prevalence in the region.

Such a study could be a precursor to consideration of a program aimed at broadening the county’s reach to minority- and women-owned vendors and contractors. Houston and many other cities, as well as the state of Texas, have operated similar programs for years, setting goals to get contractors to share the work with historically under-utilized businesses, often by hiring them as subcontractors.

“You have to have some policies and procedures to overcome inequities that were embedded for a long time,” said Precinct 1 Commissioner Rodney Ellis, who has pushed the initiative, and said he would pay for it out of his precinct budget. The study is expected to take a year and cost about \$1 million, Ellis said.

Ellis said he does not necessarily believe minority- or woman-owned businesses are being underutilized, but said the study should be done to provide a baseline and to determine whether any actions need to be taken in one of the most diverse major metropolitan regions in the country.

“I would prefer to let the numbers speak for themselves,” Ellis said.

The city of Houston first conducted a similar study in 2006 and “identified a statistically significant underutilization of various ethnic and gender groups.” A 2009 disparity study by the state of Texas provided the basis for a non-binding goal seeking 21 percent of building construction work be given to historically underutilized businesses, those that are 51 percent or more owned and controlled by minorities or women, according to the state comptroller’s office, which manages the program.

In 2017, historically underutilized businesses made up 18.8 percent of the state’s building construction spending, up from 17.9 percent the year before, according to state figures.

“I think we’ve created a lot of opportunity to remove barriers from our past,” Ellis said of the state program.

It was not clear Monday what the full scope of a county study would be. Commissioners Court controls spending not just of the county, but also of the Harris County Flood Control District and the Harris County Toll Road Authority.

Precinct 3 Commissioner Steve Radack has expressed reservations about who would pay for the study and questioned its necessity, but still said he would welcome the review.

“As far as I’m concerned, they can study this all they want,” Radack said.

An analysis of contracts awarded so far in 2018, shows the county has awarded more than 30 percent of its engineering contracts to minority- or women- owned businesses, according to the county engineering department.

The proposed study, Ellis said, would look at contracts across all county departments.

“I don’t know that anybody’s done a disparity study where they said there is no disparity,” said Richard Huebner, who ran the Houston Minority Supplier Development

Council for more than 30 years. “I suspect we would find some disparity, and then we can pinpoint that in a targeted program to correct that.”

Budget Officer Bill Jackson said the county also is implementing a new accounting system, set to go in effect in March 2019, that could better track spending.

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