



NEWS

JUNE 9, 1994

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MTA HOLDS PUBLIC HEARING AT FIRST AME CHURCH; DISCUSSES AGENCY'S CONTRACTING PRACTICES

The MTA conducted the second of five public hearings this afternoon, June 9, at the First AME Church in Los Angeles to solicit testimony regarding agency contracting procurement practices.

The public hearings follow the preliminary release of the MTA's predicate study. The study was prompted by the United States Supreme Court's 1989 decision in *City of Richmond v. J.A. Croson Co.*, which resulted in the need for public agencies to develop a sound, factual predicate as a foundation for implementation of programs -- such as the MTA's minority and women-owned business program -- which provide preferential status to identified groups.

"By undertaking this study we can fashion an even better and more effective minority and women business program that is tailored to address the barriers standing in the way of full participation in the building of the nation's largest public works project," said Richard Alatorre, MTA chairman and Los Angeles city councilman.

A year and a half in the making, the predicate study examined any evidence of marketplace discrimination during the period 1983-92, including statistical disparity in the utilization of minority and women-owned businesses and substantial anecdotal accounts of particular instances of discrimination.

The study was solicited by the Los Angeles County Transportation Commission, which merged with the Southern California Rapid Transit District, forming the MTA, in April 1993. It was conducted by Darryl E. Greene and Associates and Triaxial Management Services, Inc. (DEGA/TMS).

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The preliminary report concludes that all of the evidence and related data collected and analyzed to date points firmly to the fact that "there has been a significant disparity between the utilization of minority and women-owned businesses (M/WBE's) by LACTC and the availability of M/WBEs." The study found:

- The greatest disparity in construction -- Hispanics 11.95%.
- The greatest disparity in architecture/engineering -- Asians 16.73%.
- The greatest disparity in professional services -- Blacks 15.33%.

The study also noted that in architectural/engineering services, no group was utilized at any level close to its availability. Similar results were reported for construction and professional services contracts.

"With these results, the MTA can not only make its own program more effective, but also will positively impact the general public and private business community of Los Angeles County," said MTA CEO Franklin White.

The public hearing process will provide the agency with an opportunity to carefully evaluate a broad range of remedies. The hearings will act as a catalyst for the development of a program to improve the utilization of minority and female businesses.

The dates and locations of the hearings are as follows:

| | | |
|---------|-------------------------|------------------|
| June 11 | State Office Building | 9 a.m. - 12 p.m. |
| | Van Nuys Auditorium | |
| | 6150 Van Nuys Boulevard | |
| | Van Nuys | |

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| June 16 | City of Long Beach Harbor Department 925 Harbor Plaza (Ocean & Magnolia) Glendale | 4 p.m. - 7 p.m. |
| June 23 | Glendale Public Library Auditorium 222 E. Harvard Street Glendale | 4 p.m. - 7 p.m. |

For further information, or to obtain a copy of the preliminary predicate study, or a witness request form to present testimony at the hearings, contact the Equal Opportunity Hotline at (213) 244-6333. You also may send written comments directly to MTA Predicate Study, EO Department, 818 West 7th Street, 4th floor, Los Angeles, California 90017.

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