

## Composite Exhibit A

### Project Hours and Budget Itemized by Task

Keen Independent proposes a fixed-price budget of \$152,090 to complete Phase I. Pre-Disparity Study and a fixed-price budget of \$90,266 to complete Phase II. Comprehensive Disparity Study.

Keen Independent understands that the City of Delray Beach will not require analyses of CRA data. Hours and budget totals on tasks relating to CRA data collection and analyses have been reduced. We have also reduced travel and other expenses related to Phase I presentations.

The total fixed-price budget for Phase I and Phase II is \$242,356.

#### 1. Projected hours and budget by task

Task	Project hours	Professional fees	Travel and other expenses	Budget total
<b>Phase I. Pre-Disparity Study</b>				
I-1. Project kick-off, meetings and communications	34	7,515	0	7,515
I-2. Provide detailed data validation report	53	9,750	0	9,750
I-3. Legal framework analysis	32	17,200	0	17,200
I-4. Review of current programs and contracting practices	28	6,880	0	6,880
I-5. Prime contract and subcontract data collection	69	10,095	0	10,095
I-6. Determination of relevant geographic market area and subindustries	42	6,120	0	6,120
I-7. Availability analysis	1,674	51,840	10,000	61,840
I-8. Utilization analysis	56	7,790	0	7,790
I-9. Development of recommendations	34	7,240	0	7,240
I-10. Phase I report and presentations	80	17,660	0	17,660
<b>Total Phase I</b>	<b>2,102</b>	<b>\$ 142,090</b>	<b>\$ 10,000</b>	<b>\$ 152,090</b>
<b>Phase II. Comprehensive Disparity Study</b>				
II-1. Project kick-off, meetings and communications	34	7,515	0	7,515
II-2. Disparity analysis	34	6,760	0	6,760
II-3. Qualitative analysis of marketplace conditions	334	47,120	1,200	48,320
II-4. Quantitative analysis of marketplace conditions	52	8,200	0	8,200
II-5. Refinement of recommendations	34	7,240	0	7,240
II-6. Disparity study report and presentations	40	9,265	2,966	12,231
<b>Total Phase II</b>	<b>528</b>	<b>\$ 86,100</b>	<b>\$ 4,166</b>	<b>\$ 90,266</b>
<b>Total Phase I and Phase II</b>	<b>2,630</b>	<b>\$ 228,190</b>	<b>\$ 14,166</b>	<b>\$ 242,356</b>



- Research
- Analysis
- Strategy
- Implementation

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## Re: City of Delray Beach Disparity Study Update (Study Phase III)

Jeff,

On July 19, 2024, the City of Delray Beach (“City”) requested that Keen Independent provide a summary of tasks needed to include Community Redevelopment Agency (CRA) procurement data in the City 2024 Disparity Study. The summary of tasks to complete Phase III of the City of Delray Beach Disparity Study is detailed below, as well as the anticipated schedule and cost to complete these tasks.

### Phase III Tasks

At the request of the City, Keen Independent examined procurement data provided by CRA in June 2024 that were in addition to the CRA procurements data previously compiled and analyzed in the 2024 Disparity Study. The following six tasks detail Keen Independent proposed process to analyze and integrate these additional CRA data into the existing Phase II report for the City of Delray Beach 2024 Disparity Study.

The following steps follow those used to prepare the existing City of Delray Beach 2024 Disparity Study.

**Task III-1. Subindustry classification of CRA procurements.** Keen Independent will use six-digit NAICS codes to separately code each procurement into a subindustry under one of the three study industries (construction; professional services; and general services and commodities).

**Task III-2. Utilization update for City and CRA contracts.** Keen Independent will identify the race/ethnicity, gender and size of firms and separately analyze their utilization by industry.

**III-2-a. Determination of race, ethnicity and gender of utilized firms.** Keen Independent will use multiple data sources to identify the race, ethnicity and gender of CRA vendors, including regional certification directories and responses to the availability surveys. The study team will also code small business firms based on SBA standards and firm revenue information from Dun & Bradstreet.

**III-2-b. Reporting updated results for specific groups of contracts.** The study team will update utilization analyses for City and CRA procurements combined and by industry. Utilization analyses will also be reported for the City and CRA individually if the number of CRA procurements is sufficiently large for a separate statistical analysis.

**Task III-3. Weighted availability analyses.** Keen Independent will perform weighted availability analyses for CRA procurements. The study team will use the same contract-by-contract dollar-weighted availability methodology used to calculate availability benchmarks for City procurements. The study team will use the availability database compiled from surveys collected for Phase I of this study to update weighted availability benchmarks for City and CRA contracts.

**Task III-4. Disparity analysis updates.** Keen Independent will update the disparity analyses to reflect changes in utilization and availability analyses.

**III-4-a. Overall disparity analysis for City/CRA contracts.** As with utilization analyses, the study team will report disparity results for the City and CRA combined and by industry; the study team will also report disparity results for the City and CRA separately given a sufficiently large number of contracts in the CRA procurement data.

**III-4-b. Reporting updates to the statistical significance of any disparities in City/CRA contracting.** Keen Independent will perform Monte Carlo simulations when assessing whether any observed disparities in City/CRA contracting can be explained by chance in contract awards.

**Task III-5. Report updates.** Keen Independent will update the Phase II Summary Report and relevant supporting appendices to reflect any changes to the analyses listed above (Appendix B related to procurement data and Appendix D related to statistical significance of observed disparities). The study team will also update recommendation language to reflect the inclusion of CRA in the study.

**Task III-6. Presentation of study updates.** Keen Independent will deliver an updated draft of the Phase II Disparity Study to reflect additional CRA data and present results to City/CRA staff and leadership.

**III-6-a. Draft Disparity Study report update.** Keen Independent will submit a complete updated draft report to the City for review in October 2024 (assuming a contract amendment authorizing this work is executed by the City in early October 2024).

**III-6-b. Final Disparity Study report update.** Keen Independent will review City comments on the draft report and prepare a final report after receiving those comments. Assuming timely City/CRA review, we will deliver the final report by December 2024.

**III-6-c. Virtual presentation.** Keen Independent will present updated Disparity Study results virtually to the City Manager, the CRA Executive Director and other City staff, as necessary.

**III-6-d. In-person presentation (optional).** David Keen or Joseph Broad will also be available for an in-person presentation to the City Commission.

## Phase III Schedule

Assuming a contract amendment execution date in early October 2024, Keen Independent will complete the tasks detailed above by December 2024.

- **October 1–18, 2024.** Keen Independent will determine the subindustry for each CRA procurement and ownership of each vendor.
- **October 21–31, 2024.** Keen Independent will update the utilization, availability and disparity analyses to reflect the addition of CRA procurement data. The study team will also update the Summary Report and supporting appendices during this period.
- **November 1–14, 2024.** Keen Independent will deliver the updated draft report with supporting appendices and present updated results to City and CRA staff.
- **November 15–27, 2024.** Keen Independent will review City and CRA feedback and deliver a final report by December 2024.

## Phase III Budget

Keen Independent proposes a fixed-price budget of \$6,181 to complete the tasks described above, making Phases I, II and III sum to a total of \$248,537.

Sincerely,



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