

**CITY OF COLUMBIA WORK SESSION MINUTES
AUGUST 16, 2006
9:00 AM – CITY HALL– 3RD FLOOR
CITY COUNCIL CHAMBERS**



The City of Columbia City Council conducted a Work Session on Wednesday, August 16, 2006 in the Council Chambers located at City Hall, 1737 Main Street, Columbia, South Carolina. Mayor Robert D. Coble called the meeting to order at 9:05 a.m. The following members of City Council were present: The Honorable E.W. Cromartie, II, The Honorable Anne M. Sinclair, The Honorable Sam Davis, The Honorable Tameika Isaac Devine, The Honorable Daniel J. Rickenmann and The Honorable Kirkman Finlay III. Also present were Mr. Charles P. Austin, Sr., City Manager and Ms. Erika D. Salley, City Clerk.

CITY COUNCIL DISCUSSION / ACTION

- A. Business Utilization Causation Study Results – Mr. Stephen F. Humphrey, Jr. and Ms. Joan Gardenhire of MGT of America

Mr. Stephen Humphrey, Senior Partner / MGT of America explained that their methodology included legal review; review of the City's policies and procedures; examination of the market area and the utilization of minority and female firms; anecdotal analysis; telephone surveys; focus groups / public hearings; and research of the private sector. He explained that they studied the City's background and found that the City does not maintain a pre-qualified list of contractors, except for general contracting and mechanical contracts over \$5,000.00, because those contracts require an appropriate license. They reviewed what was done in the past starting with the 1986 adoption of *Resolution No.: R-86-010 – Establishing a Minority and Female Business Enterprise Program*.

Ms. Joan Gardenhire, Senior Manager / MGT of America, explained that a relevant market had to be established so they talked to City representatives to see where the City was trying to go and what they were trying to do. She identified the relevant markets for Construction, Architecture and Engineering, Professional Services, Other Services and Goods and Supplies. The study showed that the City spent approximately \$251 million in these markets from July 1, 2002 through June 30, 2005. There is substantial disparity shown for underutilized Minority/Women Business Enterprise (M/WBE) Groups. Ms. Gardenhire further stated that non-minority firms were firms owned by Caucasians. She continued to review the numbers on the City of Columbia Prime and Sub Contractor Utilization

Mr. Vince Eagan, Consultant / Esquire, stated that other public agencies, such as Richland Public Schools have done better with subcontracting. He said that they considered non-discriminatory explanations as well.

Ms. Joan Gardenhire, Senior Manager / MGT of America continued to present the numbers on the City of Columbia Prime and Sub Contractor Utilization Analysis for Private Sector Construction. This data was derived from City of Columbia public data, building permit data and Reed Construction Data, which is a private sector database on local construction projects of all kinds. She presented a summary outlining the availability of M/WBEs as prime contractors. She explained that the availability data came from the City's list of certified firms, firms that have tried to do business with the City, bidders, South Carolina Registry, South Carolina Department of Transportation, Chamber of Commerce and other sources. Since the implementation of the Subcontracting Outreach Program, the City has awarded \$81,760,530 in construction prime contracts, which were greater than \$200,000. Of that amount, M/WBE firms received \$604,191

in subcontract awards or 0.7% of the total contracts awarded. During the study period the City awarded construction prime contracts in the total amount of \$35,911,231. These individual contracts were less than \$200,000 and M/WBE firms received \$1,078,100 or 3% of the total amount awarded.

Mr. Vince Eagan, Consultant / Esquire, stated that the study provides evidence to support the establishment of a moderate program to promote the utilization of Minority/Women Business Enterprises, based on the underutilization of prime subcontractors, some qualitative anecdotal evidence from the interviews and surveys, substantial disparities in the private market place, evidence of discrimination in business formation and revenue from self employment, entrance and exclusion from private sector discrimination and credit market analysis (loan denials). He commended the City for its outreach efforts and the measures taken in this area. He suggested that the City consider establishing a narrowly tailored program similar to the DOT DBE regulations and other race and gender-neutral policies that can have a lot of impact.

A1. **Composition of the Blue Ribbon Committee – Mr. Franklin Lee, Esquire

Mr. Franklin Lee, Esquire, provided additional information on the composition of a Blue Ribbon Committee. He said that this panel approach works for most jurisdictions, but it requires a leader that can keep them on task. The end result should be a policy that is narrowly tailored with the best policies that are workable for this community and the market. The mission of the panel should be to facilitate the city's deliberation, prioritization and adoption of effective public policy to address the causes of low availability and under utilization of minority and women owned businesses. Mr. Lee outlined the objectives of the panel as follows: Consideration of key findings from study; Recommendation of remedies and the Prioritization of Policies. He suggested that the committee serve for a term of six months with explicit instructions on how to proceed.

Upon motion by Mayor Coble, seconded by Mr. Cromartie, Council voted unanimously to proceed with the compilation of the Blue Ribbon Committee as outlined:

1. Adopt the Business Utilization Causation Study results realizing that it is subject to modification.
 2. Implement and Establish the Blue Ribbon Committee as follows:
 - a. Adopt Mr. Lee's recommendations regarding the mission, focus and objectives of the Committee;
 - b. Staff should recommend the appointment of Six (6) City Employees by August 23, 2006; These appointees may cover some of the institutional appointments;
 - c. Each City Council member should make an appointment by August 23, 2006, these individuals must be willing to attend meetings and provide input; These appointees may cover some of the institutional appointments;
 - d. At-large members and the Chair will be appointed once all other appointments are finalized;
 - e. Mr. Franklin Lee and the appropriate Legal staff should also be a part of this committee.
 3. The committee is directed to report back by January 31, 2007.
- **Council adjourned the meeting at 10:22 a.m. to convene the East Central Redevelopment Commission Public Hearing.**
 - **Council reconvened the Work Session at 1:07 p.m.**

EXECUTIVE SESSION

Upon motion by Mr. Cromartie, seconded by Mr. Rickenmann, Council voted unanimously to go into Executive Session at 1:08 p.m. for the discussion of **Items B.** through **F.** as outlined.

- B. Discussion of negotiations incident to the proposed sale of property
This matter was discussed in Executive Session. No action was taken.

- C. Discussion of negotiations incident to proposed contractual arrangements
 - Animal Services - Mr. S. Allison, Baker, Assistant City Manager for Public Services
 - **Carolina Coliseum Billing*These matters were discussed in Executive Session. No action was taken.*

- D. Receipt of legal advice, which relates to matters covered by attorney-client privilege
 - **Cable Franchises
 - **Saluda Riverwalk
 - **Club Rio Nightlife*These matters were discussed in Executive Session. No action was taken.*

- E. **Discussion of the Discipline of an Employee
This matter was discussed in Executive Session. No action was taken.

- F. **Discussion of matters relating to proposed location or expansion of services to encourage location or expansion of industries or other businesses
This matter was discussed in Executive Session. No action was taken.

- **Council adjourned the Executive Session discussion at 2:24 p.m.**

- G. **Discussion of negotiations incident to proposed contractual arrangements
 - **Parking Garages A and B for the University Research Campus

Upon motion by Mayor Coble, seconded by Ms. Sinclair, Council voted five (5) to one (1) to authorize staff to proceed with the actions necessary to issue the Revenue Bonds and the Bond Anticipation Notes related to Parking Garages A and B for the University Research Campus. Voting aye were Mr. Rickenmann, Ms. Devine, Ms. Sinclair, Mr. Cromartie and Mayor Coble. Voting nay was Mr. Finlay. Mr. Davis was not present for the vote.

- **Council adjourned the meeting at 2:25 p.m.**

Respectfully submitted by:

Erika D. Salley
City Clerk