

BOARD OF ALDERMEN

ITEM NO. C(4)

AGENDA ITEM ABSTRACT MEETING DATE: APRIL 3, 2007

TITLE: A Request to Set a Public Hearing to Repeal Resolution No. 10/90-91 and Establishing a New Verifiable Percentage Goal

DEPARTMENT: Management Services	PUBLIC HEARING: Yes
ATTACHMENTS: A. Resolution B. Resolution No. 10/90-91	FOR INFORMATION CONTACT: Michael Brough 929-3905 Sandra Svoboda 918-7301

PURPOSE

The purpose of this agenda item is to request that a public hearing be set in order to repeal Resolution No. 10/90-91 and establish a new verifiable percentage goal for participation by minority businesses in the awarding of building construction contracts pursuant to N.C.G.S. 143-128.2. Revised MWBE guidelines will be presented at the public hearing for Board approval.

INFORMATION

The Board of Aldermen adopted Resolution No. 10/90-91 on September 18, 1990 which established a “verifiable” goal of 15% for construction projects that are vertical in nature and meet formal bid dollar thresholds which at that time equated to projects totaling \$100,000 or more. The 15% goal set by the Board in 1990 was not based on any specific analysis of town expenditure data. The threshold for vertical construction projects was increased to \$300,000 in more recent years by the State legislature.

The State has a verifiable ten percent (10%) goal as stated in N.C.G.S. 143-128.2. According to this statute a local government unit may apply a different verifiable goal that was adopted prior to December 1, 2001, if the local government unit had or continues to have a sufficiently strong basis in evidence to justify the use of that goal. In order to change from the state-mandated percentage goal, the Town would need to have sufficient data supporting the 15 % goal. No vertical construction projects have been implemented since 2001 and given the relatively small number of projects that have ever occurred; there is no verifiable data to justify the 15% goal.

With the upcoming construction of the fire substation, the Town Attorney requests the change in the threshold from 15% to 10% to ensure that the Town meets the legal standards set by state statute.

FISCAL IMPACT

Public Hearing costs associated with advertising.

STAFF RECOMMENDATION

The Town Attorney recommends that the Board of Aldermen set a Public Hearing in order to establish a new verifiable goal of 10%, as mandated by the State.