

# BOARD OF ALDERMEN

ITEM NO. 4

## AGENDA ITEM ABSTRACT MEETING DATE: APRIL 24, 2007

**TITLE: A Public Hearing to Repeal Resolution No. 10/90-91, Establish a New Verifiable Percentage Goal and Approve the MWBE Outreach Plan and Guidelines**

<b>DEPARTMENT: Management Services</b>	<b>PUBLIC HEARING: Yes</b>
<b>ATTACHMENTS:</b> A. Resolution B. Resolution No. 10/90-91 C. MWBE Outreach Plan and Guidelines	<b>FOR INFORMATION CONTACT:</b> Michael Brough 929-3905 Sandra Svoboda 918-7301

### PURPOSE

The purpose of this agenda item is 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 Outreach Plan and Guidelines are also included 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 and 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.

G.S. 143-128.2 also requires all public entities subject to the requirements for building contracts in G.S. 143-128 to develop and implement a minority business participation outreach plan and to implement outreach efforts to encourage minority business participation in these projects. The

template used for the Town's guidelines was supplied by the North Carolina School of Government and is used by other municipalities and meets the mandates to encourage minority business participation.

**FISCAL IMPACT**

None

**STAFF RECOMMENDATION**

The town staff recommends that the Board of Aldermen establish a new verifiable goal of 10%, as mandated by the State and approve the MWBE Outreach Plan and Guidelines.