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DEPARTMENT OF
ADMINISTRATIVE SERVICES

OFFICE OF MINORITY
WOMEN AND SMALL BUSINESS

CITY OF SACRAMENTO
CALIFORNIA

October 20, 1998

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APPROVED
BY THE CITY COUNCIL

OCT 20 1998

OFFICE OF THE
CITY CLERK

AG 98-174
AG 98-175
AG 98-176
AG 98-177
AG 98-178

City Council
Sacramento, California

Honorable Members in Session

SUBJECT: MULTI-REGIONAL PUBLIC AGENCIES BUSINESS UTILIZATION STUDY

LOCATION: Citywide

RECOMMENDATIONS:

This report recommends the City Council take the following actions:

1. Approve the agreements for joint funding between the City and the other Multi-Regional Public Agencies (MPRA).
2. Allocate of \$135,086 of City funds for expenditure on the business utilization study to be conducted in joint effort with the other MRPA participating agencies.
3. Upon approval and execution of the Agreements for Joint Funding by the other MRPA participating agencies, authorize the City Manager and City Clerk to execute the agreement for performance of the business utilization study with MGT of America, Inc., in an amount not-to-exceed \$469,911.60.

**CONTACT: Charlotte A. Broussard, MRPA Project Manager/AII, 264-6749
Aaron B. Chong, OMWSB Coordinator, 264-6762**

FOR COUNCIL MEETING OF: October 20, 1998

City Council
RE: MRPA Business Utilization Study, Page 2
October 20, 1998

SUMMARY:

Staff is recommending an updated and expanded study of the business utilization be conducted. Staff has identified this study to be the basis of identified program strategies and developments to continue to maximize City economic diversity and business utilization, and comply with Proposition 209. The Multi-Regional Public Agencies (MRPA) is comprised of: City of Sacramento, County of Sacramento, Sacramento Employment and Training Agency (SETA), Sacramento Housing and Redevelopment Agency (SHRA), Sacramento Regional Transit District (SRTD), and as an Alternate Participating Agency, Sacramento City Unified School District (SCUSD). Staff anticipates the study to commence November 1998 and be completed by October 1999. Total contract is \$469,912. Requested funding of this project for the City totals \$135,086. Contract, exhibits, and, joint funding agreements, when completed, will be available for review in the City Clerk's office.

COMMITTEE/COMMISSION ACTION: None.

BACKGROUND INFORMATION:

The passage of the State of California Proposition 209 prompted discussions by Council to review its M/WBE program components. Council and staff have looked to alternatives for addressing its priority of citywide inclusiveness in its conduct of public service. Local jurisdictions, that continue to receive federal funds, are required to remedy situations where substantiated disparities exist. With pending court determinations and compliance with Proposition 209, staff has identified this current effort as a basis of program strategies in the conceptual development of an emerging small business program. The City's scope of services is the widest spectrum of business market research, given the forethought of present and future Council directives. An updated study at this time would provide the City with legal considerations for current and future program developments, and further strategically plan to maximize City economic diversity and business utilization.

The City as lead agency solicited other public agencies in the Sacramento region to jointly pool resources in addressing updates and initial research. This current effort is now referred to as the Multi-Regional Public Agencies (MRPA) Business Utilization Study.

The City's Office of Minority/Women and Small Business (OMWSB) released the MRPA Business Utilization Study Request for Proposals on January 20, 1998. Twenty-five firms, located nation-wide, requested the RFP. Seven firms submitted proposals by due date of March 23, 1998. Firms were located in California (including two local Sacramento firms), Georgia,

Texas, and Florida. The evaluation process was developed and implemented by representatives of the participating agencies of the MRPA. The evaluation process was complete in June 1998. This process identified the following three firms as scoring the highest:
 City Council

| <u>NAME OF FIRM</u> | <u>LOCATION</u> | <u>RANK</u> | <u>PROPOSED TOTAL COST</u> | <u>PROPOSED CITY COST</u> |
|--------------------------------|-----------------|-------------|--------------------------------|-------------------------------|
| MGT of America, Inc. | Tallahassee, FL | 1 | \$499,740 | \$164,914 |
| D.J. Miller & Associates, Inc. | Atlanta, GA | 2 | \$502,271 | \$125,568 |
| Mason Tillman Associates, Ltd. | Oakland, CA | 3 | \$474,361 | \$125,595 |

After MGT of America, Inc. was selected as the top-ranked proposer, negotiations with MGT of America, Inc., reduced the proposed contract amount by \$29,828.40, to \$469,911.60. Verbal agreements from the participating agencies of the MRPA were secured for allocating this reduced amount. Based upon the additional City resources expended as lead agency, the other MRPA participating agencies agreed that the City's portion would be reduced by the negotiated amount. This results in a City cost share of approximately \$136,000.

FINANCIAL CONSIDERATIONS

Staff is requesting for the funds to be allocated from the following sources:
 (See attached Resolution)

| | |
|--|------------------|
| General Fund Administrative Contingency (101-710-7012-4999) | \$ 89,586 |
| Available balance will be \$324,125 | |
| Utilities Department Engineering Operations (425-110-1114-4384) | <u>\$ 45,500</u> |
| Total Cost To The City of Sacramento | <u>\$135,086</u> |

ENVIRONMENTAL CONSIDERATIONS

This report pertains to general policy and procedure making, which do not constitute a project for which environmental review is required, pursuant to Section 15378(b)(3) of the California Environmental Quality Act Guidelines.

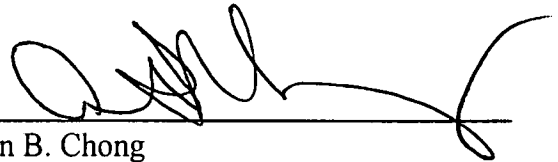
POLICY CONSIDERATIONS

Support of staff's recommendations is consistent with City Council policy on economic diversity and utilization. The business utilization study findings and recommendations will address necessary updates and availability to the M/WBE program and provide a foundation for the emerging small business development program. Overall, the study will address program and policy developments of inclusiveness consistent with Sacramento City Code and established State and Federal laws.

M/WBE CONSIDERATIONS

The M/WBE Advisory Committee has provided assistance in the evaluation process and is aware of staff's recommendations. While the recommended consultant firm is not an M/WBE, subconsultants to be utilized for the community outreach services, are identified as local M/WBE firms. Staff will implement City policy on economic diversity and utilization within all applicable provisions of State and Federal law.


Respectfully submitted,



Aaron B. Chong
OMWSB Coordinator

RECOMMENDATION APPROVED:



 William H. Edgar
City Manager

APPROVED:



Kenneth Nishimoto
Director, Administrative Services Department

APPROVED
BY THE CITY COUNCIL

RESOLUTION NO. 98-529

OCT 20 1998

ADOPTED BY THE SACRAMENTO CITY COUNCIL

OFFICE OF THE
CITY CLERK

ON DATE OF _____

RESOLUTION APPROVING AGREEMENTS FOR JOINT FUNDING,
AUTHORIZING THE EXECUTION OF A PROFESSIONAL SERVICES
AGREEMENT WITH MGT OF AMERICA, INC., FOR A STUDY OF BUSINESS
UTILIZATION IN THE SACRAMENTO AREA IN AN AMOUNT NOT TO
EXCEED \$469,911.60 AND AMENDING THE OMWSB REVENUE BUDGET

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. The City Manager and City Clerk are hereby authorized to execute the Agreements for Joint Funding between the City and the County of Sacramento, the Sacramento Employment and Training Agency, the Sacramento Housing and Redevelopment Agency, and the Sacramento Regional Transit District, collectively known as the participating agencies of the Multi-Regional Public Agencies (MRPA).
2. The City Manager and City Clerk are hereby authorized to execute an agreement with MGT of America, Inc., in an amount not-to-exceed \$469,911.60, to conduct a study on the business utilization of: Minority Business Enterprises, Women Business Enterprises, Disadvantaged Business Enterprises, Emerging and Small Business Enterprises, and Local Business Enterprises, for and on behalf of the participating agencies of the MRPA. This authorization shall not be effective until the Agreements for Joint Funding have been approved and executed by the other participating agencies of the MRPA.
3. To amend the 1998-99 Administrative Services Department OMWSB Revenue Budget to include revenue in the total amount of \$334,825.80 from the following agencies: County of Sacramento (\$164,914.20), Sacramento Employment and Training Agency (\$56,637.20), Sacramento Housing and Redevelopment Agency (\$56,627.20), and Sacramento Regional Transit District (56,637.20).

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

4. To approve an augmentation in the amount of \$135,086 to Administrative Services Department, Office of Minority, Women and Small Business and amend the City's general fund contingency budget and the Utilities Department Engineering Operations budget as follows:

Revenue Budget

101-110-1114-XXXX \$334,826

Expense Budget

101-110-1114-4258 \$469,912
101-110-1114-4374 (\$45,500)
425-110-1114-4385 \$45,500

101-710-7012-4999 \$380,326
101-710-7012-4999 (\$469,912)

Joe Serna
Mayor

ATTEST:

Valerie Burrowes
City Clerk

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

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