



Legislation Text

File #: O-456-20, **Version:** 1

Disparity Study
Department of Finance, Office of Diversity and Inclusion
Bryan Benner (x1194)
(Revised)

Authorizing the mayor to enter into an agreement for a disparity study; authorizing the expenditure of an amount not to exceed \$350,000 from the General Fund and other approved appropriations in future years; and declaring an emergency.

SUMMARY & BACKGROUND:

The City of Toledo has long-standing goals to award construction, goods and services contracts and subcontracts to minority owned businesses. One of the purposes of a disparity study is to measure how effective the city's procurement process has been in awarding contracts to minority and women owned businesses. A disparity study is calculated in the form of an index. The disparity index is a ratio of the actual utilization of minority and women owned businesses to the availability of minority and women owned firms in the marketplace.

The City of Toledo has not previously conducted a disparity study. Within Ohio Cleveland, Akron, Cincinnati and Dayton have all conducted disparity studies. The study results were utilized to develop procurement goals, policies and procedures with the goal of awarding contracts and subcontracts to minority and women owned businesses in a percentage reflective of their availability in marketplace that is legally defensible.

A disparity study is necessitated in part by the 1989 U.S. Supreme Court's decision in the case of City of Richmond v. J.A. Croson. The court decision imposed legal requirements on jurisdictions to establish a "compelling interest" to support the establishment of a minority and women owned business programs. The results of the City of Toledo disparity study will determine if compelling interest exists to provide legal support of the City's MBE and WBE program.

In August, 2020, the City competitively solicited a disparity study request for proposals and selected three vendors for virtual interviews. After evaluating the proposals and conducting the interviews, the selection committee recommended awarding the Disparity Study to Griffin & Strong, P.C. who will utilize a local certified MBE sub-contractor N-Sync, LLC, to perform PR/Community Engagement, conduct focus groups and anecdotal interviews. The Disparity Study will cost \$350,000 and will be completed over a 14-month period. The study will be funded from the General Fund, Water Operating Fund, Sewer Operating Fund, and Storm Water Utility Fund. The 2020 budget was amended to include funds for a disparity study in the General Fund. After review, the Administration recommends to fund the study through a combination of general and public utility funds, which will be included in the 2021 Proposed Operating Budget.

The fiscal impact of this ordinance is as follows:

- The amount of funds requested: \$350,000
- The expenditure budget line item: 1001-10700-1121003STDSTD

6060-10700-1121003STDSTD
6070-10700-1121003STDSTD
607A-10700-1121003STDSTD

- New revenue generated (operational revenue, grants, if any): N/A
- Revenue budget line item (if any): N/A
- Are funds budgeted in the current fiscal year (yes/no)? Yes
- Is this a capital project (yes/no)? Yes
- If yes, is it new or existing (new/existing)? New
- What section of the City's Strategic Plan does this support:
 - o Excellence in Basic Services (yes/no) Yes
 - o Quality Community Investment (Livable City, Development) (yes/no) Yes
 - o Workplace Culture & Customer Service (yes/no) Yes
 - o Environment (yes/no) Yes

NOW, THEREFORE, Be it ordained by the Council of the City of Toledo:

SECTION 1. That the mayor is authorized to enter into an agreement for a disparity study for the City of Toledo, upon such terms and conditions as approved by the Director of Diversity and Inclusion and the Director of Law.

SECTION 2. That, subject to future appropriation, an amount not to exceed \$154,000 is authorized for expenditure from the General Fund, Account Code 1001-10700-1121003STDSTD, an amount not to exceed \$124,140 is authorized for expenditure from the Water Operating Fund, Account Code 6060-10700-1121003STDSTD, an amount not to exceed \$62,765 is authorized for expenditure from the Sewer Operating Fund, Account Code 6070-10700-1121003STDSTD, and an amount not to exceed \$9,095 is authorized for expenditure from the Storm Water Operating Fund, Account Code 607A-10700-1121003STDSTD, for a disparity study for the City of Toledo..

SECTION 3. That the Finance Director is authorized to draw her warrant or warrants against the account codes authorized above in an amount not to exceed \$350,000 in payment of the obligations authorized above upon presentation of proper voucher or vouchers.

SECTION 4. That this Ordinance is declared an emergency measure and shall take effect and be in force from and after its passage. The reason for the emergency lies in the fact that the same is necessary for the immediate preservation of the public peace, health, safety and property, and for further reason that the Ordinance must be immediately effective in order to allow the timely implementation of a disparity study for the City of Toledo.

Vote on emergency clause: yeas 12, nays 0.

Passed: November 17, 2020, as an emergency measure: yeas 12, nays 0.

Attest:

Gerald E. Dendinger
Clerk of Council

Matt Cherry
President of Council

Approved: November 18, 2020
 Wade Kapszukiewicz
 Mayor