

# RICHLAND COUNTY COUNCIL

## SOUTH CAROLINA

### OFFICE OF SMALL BUSINESS OPPORTUNITY AD HOC COMMITTEE

October 15, 2014  
1:45 PM  
Council Chambers

*In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, persons requesting notification, and was posted on the bulletin board located in the lobby of the County Administration Building*

#### CALL TO ORDER

Ms. Dickerson called the meeting to order at approximately 4:34 PM

#### DEFINITION OF ROLES AND RESPONSIBILITIES

- A. **Program Development Team** – The Program Development Team oversees Program Development, Pre-Project Planning, Quality Assurance Reviews, Right-of-Way Acquisition, Procurement, and Construction Services.
- B. **Transportation Department** – The Transportation Department oversees the Program Development Team and works hand-in-hand with the Procurement Department and Office of Small Business Opportunity.
- C. **Office of Small Business Opportunity** – The Office of Small Business Opportunity oversees the SLBE and DBE Divisions. The SLBE Division is responsible for overseeing the compliance and ensuring that small businesses are increased through their participation of transportation related projects, as well as, non-federally funded projects and contracts. The DBE Division will assist small businesses with business development.

Mr. Jeter inquired about the creation of the OSBO Department and the possibility of working with the City of Columbia on a joint venture.

Ms. Dixon inquired as to:

- How many successful joint ventures the City and County have entered into?
- How many entities/contracts does the Procurement Department have prior to the Penny Program?
- How many entities/contracts have grown out of the Penny Program?



#### Committee Members Present

Joyce Dickerson, Chair  
District Two

Bill Malinowski  
District One

Damon Jeter  
District Four

Norman Jackson  
District Eleven

#### Others Present:

Julie-Ann Dixon  
Torrey Rush  
Tony McDonald  
Justine Jones  
Brenda Parnell  
Larry Smith  
Rob Perry  
Chris Gossett  
Roxanne Ancheta  
Steve Collins  
Monique Walters  
Monique McDaniels

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- How has the Procurement Department recorded minority participation in the past?

The proposed budget for the office is \$491,000 and includes 5 Full Time positions.

### **BONDING AND INSURANCE PROGRAM OPTIONS**

#### **A. Program Development Team**

- \$736 Million = 659 Projects
- 338 Projects Over \$250,000
- 321 Projects Less than \$250,000
- Small Business Impediments include ... Lack of Cash Resources, Lack of Bonding, Complex Procurement, Lack of Business Administration Resources, and Risk exceeds Reward.
- “Penny Partners” Components ... Central Employment Database; Bonding Program; Cash Flow Assistance; Discount Equipment Pool; and Business Engagement
- Potential SLBE Projects will be identified by the Transportation Department and OSBO Department.
- Special Procurement policy will be established for the SLBE Projects and approved by the County
- Contractors would bid directly to Kahn
- Kahn would indemnify the County for Performance and Payment of approved subcontractors working under the program
- Kahn would administrate and manage subcontractors
- The PDT will offer “ramp up” assistance in recruiting and certification for potential SLBE Contractors
- PDT suggests simplifying the initial certification process for contractors until the SLBE Program matures
- Recommend offering retroactive certification for qualified successful bidders for CTIP Program
- PDT would establish a “Business Services” section to assist contractors to develop, compile and submit bids for CTIP Projects; to secure administrative resources to facilitate growth; to acquire market based bonding and insurance through BBT/Boyle Vaughn; and to develop lasting business relationships with suppliers, vendors, equipment suppliers and other contractors.
- Benefits of CIP: Broader coverage for sponsor and contractors; Reduced insurance cost due to greater buying leverage; Uniformity of coverage provides superior protection of all participants; Adequate limits of liability that are dedicated specifically to the project(s); Coverage disputes, litigation and subrogation are minimalized; Enhanced Risk Management – safety and loss control are better coordinated and

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- administered; Improved Certification of Insurance tracking; Levels playing field for ALL contractors; and Potential to save taxpayer dollars
- Either the County or PDT could be the Sponsor
  - No additional County staff will be required
  - The Sponsor will be responsible for participating in routine reviews and status updates
  - General Liability, Excess Liability, Contractors' Pollution, Professional Liability and Builders' Risk are recommended for CIP
  - Worker's Compensation is not recommended
  - The CIP would cover the PDT, OET, and the Dirt Road Paving Program
  - Contractors would not be responsible for insurance costs

Mr. Jackson moved, seconded by Mr. Malinowski, to obtain additional information prior to taking action on the bonding and insurance program. The vote in favor was unanimous.

- B. **County Supported Program** – No action was taken.
- C. **County Partnership Program** – No action was taken.

### **BUSINESS DEVELOPMENT DIVISION RECAP**

Mr. Jackson moved, seconded by Ms. Dickerson, to adopt Items A.1, B.1. and B.2.

Mr. Jeter does not believe that the County staff has the expertise to assist the business community, whereas the PDT does.

Ms. Jones stated that the County would work with to identify prime contractors interested in serving as protégés. There would be a vetting process to ensure the relationship would be beneficial to the business. The focus will be on a 2 year program in the construction sector instead of all five industry categories in the SLBE Division.

Mr. Jackson withdrew his original motion and divided the question.

#### **A. Educational Assistance**

1. **Various seminars, workshops, courses related to business development**

Mr. Jackson moved, seconded by Ms. Dickerson, to support the Educational Assistance component of the Business Development Division. The vote was in favor.

#### **B. Technical Assistance**

1. **Pilot Mentor Protégé Program** – Mr. Jackson moved to adopt the mentor protégé program. The motion died for lack of a second.

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2. **Access to Financial Capital Program** – Mr. Jackson moved, to adopt the “Access to Financial Capital Program”. The motion died for lack of a second.
3. **Bonding and Insurance Program** – No action was taken.

Mr. Jackson moved, seconded Mr. Malinowski, to request additional information regarding the “Mentor Protégé Program” and “Access to Financial Capital Program”. The vote in favor was unanimous.

Ms. Jones requested Council allow her office to research other bonding options that will serve more than just the transportation projects.

Mr. Malinowski requested that Ms. Jones submit her request in writing.

**ADJOURNMENT**

