



January 4, 2018 Council Work Session

Savannah City Government

SUMMARY/FINAL MINUTES

COUNCIL WORK SESSION &

CITY MANAGER'S BRIEFING

January 4, 2018 - 10:00*

* Due to the icy conditions the Council Work Session scheduled for 10:00 a.m. was held after the conclusion of the 2:00 p.m. Council meeting.

Present: Mayor Eddie DeLoach, Presiding

Aldermen: Carol Bell, Julian Miller, Brian Foster, Van Johnson, II, Tony Thomas, Bill Durrence, John Hall, Estella Shabazz

Rob Hernandez, City Manager

Brooks Stillwell, City Attorney

Jennifer Herman, Deputy City Attorney

Workshop Agenda Items

[1. Chatham County Safety Net](#)

[Due to the weather, this item was continued to a future meeting]

[2. Girl Scouts of Historic Georgia](#)

Sue Else, CEO Historic Georgia Council of Girl Scouts of America, informed Council that the headquarters will be moving to 223 Martin Luther King, Jr. Blvd. One portion of the building will house the offices and the other portion will be a G.I.R.L Center. GIRL stands for Go-getter, Innovator, Risk-Taker and Leader. It will be an area for visiting and local Girl Scouts as well as local schools to come learn about STEM (Science, Technology, Engineering and Math) as well as other activities in the building.

Amy Hughes stated the second initiative was the resolution on the renaming of the Talmadge Bridge. At the Girl Scouts Convention in October, it was adopted as a National Public Policy agenda. She stated the girls think it's a wonderful idea with the bridge being one of the first things they see to be a symbol of something that's inclusive and welcoming like the 40,000 Girl Scouts that visit Savannah annually. They would like the bridge to be named after a famous Savannahian and famous Georgian who founded the Girl Scouts here in Savannah in 1912, as an inclusive organization for all girls.

A video from the Girl Scouts National Convention was viewed about renaming the bridge to the Juliette Gordon Low Bridge.

Ms. Hughes presented the banner to Council before it goes to Atlanta to the General Assembly. In addition, the girls have a petition

with about 10,000 signatures and will have advocacy days during the session, which they will earn a badge for.

Ms. Else stated this is also a fiscal note for the City. The National CEO spoke with the Governor about bringing the National Convention to Savannah as it has never been here, which would also allow them to have a number of bridging ceremonies which would bring in an estimate of twenty five to fifty million dollars of Girl Scout income into Savannah.

Alderman Johnson wanted to be sure that Ms. Else and Ms. Hughes knew Council has already offered a resolution with its consensus related to the renaming of the bridge and didn't want the Girl Scouts to be upset. Ms. Else stated they are not upset and are aware but didn't want Council to be surprised by their actions as they have a great partnership with the City and wanted to ensure they were aware the initiative was going on.

Mayor DeLoach asked if they have spoken to the Span the Gap? Ms. Hughes replied they have, but don't want to speak for them as that would not be appropriate, but did want him to know that they had some very positive meetings with them. They shared the communication with Martin.

Alderman Hall stated so many organizations have been throwing names left and right. The Juliette Gordon Low name coming in now and the other names have been going on for five to six years.

Alderman Shabazz commended the Girl Scouts for all the work they do in the community. She stated if this isn't successful in Atlanta she thinks the initiative is great and although it may not be approved it is great.

[3. Local Preference Ordinance](#)

 [Local Preference Ordinance.pptx](#)

City Manager Hernandez stated we are going to go back to freezing weather conditions. The water and ice that's out there will refreeze so we want to make sure we get everybody back home safe and sound. So, our goal is to get out by 4:30. So, folks are going to be very short, to the point. We are going to start off with the Purchasing Director, Molly Huhn. And then just to give you a heads up, an item that's going to appear on your next agenda with regard to our Local Preference Ordinance. This is just a continuation of conversations that we've had when members of City Council expressed to continue to improve upon our MBE/MWBE and Savannah Enterprise Business Program and this is something that dovetails into that.

Molly Huhn thanked City Manager Hernandez and began by wishing everyone a Happy New Year and thanking Mayor and Council for allowing her to talk about the City's Local Preference Ordinance and its proposed tweaks. She presented a Power Point Presentation showing the City's current Local Preference Ordinance and stated it's confusing. There are three different percentages, and/or \$10,000, and it's a little confusing and it no longer really contemplates the City's needs because we have switched as of January 1 to the SBE and DBE Programs and the M/WBE Program ended on December 31. The current ordinance has very small percentages of 2%, 3% and 4%. Staff looked at some of the other jurisdictions around the City of Savannah to determine the direction to go in, in terms of what the proposed Local Preference Ordinance is.

Ms. Huhn showed comparisons for the City of Atlanta, Chatham County, Augusta, and Charleston. Atlanta declares a bidder non-responsive if they're not local. If a local bidder is within 5 or 10 percent depending on the type of procurement for their bids. This poses an issue for the City of Savannah because we are in a climate that's much more prone to disasters and FEMA does not like it when a low bid is not matched. FEMA tends to prefer a match as opposed to spending more money on services. Chatham County does a 5 percent match on certain types of procurement and that is one of the things staff is proposing as well. Augusta does a 10 percent match and staff is also proposing that. Charleston also does a 5 percent match.

Ms. Huhn stated staff is proposing the following: Local vendors shall be offered the opportunity to match the non-local low bidder's pricing in the following circumstances:

- A local vendor's bid is within 5% of the non-local low bidder's pricing
- A Savannah Business Enterprise (SBE) vendor's bid is within 10% of the non-local low bidder's pricing
- A local Disadvantaged Business Enterprise (DBE) vendor's bid is within 10% of the non-local low bidder's pricing
- In the event that more than one bid meets these criteria, the opportunity to match the non-local low bidder's pricing shall be afforded first to the low bidder who is a SBE, second to the local DBE vendor, and third to the local vendor.

The hope is that the changes will increase the incentive for bidders.

Alderman Johnson suggested increasing the percentage to 10 and 12 respectively. He stated we often talk about local vendors and locals participating in our opportunities to do business. The reality is that local money stays local, so when people are able to get

local business they become our customers. This is money that goes towards hiring people locally, spending money locally, paying property taxes that now include a fire fee, and all the other wonderful things. He concluded stating he thinks we can find ways to really create some fire under this.

Ms. Huhn stated the threshold is up to Council but her only concern is that she would hate for the City to start that process and put vendors in a situation where they felt they have to accept the lower rate, to match the lower bid and put them in a situation where they can't really afford to conduct business.

Alderman Johnson then suggested 7 and 10 percent.

Alderman Shabazz stated she thinks Council should get started and give the ordinance at least two years. She believes what is being proposed is a good starting point and can be changed by Council if necessary later as this is one of her priorities.

Alderman Thomas asked for the definition of a Disadvantage Business Enterprise.

Ms. Huhn referred to Manuel Dominguez who stated there are two components to the DBE, you have to be able to prove as a business that you are either socially or economically disadvantaged. Socially disadvantaged individuals are those who have been subjected to racial or ethnic prejudice or cultural bias within American society because of their identity as members of groups without regard to their individual qualities. The categories that fall under that for the most part are the groups that fall under the M/WBE.

Alderman Thomas asked if that means that any business that falls under one of those categories would be classified as a socially disadvantage business?

Manuel Dominguez replied as long as they meet the revenue requirements and the employee size.

Alderman Miller stated he agrees with Alderman Shabazz for slightly different reasons. We have to be conscious when making ourselves appealing to businesses to want to do business with us. If percentages are changed now where will it end? If it needs to be adjusted later it can be, but what has been presented is a good start.

Alderman Johnson stated once you start something it's very difficult to change it in midstream, particularly in these types of things. He would like to incentivize the local vendors more than the proposed 5 percent and concluded by stating you have to create your own incentive and this is a great opportunity to do so, maybe 10 and 12 percent is too high but 7 and 10 isn't.

Alderman Bell stated she recalls with the previous administration, and this one as well, of the discussions held about local vendor's inability to get bids because of it going to non-local contractors. She agreed with Alderman Johnson's suggestion.

Alderman Durrence also agreed stating whether it's 5 or 7 percent it doesn't cost the City any more money because they will have to match the low bid so that does help open it to a few more people.

Alderman Foster stated Alderman Miller made a point that everyone ignored. What if O.C. Welch doesn't bid anymore because there is a 10 or 12 percent gap, then the local guy bids whatever he wants because there's no competition. So there is a point when you get to high and you discourage bidders. He concluded stating he thinks Council should be careful when considering raising the percentage.

Alderman Shabazz suggested going with the median and see how things go.

City Manager Hernandez replied staff will propose it at 7 and 10 percent and Council can vote on it as they see fit.

Alderman Foster asked for the definition of a local business.

City Manager Hernandez stated it has to be based in the City of Savannah.

Alderman Foster asked if he was referring to the headquarters.

Ms. Huhn replied no they have to present a business tax certificate issued by the City based on location.

Alderman Foster expressed his concerns about the definition of local stating he feels they should have to be headquartered in the City of Savannah as that is his definition of local.

City Manager Hernandez stated the issue of whether someone is headquartered in a City turned out to be very problematic in another jurisdiction he previously worked in because there are loop holes and ways around everything and businesses found a way around them.

Alderman Thomas stated his concern is that we have coming up the largest capital improvement the City is going to ever make in our lifetime and there will be a lot of Atlanta firms that will come to the City and rent a facility and call it an office to be able to get these discounts. He stated what is considered local has been a fight for many years which is why the City needs a clear definition.

City Manager Hernandez stated the definition currently is that they have to have a continuous presence within the City of Savannah for at least one year prior to submitting the proposal. They have to have a bonafide tax receipt with the City of Savannah.

[4. Historic District Zoning Ordinance Revisions](#)

[Due to the weather, this item was continued to a future meeting]

[5. Trucks in the Historic District](#)

[Due to the weather, this item was continued to a future meeting]

[6. Shopping Cart Ordinance Update](#)

This item was discussed during the Council meeting.

[7. Executive Session: Personnel and Litigation](#)

Upon motion of Alderman Durrence, seconded by Alderman Hall, and unanimously carried, Council went into Executive Session for the purpose of discussing Personnel and Litigation.

Upon completion of this session, a motion was made to come out of Executive Session by Alderman Durrence, seconded by Alderman Miller, and unanimously carried.

[8. City Manager's Briefing / Council Meeting Agenda Items for January 4, 2018](#)

City Manager Rob Hernandez presented the City Manager's Briefing of the agenda items for the Council Meeting of January 4, 2018. The agenda can be found online and will be made a part of the permanent record.

City Manager Hernandez stated its 4:30 and there are still items on the agenda for discussion. However, staff is still concerned about the conditions outside. He stated there are still three items on the agenda and he doesn't believe staff can get through one of them. He apologized and requested that the Work Session end as there are a lot of people walking. He stated the items will be brought back on January 18th.

There being no further business, Mayor DeLoach declared this Work Session adjourned.

The video recording of the Work Session can be found by copying and pasting the below link in your url:

<https://savannahgovtv.viebit.com/player.php?hash=XO51QtVnAGPY>

Luciana M. Spracher, Acting Clerk of Council

