



**Request for City Council Committee Action  
From the Department of Civil Rights**

**Date:** April 15, 2010

**To:** Council Member Robert Lilligren, Chair  
Committee of the Whole

**Subject:** Extension of Contract C-25168

**Recommendation:**

It is recommended that the Committee of the Whole grant permission to extend Contract C-25168 with the National Economic Research Associates Inc. through December of 2010.

**Previous Directives:**

- Approval granted to enter contract with NERA to conduct a disparity study.

**Submitted by:** Marvin Taylor, Director of Enforcement

612-673-2086

Approved by:

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Michael S. Jordan  
Director of Civil Rights

**Presenter in Committee:** Marvin Taylor

**Financial Impact** (Check those that apply)

- No financial impact - or - Action is within current department budget  
If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

**Community Impact (use any categories that apply)**

- Neighborhood Notification
- City Goals
- Comprehensive Plan
- Zoning Code
- Other

**Background/Supporting Information**

The United States Supreme Court in the majority opinion rendered in Croson v. Richmond (488 US 469, 1989), mandated that municipalities such as Minneapolis or Richmond complete predicate (disparity) studies prior to the establishment of participation goals based on race or gender. Such studies must be completed periodically to determine the availability and utilization of businesses owned by women or minority citizens. The City of Minneapolis has not completed such a study since 1995.

In contracting for a study consultant, NERA was rated highest by a panel including staffs from Minneapolis, St. Paul, Hennepin & Ramsey Counties. They have a national reputation for excellence and have been very successful in cases in the eighth circuit. Without the benefit of a joint study, the cost can become prohibitive.

To cut cost, Minneapolis agreed to take responsibility for data collection. Delay occurred because NERA requires more in depth detail than the previous study and the Civil Rights data was not as complete as it should have been. Extreme time and effort was necessary to meet the standard, which obstructed the competition schedule, requiring an extension of the contract.