



City of Chicago



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Meeting Date: 11/1/2016

Sponsor(s): Emanuel (Mayor)
Mitchell (7)

Type: Ordinance

Title: Amendment of Municipal Code Section 2-92-535 regarding
prime contractor mentoring program

Committee(s) Assignment: Committee on Budget and Government Operations

13009



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

November 1, 2016

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

I transmit herewith, together with Alderman Mitchell, an ordinance amending Section 2-92-535 of the Municipal Code regarding an expansion of a mentoring program.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Rahm Emanuel".

Mayor

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Section 2-92-535 of the Municipal Code of Chicago is hereby amended by inserting the language underscored and by deleting the language struck through, as follows:

2-92-535 Mentoring program.

(a) The chief procurement officer is authorized to establish a program (for purposes of this section, "mentoring program") whereby a prime contractor may receive up to 5 percent additional credit, as calculated in accordance with ~~subsection~~ subparagraph (b)(1) of this section, applicable to meet the MBE and WBE participation requirements or goals set forth pursuant to this chapter, if the contractor complies with all of the following requirements:

(1) (i) The prime contractor has entered into a written mentor-protégé agreement approved by the chief procurement officer (for purposes of this section, "mentoring agreement") with MBEs and WBEs to develop their capacity in becoming self-sufficient, competitive and profitable business enterprises, or (ii) one or more of the prime contractor's subcontractors has a written mentor-protégé agreement approved by the chief procurement officer to develop the capacity of MBE or WBE subcontractors (for purposes of this section, "subcontractor-to-subcontractor mentoring agreement"); and

(2) The MBEs or WBEs, or combination thereof, that have entered into the a mentoring agreement or subcontractor-to-subcontractor mentoring agreement have self-performed at least 1 percent of the value of the contract awarded to the prime contractor; and

(3) The prime contractor has complied with, as determined by the chief procurement officer, the terms of the mentoring agreement.

(b) (1) The prime contractor shall be awarded an additional ~~0.333~~ 0.5 percent credit, up to a maximum of a total of 5 percent additional credit, for every 1 percent of the value of the contract self-performed by MBEs or WBEs, or combination thereof, that have entered into a mentoring agreement with the contractor or subcontractor-to-subcontractor mentoring agreement. The additional credit shall be calculated based on the value of the contract in which the credit has been received, and may only be applied to meet the MBE or WBE, as applicable, participation requirements or goals set forth pursuant to this chapter in the same contract.

(2) In addition to the credit set forth in subparagraph (b)(1), unless otherwise prohibited by any federal, state or local law, for any contract having an estimated contract value of \$100,000 or more advertised, or if not advertised awarded, after the effective date of this subparagraph (b)(2), the chief procurement officer shall allocate to a qualified bidder that is a prime contractor that has entered into a mentoring agreement or whose subcontractor has entered into a subcontractor-to-subcontractor mentoring agreement a bid preference of 1 percent of the contract base bid.

The bid preference is used only to calculate an amount to be used in evaluating the bid to determine the low bidder, and it does not affect the contract price.

(i) The chief procurement officer may determine not to allocate a bid preference under this subparagraph (b)(2), under the following conditions:

(A) an emergency exists;

(B) for cooperative purchasing or cooperative construction contracts;

or

(C) the chief procurement officer otherwise concludes that the allocation of a bid preference is not in the city's best interest.

(ii) For all contracts advertised for bid solicitation, the chief procurement officer shall include a bid preference provision consistent with this subparagraph (b)(2) in all such advertising.

(iii) The prime contractor shall maintain records adequate to monitor compliance with this section and shall submit such reports as required by the chief procurement officer. Full access to the prime contractor's records shall be granted to the chief procurement officer, the commissioner of the supervising department, the inspector general, or any duly authorized representative thereof. The prime contractor and subcontractors shall maintain all relevant records for a period of no less than three years after the expiration of the contract.

(iv) The chief procurement officer may require, at the time of submission of a bid or at any time during the term of the contract, that the prime contractor submit an affidavit and other supporting documents demonstrating that the prime contractor has entered into a mentoring agreement or that the prime contractor's subcontractor has entered into a subcontractor-to-subcontractor mentoring agreement.

(v) Upon completion of the work, any prime contractor that has failed to maintain a mentoring agreement or a subcontractor that has a subcontractor-to-subcontractor mentoring agreement, for which a bid preference was taken into consideration in awarding of a contract shall be fined in an amount equal to three times the amount of the bid preference allocated, unless the prime contractor can demonstrate that due to circumstances beyond the prime contractor's control, the prime contractor for good cause was unable to maintain a mentoring agreement or a subcontractor that has a subcontractor-to-subcontractor mentoring agreement throughout the duration of the contract period.

(c) The chief procurement officer shall have power to enter into service and reimbursement agreements with associations of MBEs and WBEs, minority or women community organizations, minority or women contractors' groups, local, state and federal minority or women business assistance offices, and other organizations that provide assistance in the recruitment and placement of MBEs or WBEs, pertaining to the provision of training and related assistance to current or prospective MBEs and WBEs.

(d) The chief procurement officer is authorized to adopt rules ~~and regulations~~ for the proper administration and enforcement of this section, including ~~regulations~~ rules governing mentoring agreements.

SECTION 2. This ordinance shall take effect upon passage and publication.