



City of Chicago



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Office of the City Clerk

Document Tracking Sheet

Meeting Date: 4/13/2016

Sponsor(s): Villegas (36)

Type: Ordinance

Title: Amendment of Municipal Code Section 2-92-418 by regarding contracts bid incentives for eligible joint ventures and veteran owned small local businesses

Committee(s) Assignment: Committee on Workforce Development and Audit

DRAFT 1 – MARCH 1, 2016

ORDINANCE

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

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SECTION 1. Section 2-92-418 of the Municipal Code of Chicago is hereby amended by deleting the language stricken and inserting the language underscored, as follows:

2-92-418 Contracts – Bid incentives ~~for small business enterprise and veteran-owned business enterprise~~ eligible joint ventures and veteran-owned small local businesses.

(Omitted text is not affected by this ordinance)

“Veteran-owned business enterprise” means an enterprise which: (1) is at least 51 percent owned by one or more veterans, or in the case of a publicly held corporation, at least 51 percent of all classes of the stock of which is owned by one or more veterans, whose management, policies, major decisions and daily business operations are independently managed and controlled by one or more veterans; or (2) has been certified by the State of Illinois as a qualified service-disabled veteran-owned small business or a qualified veteran-owned small business pursuant to 30 ILCS 500/45-57.

“Veteran-owned small local business” means a business that is both a veteran-owned business enterprise and a small local business enterprise as defined in Section 2-92-670.

(Omitted text is not affected by this ordinance)

(b) (1) Unless otherwise prohibited by any federal, state or local law, for any contract advertised, or if not advertised awarded, after the effective date of this section, the chief procurement officer shall allocate a bid incentive of 5 percent of the contract base price to a qualified bidder when the qualified bidder is an eligible joint venture or veteran-owned small local business.

The bid incentive 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.

(2) The chief procurement officer may forego awarding the bid incentive under this section, under the following conditions:

- (i) an emergency exists;
- (ii) for cooperative purchasing or cooperative construction contracts;
- (iii) where an eligible joint venture or veteran-owned small local business is determined by the chief procurement officer to be unqualified, unable, or ineligible to perform the contract; or
- (iv) for any other factor the chief procurement officer deems to be in the city's best interest.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that proper record-keeping is essential for transparency and accountability, particularly in the context of public administration and financial management. The text notes that without reliable records, it becomes difficult to track expenditures, assess performance, and identify areas for improvement.

2. The second part of the document addresses the challenges associated with data collection and analysis. It highlights that gathering comprehensive data from various sources can be a complex and time-consuming process. However, the benefits of having a robust data set are significant, as it allows for more informed decision-making and the identification of trends and patterns. The document suggests that investing in data management systems and training staff can help overcome these challenges.

3. The third part of the document focuses on the role of technology in modernizing operations. It discusses how digital tools and platforms can streamline processes, reduce errors, and improve communication. For example, the use of cloud-based systems can facilitate data sharing and collaboration across different departments. The text also mentions the importance of ensuring that any technology adopted is secure and compliant with relevant regulations.

4. The fourth part of the document explores the concept of continuous improvement. It argues that organizations should not be satisfied with the status quo but should actively seek ways to optimize their processes and services. This involves regularly reviewing performance metrics, soliciting feedback from stakeholders, and implementing changes based on the findings. The document stresses that a culture of continuous improvement is key to long-term success and competitiveness.

5. The fifth part of the document discusses the importance of stakeholder engagement. It notes that organizations that involve their stakeholders in decision-making are more likely to achieve their goals and gain support for their initiatives. This can be done through various means, such as public consultations, advisory committees, and transparent communication channels. The text emphasizes that listening to the concerns and suggestions of stakeholders is not just a moral obligation but also a practical one.

6. The sixth part of the document touches upon the need for strong leadership and governance. It states that effective leaders are those who set a clear vision, establish a strong ethical framework, and hold themselves and others accountable. Good governance involves having clear policies, procedures, and oversight mechanisms in place to ensure that the organization operates in a fair and transparent manner. The document suggests that strong leadership and governance are foundational to the success of any organization.

7. The seventh part of the document discusses the importance of financial stability and sound fiscal management. It notes that organizations must ensure that they have sufficient resources to meet their obligations and invest in their future. This requires careful budgeting, monitoring of expenditures, and the ability to generate revenue through various means. The text also mentions the importance of maintaining a good credit rating and being transparent about financial performance.

8. The eighth part of the document addresses the issue of risk management. It explains that every organization is exposed to various risks, and it is essential to identify these risks, assess their potential impact, and develop strategies to mitigate them. This can include measures such as diversification, insurance, and contingency planning. The document emphasizes that proactive risk management can help organizations avoid major setbacks and ensure their long-term sustainability.

9. The ninth part of the document discusses the importance of innovation and adaptability. In a rapidly changing world, organizations must be able to innovate and adapt to new challenges and opportunities. This involves fostering a culture of creativity, encouraging experimentation, and being open to new ideas and technologies. The text suggests that organizations that embrace innovation and adaptability are better positioned to succeed in the long run.

10. The tenth part of the document concludes by summarizing the key points discussed and reiterating the importance of a holistic approach to organizational management. It emphasizes that success is not achieved by focusing on just one aspect but by addressing all the interconnected elements of the organization. The document ends with a call to action, encouraging all stakeholders to work together to build a more transparent, efficient, and resilient organization.

(3) For all contracts advertised after the effective date of this section, the chief procurement officer shall include the bid incentive provision consistent with this section in all such advertising.

(4) As a condition of being awarded the bid incentive, the eligible joint venture or veteran-owned small local business shall continue to meet the definition of an eligible joint venture or veteran-owned small local business during the term of the contract for which the bid incentive was awarded.


(c) The contractor shall maintain adequate records necessary to monitor compliance with this section and shall submit such reports as required by the chief procurement officer. Full access to the contractor's and subcontractors' 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 contractor and subcontractors shall maintain all relevant records for a minimum of seven years after final acceptance of the work.

(d) A bidder desiring to receive an incentive pursuant to this section shall include with its bid submission, an affidavit and other supporting documents demonstrating that the bidder satisfies all pertinent requirements as an eligible joint venture or veteran-owned small local business.

(e) Upon completion of the work, any eligible joint venture or veteran-owned small local business that receives a bid preference but that fails to meet the definition as an eligible joint venture or veteran-owned small local business during the term of the contract for which the bid incentive was awarded shall be fined in an amount equal to three times the amount of the bid incentive awarded.

(Omitted text is not affected by this ordinance)

SECTION 2. This ordinance shall take effect following passage and approval.



Gilbert Villegas
Alderman – 36th Ward