File #: O2015-4211, **Version:** 1

City Council May 20, 2015

ORDINANCE

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

SECTION 1. Chapter 2-92 ofthe Municipal Code of the City of Chicago is hereby amended by adding a new Article VII, entitled "Chicago Apprenticeship Earned Credit Program" and consisting of new Sections 2-92 - 800 through 2-92-830, as follows:

2-92-800 Program established; definitions.

a) A program to be called and cited as the "Chicago Apprenticeship Earned Credit Program" is hereby established. The Program shall be administered by the chief procurement officer in accordance with this Article of chapter 2-92.

b) Whenever used in this Article VII of chapter 2-92, the following words and phrases shall have the following meanings:

1) "Apprentice" means any person who is: (1) is enrolled in an apprenticeship training program registered with the United States Department of Labor, or by the State of Illinois; or (2) has graduated from an apprenticeship training program that is registered with the United States Department of Labor, or by the State of Illinois.
"Bid incentive" means an amount deducted, for bid evaluation purposes only, from the contract base bid in order to calculate the bid price to be used to evaluate the bid on a competitively bid construction project.

2) "Contract base bid" means the total dollar amount bid on a project without factoring any bid incentive or percentage reductions to the bid amount.

3) "Earned Credit" means the amount allocated to a Contractor upon completion of a Qualifying Contract through which the Contractor met or exceeded the goals for the utilization of Former Offenders or Apprentices.

4) "Labor hours" means the total hours of workers receiving an hourly Wage who are directly employed at the work site. "Labor hours" shall include hours performed by workers employed by the contractor and all subcontractors working at the work site.

5) "Labor hours" shall not include hours worked by nonworking foremen, superintendents, owners and workers who are not subject to prevailing wage requirements.

6) "Qualifying Contract" means any contract (A) for demolition, construction, repair or substantial rehabilitation of any public property; and (B) with a bid price of $100,000 or more; and (C) to be awarded by the department of procurement services; and (D) to be paid for with funds belonging to or administered by the City.

2-92-810 Apprenticeship Earned Credits

A Contractor may qualify for Earned Credits by utilizing Apprentices for work under a Qualifying Contract. In order to so qualify a Bidder must include in its Bid for the applicable

Qualifying Contract a copy of each apprentice's union-issued certificate of successful completion of the union's apprenticeship training program.

2-92-820 Scope of program; incentives; calculation of Earned Credits.

For any project advertised after the effective date of this Article having an estimated contract value of $100,000.00 or more, and where not otherwise prohibited by federal law or preempted by state law, the chief procurement officer shall allocate to any qualified bidder the following bid incentive for utilization of apprentices in performance ofthe total labor hours performed under contract. Earned Credits for total labor hours performed by apprentices shall be earned as follows:

Percentage of Total Labor Hours Performed by Apprentices Earned Credit
Under 5%: no bid incentive;
5% to 10%: incentive equal to 0.5% of bid price;
Over 10%: incentive equal to 1% of bid price.

2-92-830 Administration of Program.

a) The incentives and credits described in this section shall be in addition to any other incentives or credits provided by this Code.
b) The bid incentives described in section 2-92-820 shall be used only to calculate an amount to be used in evaluating the bid. The bid incentive shall not affect the contract price.
c) For every project advertised after the effective date of this ordinance, the chief procurement officer shall include the bid incentive provision in all advertisements related to the contract.
d) As part of the contract close-out procedure, if the chief procurement officer determines that the bidder has successfully met his or her apprentice utilization goals, the chief procurement officer shall issue an earned credit certificate that evidences the amount of earned credits allocated to the bidder. The bidder may apply the earned credits as the bid incentive for any future construction project contract bid of equal or greater dollar value.
e) The earned credit certificate shall be valid for three years from the date of issuance and shall not be applied towards any future contract bid after the expiration of that period.
f) The bidder may apply the earned credit certificate on multiple future project bids during the three year period in which the certificate is valid, but may only receive one bid incentive for bid evaluation purposes on one project contract award. If the contractor applies the earned credit certificate on multiple construction project bids and is the lowest responsive and responsible bidder on more than one project bid, the earned credit certificate shall be applied to the construction project first to be advertised by the department of procurement services, or if multiple construction project bids were advertised on the same date, the earned credit certificate shall be applied only to the construction project with the greatest dollar value.

g) The contractor shall maintain accurate and detailed books and records necessary to monitor compliance with this section and shall submit such reports as required by the chief procurement officer, or the commissioner of the supervising department.

h) Full access to the contractor's and subcontractors' records shall be granted to the chief procurement officer, the commissioner of the supervising department, or any duly authorized representative thereof. The contractor and subcontractors shall maintain all relevant records for a period of at least 10 years after final acceptance of the work.

(i) The chief procurement officer is authorized to adopt, promulgate and enforce reasonable rules and regulations pertaining to the administration and enforcement of this section.

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