

# Responsible Bidder Ordinance



## Purpose

The purchasing of City goods and services provides the City with the opportunity to award contracts to responsible bidders as well as promote numerous Detroit-based businesses through the use of equalization credits and construction project equalization credit(s). The Construction Project Equalization Credit(s) will be awarded to businesses that promote workplace safety, workforce development and corporate accountability.

This ordinance seeks to outline the solicitation of bids, the application of these credits and the requirements of applying for and maintaining certification in relation to these credits. In all, the procurement process is touched upon throughout this ordinance, and how this process can be used to promote economic growth in and for the City of Detroit and its residents.

## Proposed Definitions

**Construction** means the construction, erection, reconstruction, alteration, conversion, demolition, repair, moving, or equipping of buildings or structures.

**Construction Contractor** means any contractor that has been awarded a contract for the purpose of the construction, erection, reconstruction, alteration, conversion, demolition, repair, moving, or equipping of buildings or structures.

## Construction Project Equalization Credits

The bid of any construction contractor committed to workplace development, workplace safety, and corporate accountability shall be deemed a better bid than the bid of any competing firm which is not committed to workplace development, workplace safety, and corporate accountability.

The following equalization credits below have been applied based upon a written certification of the bidder that they are compliant with the factors below for themselves and all subcontractors to include:

### **1. Workforce Development**

- a. An equalization credit of 6% will be applied to all construction contract bidders who produce the following documentation:
  - i. The bidder provides evidence of health insurance, pension, or other retirement benefits to the employees that will provide the work on the proposed contract.
  - ii. The bidder participates in a Registered Apprenticeship Program that is registered with the United States Department of Labor Office of Apprenticeship or by a State Apprenticeship Agency recognized by the Office of Apprenticeship.

### **2. Workplace Safety**

- a. An equalization credit of 6% will be applied to all construction contract bidders who produce the following documentation:
  - i. The bidder has an on-going Michigan OSHA-approved safety training program for employees to be used on the proposed job site.
  - ii. All craft labor that will be employed by the firm for the project has completed at least the OSHA 30 hour training course for safety established by the U.S. Department of Labor, Occupational Safety and Health Administration.

### **3. Corporate Accountability**

- a. An equalization credit of 6% shall apply to all construction contract bidders who certify in writing that they satisfy:
  - i. The bidder and its employees have all valid and currently effective licenses, registrations or certificates for the type of construction trade work which it proposes to perform and the bidder has not had any such licenses, registrations, or certificates revoked in the past five years.
  - ii. The firm has not been debarred or suspended by any federal, state, or local governmental agency or authority in the past three years.
  - iii. The bidder has not within the past five years been found in violation of any law applicable to its contracting business, including but not limited to, licensing laws, tax laws, labor laws, wage and hour laws, prevailing wage laws, or environmental laws.
  - iv. The bidder does not misclassify employees as independent contractors.

A bidder claiming Construction Project Equalization Credit(s) cannot assign or subcontract its City contracts to a business without the approval by the Purchasing Director.