## -ORDINANCE NO. XXXXXX


#### Abstract

An ordinance of the City of Gainesville, Florida, amending the Code of Ordinances to create under Chapter 2_, (Administration), Article XIII, together with Sections 2-653 through 2-6578, for the purpose of establishing a preference in the award of contracts requirements and incentives-for Contractors who employ apprentices on City construction projects; providing directions to the codifier; providing a severability clause; providing a repealing clause; and providing an effective date.


WHEREAS, Jouney Level eonstruetion workers are retiring in greater numbers than the nume of aplico whe avilable to repla them, which in is reating a sherge skilled construetion workers, and
 not only to the City and its capital improvements projects, but to the eonomic health of the eommunity as a whole; and

WHEREAS, the City reeognizes that rganized, formal apprenticeship training programs are an effee ive means of providing training and experiene to individuals in ens uetion skills and safery reedures, and

WHEREAS, the City Commission has determined that City onn an
 the construction trades; and

WHEREAS, at least 10 days' notice has been given once by publication in a newspaper of general circulation notifying the public of this proposed ordinance and of public hearings to be held in the City Commission Auditorium, City Hall, City of Gainesville; and

WHEREAS, the public hearings were held pursuant to the published notice described at which hearings the parties in interest and all others had an opportunity to be and were, in fact heard.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA:
—_Section 1. A new-Article nembered-XIII and-titled "APPRENTICE PREFERENCE POLICYRequirements for Receiving Preference in Bidding on City Construction Projects Which Allow for Employing Apprentices" is hereby established within Chapter 2 - Administration, and reads as set forth below. The remainder of Chapter 2 remains in full forces and effect.

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## CHAPTER 2-ADMINISTRATION

## ArticleRTICLE XIII. - Requirements for Receiving APPRENTICE PREFERENCE POLICYPreference in Bidding on City Constrwetion Projects Which Allow for Employing Apprentices

## Sec. 2-653. - Findings of fact.

WHEREAS, Journey Level construction workers are retiring in greater numbers than the number of applicants who are available to replace them, which in turn is creating a shortage of skilled construction workers:- and

WHEREAS, t The shortage of skilled workers with craft labor skills ereatesposes a serious challenge not only to the City and its capital improvements projects, but to the economic health of the community as a whole - and

WHEREAS, the City recognizes that organized, formal apprenticeship training programs are an effective means of providing training and experience to individuals in construction skills and safety procedures $\div$. To this end, the and

WHEREAS, the City Commission has determined that City-contracted construction projects present a significant opportunity to promote and sustain employment of apprentices in the construction trades. and

## Sec. 2-6543. - Definitions.

[The following words and phrases as used in this article shall have the following meanings unless a different meaning is clearly required by the context:]

Apprentice means any person who is enrolled and participating in an apprenticeship program registered with the State of Florida Department of Education and/or the United States Department of Labor. If the work required on a City construction project calls for training in an area for which no the State of Florida Department of Education and/or United States Department of Labor approved program exists, apprentice shall mean any person who is participating in an industry certification training program or a company sponsored training program related to the work being performed on a City construction project.

Bid (noun) means any bid, proposal, statement of qualifications, etc. that is submitted in response to a solicitation for such issued by the City.

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Commented [DJD1]: GRU staff recommend deleting all language after $1^{\text {st }}$ sentence. St. Pete procurement staff have indicated that restricting apprenticeship programs to only state or DOL programs makes it difficult to find apprentices in programs that are targeted to public projects like street paving, sidewalk repair, utilities, etc.
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Bidder means any individual, firm, corporation, partnership, company, association, joint

## venture, or other entity that seeks the award of a construction contract.

City means the City of Gainesville Municipal Corporation and/or Gainesville Regional Utilities.

Construction project (-or "project") means any project or construction_work project contracted by the City and/or paid for with City funds, the the total bid price of which of whieh equals or exceeds $\$ 500,000.00-$. As used within the context of this ordinance, the terms construction project and construction work may be used interchangeably.
${ }_{4}$ Construction means the and which involves the building (verb), altering, repairing, improving, demolishing or replacing of of any public structure, building, roadway, utility or other public improvement. Within the context of this ordinance, the terms construction project and construction work may be used interchangeably.

Cooperative purchasing agreement means materials, equipment or services purchased under the terms and conditions of another local, state, federal, or other public agency's bid, or cooperative bids put together by other public agencies.

Pisadvantaged worker means either a person who has a criminal record or a person whe has received public assistance benefits within the twelve (12) months preceding employment by the Prime contractor or subcontractor.

Employ shall mean to permit a person to work for wages.

Payroll records means the records pertaining to employees that document their name, address, employee classification, rate of pay, daily and weekly number of hours worked, deductions made and actual wages paid.

Prime contractor means:
(1) A party to a contract for a construction project.
(2) A managing corporate officer of a party to a contract for a construction project who has personal involvement or responsibility in obtaining such contract or in supervising or performing the work prescribed by such contract; or
(3) A person or entity with more than fifty percent (50\%) ownership interest in a party to a contract for a construction project.

Subcontractor means a person or company that performs through a secondary contract with the Prime Contractor some or all of the obligations of the Prime Contractor.

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Commented [DJD2]: GRU staff recommend clarifying that the "value" ( $\$ 500 \mathrm{~K}$ ) used here is the anticipated bid price award for the contract being put out for bid.

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Commented [DJD3]: Should this definition be deleted?
Employment of disadvantaged workers is not discussed anywhere else in the document.

Work hours means the actual time that is spent working on the site of a construction project by workers who are employed by contractors or subcontractors on the construction project, or who are performing offsite fabrication in direct support of the construction project. Work hours excludes any hours worked by forepersons, superintendents, owners, professionals (such as architects, engineers or surveyors), or administrative/office staff.

Section 2-6545. - Requirements a Bidder must comply with to qualify for for Receiving an Apprentice Ppreference inwhen Bbidding on City Gconstruction Pprojects-Which Allow for Employing Apprentices.

In the bidding of, or letting of contracts for construction work projects-as defined herein, the City Commission, or other purchasing authority of the City, may give a preference to bids from Prime contractors who commit to employing apprentices as part of the labor force that is engaged on a construction project. Contractors must be able to demonstrate that at least ten percent $(10 \%)$ of all labor hours associated with the project will be comprised of registered apprentices. -The amount of the preference given for meeting this requirement may not exceed five percent (5\%) of the bidder's total bid price, as described below, but under no circumstances shall the cost differential exceed $\$ 25,000.00$. The following process outlines the steps that must be followed required-to qualify bids to receive this incentive:
(a) The City department responsible for issuing a solicitation for construction work shall determine, in consultation with the project engineer, architect, Procurement staff, or ether knowledgeable persons as necessary, a percentage of the total project eonstruction work hours which can be performed by apprentices as a form of on thejob training. This percentage may be subsequently adjusted to reflect comments, concerns and/or recommendations submitted by potential bidders during the appropriate portions of the solicitation process.
(b)(a) To qualify for an apprentice_based_preference, a Prime contractor responding to a solicitation associated with a construction project must submit a description of their proposed apprentice employment as part of their bid. The description should include, at a minimum:
(1) Total work hours estimated for the construction project;
(2) A demonstration that the percentage of total work hours proposed to be performed by apprentices is achievable under the contractor's project work schedule;
(3) The estimated duration of the employment of the apprentices; and,
(4) Documentation outlining the type(s) of training and/or certification(s) apprentices can expect to gain as a result of their employment on the project, and the agency or entity who is responsible for overseeing the apprenticeship program under which the training or certification is being provided.

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Commented [DJD4]: GRU staff are concerned that making the percentage of work completed by an apprentice variable will lead to inconsistency across the organization and confusion for contractors. GRU staff recommend a consistent measure.
(c)(b) In addition to those criteria listed in 2-654́⒝, eligibility for an apprentice-based preference shall be determined on a "per project" basis. As such, a Prime contractor may not combine apprentice employment from previous or multiple on-going projects as a means of qualifying for an apprentice-based preference. A Prime contractor may, however, include in their application for a preference those apprentices and/or apprenticeship programs which are supported by one or more of their subcontractors employed on the construction project being bid.
(d)(c) For purposes of determining An apprentice based preference awarded to a Prime contractor is limited to a maximum of ten percent $(10 \%)$ of the contractors' total bid price, as further discussed below, but in no case shall the cost differential exceed $\$ 50,000.00$. Total bid price the applicability of the Apprentice preference to a particular construction project, the total bid price shall include not only the base bid price but also any adjustments to the base bid price which are a result of alternates requested by the City.
(e) A Prime contractor who qualifies for an aApprentice-based preference mayis not restricted from aapplying for any other types of bidding preference which may be available to thems (such as a Local Preference or a Small or Service disabled Veteran Business Preference) which they may be entitled to receive.
$(f)$ The preference percentage that is awarded to a Prime contractor for employing apprentices may be adjusted by the City up to a maximum figure of ten percent ( $10 \%$ ) to reflect such factors as:.
(1) The number of apprentices that will be employed on the construction project;
(2) The length of time the apprentices will be employed;
(3) Additional benefits beyond hourly wages apprentices are eligible to receive, including health benefits and/or assistance with transportation needs;
(4) The employment of disadvantaged workers who are enrolled in an apprenticeship program;
(5)(d) The contractor's commitment to supporting an apprenticeship program both during the time of construction and following completion of the project being bid.

Sec. 2-6556. - Prevailing Wage Rate Required; Exception for Conflict.
(a) The Prime contractor shall be responsible for ensuring that any apprentices it or its subcontractors employs on a City construction project are paid wages not less than the advertised general prevailing wage rates for the work classification in which the apprentices are performing. The Prime contractor and its subcontractors shall ascertain and comply with all applicable general prevailing wage rates for apprentice and trades workers which are in effect as of the date the Prime contractor submits its response to a solicitation for construction work issued by the City.
(b) Prevailing wage rates are determined by the most recent United States Department of Labor prevailing wage repert. In the event of a conflict between the City's Living

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Commented [DJD5]: GRU staff recommend limiting the preference percentage to a maximum of $5 \%$ of the total bid price, and no greater than $\$ 25,000$.

Commented [DJD6]: GRU staff would prefer that this incentive not be allowed to be combined with Local or Service-disabled Veteran Business preferences
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Commented [DJD7]: GRU staff recommend sticking to 5\% across the board to ensure that the preference is implemented uniformly and consistently across the city on all projects.
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Wage requirement and the prevailing wage requirement, the higher prevailing-wage requirementshall apply unless pre-empted by Federal or State regulationsgovern.

## Sec. 2-6567. - Exemptions to Apprentice Preference Policy.

The preference set forth in this article shall not apply to any of the following types of construction projects:Waiver of Apprenticeship Preference; Exceptions for Cooperative Purchasing Agreements and Inter-Local Agreements.
(a) Projects where application of the Apprentice preference would be prohibited or in conflict with federal or state law or the terms of a federal or state grant applicable to the construction project.
(b) Construction pProjects that are initiated under a cooperative purchasing agreement.
(c) - Projects or-which are solicited through another public agency's procurement process as part of an inter-local agreement, are not subject to the requirements of this ordinance.
(d) Projects initiated under an emergency situation.
(e) Projects for which there are no registered apprenticeship programs for any of the work which is to be performed as part of the construction project. .
(a) The City may choose to waive a preference for employing apprentices in solicitation a documents if it is determined by the issuing department that the construction project being bid involves a high proportion of equipment and materials costs compared to the anticipated labor hours, or that there is an insufficient number of apprentices available to meet the preference requirements. The issuing department shall submit a recommendation to this effect in writing to the City Commission upon presenting the contract for the construction project to the City Commission for approval.

 not subject to the requirents of this ordinaneer

## Sec. 2-6587. - Compliance; Documentation; Corrective Action; Enforcement.

(a) The contract for a construction project between the City and a Prime contractor shall include a provision requiring the Prime contractor to comply with the requirements of this ordinance, if applicable.preferential scoring was used in the awarding of the contract.
(b) The Prime contractor must make, and require its subcontractors who employ apprentices to make, good faith efforts to replace any apprentice who can no longer work on a construction project with another apprentice in order to achieve the work hours and maintain the apprentice participation percentage -required for the project.by the City.

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| Commented [DJD9]: Tony Cunningham, GRU, commented: Not <br> excited about this one - but I guess it could be used the way it's <br> written if really didn't want to use the apprenticeship incentive on a <br> project - would not play out well publicly. <br> Formatted: Font: Bold <br> Formatted: Font: (Default) +Body (Calibri), 11 pt <br> Commented [DJD10]: GRU staff suggest expanding <br> exemptions to include more items. CM at Risk? <br> Formatted: Font: (Default) +Body (Calibri), 11 pt <br> Commented [DJD11]: Tony Cunningham: Whole section is <br> very burdensome on the contractor and subs (city staff also but <br> more lots of work on contractors). If a project already has certified <br> payroll being submitted (some PW projects will) these <br> requirements aren't that different. Usually certified payrolls are <br> required when project has federal funding. None of our W/WW <br> projects submit a certified payroll so this would be an added level <br> of administrative work on the project (both contractor and <br> city). Not sure if projects in ES have certified payrolls already. <br> Commented [DJD12]: (Alternate wording suggested by Diane <br> Wilson: "...if preferential scoring was used in the awarding of the <br> contract.") <br> Commented [DJD13]: Tony Cunningham: What sets the <br> "apprentice participation percentage" mentioned in this <br> paragraph? Does city staff (refer to Section 2-654 (a))? OR Does <br> contractor in bid submittal through the requirements in Section 2- <br> 654 (b) (2)? We would have to ensure that the agreed upon <br> "apprentice participation percentage" was incorporated into the <br> contract documents and signed by both parties. The PM will have <br> manage the compliance of this program using the agreed upon <br> apprentice participation percentage - so we don't want confusion <br> here. (I could see city staff maybe missing mark on what <br> participation is possible - then contractor being stuck with an <br> unattainable program - hopefully this is set or agreed to with <br> contractor at contract negotiation time period) |

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(c) The Prime contractor on a construction project shall be responsible for meeting achieving and maintaining the required number of aApprentice work hoursparticipation percentage, as well as fulfilling any other commitments made to receive the preference award, for the duration of the contract for the construction project. If the Prime contractor is not able to achieve or maintain the required number of work hours percentage or thethe associated commitments, the Prime contractor must submit demonstrate and documentation to the that good faith efferts were made to achieve or maintain the required percentage. The Prime contractor shall submit such documentation to the-City department responsible for overseeing the construction project, who will review and determine whether the Prime contractor made a good faith efforts made by the Prime contractor are adequateto comply.
(d) The Prime contractor shall keep, and shall require its subcontractors who employ apprentices to keep, accurate records showing the total hours of work performed on a City construction project, and the name, address, trade classification, hours worked, evidence of apprenticeship status, and employment status of all apprentices asserted to meet the percentage required to qualify for an apprenticeship preference. In addition, the Prime contractor shall keep, and shall require its subcontractors who employ apprentices to keep, accurate payroll records for all apprentices which includes name, address, work classification, the straight time and overtime hours worked each day and each week, fringe benefits (if any), and the actual per diem wages paid to each apprentice hired in connection with a construction project. In the event that there is no work performed during a given week by an apprentice, the certified payroll record shall be annotated "No Work" for that week. The Prime contractor shall submit these records upon request or at a minimum on a quarterly cycle to the City department overseeing the construction project. on a quarterly cyele (or a shorter cycle if deemed more appropriate by the department) for the duration of the project. Records shall be cumulative for the duration of the construction project and shall indicate any new apprentice hires.
(e) If the Prime contractor has not met the requirements of this section, the City department responsible for overseeing the construction project will provide to the Prime contractor a written notice of noncompliance. The Prime contractor will be required to present a corrective action plan within ten (10) days of such notice. Once the corrective action plan is approved by the overseeing department, the department will provide a time period for completion of the corrective action plan. The time period for completion of the corrective action plan shall not exceed thirty (30) days, unless the overseeing department determines that the Prime contractor has demonstrated to the department's satisfaction that a longer time period is necessary and in the best interest of the City. If the Prime contractor fails to correct the deficiency within the agreed upon time period, the overseeing department shall address such noncompliance as follows:

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Commented [DJD14]: Bill Shepherd: add additional language to say: "...project upon request or at a minimum on a quarterly cycle..."
(1) First violation - The Prime contractor will forfeit from the retainage the dollar value of the difference between:
i. The percent ( $\%$ ) of the apprentice preference applied against the dollar value of $\cdot$ the total hours of work performed on the construction project; and,
ii. The dollar value of the labor hours actually performed by apprentices during the construction project.
(2)(1) Secend violation- $\ddagger$ The Prime contractor will be disqualified debarred from applying for any bidding preferences of any type respending to solicitations for all City contracts-for one (1) year.
(3)(2) ThirSecond violation - The Prime contractor will be debarredisqualified from respending toapplying for any bidding preferences of any type solicitations for all City contracts-for three (3) years.
(f) Contracts and solicitation documents shall provide that the failure of any Prime contractor to comply with any of the requirements of this section may result in consequences for noncompliance.

Section 2. It is the intention of the City Commission that the provisions of Section 1 of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Gainesville, Florida, and that the sections and paragraphs of this Ordinance may be renumbered or re-lettered in order to accomplish such intentions.

Section 3. If any word, phrase, clause, paragraph, section or provision of this ordinance or the application hereof to any person or circumstance is held invalid or unconstitutional, such finding shall not affect the other provisions or application of the ordinance which can be given effect without the invalid or unconstitutional provisions or application, and to this end the provisions of this ordinance are declared severable.

Section 4. All ordinances or parts of ordinances, in conflict herewith are to the extent of such conflict hereby repealed.

Section 5. This ordinance shall become effective immediately upon adoption.

## PASSED AND ADOPTED THIS

$\qquad$ DAY OF $\qquad$ 2019.

Commented [DJD15]: Tony Cunningham: Would suggest deleting the First Violation completely. Moving 2nd and 3rd up as 1 st and 2 nd violation. Also these violations are eliminating the contractor from bidding on any solicitations - seems little harsh (over an administrative program not a work quality or performance issue - we can't eliminate folks from bidding that easily for other construction issues) Would be more appropriate to not allow them to participate in the preferential bidding for 1 yrs (1st violation) and 3 yrs (2nd violation). Could make a 3rd violation that disbars from bidding for 1 yr if want to keep a bigger stick.

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## LAUREN POE MAYOR

ATTEST: Approved as to form and legality
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## OMICHELE D. GAINEY CLERK OF THE COMMISSION

This ordinance passed on first reading this $\qquad$ day of $\qquad$ 2019.

This ordinance passed on second reading this $\qquad$ day of $\qquad$ , 2019.

