



City of Madison

City of Madison
Madison, WI 53703
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Meeting Minutes - Draft COMMITTEE ON SWEATFREE PURCHASES

Wednesday, March 30, 2011

5:00 PM

210 Martin Luther King Jr Blvd Room 417
(City County Building)

CALL TO ORDER / ROLL CALL

Chair Bracewell called the meeting to order at 5:15 p.m.

Present: 3 -

Daniel Cox; Marianna Smirnova and Carol Bracewell

Excused: 2 -

Satya V. Rhodes-Conway and Jonathan D. Rosenblum

APPROVAL OF MINUTES

A motion was made by Bracewell, seconded by Cox to approve the 2-24-11 CSP minutes as amended according to changes below. The motion passed by voice vote/other.

Amend the minutes to show the following additional corrections and changes:

1. Item #6, McGuire provided additional discussion points.
2. Item # 9. Bracewell indicated that the revised Bidder Disclosure Statement presented at the last meeting was accepted by the committee substantively. The "Notice" page that includes the ordinance information must be included as the cover page.
3. Item # 2, Marianna corrected the introduction language about her background information and organization.

PUBLIC COMMENT

None

DISCLOSURES AND RECUSALS

None

ITEMS CONSIDERED

1. [21919](#) **STATUS UPDATE** - Resolution clarifying \$5,000 threshold - Rhodes-Conway

Deferred to next meeting.

2. [21920](#)

STANDING UPDATE - McGuire

Sweatfree Purchasing Consortium and Purchasing activities,
Approval of 2010 Annual Committee Report - Action required

a. Sweatfree Purchasing Consortium (SPC) and Purchasing activities - McGuire

1) 'Guide to Sweatfree Procurement' (Exhibit B) - SPC is developing this guide to provide sweatfree policy and procedural guidelines and direction to member agencies and public entities who are looking to formulate or enhance their sweatfree policies. The guide suggests approaches to evaluation of vendor compliance which has specific relevance to this City committee's work on developing a vendor "sliding scale of compliance" process. (Also described in the 2/24/11 Minutes)

Phase 1: Code of conduct compliance. Encourage vendors to sign a code of conduct as a prequalification for bidding. It should be incorporated as a minimum technical specification.

- While the City's Bidder Disclosure Statement (BDS) requires a blanket agreement with MGO sec. 4.25, it does not specifically state the requirements of the code of conduct nor does it require signature for compliance. The focus of the BDS is disclosure of factory information. Committee agreed that compliance with the code of conduct should be more explicit.

Phase 2 - Evaluation of other criteria that would rate supplier's capacity to verify compliance with code of conduct

Phase 3 - Monitor supplier's performance in ensuring code compliance and responsible chain management during the contract period as a condition for contract renewal or termination.

- Committee will revisit phases 2 and 3 as future agenda items. "Sliding scale of compliance" is a pre-award process which will be expanded in the future to incorporate provisions of phases 2 and 3 above.

2) The Guide also suggests that the contract winner fee pay equal to one percent of the total contract amount to SPC. Cox talked about a similar payment structure for UW that requires payment to Workers Rights Consortium (WRC), the independent monitoring organization for the university. Cox to provide information on this fee model for consideration at the next meeting.

3) SPC will have their annual meeting on May 24 from 1- 3pm. Agenda will include election of directors, various committee reports as well as reports on different activities and current investigations, a database demonstration. SPC is looking for nominations for Board of Directors. See Exhibit B.

b. Approval of 2010 Annual Committee Report – Report was informative and included language that talked about moving beyond apparel. Bracewell made the motion to approve the 2010 annual report for submission to the Madison Common Council. The motion passed by unanimous vote.

Excused: 2 -
Rhodes-Conway and Rosenblum

Ayes: 3 -
Cox; Smirnova and Bracewell

3. [21921](#)

“PRESENTE” Proposal - Committee is requested to co-sponsor “Presente” Exhibit with the Madison Women’s Issues Committee (WIC) in the summer/fall of 2011.

See: <http://www.sweatfree.org/presenteinfo> - Action required.

The Madison Women’s Issues Committee (WIC) is looking for organizations to co-sponsor the “Presente” Exhibit in the late summer/fall of 2011. WIC submitted a proposal on 3/8/11 to the Madison Arts Commission for funding. WIC hopes to launch the exhibit with a reception and a program that would include labor rights speakers, slide shows or films, poets, etc. to highlight women and the labor movement. Committee members suggested that there might be interest from the Slave Free Madison, Student Labor Action Coalition and other Latin American Groups to co-sponsor through promotional and outreach efforts.

Cox made a motion to co-sponsor the “Women labor and Compassion” Exhibition, seconded by Bracewell. The motion was passed by unanimous vote.

Excused: 2 -

Rhodes-Conway and Rosenblum

4. [21922](#)

“SLIDING SCALE” Method of Compliance - Continuing discussion -
Bracewell

See Attachment A - SF Calculation Spreadsheet

See Attachment B - Sweatfree Compliance Gate Short Form

References:

Attachment A from 2/24/11 Agenda – SF Calculation Spreadsheet and
Attachment B from 2/24/11 Agenda – Sweatfree Compliance Gate Short Form

- Bracewell demonstrated the spreadsheet formula by providing different examples of compliance.
- The idea is two- fold. 1) Have a gate that represents the minimum threshold of compliance that would require bidders to fill out the Bidder Disclosure Statement (BDS). Every (apparel) item on the bid should have a corresponding BDS that will be evaluated for completeness. Have a range of competitiveness by assigning a weight to the value of a specific item as a percentage of total contract value. 2) Determine the completeness of information provided for factories and wages and assign $\frac{3}{4}$ of the weight on the factory location and $\frac{1}{4}$ of the weight on the wage information.
- The goal is to set the gate at a reasonable level for the first year (40- 60%) and test it out and crank it up over the years while also teaching bidders how to better comply. One of Bracewell’s tasks is to work with City Purchasing to apply the test to one of Purchasing’s past bids (retroactively).
- The “sliding scale” method shall apply to the percentage above the past/fail gate that allowed the vendor’s bid to be considered for further evaluation.
- The goal is to start collecting the factory information to include in a database that will be shared on a national level by SPC Purchasing members.
- Vendor education will be an important piece to ensure compliance with the process. Studies conducted with licenses at colleges that take part in the WRC show that vendors are quite uninformed about these concepts, including the provisions of code of conduct. (Cox)
- Smirnova also highlighted the importance of giving vendors tools to come up with the information (e.g. from subcontractors) as well as for self-monitoring, (e.g., what is involved in complying with the code of conduct.) Reference was made to an “audit process” that Rosenblum talked about in past meetings that will assist vendors in sweatfree compliance.
- Consider a “targeted advertising” campaign (per SPC Guide) that will promote the opportunity for vendors to come forward to present their sweatfree products as well as their company’s intent and capacity to comply with sweatfree (e.g. Knights Apparel). Vendor education can be incorporated in this campaign. From this process, it may be possible to establish city wide blanket contracts for preferred sweatfree products/vendors (e.g., cottonwear, sweatshirts, etc.) (McGuire)
- Union-made products - can be considered sweatfree but will still need to be prequalified. (Bracewell)
- Cost. How does the City address cost differences between sweatfree and non-sweatfree products? If the City has such a sweatfree policy, it must be willing to back it up with the necessary tools, which may include allowing a cost variance in determining an award. (Bracewell/McGuire)
- The right incentives have to be in place to ensure that evaluation of cost factors vs. sweatfree compliance is done in a way that achieves the end goal in a meaningful way.
- Identify the next procurement opportunity to test the sliding scale evaluation process.

- How do we proceed with implementing such an evaluation? Is there a need to go to Council to ask for room to experiment, maneuver and apply the mechanism in a flexible way, with the goal of making compliance competitive? Need to clarify with Rhodes-Conway.

5. [20016](#) Dates and agenda for future meetings

Need to confirm with committee members about April 26 at 5pm. Meeting to be 90 mins.

Agenda Items for next meeting:

- How to implement gate model and vendor education (event, presentation, case study) in a future bid.
- Need to revisit the workplan.
- Review deferred agenda items for inclusion.
- Discuss post bid procedures (evaluating and monitoring vendor performance)

6. [19185](#) Announcements

None

7. **ADJOURNMENT**

A motion was made by Bracewell, seconded by Cox to adjourn at 6:35p.m. The motion passed by voice vote/other.