



Legislation Text

File #: 14254, Version: 1

Fiscal Note

No appropriation is required.

Title

Amending Sec. 33.07(7)(b) of the Madison General Ordinances to directly incorporate the contract values that require Best Value Contracting.

Body

DRAFTER'S ANALYSIS: This ordinance amends the definition of "Best Value Contract" in Section 33.07(7)(b) 5. to specifically state the minimum contract value that invokes the Best Value Contract requirements of Subsection 33.07(7). In so doing, this ordinance eliminates the reference to Wis. Stat. Sec. 66.0903(5), and instead directly inserts the 2008 minimum contract values as determined by the Department of Workforce Development (Wis. Admin. Code DWD 190.155(1)), and sets forth the same indexing clause that the State applies to these provisions pursuant to Wis. Admin. Code DWD 190.15. This ordinance also directly provides the definition of "single-trade" and "multiple-trade" public works contracts to eliminate the State statute and administrative code cross references that presently exist. These changes are being made to address potential changes to the State statutes and regulations as proposed by the governor in his 2009-2011 budget. Under the governor's proposal, which has not yet been addressed by the legislature, the prevailing wage levels would be reduced from the current amounts as set forth in Wis. Stat. Sec. 66.0903(5) to \$2,000 for all projects. As the City's Best Value Contracting requirements are tied directly to the State levels for prevailing wage projects, if the State were to reduce the prevailing wage levels to \$2,000 for all projects as recommended by the governor, the City's Best Value Contract requirements would reduce as well. If this occurred, there would be a significant increase in the contracts falling under the Best Value Contracting Ordinance, leaving the City unable to administer the program and imposing a significant burden upon contractors on smaller projects. This ordinance would have no bearing upon the City's prevailing wage rate law, Section 23.01 of the Madison General Ordinances, as all public works contracts in the City are already subject to prevailing wage rates regardless of the size of the contract. Further, this ordinance would not result in any immediate changes to the Best Value Contracting requirements. Instead, this ordinance merely codifies the current law, and prevents future reductions in Best Value Contracting levels that would cause the more stringent Best Value Contract requirements to apply to smaller projects such that City staff would lose the ability to effectively administer the program.

The Common Council of the City of Madison do hereby ordain as follows:

Subdivision (b) entitled "Definitions" of Subsection (7) entitled "Best Value Contracting" of Section 33.07 entitled "Board of Public Works" of the Madison General Ordinances is hereby amended to read:

- “1. “Contractor” means a person, corporation, partnership or any other business entity that performs work on a public works contract as a general contractor, prime contractor or (subject to the limitations for subcontractors in secs. (j)3. and 4. and (l) of this ordinance) subcontractor at any tier.
- 2. “Class A Apprenticeship Program” means an apprenticeship program that is currently approved by the U.S. Department of Labor or a state apprenticeship agency and has graduated apprentices to journeyperson status for three (3) years. In addition, a new apprenticeship program that has been registered with the federal or state government within the last three (3) years will be considered a ClassA Apprenticeship Program, provided that such new program graduates apprentices to journeyperson status within the indenture period.
- 3. “Engineer” or “City Engineer” means the City of Madison City Engineer.
- 4. “Public works contract” means a contract for the City of Madison for the construction, alteration, execution, repair, remodeling or improvement of a public work or building, where the contract is

- required to be bid pursuant to Wis. Stat. sec. 62.15.
5. "BVC Contract" is a public works contract where the value of the contract is more than the amount determined in any year pursuant to Wis. Stat. sec. 66.0903(5) \$48,000 for any single-trade public works project and \$234,000 for any multiple-trade public works project. Every year, the City Engineer shall adjust the minimum estimated project cost of completion figures for both single-trade and multiple-trade public works contracts on the basis of the change in the construction cost index as published in the Engineering News-Record. The adjusted minimum estimated project cost of completion figures shall be rounded to the nearest thousand, and maintained by the City Engineer.
 6. "Multiple-trade public works contract" is a public works project in which no single trade accounts for 85% or more of the total labor cost of the project.
 7. "Single-trade public works contract" is a public works project in which a single trade accounts for 85% or more of the total labor cost of the project."