

**Overview of Communication File No. 090346:
A Communication from the Department of Administration relating to a status update on the
implementation of substitute ordinance 080218**

On March 25, 2009, the Common Council adopted substitute ordinance 080218 relating to participation of city residents in public works contracts, requirements for developers receiving direct financial assistance from the city and local business enterprise contracting standards with an effective date of August 8, 2009. This document provides an overview of the various programs included that legislation.

Emerging Business Enterprise (EBE):

The level of EBE participation on City Development and Public Works Projects increases as follows:

- A. **Construction: increase from 18% to 25%**
- B. Purchase of Services: 18% (no change)
- C. Purchase of Professional Services: 18% (no change)
- D. Purchase of Supplies: 18% (no change)

Residence Preference Program (RPP): increases from 25% to 40%

To ensure the participation of City Residents in City Development Projects, The developer will be required to ensure that 40% of worker hours required for construction of the project be performed by unemployed or underemployed residents. In addition, the RPP residence boundary is expanded to include the entire City of Milwaukee.

Prevailing Wage

All contractors will be required to pay prevailing wages to all employees working on the respective project through any and all contractors. Prevailing wage standards are set by the Department of Workforce Development.

Apprenticeship Ratio

An appropriate apprenticeship ratio will be identified for all specific trades on the City Development Project. The City of Milwaukee will utilize the current Department of Workforce Development standards in setting appropriate apprenticeship ratios.

First Source Employment Program

All contractors will be required to utilize the First Source Employment Program (FSEP), which is a program operated by the Milwaukee Area Workforce Investment Board (MAWIB), through an agreement with the City of Milwaukee. FSEP will be the first source in recruitment efforts for all contractors that will actively hire for both new and replacement employment opportunities. The goal of FSEP is to ensure that City residents are considered first for both new and replacement employment opportunities on City Development Projects.

Local Business Enterprise Program

A contracting department, shall, unless contrary to federal state or local law or regulation, apply an award standard in all bids so that an otherwise responsive and responsible bidder which is a local business enterprise shall be awarded the contract, provided that its bid does not exceed the lowest bid by more than 5% or \$25,000.

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