

Purchase of Milwaukee-Made, Milwaukee County-Made and American-Made Goods Legislation



2016-2021 ANNUAL REPORT

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BACKGROUND

- Milwaukee Code of Ordinances, Chapter 310-18.9, Purchase of Milwaukee-Made, Milwaukee County-Made and American-Made Goods, was adopted on February 12, 2013
- Established to increase local and U.S. based business participation in the award of various City commodity contracts
- Requires the City purchase American made goods if the purchase does not increase the cost of the good by more than 12% or \$25,000 (Effective June 20, 2014)
- Applies to all commodity purchases over \$50,000

DEFINITION

- According to Chapter 310-18.9 a “Milwaukee, Milwaukee County, or American-made good” means an article that is:

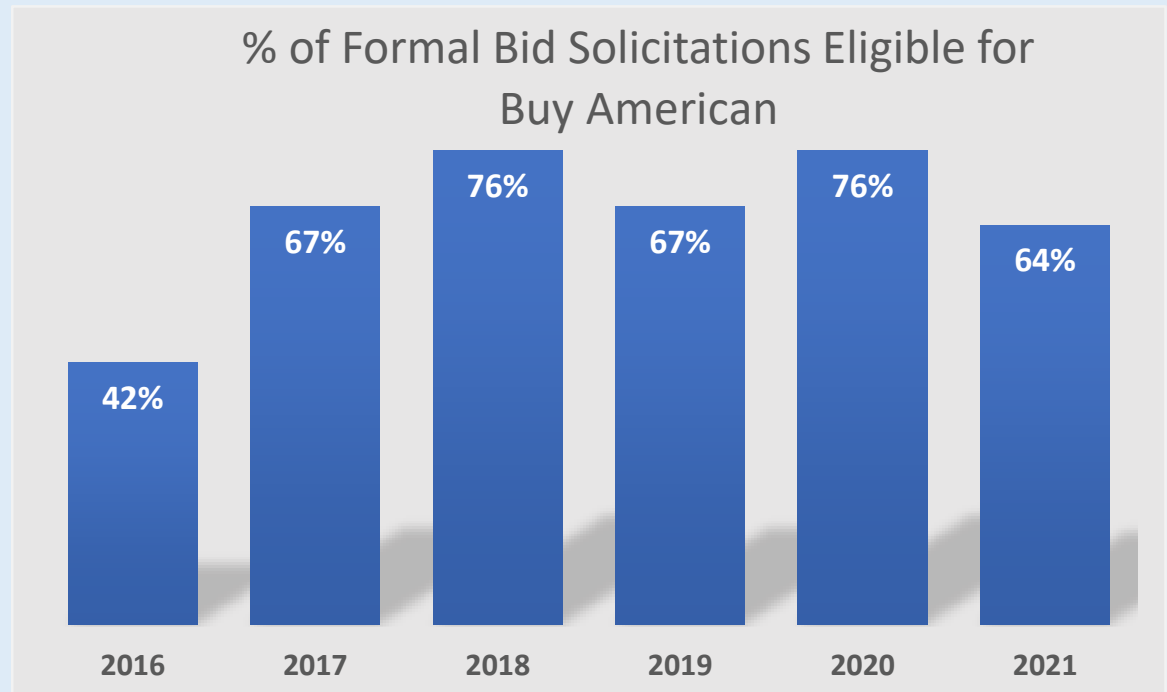
Manufactured, mined or produced in the City of Milwaukee, County of Milwaukee or in the United States whose components made in the City of Milwaukee, County of Milwaukee or in the United States exceed 50% of the total cost of all components.

EXCLUSIONS

- Raw materials such as salt, gravel, petroleum, any product derived from petroleum, or a chemical, including liquid oxygen, fluoride, or anhydrous ammonia.
- The requirements of the legislation may be waived if any of the following conditions apply:
 - The good is not produced in the U.S. in a sufficient quantity and satisfactory quality.
 - The purchase responds to an emergency which endangers public health and safety.
 - It is impracticable to draw specifications to permit competitive bidding, items can be furnished from only one source, or items constitute a special adaptation for a special purpose, pursuant to s. 16-05-3 of the charter.
 - It would be in the best interests of the city to procure the goods as a cooperative purchasing arrangement with the state or other governmental entity.

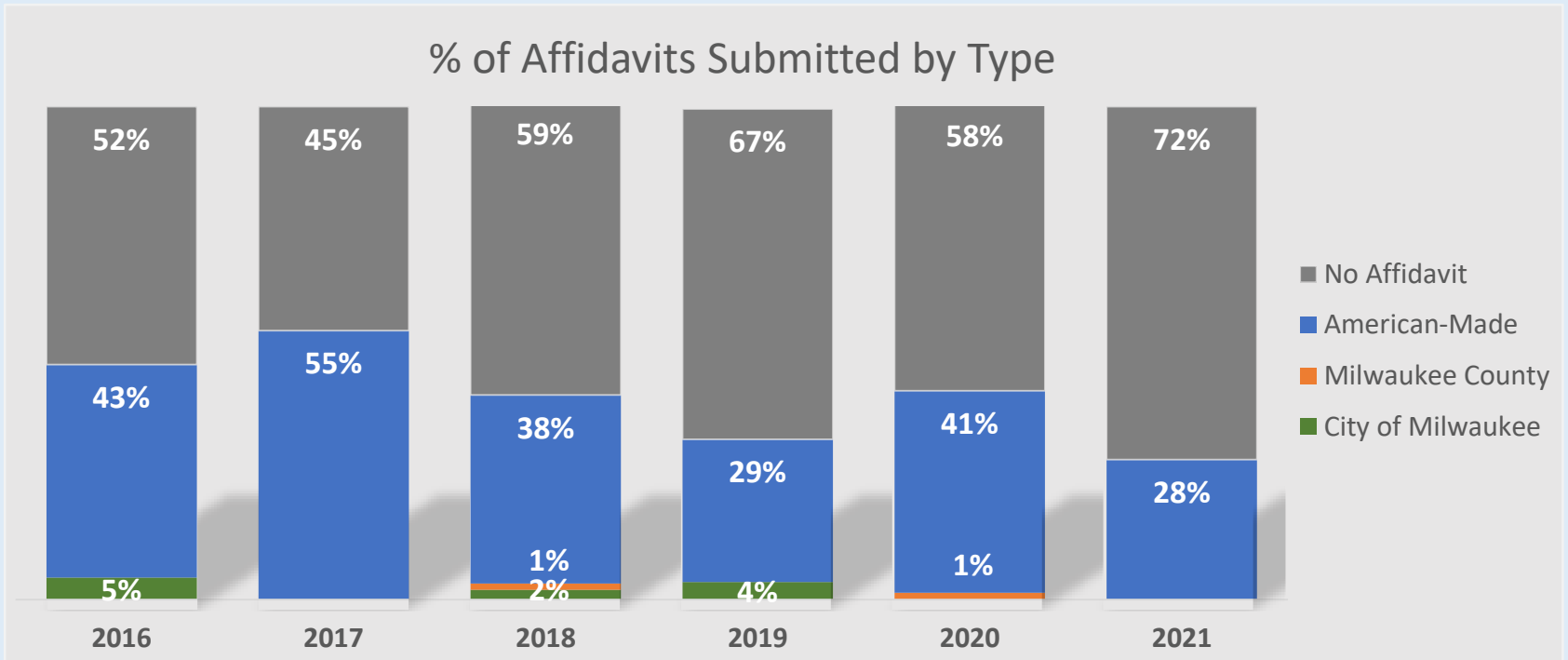
CONTRACTING ACTIVITY

Year	Buy American Awards
2016	0
2017	2
2018	1
2019	1
2020	2
2021	1



	2016	2017	2018	2019	2020	2021
Buy American Bids Issued	21	32	29	29	59	25
Total Formal Bids Issued	50	48	38	43	78	39

BUY AMERICAN SUBMISSIONS



	2016	2017	2018	2019	2020	2021
Buy American Bidders	42	53	31	27	59	27
Total Bidders	88	97	76	83	141	95

FISCAL IMPACT: INCENTIVE COST

Dept	Contract #	Description	Contract Term	Buy American (Awardee)		Lowest Non-Buy American		Contract Value	Incentive Cost
				Company	Bid Amount	Company	Bid Amount		
2017									
DPW	B15535	Barricade Flashers	3 years	Traffic & Parking Control Co., Inc.	\$ 24,200	Lightle Enterprises of Ohio, LLC	\$ 23,300	\$ 90,000	\$ 2,700
DPW	B15536	Cable-Traffic Signal	-	Hurt Electrical, Inc.	\$ 148,575	Price & Sons, Inc.	\$ 144,515	\$ 148,575	\$ 4,060
Total:								\$ 238,575	\$ 6,760
2018									
DPW	B15846	Cable, Street Lighting & Power	1 year	Price and Sons, Inc.	\$ 341,840	Hurt Electric	\$ 338,360	\$ 341,840	\$ 3,480
Total:								\$ 341,840	\$ 3,480
2019									
Fire	B16127	Fire Pumping Apparatus	1 year	Reliant Fire Apparatus, Inc.	\$1,018,414	Fire Safety USA, Inc.	\$1,000,000	\$ 999,988	\$ 18,414
DPW	B17059	Five (5) Dump Bodies	-	Monroe Truck Equipment, Inc.	\$ 94,215	Casper's Truck Equipment	\$ 89,505	\$ 115,741	\$ 4,710
Total:								\$1,115,729	\$ 23,124
2020									
DPW	B17193	Valve & Service Box Parts	3 years	Bingham & Taylor Corp.	\$ 319,553	Etna Supply Co.	\$ 304,110	\$ 1,500,000	\$ 46,328
Police	B17269-2	Vehicle Upfitting Equipment	3 years	TKK Electronics, LLC	\$ 19,351	General Fire	\$ 18,028	\$ 1,000,000	\$ 3,968
Total:								\$2,500,000	\$ 50,295
2021									
DPW-Water	B17961-1	Brass Fittings & Misc. Distribution Repair Items	3 years	Core & Main LP	\$ 170,049	Etna Supply Co.	\$ 157,235	\$ 510,147	\$ 38,441
Total:								\$ 510,147	\$ 38,441

CONCLUSION

- The Buy American Bid Incentive Program's fiscal impact over the last six (6) years is approximately \$20K.
- The program maintains relevance for local firms and it continues to be one small tool that is available to give firms a competitive advantage when participating in the City's bidding processes.
- Lastly, the 12% Buy American legislation appears to have a positive impact on job retention. Since the legislation has been enacted 439 U.S. based jobs have been retained – 427 full time jobs and 12 part time jobs.