



Legislation Text

File #: 22-1063, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Receive the report providing information related to a Responsible Bidder Ordinance

DEPARTMENT: Finance Department

SUBMITTED BY: Rachel Mayer, Finance Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

On May 3, 2022, Councilman Holzhauser requested the City investigate the possibility of enacting a Responsible Bidder Ordinance (RBO) for future capital purchases.

In general, an RBO establishes a number of minimum standards which all bidders must meet to be eligible to submit bids or respond to a Request for Proposal (RFP) for an organization. A sample ordinance is attached as Exhibit 1.

On February 21, 2022 the Village of Lisle passed an RBO by a 4-2 vote. DuPage County passed an RBO in 2020 and the DuPage County Forest Preserve passed one in 2021.

DISCUSSION:

The City of Naperville strives to maximize the number of bidders or responders to RFPs. The vast majority of major bids over the last several years have been awarded to firms that would meet the requirements included in the Lisle ordinance. The City of Naperville currently uses "Terms and Conditions" when contracting that address all requirements of the sample ordinance in Exhibit 1 except for two.

Item "f" is a requirement that the bidder and all bidder's sub-contractors must participate in active apprenticeship and training programs approved and registered with the United States Department of Labor's Office of Apprenticeship for each of the trades of work contemplated under the awarded contract.

Item "g" requires evidence of the participation in Item "f" above, as well as set minimum levels of experience with the apprenticeship program.

These two requirements would effectively eliminate the ability of any non-union bidders from participating in bids for an entity that had this form of RBO in place. Although the two requirements do not mandate that a bidder is union, the City has been unable to identify any non-union bidders

who would meet these two requirements.

Arguments for an RBO have typically been founded on safer, higher quality work, based on the formal apprenticeship requirements.

Arguments against an RBO have typically been founded on limiting the number of potential bidders due to the formal apprenticeship requirement.

In evaluating its impact in Naperville, due to our stringent contract language, existing state requirements for public works, and diligent inspection process, staff does not believe that the passage of a Responsible Bidder Ordinance is warranted at this time.

FISCAL IMPACT:

Without the establishment of specific parameters, such as minimum contract size, the fiscal impact is difficult to quantify.