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**MAYOR EMANUEL, DEPARTMENT OF WATER MANAGEMENT ANNOUNCE NEW
STRATEGIES TO INCREASE MINORITY PARTICIPATION**

*Construction Contracts Smaller to Provide Opportunity for More Firms to Win Business;
Include 10% Upfront Payment to Provide Operating Capital Support;
Contractors Required to Hold Job Fairs in Neighborhoods*

Mayor Rahm Emanuel today announced the Department of Water Management (DWM) is changing its bid process to increase minority participation and diversify hiring for companies who will receive more than \$350 million in construction contracts to install 160 miles of water mains throughout Chicago in the next three years.

"We are making a commitment to not only increase opportunities for minority-owned firms, but also to diversify hiring by contractors who receive work from the City of Chicago," said Mayor Emanuel. "Improving our infrastructure is long-term investment in our city and improving opportunities for minority-owned firms is an investment in our communities."

DWM is dividing its current three geographical regions into seven areas, each of which will receive services under a separate contract ranging from \$50 million to \$90 million. By reducing the overall geographic responsibility, smaller minority firms with lower construction bonds will be able to responsibly bid for contracts.

"By reducing the scope and size of contracts, we are increasing the opportunities for minority-owned contractors who may not have the staff or equipment to successfully bid on contracts with larger responsibilities," said Thomas H. Powers, P.E., Commissioner of the Department of Water Management.

As part of a winning bid, DWM will provide an initial payment of 10 percent before work begins to give contractors with limited access to capital another revenue source with which to purchase materials.

“Providing a payment upfront allows contractors to immediately purchase materials, overcoming another obstacle for smaller firms that may have limited access to funds,” said Powers. “We believe the advancement of funds will also result in more opportunities and lower construction costs.”

Also, DWM is requiring all contractors to organize job fairs in the communities in which the work is being done to provide neighborhood residents with the opportunity to be hired. Contractors will be required to report the results of the job fairs and their hiring as part of the contracts.

DWM expects to advertise the first six contracts within the next week.

The new bid requirements continue the City’s efforts to increase opportunities for residents in neighborhoods throughout Chicago. Throughout the past year, DWM worked with Local 1092 Laborer’s Union to develop an apprentice program that resulted in the hiring of 75 residents as Laborer’s Apprentices who will continue a two-year training program. At the start of the program and every six months during these two years, the Union will provide two-weeks of training at its facility at no cost to the City.

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