WHEREAS, the Common Council has determined that the 2009 and 2010 Michigan City residents’ unemployment rates have consistently led the national and state averages; and

WHEREAS, the Common Council has determined that the high rate of unemployment among City residents is a detriment to the economic viability of the City and its residents; and

WHEREAS, the City of Michigan City possesses a powerful competitive advantage versus other communities in that it is able to fund large capital projects through use of its Riverboat and Boyd Development Funds; and

WHEREAS, the Common Council finds that the expenditure of the monies in these funds will provide the most positive economic impact on the City of Michigan City and its residents if they are used to create and maintain jobs for City residents, including minorities and women; and

WHEREAS, the Indiana legislature authorized Michigan City to host a casino because it found the City to be economically depressed and the monies the City derived from the casino would be used to help relieve that economic distress; and

WHEREAS, the City of Michigan City is a diverse and talented community of skilled workers, crafts persons and laborers available for work in the construction trades; and

WHEREAS, THE Common Council finds that residents are more likely to spend their money in the City on rent, groceries, and services thus improving our local economy; and

WHEREAS, due to the multiplier effect resulting from the expenditure of funds in the City, every dollar paid to a City resident has an economic improvement effect of the amount paid compared to very little, if any, economic improvement from monies paid to non-residents; and
WHEREAS, the City of Michigan City annually expends considerable public funds from the Riverboat and Boyd Development Funds on capital projects which regularly exceed several million dollars in cost and the expenditure of those funds as wages to City residents would benefit the local workforce of Michigan City residents, minorities and women and, as a result, improve the economic conditions in the City as was intended by the Indiana legislature; and

WHEREAS, the purpose of this Ordinance is to encourage the hiring of City residents, including minorities and women of City funded construction projects for which more than two hundred thousand dollars ($200,000.00) of public funds are expended; and

WHEREAS, this Ordinance is further intended to establish a quota for the hiring of City residents on City funded construction projects for which more than two hundred thousand dollars ($200,000.00) of public funds are expended; and

WHEREAS, the purpose of this Ordinance is further intended to provide the means by which the City may enforce and monitor compliance with the requirements of this Ordinance and monitor and report the degree to which residents, minorities, and women are hired into such construction projects of the City of Michigan City.

NOW, THEREFORE BE IT ORDAINED by the Common Council of the city of Michigan City that, for all of the aforesaid reasons, the following is to be substituted for Chapter 22, Section 5 of the Michigan City Code:

A. Short Title. This Chapter shall be known as the “Michigan City Local Hiring program”.

B. Purpose. The purpose of this Chapter shall be to increase employment opportunities for qualified residents, minorities and women; to encourage the hiring of such qualified persons; to require the hiring of a certain percentage of City residents; to enforce compliance with this Ordinance; and to monitor, record, and report compliance herewith and the rate of employment of such persons on qualified construction projects of the City of Michigan City.

C. Definitions:

1. “City” means the Civil City of Michigan City and all of its agencies, districts, and departments.
2. “City Construction Agreement” means any written contract between a contractor and the City for a Construction Project.
3. “Construction Project” means any City public works project for which the estimated cost is more than two hundred thousand dollars ($200,000.00).

3. “Non-Qualifying Construction Project” means any public works project with the City which does not meet the definition of a Construction Project as herin above defined.

4. “Contractor” means a person, association, partnership, corporation, limited liability company or other legal entity that proposes to undertake a Construction Project.

5. “Construction Site” means the primary geographic location of construction activity for a Construction Project.

6. “Local Hiring Agreement” means an agreement entered into between a Contractor and the City that implements the Local Hiring Program provisions set forth in this Chapter.

7. “Local Hiring Program” means the provisions of this Chapter and any guidelines or policies adopted by the City to implement this chapter.

8. “Local Hiring Registry” means the list of City residents and their trade qualifications that have responded to the City of Michigan City local Hiring Program Notice for City Residents.

9. “Local Hiring Oversight Committee” means a committee of the Michigan City Common Council appointed by the Council President to review Contractor compliance with the requirements of this Chapter.

Proof of residency must be secured with

(a) Indiana driver’s License
(b) Indiana State ID
(c) Utility bill of Michigan City residence with the name of Michigan City resident

10. “City Resident” means any person whose primary residence is within the incorporated municipal boundaries of the City of Michigan City at the time of commencement of work on the Construction Project.

11. “Minority” means a member of a minority group as specified in Indiana Code 4-13-16.5-1.

12. “Minority Business Enterprise” shall have the meaning set forth in Indiana Code 4-13-16.5-1.

13. “Minority Business Enterprise/Woman Business Enterprise Goal” means five percent (5%) of the Construction Project costs paid by the City are paid to a Minority Business Enterprise and/or a Woman Business Enterprise.

14. “Proof of Compliance” means

(a) Documentation, including names and addresses of City residents demonstrating that the requirements of this Chapter have been met.

(b) If the Resident Hiring Quota is no met, a letter addressed to Michigan City Human Rights Department from a union business
agent or contractor stating that Michigan City residents were not available to fulfill the resident hiring quota.

(c) A letter from the Michigan City Human Rights Department confirming that there are no City residents available to fulfill the hiring quota or goal.

15. “Resident Hiring Quota” means fifty percent (50%) of the total hourly wages paid for a Construction Project for labor performed at the Construction Site by City Residents.

16. “Woman Business Enterprise” shall have the meaning set forth in Indiana Code 4-13-16.5-1.3.

D. Applicability to City Construction Projects.

1. Mandatory Participation. All Contractors entering into a City Construction Agreement for a Construction Project are required to participate in the Local Hiring Program and enter into a Local Hiring Agreement as developed by the Mayor of the City of Michigan City.

2. Contractor Non-Compliance. The failure of a Contractor to comply with any of the requirements of the Local Hiring Program or the Local Hiring Agreement may be considered as the Contractor not being responsible and used as a factor against granting the offending Contractor any future Construction Project.

3. Penalty for Non-compliance. The failure of a Contractor to comply with any of the requirements of the Local Hiring Program or the Local Hiring Agreement will result in the following:
   (a) Upon the first offense, Contractor will be prohibited from bidding on Construction Projects and from participating as a subcontractor on awarded City Construction Agreements for six months from the date in which the Contractor was deemed non-compliant.
   (b) Upon the second offense, Contractor is prohibited from bidding Construction Projects and from participating as subcontractor on awarded City Construction Agreement for one year from the date in which Contractor was deemed non-compliant.
   (c) Contractor cannot be penalized due to non-compliance with any of the requirements of this ordinance caused by the termination, resignation, illness, or injury of any employee. If such incident does occur that forces contractor to be non-compliant to this ordinance, contractor must act to hire to replace Michigan City resident with another Michigan City resident if available until the local hiring quota is met.

4. Requirements. All requirements for compliance with the Local Hiring Program for Construction Projects shall be set forth in a Local Hiring Agreement between the Contractor and the City. These requirements shall include the following:
   (a). The Resident Hiring Quota;
   (b). The Minority Business Enterprise/Woman Business Enterprise Goal;
The procedures which the Contractor must follow in order to comply with the Local Hiring Program;

The schedule within which above referenced procedures must be completed.

The required record-keeping and documentation for demonstrating a Contractor’s proof of compliance with the Local Hiring Agreement including:

1. Documentation including names and addresses of Michigan City residents showing resident hiring quota is met.
2. If the Resident Hiring Quota or the Minority/women hiring goal is not met, a letter addressed to Michigan City Human Right Department from a union business agent or Contractor stating that City Residents were not available to fulfill hiring goal.
3. A letter from the Michigan City Human Rights Department confirming that there are no City residents available to fulfill the hiring quota.

Any other matters that the Mayor deems appropriate to include the Local Hiring Agreement.

Michigan City Local Hiring Program Notice Contractor is responsible for the funding and placement of a Michigan City Local hiring Program Notice advertisement in our local newspaper requesting that City residents respond to contractor and to the Michigan City Human Rights office with their union and trade qualifications and availability to work on the City project. Advertisement must be published in the classified section of the local newspaper per rules and requirements of Michigan City Local Hiring Program Notice template. See attached Exhibit “A”.

Solicitation for Bids. All solicitations for bids by the City for Construction Project shall include in the Notice to Bidders and its specifications that any successful bidder shall be subject to the provisions of the Local Hiring Program.

Bid Package. A copy of this Chapter and a copy of the “Local Hiring Registry will be included in the bid package give to prospective bidders.

Pre-bid conference. At least seven (7) business days before a bid for a Construction Project is due, the City will hold a mandatory pre-bid conference that all prospective bidders must attend to be considered eligible to be awarded the bid. The Local Hiring Program and the necessary proof of compliance with its requirements and penalties for non-compliance are explained in detail to the prospective bidders.

E. Applicability to Non-Qualifying Construction Projects

1. Voluntary Participation. The Local Hiring Program may be made applicable to
Non-Qualifying Construction Projects on a voluntary basis. The City encourages all construction contractors to participate in the Local Hiring Program.

2. Requirements for Voluntary Participation. At the time of entering into a construction contract with the City, a contractor who wished to voluntarily participate in the Local Hiring Program shall enter into the prescribed Local Hiring Agreement for the non-qualifying project.

F. City Assistance in Local Hiring Program.

A. The City shall assist Contractors in complying with the Local Hiring Program by:
   (1) Providing referral information for Contractors and Resident Employees, including the Local Hiring Registry which is the list of Michigan City residents and their union/trade qualifications that the City’s Human Rights Department will maintain and make available as a resource to contractors;
   (2) Monitoring the progress of Resident Employees, Minority Business Enterprise and/or a Woman Business Enterprise in the Local Hiring Program;
   (3) Developing effective outreach and education for, and recognition of, contractors who participate in the Local Hiring Program; and
   (4) Promoting the Local Hiring Program throughout the City.

B. Failure of the City to implement any of the activities described in this Section shall not excuse the performance by a Contractor of obligations set forth in the applicable Local Hiring Agreement.

G. Administration.

1. Generally. The Mayor, through the Department of Human Rights or such other designated department chosen or established by the Mayor for purposes stated herein, is hereby authorized and assigned the duty to implement and monitor all aspects of the Local Hiring Program.

2. Contract Specific Administration. The Board, Department District, or political subdivision of the City which awards any qualified or non-qualified Construction project shall designate the human Rights Department as being responsible for monitoring compliance with the provisions of the Local hiring Program. The Human Rights Department shall have the following responsibilities:

   (a). Gathering the all relevant data and preparing monthly statistical reports documenting proof of Contractor Compliance with the Local Hiring Agreement;
   (b). Review of documented measures taken by Contractors to comply with the provisions of the Local Hiring Agreement;
   (c). The Human rights Department shall conduct periodic visits to job site
of Construction Projects to determine whether the Resident Hiring Quota is being met.

3. **Local Hiring Oversight Committee.** The President of the Michigan City Common Council will appoint a committee of council members who will be a liaison and provide oversight for compliance with this Chapter. The Committee may meet as necessary with the Mayor and Human Rights Department representatives to review contractor compliance and discuss additional methods for enforcing compliance with this Chapter and increasing City Resident, Minority and Women employment.

**H. Exception of Designated Construction Projects.**

If the Mayor, in coordination with the City Engineer, project architect and appropriate City Board, Department, District or Commission responsible for an otherwise qualifying Construction Project, determines that special skills not available within the Michigan City workforce are necessary for the efficient completion of the Construction Project, the appropriate City body may declare those parts of the Construction Project for which qualified City Residents are not available exempt from the provisions of this Chapter. The appropriate City body shall provide advance notice to the Mayor, Common Council, Board of Public Works and Safety and the Department of Human Rights of its desire to declare such a Construction Project exempt.

**I. Severability of Provisions**

If any section subsection, sentence, clause, portion, or phrase of this Chapter is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining sections, subsections, sentences, clauses, portions, or phrases of this Chapter. The City Council hereby declares that it would have passed this Chapter and each and every section, subsection, sentence, clause, portion, or phrase without regard to whether any other section, subsection, sentence, clause, portion, or phrase of the Chapter would be subsequently declared invalid or unconstitutional.

**J. Effective Date**

This Ordinance shall be effective upon passage and approval by the Mayor and applicable to all Construction Projects for which the City thereafter solicits for bid.

Introduced by: /s/ Richard Murphy

Co-Sponsor: /s/ Bob McKee

Co-Sponsor: /s/ Ron Meer
Passed by a vote of 9 - 0, by the Common Council of the City of Michigan City, Indiana, this 3rd day of August, 2010.

/s/ Marc Espar, President
Michigan City Common Council

Approved by Charles Oberlie, Mayor of the City of Michigan City, Indiana this 6th day of August, 2010.

/s/ Charles Oberlie, Mayor
City of Michigan City, Indiana

ATTEST:

/s/ Thomas F. Fedder, City Clerk
EXHIBIT “A”

MICHIGAN CITY LOCAL HIRING PROGRAM NOTICE

This notice is a requirement of compliance to the Michigan City Local Hiring Ordinance and must be completed by all contractors who have been hired by the City of Michigan City for a city project with a construction budget of at least $200,000.

Contractor must submit an ad in the classified section of The News Dispatch to run for seven (7) days prior the commencement of construction. Ad will be written with language below with contractor customizing hiring contact information.

Michigan City Local Hiring Program

In accordance with the Michigan City Local Hiring Program, qualified Michigan City residents are being afforded an opportunity to work on the __________ construction project. This project will commence on or about __________. In order to be considered for hire under this program, residents need to respond with union qualifications and availability by calling (Insert Company Name and Phone Number) and the Michigan City Human Rights Department office (219) 873-1429.