



CITY OF MISSOULA APPRENTICESHIP BIDDER'S PREFERENCE PROGRAM FAQS

City of Missoula
1345 W Broadway
Missoula, MT 59802
September 4, 2019

Why is the City of Missoula instituting an Apprenticeship Bidder's Preference Program?

The City of Missoula recognizes that a well-trained construction work force is critical to the economic future of Missoula. Apprenticeship training programs are particularly effective in providing training and experience to individuals seeking to enter or advance in the work force. By providing for apprenticeship utilization on City projects, the City can create opportunities for training and experience that will help assure that a trained work force will be available in sufficient numbers in the future.

Does the City of Missoula require contractors bidding on City projects to comply with this program or is it optional?

This City's apprenticeship program is optional; it is not a mandatory requirement for working on City projects.

Contractors who can prove that they are part of a Montana registered (state-approved) apprenticeship training program and can show that 10% of all labor hours will be comprised of registered apprentices, will receive a 5% preference during the bidding selection process. The total value of this preference shall not exceed \$100,000 in value.

Example: Contractor A has a state approved apprentice program and bids \$600,000 on a water main project. Contractor B does not have state approved apprentice program and bids \$590,000. The City applies the preference by multiplying 5% with Contractor A's price and subtracting the result from Contractor A's price. Assuming both contractors are considered qualified to do the work, Contractor A would be selected for the work. The 5% bidding preference is only used for bid evaluation. It does not change the contractor's bid price. The agreement between the City and Contractor A will be for the bid price--\$600,000. See table below:

	Qualified Contractor A	Qualified Contractor B
Bid price:	\$600,000	\$590,000
Subtract preference value: (\$600,000 * .05) = \$30,000	\$30,000	N/A
Bid value with preference applied for evaluation purposes: \$600,000 - (\$600,000*.05)	\$570,000*	\$590,000
Final contract award amount:	\$600,000	

What is a Montana Registered Apprenticeship?

Montana Registered Apprenticeship is an employer designed training program, consisting of not less than 2000 hours (1 year) of On-the-Job Training (OJT), and not less than 144 hours of related college level coursework per 2000 hours of OJT. This training is designed to teach specific and technical job skills unique to the employer’s profession. Formal registered apprenticeship completion can be the basis for professional licensing, or confer journeyman status in their chosen field. A Montana Registered Apprenticeship program completion certificate, like any diploma, is recognized in all 50 states.

More information on Montana Registered Apprenticeship programs can be found here.
<http://apprenticeship.mt.gov/>

Montana Registered Apprenticeship
 PO Box 1728
 Helena, MT 59624
 406-444-4100
 dliquestions@mt.gov

How does being a Montana Registered Apprenticeship program sponsor benefit my company?

The apprenticeship training model has been utilized in Montana for decades and is a critical workforce stream to help businesses find the employees you need. The Montana Registered Apprenticeship program is here to help your company train future employees with the skills they need to succeed for you.

By working with your company to develop an employer specific in-house apprenticeship training program, you will be able to provide on-the-job training with college level related training instruction specific to your needs.

You know the skills sets you need and how to train your employees. By partnering with the Montana Department of Labor & Industry, your Montana Registered Apprenticeship participants will earn the official Apprenticeship Completion Certificate upon completion of their training. This is a nationally recognized certification that shows your commitment to training your workforce.

In addition, to helping to grow your company with qualified and trained employees, your company may also qualify for tax credits as a Montana Registered Apprenticeship sponsor.

Does the City’s apprenticeship bidder’s preference program apply to all City of Missoula construction projects?

No, the apprenticeship bidder’s preference program will only be applied to projects that are estimated to exceed \$500,000 in costs.

What if the engineer’s estimates are high and the actual bids are lower than \$500,000?

The City will determine whether or not the apprenticeship bidder’s preference will be applied during the design phase of the project. This determination will be shared with bidders in the “Invitation to Bid”, “Instructions to Bidders” as well as at the pre-bid conference. Once the determination has been made to use the bidder’s preference program, it will be applied even if bids come in less than \$500,000.

How can I find local sub-contractors who have state-approved apprenticeship programs?

There is a listing of state-approved training programs, for both independent sponsors and union sponsors, on the Montana Department of Labor & Industries website: This listing is grouped by county.

<http://apprenticeship.mt.gov/>

I have a training program of my own but it is not a state-approved program. Can I use this toward meeting the utilization requirement?

You can only use a state approved program for meeting the utilization requirement.

I’m trying to get a program approved by the state but it is not approved yet, what can I do to meet the requirement until the program gets approved?

You’ll need to utilize an existing state approved program or another contractor on the job will need to make up for the shortfall in utilization caused by you not using a state approved program.

Who does the utilization requirement apply to? Does it apply to the prime contractor, the subcontractors or both?

The contract requires that 10% of the total labor hours on the project be performed by apprentices. Labor hours is defined as the total hours of workers who receive hourly wages who are directly employed on the construction project site. These include hours performed by workers employed by the contractor and all subcontractors working on the project. Labor hours do not include hours worked by superintendents, foremen, and owners, who are not subject to prevailing wage requirements.

Can I include truck drivers?

Truck drivers should be reported in the same manner as any other apprentice or journeyman. If they are working on a City project, are receiving a prevailing wage and are not a foreman, superintendent, or owner; apprentice and journeymen truck driver hours should be reported.

What about plant workers or hours for offsite fabrication?

You can report these hours if there work is in direct support of the public work project.

Are owner/operators included?

The owner/operator would not be included. Any employees they have receiving a prevailing hourly wage would be included.

What do I submit to the City with my bid to prove my company is in compliance with the City's Apprenticeship Program?

The City will include a "Bidder Preference Application Form" in the contract manual that any contractor requesting bidder's preference will be expected to fill out and submit with their bid. An example of this form can be found on the City's website. Contractors will be expected to estimate the total number of construction labor hours as well as the total number of apprenticeship hours for the project and demonstrate how they will achieve the 10% requirement.

Will there be a contractual requirement to comply with the apprenticeship program?

Yes, the Bidder's Preference Application Form will be considered a contract document and the rules established in Section 00300 Bid Form will be enforced as per the City resolution.

What does the City expect to see at the end of the project to demonstrate compliance with the City's Apprenticeship Program?

The contractor will be required to submit certified payrolls to the project engineers each month. These payrolls must show which contractor employees and which sub-contractor employees are registered apprentices. The names of the apprentice employees listed in these payrolls do not have to exactly match the names originally submitted on the Proof of State Approved Apprenticeship Program as the City recognizes that staff changes can occur during a project. The City's engineers will review these payrolls as necessary during the project to ensure the contractor is on track to meet the 10% apprentice labor hour requirement.

What happens if a Contractor receives bidder preference but fails to comply with the 10% apprentice labor hour requirement during the project?

The City will evaluate each project and determine if the contractor has made a good faith effort to comply with the program requirements. Consideration will be given in the event apprentices graduate or depart from the program unexpectedly.

Failure to make a good faith effort to comply with the 10% apprentice labor hour requirement may be considered a breach of contract, for which the City is entitled to all remedies, including liquidated damages and temporary or permanent cessation of work allowed by law and under the contract. Failure to comply may also be used as evidence bearing on a contractor's ability to receive bidder's preference on future contracts.

Liquidated damages may be valued at up to 5% of the total contract amount, not to exceed the amount received in bidder's preference.