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AN ACT concerning

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Responsible Contractor Requirements

For the purpose of amending provisions of the Prince George's County Code related to the solicitation and award of public construction contracts; providing for certification for public contractors and subcontractors to public construction contracts; providing for assurance on the use of properly trained construction personnel; providing Responsible Contractor eligibility criteria and requiring the use of a Responsible Contractor in certain County construction projects under certain circumstances.

| 9 | BY repealing and reenacting with amendments: |
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| 10 | SUBTITLE 10A. PURCHASING. |
| 11 | Section 10A-101 |
| 12 | The Prince George's County Code |
| 13 | (2019 Edition; 2022 Supplement). |
| 14 | BY adding: |
| 15 | SUBTITLE 10A. PURCHASING. |
| 16 | Sections 10-118.01, 10-118.02, 10-118.03, 10-118.04, |
| 17 | 10-118.05, 10-118.06, 10-118.07, 10-118.08 and 10-118.09 |
| 18 | The Prince George's County Code |
| 19 | (2019 Edition; 2022 Supplement). |
| 20 | SECTION 1. BE IT ENACTED by the County Council of Prince George's County, |
| 21 | Maryland, that Section 10A-101 of the Prince George's County Code be and the same is hereby |

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1 repealed and reenacted with the following amendments: 2 SUBTITLE 10A. PURCHASING. **DIVISION 1. ADMINISTRATIVE PROCEDURES.** 3 Sec. 10A-101. Definitions. 4 5 (a) The words defined in this Section shall have the meanings set forth below whenever 6 they appear in this Subtitle unless the context in which they are used clearly requires a 7 different meaning or a different definition is prescribed for a particular provision. * * * * 8 9 **Responsible Contractor** means any contractor or subcontractor engaged in (37.1)the construction, erection, alteration, remodeling, demolition and all repair of buildings, real 10 11 property, highways, roads, bridges or other construction work performed pursuant to a 12 construction contract for the public benefit valued at or above \$50,000 and has received a Responsible Contractor Certification. This requirement shall apply to all contractors and 13 14 subcontractors at any tier of such projects. (37.2) **Responsible Contractor Certification** means a certification by the 15 16 construction manager, general contractor or other lead or prime contractor whereby they shall 17 confirm and certify the following facts regarding its past performance and work history and its 18 current qualifications and performance capabilities: 19 (A) The firm and its employees have all valid, effective licenses, 20 registrations or certificates required by federal, state, county, or local law, including, but not 21 limited to, licenses, registrations or certificates required to: (a) do business in the designated 22 locale; and (b) perform the contract work it seeks to perform. These shall include, but not 23 limited to, licenses, registrations or certificates for any type of construction or maintenance trade 24 work or specialty work which the firm proposes to self-perform; and 25 (B) The firm meets the bonding requirements for the contract, as required 26 by applicable law or contract specifications and any insurance requirements, as required by 27 applicable law or contract specifications, including general liability insurance, workers compensation insurance and unemployment insurance; and 28 29 (C) The firm is in compliance with all administrative filing and registration 30 requirements as follows:

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| 1 | (i) <u>compliance with workers' compensation and</u> |
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| 2 | unemployment insurance requirements; and |
| 3 | (ii) currently registered with the Maryland Department of |
| 4 | Assessment and Taxation; and |
| 5 | (iii) has not at any time had its registration forfeited by the State |
| 6 | Comptroller; and |
| 7 | (iv) has a valid federal tax I.D. number or a valid Social |
| 8 | Security number if an individual. |
| 9 | (D) The firm has not received an administrative merits determination, |
| 10 | arbitral award or civil judgment rendered against it, any of its contractors or subcontractors or |
| 11 | its related entities, including businesses substantially under its control, subsidiaries, |
| 12 | predecessors, principals, and people or businesses that substantially control the firm, in the |
| 13 | preceding 5 years for violations of the following: |
| 14 | (i) Wage violations and misclassification |
| 15 | (ii) Prevailing Wage laws of the State of Maryland and any of |
| 16 | its counties, or of any other State, including the District of Columbia |
| 17 | (iii) Wage & Hour laws of the State of Maryland or any other |
| 18 | State, including the District of Columbia |
| 19 | (iv) Maryland Workplace Fraud Act |
| 20 | (v) Maryland Minority Business Enterprise Program |
| 21 | (vi) Federal Fair Labor Standards Act or |
| 22 | (vii) Federal Davis Bacon Act |
| 23 | Where the contractor, subcontractor or related entity has agreed to settle a dispute concerning |
| 24 | any of the above-referenced laws, such settlement shall be reported to the contracting agency; |
| 25 | and |
| 26 | (E) The firm and its related entities have not received a final determination |
| 27 | assessing a sanction for failure to meet targeted group business, disadvantaged business |
| 28 | enterprise, or veteran- owned business goals, due to a lack of good faith effort, more than once |
| 29 | during the five- year period before submitting the verification; and |
| 30 | (F) The firm and its related entities utilize skilled construction workers that |
| 31 | have graduated from an apprenticeship program registered with Maryland Department of Labor, |
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Licensing and Regulation's Office of Workforce Development; and (G) The firm and its related entities are not currently suspended or debarred by the federal government or the State of Maryland or any of its departments, commissions, agencies, or political subdivisions; and (H) The firm understands that the Responsible Contractor Certification required by this section shall be executed by a person who has sufficient knowledge to address all matters in the certification and shall include an attestation stating, under the penalty of perjury, that the information submitted is true, complete and accurate. * * * * * * * * SECTION 2. BE IT ENACTED by the County Council of Prince George's County, Maryland, that Sections 10A-118.01, 10A-118.02, 10A-118.03, 10A-118.04, 10A-118.05, 10A-118.06, 10A-118.07, 10A-118.08, and 10A-118.09 of the Prince George's County Code be and the same are hereby added: SUBTITLE 10A. PURCHASING. **DIVISION 2. AWARD OF CONTRACTS.** Sec. 10A-118.01. Responsible Contractor Requirement. (a) As a condition for performing work on a construction contract for the construction, erection, alteration, remodeling, demolition and all repair of buildings, real property, highways, roads, bridges or other construction work performed pursuant to a construction contract for the public benefit valued at or above \$50,000, a construction manager, general contractor, prime contractor and all subcontractors seeking award of a contract shall submit a Responsible Contractor Certification. (b) The Responsible Contractor Certification shall be completed on a form provided by the Purchasing Agent and shall reference the project for which a bid is being submitted by name and contract or project number. (c) Execution of the Responsible Contractor Certification required by this Section shall not establish a presumption of contractor responsibility and the Purchasing Agent may require any additional information it deems necessary to evaluate a firm's status as a Responsible Contractor, including technical qualification, financial capacity or other resources and performance capabilities. The Purchasing Agent may require that such information be included in a separate Statement of Qualifications and Experience or as an attachment to the Responsible Contractor

1 Certification.

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(d) The submitting firm shall stipulate in its Responsible Contractor Certification that, if it receives a Notice of Intent to Award Contract, it will provide a Subcontractor List and required subcontractor information as specified in Section 10A-118.05 of this Act verifying that all subcontractors it intends to use have verified that they meet the minimum standard of a Responsible Contractor.

(e) If a submitting firm has ever operated under another name or is controlled by another company or business entity or in the past five years controlled or was controlled by another company or business entity, whether as a parent company, subsidiary or any other business relation, it shall attach a separate statement to its Responsible Contractor Certification that explains in detail the nature of any such relationship. Additional information may be required from such an entity if the relationship in question could potentially impact contract performance.

(f) If a firm fails to provide a Responsible Contract Certification required by this Section, it shall be disqualified from bidding. No action of any nature shall lie against the County or Purchasing Agent because of the refusal to accept a bid for failing to provide information required by this section.

Sec. 10A-118.02. Pre-Qualification Requirements.

(a) Each firm subject to the requirement of Section 10A-118.01 must submit a Responsible Contractor Certification at least fourteen (14) calendar days before the specified bid submission deadline. Failure to submit a Responsible Contractor Certification by the aforesaid deadline will automatically disqualify any firm from submitting a bid or proposal for a contract.

 (b) Upon the receipt of the Responsible Contractor Certification during the prequalification phase, the Purchasing Agent shall determine whether the firm meets the requirements set forth in Section 10A-118.01. Notice of the Purchasing Agent's determination shall be sent to the proposed firm no less than seven (7) calendar days before the specified bid submission deadline. All firms that are determined by the Purchasing Agent to meet the qualification requirements of this Act shall be entitled to submit a bid or proposal for the project.
Sec. 10A-118.03. Waiver of Requirements.
(a) A limited exception to the Responsible Contractor Requirement may be granted if only

(a) <u>A limited exception to the Responsible Contractor Requirement may be granted if only</u> one prime contractor bids a project. In that instance only, the Purchasing Agent may award the prime contractor the contract even if that contractor does not meet the minimum criteria above.

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| 1 | All other contractors and subcontractors working on the project shall nevertheless be required to |
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| 2 | meet the Responsible Contractor Requirement. |
| 3 | (b) Upon a determination by the Purchasing Agent that any public funding requirement for |
| 4 | a specific project, limits or precludes the application of any specific provisions of Section 10A- |
| 5 | 118.01, such provisions may be waived by the Purchasing Agent. |
| 6 | Sec. 10A-118.04. Notice of Intent to Award Contract. |
| 7 | (a) After it has received bids for a project, the Purchasing Agent shall issue a Notice of |
| 8 | Intent to Award Contract to the firm offering the lowest responsible bid. |
| 9 | (b) Such Notice shall be issued immediately or as soon as practical after bids are opened |
| 10 | and Notice of Intent to Award Contract. The Notice shall stipulate that the contract award is |
| 11 | conditioned on the issuance of a written Responsible Contractor Determination, as required by |
| 12 | Section 10A-118.02 and any other conditions deemed appropriate by the County. |
| 13 | Sec. 10A-118.05. Subcontractor Lists and Subcontractor Responsibility Certifications. |
| 14 | (a) A prospective awardee shall submit to the Purchasing Agent a Subcontractor List |
| 15 | containing the names of any subcontractors that will be used for the referenced projects, their |
| 16 | addresses and a description of the work each listed subcontractor will perform on the project. |
| 17 | (b) At the time a perspective awardee submits the Subcontractor List it shall also submit |
| 18 | Subcontractor Responsible Contractor Certifications for the respective subcontractors on forms |
| 19 | prepared by the Purchasing Agent and shall contain the same information and representations |
| 20 | required in Responsible Contractor Certifications, including verifications of apprenticeship |
| 21 | qualifications (where applicable) as required by Section 10A-118.01, for each trade or |
| 22 | classification of craft workers it will employ on the project. |
| 23 | (c) Subcontractor Responsible Contractor Certifications shall be executed by a person |
| 24 | having sufficient knowledge to address all matters in the certification and shall include an |
| 25 | attestation stating, under the penalty of perjury, that all information submitted is true, complete |
| 26 | and accurate. |
| 27 | Sec. 10A-118.06. Contractor Responsibility Review and Determination. |
| 28 | (a) After a Notice of Intent to Award Contract has been issued, the Purchasing Agent shall |
| 29 | undertake a review process to determine whether the prospective awardee is a qualified, |

30 Responsible Contractor in accordance with the requirements of Section 10A-101(a)(37.1), 10A-

101(37.2) and other applicable laws and regulations and has the resources and capabilities to

successfully perform the contract. The time of the review process shall be as determined necessary by the Purchasing Agent.

(b) As part of this review process, the Purchasing Agent shall ensure the Responsible Contractor Certification, the Subcontractor List and the Subcontractor Responsible Contractor Certifications, as required by this ordinance, have been submitted and properly executed.

(c) The Purchasing Agent may conduct any additional inquiries to verify that the prospective awardee and its subcontractors have the technical qualifications and performance capabilities necessary to successfully perform the contract and that the firms have a sufficient record of law compliance and business integrity to justify the award of a public contract. In conducting such inquiries, the Purchasing Agent may seek relevant information from the firm, its prior clients or customers, its subcontractors or any other relevant source.

(d) If at the conclusion of the review process the Purchasing Agent determines that all responsibility certifications have been properly completed and executed and if they conclude that the qualifications, background and responsibility of the prospective awardee and the firms on their Subcontractor List are satisfactory, they may issue a formal written Contractor
Responsibility Determination verifying that the prospective awardee is a qualified, responsible contractor. In the event a firm is determined to be non-responsible, the Purchasing Agent shall proceed to conduct a responsibility review of the next lowest, responsible bidder or, if necessary, rebid the project.

(e) <u>A Contractor Responsibility Determination may be issued after the conclusion of the</u> review process under this Section. A Responsibility Determination may be revoked or revised in any manner at any time if the Purchasing Agent obtains relevant information warranting any such revocation or revisions.

Sec. 10A-118.07. Subcontractor Responsibility Review and Determination.

(a) A construction manager, general contractor or other lead or prime contractor shall not be permitted to use a subcontractor on any work performed for the County unless it has identified the subcontractor on its Subcontractor List and provided a Subcontractor Responsible Contractor Certification in accordance with the requirements of Section 10A-118.05.

(b) <u>A subcontractor listed on a firm's Subcontractor List shall not be substituted unless</u> written authorization is obtained from Purchasing Agent and a Subcontractor Responsible <u>Contractor Certification is provided for the substitute subcontractor.</u>

| 1 | (c) In the event the Purchasing Agent determines that a prospective subcontractor listed by |
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| 2 | the apparent low bidder does not meet the responsibility standards of this Section, they may, |
| 3 | after informing the prospective awardee, exercise one of the following options: |
| 4 | (1) Permit the awardee to substitute a qualified, responsible, subcontractor in accordance |
| 5 | with the requirements of this Section; or |
| 6 | (2) Require the awardee to self-perform the work in question if the firm has the required |
| 7 | experience, licenses and other qualifications to perform the work in question; or |
| 8 | (3) Disqualify the prospective awardee. |
| 9 | In the event a subcontractor is disqualified under this Section, the general contractor, |
| 10 | construction manager or other lead or prime contractor shall not be permitted to make any type |
| 11 | of contractual claim against the County or Purchasing Agent the basis of a subcontractor |
| 12 | disqualification. |
| 13 | Sec. 10A-118.08. False or Misleading Responsibility Certifications. |
| 14 | (a) If the Purchasing Agent determines that a Contractor or Subcontractor Responsible |
| 15 | Contractor Certification contains false or misleading material information that was provided |
| 16 | knowingly or with reckless disregard for the truth or omits material information knowingly or |
| 17 | with reckless disregard of the truth, the firm for which the certification was submitted shall be |
| 18 | prohibited from performing work for the County for a period of three years and shall be subject |
| 19 | to any other penalties and sanctions, including contract termination, available to the County |
| 20 | under law. A contract terminated under these circumstances shall further entitle the County to |
| 21 | withhold payment of any monies due to the firm as damages. |
| 22 | Sec. 10A-118.09. Execution of Final Contract. |
| 23 | (a) A contract subject to Section 10A-118.01 shall not be executed until all requirements |
| 24 | of that Section have been fulfilled and until Contractor and Subcontractor Responsible |
| 25 | Contractor Certifications have been issued by the County under that Section. The Purchasing |
| 26 | Agent may execute a final contract based upon the Notice of Intent to Award, Contractor and |
| 27 | Subcontractor Responsible Contractor Certifications, Subcontractor Lists and Contractor |
| 28 | Responsibility Determination on the County website for public inspection for a period of five |
| 29 | (5) calendar days after the issuance of the Contractor Responsibility Determination. |
| 30 | * * * * * * * * * |
| 31 | SECTION 3. BE IT FURTHER ENACTED that the provisions of this Act are hereby |
| | |

1 declared to be severable; and, in the event that any section, subsection, paragraph, subparagraph, 2 sentence, clause, phrase, or word of this Act is declared invalid or unconstitutional by a court of 3 competent jurisdiction, such invalidity or unconstitutionality shall not affect the remaining words, phrases, clauses, sentences, subparagraphs, paragraphs, subsections, or sections of this 4 5 Act, since the same would have been enacted without the incorporation in this Act of any such invalid or unconstitutional word, phrase, clause, sentence, paragraph, subparagraph, subsection, 6 7 or section.

SECTION 4. BE IT FURTHER ENACTED that this Act shall take effect forty-five (45) calendar days after it becomes law.

Adopted this _____ day of _____, 2023.

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

BY: _____

Insert Name Chair

ATTEST:

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| Donna J. Brown |
|----------------------|
| Clerk of the Council |

APPROVED:

DATE: _____ BY: ____

Angela D. Alsobrooks **County Executive**

KEY:

Underscoring indicates language added to existing law. [Brackets] indicate language deleted from existing law.

Asterisks *** indicate intervening existing Code provisions that remain unchanged.

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