

Introduced by: Mayor  
Date: February 4, 1986  
Hearing: March 4, 1986  
Vote: Unanimous  
Action: Enacted

KENAI PENINSULA BOROUGH

ORDINANCE 86-13 (SUBSTITUTE)

AMENDING KPB 18.10 PERTAINING TO LOCAL HIRE BONUS ON PUBLIC WORKS CONSTRUCTION CONTRACTS.

WHEREAS, the employment of residents of the Kenai Peninsula Borough for public works construction contracts would stimulate the local economy and reduce unemployment; and

WHEREAS, experience administering the present ordinance has shown the need for amendments;

NOW THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That KPB 18.10.020, 18.10.030, 18.10.040, and 18.10.060 are amended as follows:

18.10.020 Application for bonus. [A.] General c[C]ontractors or sub-contractors desiring to apply for the local hire bonus must notify the owner in writing of his intent to apply within ten (10) days of the notice to proceed and must submit the complete application on the form provided for by the Mayor at the time of filing the notice of completion. If the contractor or sub-contractor fails to give notice of intent to apply for the bonus as required by this section, the contractor or sub-contractor will no longer be eligible for the bonus.

[B. A CONTRACTOR APPLYING FOR THE BONUS MAY OFFER ANY PART OF A BONUS HE MAY RECEIVE TO ANY SUBCONTRACTOR.]

18.10.030 Computation of bonus. The bonus shall be computed by the application of the [APPLICABLE] formula in this section to the contractor's or sub-contractor's portion of the project. The subcontractor's portion of the project is the amount of his subcontract. The contractor's portion of the project is the amount of his contract less the amounts for any work subcontracted to another party.

1. Two (2%) [TWO AND ONE-HALF (2½)] percent of the bid award up to a bid award amount of \$250,000 [\$500,000]; or

2. \$5,000 plus one percent (1%) of the amount of the bid award which is over \$250,000 but less than \$500,000.

3. [2.] \$7,500 [\$12,500] plus one-half (1/2%) [ONE (1%)] percent of the amount of bid award which is over \$500,000 but less than \$1,000,000 [\$1,500,000]; or

4. [3.] \$10,000 [\$22,500] plus one-quarter (1/4%) [ONE-HALF (1/2%)] percent of the bid award amount for bid awards of \$1,000,000 [\$1,500,000] or over.

18.10.040 Certification of compliance. A. The local hire bonus shall be payable to any contractor or sub-contractor who certifies personally or by authorized agent, under penalty of perjury, on the forms provided by the Mayor, that not less than 90% of the nonexempted total payroll hours paid for hourly payroll personnel employed after the contract bid award was paid to persons who were at the time of hire residents of the Kenai Peninsula Borough as defined by this chapter.

B. In the event that the contractor can demonstrate that there were no qualified and available residents of the Kenai Peninsula Borough for a specific position or vacancy as defined in this chapter, the Mayor or his designee may [SHALL] grant an exemption for that position or vacancy in computing the percentage of payroll hours necessary for compliance. Request for exemption must be submitted with justification within ten (10) days of the first week of employment.

C. The contractor shall also certify that he posted a copy of this ordinance at a public location at or near the job site during the entire term of the contract, and has stated that the ordinance was posted in his notice of intent to apply for the local hire bonus.

D. For the purpose of this section, a resident of the Kenai Peninsula Borough is defined as a person who certifies in writing, under penalty of perjury, on forms provided by the mayor, that he or she is a bona fide resident of the Kenai Peninsula Borough by reason of: (1) maintaining a primary place of residence within the Kenai Peninsula Borough; (2) residency within the Kenai Peninsula Borough sufficient to qualify for voting, whether or not the person is registered to vote in borough elections; (3) no claim of residency elsewhere; and (4) an intent to remain indefinitely.

E. A contractor or subcontractor may rely upon an individual's certification that he or she is a bona fide resident, whether or not the certification is true-in-fact, provided that the contractor reports all facts indicating the contrary to the mayor within 10 days of discovery.

18.10.060 Unavailability. For the purposes of this chapter it shall be conclusively presumed that there are no qualified and available domicilaries for a given job classification or skill if non are listed in any state or private employment or placement agency within the Borough; there are no responses from or referrals by any state or private employment agency or other employment organization within fifteen (15) work days from the date of written inquiry; and no applications are received within fifteen (15) days from publication of a help wanted advertisement in a newspaper of general circulation within the Borough, provided however that in filling vacancies created after commencement of the project, publication shall not be required and the referral response time shall be 72 hours; or in the case of a union contractor or subcontractor the union hall shall submit justification or certification within ten (10) days of hire that there were no qualified and available union domicilaries for the given job classification.

Section 2. That KPB 18.10.010(C) is hereby amended as follows:

18.10.010. C. The provisions of this chapter shall not apply to any project involving State grant funds [WHERE THE TERMS OF THE GRANT PROHIBIT SUCH BONUS PAYMENTS UNLESS AUTHORIZED BY THE ASSEMBLY] or on public works projects of the State that are administered by the Borough.

Section 3. That this ordinance shall be effective upon enactment but shall not apply to any school construction project for which the assembly has given final approval of construction contract documents at the time of enactment of this ordinance.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 18th DAY OF March, 1986.

  
Betty J. Glick, Assembly President

ATTEST:

  
Joanne Bradley  
Borough Clerk

Kenai Peninsula Borough  
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