

# Private contractors negotiating taxpayer funds, public safety and the health of the City's vital small businesses?

## That's what happens without Joint Bidding.



Upgrading New York City's infrastructure is an urgent task — needed to manage stormwater, build housing, and expand public space. It often requires relocating the utilities already underground. Utility companies pay for that work, but for decades the cost was negotiated by contractors behind closed doors — **shutting down jobsites and causing years of delay.**

This is how it works: Under the old system, the contractor would open up the street and then negotiate a price directly with the utility companies without transparency or oversight. With no incentive to move quickly, negotiations could drag on for years while some contractors demanded exorbitant prices and streets sat open. Residents and businesses suffered, laborers were sent home, and small contractors with less negotiating power had little chance to win contracts — all while City taxpayers footed the bill for supervision costs.

Joint Bidding eliminates that. All City and private utility work are bundled into one contract held and managed by the City. Instead of closed-door negotiations, the utilities reimburse the City based on a predetermined, public price list used by **every bidder**. The result is a level playing field with fewer delays and lower costs for everyone.

**The contractors who are trying to end Joint Bidding after 20 years want to make money at the expense and inconvenience of every other New Yorker.**

### Joint Bidding Works

Joint Bidding projects have fewer delays and save money. City records show that Joint Bidding saves taxpayers \$100 million each year and takes two years off a typical large infrastructure project.

In 2022, the City completed a \$139 million project in Downtown Far Rockaway on an accelerated schedule and with \$25 million in cost savings, delivering needed stormwater protection to thousands of residents and over 300 hundred small businesses. Without Joint Bidding, the project would still be under construction.

### Joint Bidding is Legal

When the contractors trying to end Joint Bidding took these same arguments before the court, the court ruled unanimously in favor of the City. The court noted that the “petitioners proffered self-serving affidavits... with no documentary support” that Joint Bidding increases prices. Since 2004, Joint Bidding legislation has already been enacted three times by the State legislature and the Governor.

### Joint Bidding Helps Small and M/WBE Firms Compete for Contracts

By eliminating closed-door, private negotiations, Joint Bidding levels the playing field and allows smaller firms and M/WBEs to compete and win contracts. **Bids are fair, prices are transparent, and projects move faster** — allowing contractors and their teams to get the job done and compete for more work.

### Joint Bidding Increases Competition and Lowers Costs to Taxpayers

From 2023-24, DDC received an average of nine bids for each of its Joint Bidding contracts — *twice* as many as were received for projects with utility interference that did not use Joint Bidding. Nearly half those bids came in under estimate.

### Joint Bidding Uses Data-Driven Pricing

To generate its price list, the City analyzed thousands of previous contracts and bids. The City also monitors market conditions and changes its Joint Bidding price list based on documentation submitted by contractors showing their costs. DDC makes regular updates to its Joint Bidding approach using input and data from contractors.

**The New York Road Contractors' Association claims without evidence that Joint Bidding increases costs for City taxpayers. Are they protecting taxpayers or their profits?**

### Union Workers Benefit from Joint Bidding

When projects stall due to negotiations between contractors and the utilities, union workers are sent “to the bench” to wait. All City infrastructure jobs are staffed by hard-working union laborers. When a project moves faster, the City is able to bid out more jobs, increasing work.

