

**INDIAN RIVER COUNTY, FLORIDA  
OFFICE OF MANAGEMENT AND BUDGET  
PURCHASING DIVISION**

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**DATE:** January 3, 2017

**TO:** Board of County Commissioners

**THROUGH:** Jason E. Brown, County Administrator  
Mike Smykowski, Director, Office of Management and Budget

**FROM:** Jennifer Hyde, Purchasing Manager

**SUBJECT:** Approval of Hourly Rate Increase for Day Labor Services Bid 2015020

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**Background Information:**

On December 16, 2014, the Board awarded Annual Bid 2015020 to People Ready (formerly Labor Ready) to provide day laborers on an as-needed basis for general labor activities. The contract is utilized by several departments, but primarily Road and Bridge for general labor and flagging. The contract is currently on its last renewal, set to expire December 31, 2017.

The current hourly rate under the bid is \$12.09. Staff has received a request from People Ready to match the Florida minimum wage increase of \$0.05 for 2017. This request reflects an increase of 0.4 percent and result in an hourly rate of \$12.14. If approved by the Board, the increase would be effective for workers utilized beginning on January 11, 2017.

The terms of the annual contract state any change in price, terms or conditions shall be accomplished by written amendment to this contract with final approval requiring Board action. It further states the vendor, for good cause, upon 90 days prior written notice may cancel this contract. The County retains the right to cancel this contract, with or without good cause, upon 30 days prior written notice.

Based on 2016 utilization, Road and Bridge estimates 34,592 day labor hours to be required for the period January 11, 2017 through the expiration of the contract on December 31, 2017. The current and requested rate costs are detailed below.

Hours	Current Rate (\$12.09)	At Adjust for Min Wage (\$12.14)
34,592	\$418,217.28	\$419,946.88
<b>Total Increase for Road and Bridge</b>		<b>\$1,729.60</b>

Several other departments also utilize this contract for as needed labor. In total, they have set aside approximately \$62,300 for the remainder of the FY for as needed day labor. Should that entire allotment be required by the end of the FY, the minimum wage increase would result in an additional \$258 across those departments.

## CONSENT AGENDA

### **FUNDING:**

The bulk of the requested additional funds are available in the Road and Bridge Division account 11121441-033490 for Other Contractual Services.

### **RECOMMENDATION:**

Staff recommends the Board approve the \$0.05 hourly rate increase and authorize the Purchasing Division to issue blanket purchase orders at the new hourly rate with People Ready for the period beginning January 11, 2017 through December 31, 2017.

### **Attachment:**

Rate Change Request Memo from People Ready