

**INDIAN RIVER COUNTY, FLORIDA
MEMORANDUM**

CONSENT

TO: Jason E. Brown, County Administrator
FROM: Richard B. Szyrka P.E., Public Works Director
SUBJECT: Approval of First Extension and Hourly Rate Increase for Day Labor Services Provided by People Ready of Florida - Bid 2018035
DATE: December 12, 2018

BACKGROUND

On March 20, 2018, the Board of County Commissioners awarded Annual Bid 2018035 to People Ready (formerly Labor Ready) to provide day laborers on an as-needed basis for general labor activities. Road and Bridge primarily utilizes the contract for general labor and Maintenance of Traffic (MOT) operations. Additionally, the contract is utilized by Utility Services, Parks Maintenance, Facilities Management, and Traffic Engineering for day labor.

The contract period was from the date of award through December 31, 2018, with options for two one-year extensions. Road and Bridge is satisfied with the services provided by People Ready and has requested execution of the first extension of the agreement.

The current hourly rate under the bid is \$12.29. Staff has received a request from People Ready to match the Florida minimum wage increase of \$0.21 for 2019 and an increase for workers compensation. If approved by the Board, the new hourly rate will be \$12.86 and the increase would be effective for workers utilized after the date of Board action.

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 2018 utilization, Road and Bridge estimates 35,000-day labor hours to be required for the period January 8, 2019 through the end of the first extension on December 31, 2019. The current and requested rate costs are detailed below.

Hours	Current Rate (\$12.29)	At Adjust for Min Wage (\$12.86)
35,000	\$430,150	\$450,100
Total Increase for Road and Bridge		\$19,950

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 and an increase for workers compensation would result in an additional \$2,889 across those departments.

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FUNDING

The additional \$19,950 to fund the requested increase will be made available in Account No. 11121441-033470, Road and Bridge Division - Contracted Labor Services.

RECOMMENDATION

Staff requests the Board of County Commissioners approve the First Extensions to the Agreement and authorize the Chairman to execute it after the County attorney has approved them for content and legal sufficiency, and upon receipt and approval of required insurance by Risk Management.

Staff also requests the Board of County Commissioners approve the \$0.57 hourly rate and workers compensation increase and authorize the Purchasing Division to issue blanket purchase orders at the new hourly rate with People Ready for the period beginning January 9, 2019 through December 31, 2019.

ATTACHMENTS

First Extension - People Ready

Rate Change Request Letter from People Ready

APPROVED AGENDA ITEM FOR JANUARY 8, 2019