

**INDIAN RIVER COUNTY, FLORIDA
MEMORANDUM**

CONSENT

TO: Jason E. Brown, County Administrator
FROM: Richard B. Szyrka P.E., Public Works Director
SUBJECT: Approval of Second Extension and Hourly Rate Increase for Day Labor Services Provided by People Ready of Florida - Bid 2018035
DATE: October 28, 2019

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. At the January 8, 2019 Board of County Commissioners meeting the first extension of the agreement was approved with People Ready, for the period beginning January 9, 2019 through December 31, 2019. The Board of County Commissioners also approved a \$0.57 hourly rate and workers compensation increase.

Road and Bridge is satisfied with the services provided by People Ready and has requested execution of the second extension of the agreement.

The current hourly rate is \$12.86. Staff has received a request from People Ready to match the Florida minimum wage increase of \$0.10 for 2020 and an increase for workers compensation. If approved by the Board, the new hourly rate will be \$13.00 and the increase would be effective for workers utilized after December 31, 2019.

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 2019 utilization, Road and Bridge estimates 35,000-day labor hours to be required for the period January 8, 2020 through the end of the second extension on December 31, 2020. The current and requested rate costs are detailed below.

Hours	Current Rate (\$12.86)	At Adjust for Min Wage (\$13.00)
35,000	\$450,100	\$455,000
Total Increase for Road and Bridge		\$4,900

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Several other departments also utilize this contract for as needed labor. In total, they have set aside approximately \$62,300 (4,845 hours) 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 \$678 across those departments.

FUNDING

The additional \$4,900 to fund the requested increase will be made available in Account No. 11121441-033470, Transportation Fund/ Road and Bridge/ Contracted Labor Services.

RECOMMENDATION

Staff requests the Board of County Commissioners approve the Second Extension to the Agreement and authorize the Chairman to execute it after the County attorney has approved it 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 new hourly rate of \$13.00, and authorize the Purchasing Division to issue blanket purchase orders with People Ready for the period beginning January 1, 2020 through December 31, 2020.

ATTACHMENTS

Second Extension - People Ready
Rate Change Request Letter from People Ready

APPROVED AGENDA ITEM FOR NOVEMBER 12, 2019