Agenda Item #: 5A-2

PALM BEACH COUNTY

BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: April 15, 2014	[]	Consent Workshop	[X]	Regular Public Hearing
Department Administration				
Submitted By: Administration				
Submitted For: Administration				
	I. EXECUTI	VE BRIEF		
Motion and Title: Staff requests Board and employment of building trade approordinance to provide a bid preference; of this time (staff recommendation).	entices on County	building cons	truction	contracts by 1) considering a
Summary: The Board directed staff to education and employment of building other local governments have done. Whissues which complicate achieving the gan alternative voluntary concept which who uses apprentices in a State authoricosts associated with either of these alternative voluntary concept which who uses apprentices in a State authoricosts associated with either of these alternative local and SBE preferences possibly in a programs in Palm Beach County. While if the intention is to benefit County renecessarily broaden the benefitting popur Countywide (JM)	trade apprentices ile possible, there coals that the Boa could provide a ized program, su trnatives. A bid pronflict. At the e County resident esidents, opening	e are a number ord might have f post contract a bject to working preference would current time, flats can attend no the qualifying	of constor such ward fir g out d ld comphere are on-union g service	construction contracts as sever citutional, statutory and practic a program. Staff has develope nancial incentive to a contract etails. There would be Coun licate bid award evaluation wi only union operated apprentic in programs in adjacent counties e area to other counties wou
Background and Policy Issues: Built operated by various entities including programs are beneficial for the appr governments have adopted preferences than ours. St. Lucie County adopted a preference of the program of the preference of the preferen	unions and conventices, industry to encourage the	tractor organiz and the publicse programs, the	ations. lic. W neir mag	It is widely agreed that the hile several other small loc mitude of work is much small
Attachments: Additional background				
Recommended by: Department	ent Director		Date	
Approved By:	Halen		$\epsilon(3)$	14

County Administrator

Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary Of	riscai	Impact:							
Fiscal Years	2014	2015	2016	2017	2018				
Capital Expenditures					***************************************				
Operating Costs	·	<u> </u>	· · · · · · · · · · · · · · · · · · ·	·					
External Revenues									
Program Income (County)									
NET FISCAL IMPACT	* ======			======	=====				
<pre># ADDITIONAL FTE POSITIONS (Cumulative</pre>	*****			40000011000000	**************************************				
Is Item Included In Current Budget? YesNo									
Budget Account No.: Fund Repo		Agency		Obj	ect				
B. Recommended Sources of Funds/Summary of Fiscal Impact:									
C. Department Fiscal Review:									
III. REVIEW COMMENTS									
A. OFMB Fiscal and/or * 100 fixed (mpact	Contract	Administ	ration Com	mments:					
TO MAR OFMB	4/3/14		itract Dex	faulum.	4/4/14				
The United		y =	\$6.924 (S)\$.	Care de la					
B. Legal Sufficiency:									
Assistant County	4/7/I	4							
C. Other Department Re	eview:			•					
Department Dir	rector	•							

This summary is not to be used as a basis for payment.

At the request of the building trades unions, the Board initiated a review by staff of the possibility of adopting a building trades apprentice preference policy, similar in concept to the Small Business and Local Preference policies, both of which have been implemented by ordinance. A building trades apprentice policy would establish goals for the number of apprentices in State sanctioned programs to be employed on a County building construction project. If the apparent low bid contractor did not commit to achieve those goals, the County would award to the next lowest priced bidder who committed to the goal up to a price limit. The SBE preference provides up to a 10% price incentive in favor of the next lowest priced bidder that meets criteria as compared to the apparent low bidder that does not. Local preference provides up to a 5% price adjustment, for determining bid award, in favor of the next lowest priced bidder that meets criteria as compared to the apparent low bidder that does not. Similar rules apply to RFP contractor selection process with points awarded for committing to achieve goals.

A few smaller jurisdictions including St. Lucie County and the Port of Palm Beach have adopted apprentice preference rules. Aside from the fact that these entities typically have much smaller construction programs than our County, the St. Lucie rules are adopted only by resolution, providing a lesser legal status for enforcement. Their rules provide for various waivers that can be authorized by staff.

There are a variety of legal and practical problems with implementing the union proposal. If the Board wished to oblige this request, issues would include those listed below.

- 1) The policy could not be limited to only benefit Palm Beach County residents.
- 2) There are currently only union operated State sanctioned apprentice programs in our County. It would be necessary to accept apprentice program participants in other counties to avoid any perception that we were limiting participation to union members, which would be contrary to State law.
- 3) With multiple preferences, the Board would need to prioritize which preference would prevail in a bidding conflict.
- 4) Apprentice participation is challenging even for medium sized projects as there may not be sufficient staffing in particular trades. A minimum project size would need to be set.
- 5) While it was agreed by all that supporting apprentice programs is worthwhile, local contractor organizations have expressed their opposition to any mandatory policy for County projects.

While staff thinks that it is best that the Board choose NOT to give direction to implement any policy regarding the inclusion of apprentices on County projects, there is the potential alternative, though not yet well defined, to implement a voluntary incentive program whereby a contractor would submit his bid including his intention to use apprentices and would receive supplementary compensation from the County if they fulfilled their commitment. This may not accomplish the goal of the trades as it can't be predicted if contractors would consider such a possibility attractive and the cost to the County would be hard to predict.