

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

	Consent Ordinance	[X] Regular [] Public Hearing
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Department: County Administration

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: standard construction contract language establishing the Glades Employee Incentive Program.

Summary: People Engaged in Active Community Efforts (PEACE) asked the County to develop a "first source" ordinance that would encourage contractors to hire Glades residents on County projects. Due to issues with that concept, as an alternative, staff with PEACE support is proposing the Glades Employee Incentive Program (GEIP). It will supplement the County's existing Glades Local Preference Ordinance which provides bidding preferences for Glades businesses; to encourage significant community benefits arising from long term The GEIP establishes a program providing an incentive payment to contractors (and their employment. subcontractors) who employee Glades residents. Pursuant to the program, a contractor applying for the incentive payment may recover 30% of the new Glades employee(s) wages (including payroll taxes, costs and benefits) on the County project up to a maximum reimbursement of \$100,000 per project. To be eligible for the GEIP, the Glades resident must be a full-time employee of the contractor for a minimum of three (3) weeks on the County project and cannot have worked for the contractor claiming the Glades employee for 90 days prior to the project. . There are several factors which will determine program success and the ultimate fiscal impact to the County as a result of the GEIP, the two primary being the number and type of projects slated to commence in the Glades and the contractor's need to make new hires to complete the jobs. As such, Staff is recommending that the GEIP be implemented for a trial period of two years. (Administration) District 6 (JM)

Background & Policy Issues: The GEIP would be implemented via authorizing construction contract language. To be eligible for the incentive payment, the employee must be a full time employee of the contractor and cannot have worked for the contractor claiming the Glades Employee as a new hire for 90 days prior to this project. Within 5 days of the hiring and the Glades Employee reporting to work at the project site, Contractor must provide a hiring certification to the County signed by the contractor and the Glades Employee. The County has the right to conduct unannounced field interviews with the Glades Employee to ensure compliance with the requirements of the GEIP. At completion of the contract, the contractor may apply for the incentive payment which will be added to the contract via change order. The documentation for the change order includes re-submitting the hiring certification along with the certified payroll for the Glades Employee for which the incentive is being sought. A contractor can only claim the incentive once for each Glades Employee within a rolling twelve (12) month period. It is also a contract requirement of the contractor that any reimbursement requested by a subcontractor pursuant to the GEIP be processed by the contractor, without markup, to the County for review.

Attachments:

Glades Employee Incentive Program

Recommended by:	Army Wox	12/20/14
· _	Department Director	Date
Approved by:	County Administrator	16/1J

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fi	scal Impact:							
Fiscal Years	2015	2016	2017	2018	2019			
Capital Expenditures			0-	0-				
Operating Costs	-0-	0-	0-	0-				
External Revenues		0-	0-					
Program Income (County)			0-	0-	0-			
In-Kind Match (County)		0-	0-		0-			
NET FISCAL IMPACT	* -0-							
# ADDITIONAL FTE POSITIONS (Cumulative)								
Is Item Included in Current Bu	em Included in Current Budget? Yes No							
Budget Account No: Fund	_ Department	Unit	Object					
Reporting C	ategory							
B. Recommended Source	es of Funds/S	ummary of F	iscal Impact:					
The fiscal impact will not be known until the end of each construction project and the actual contract incentive will be paid via a change order from the project budget. There are many factors which will impact the ultimate fiscal impact to the County as a result of the GEIP, the two primary being the number and type of projects slated to commence in the Glades and the contractor's need to make new hires to complete the jobs. As such, Staff is recommending that the GEIP be implemented for a trial period of two years. Facilities Development & Operations will coordinate with the other construction departments on monitoring the GEIP usage and bring a status report back to the Board as the two years approaches.								
C. Departmental Fiscal Review:								
III. REVIEW COMMENTS:								
A. OFMB Fiscal and/or Contract Development & Control Comments:								
B Legal Sufficiency: Assistant County As	P 13/24		Contrac	euoliss t Dev. and	112/15 ontrol			
C. Other Department Revi	ew:							

Contract Incentive for Hiring a Glades Area Employee

Palm Beach County offers an incentive Payment to any contractor (and subcontractors) who hires a new employee that is a resident of the Glades area for work on County contracts ("Glades Employee"). For purposes of this section, "resident of the Glades area" means any person whose legal residence is located in the Glades area as defined in the Palm Beach County Local Preference Ordinance.

To be eligible for the Incentive Payment, the employee must be a full-time employee of the Contractor for a minimum of 3 weeks on this project and cannot have worked for the Contractor claiming the Glades Employee as a new hire for 90 days prior to this project. Within 5 days of the Contractor hiring and the Glades Employee reporting to work at the project site, Contractor must provide the following documentation ("Hiring Certification"): Glades Employee name, contact information including legal residence, copy of drivers license or other proof of residence, hire date, start date at project site, and trade. Both the Glades Employee and employer must sign the Hiring Certification with signatures notarized.

The County has the right, but not the obligation, to conduct unannounced field interviews with the Glades Employee to ensure compliance with the requirements of this Section.

Upon completion of the contract, Contractor may apply for the Incentive Payment which will be added to the contract by change order. The documentation ("Incentive Certification") required includes resubmitting of the Hiring Certification along with the employment end date or last day on the job site (whichever is earlier), a certified payroll for the hours worked on the project, and employee wages and benefits paid. The Incentive Certification must be signed by both the Glades Employee and employer with both signatures notarized. No markup will be allowed either by the General Contractor or a subcontractor.

If the County determines that the Contractor complied with the requirements of this section, it will reimburse the contractor 30% of the new employee(s) wages (including payroll taxes, costs, and benefits) up to a maximum reimbursement of \$100,000. The request must be submitted no later than 45 days after Substantial Completion of the project.

A Contractor can only claim the Incentive Payment once for each Glades Employee within a rolling twelve (12) month period, but the incentive can be claimed across multiple County contracts

It is a Contract requirement of the Contractor that any reimbursement requested by a subcontractor under this Section be processed by the Contractor to the County for review.