Agenda Item #: 5A - 3

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: January 13, 2015 [] Consent [X] Regular [] Ordinance [] Public Hearing							
Department: Administration							
Submitted By: Administration							
Submitted For: Administration							
I. EXECUTIVE BRIEF							
Motion and Title: Staff recommends motion to approve: Voluntary Apprentice Incentive Program (AIP) for County Construction Projects.							
Summary: The Board has discussed on multiple occasions the implementation of a policy to mandate or encourage use of certified building trade apprentices on County construction projects. The Board was previously informed that a mandate would not be legally viable. The AIP would be immediately implemented by adding appropriate language to relevant new County construction contracts. The AIP allows contractors (including subcontractors) that actually expend a minimum of \$25,000 in apprentice payroll costs to be reimbursed 20% of its apprentice wages, up to a maximum of \$100,000, for voluntarily using apprentices participating in State training programs. For construction projects of \$20,000,000 or greater, the minimum threshold of expenditures for apprentices shall increase to \$50,000 and the maximum reimbursement payment to \$200,000. This proposal has received support from union and contractor representatives. Cost impact will be dependent upon contractor's use and the type and size of construction projects commencing, but staff presumes that it will be of similar magnitude to other incentives (SBE, local, Glades) applicable to construction projects. Staff is recommending that the AIP be implemented for a trial period of two years. (Administration) Countywide (JM)							
Background and Policy Issues: The original request for this type of program originated with local building trade unions. While there was support from contractor associations for apprentice programs, they did not support mandatory requirements. For legal reasons, a mandatory program was not deemed possible and the parties agreed that a voluntary program could be worthwhile. Offering a financial incentive to County contractors was felt to be the most practical way to encourage voluntary participation. The program will be evaluated on an ongoing basis to determine its effectiveness.							
Attachments: A.Contract Incentive for Apprentice Utilization							
A.Contract incentive for Apprentice Utilization							
Recommended by: Department Director Date							
Approved By: County Administrator County Administrator							

II. FISCAL IMPACT ANALYSIS

м.	rive real Sullillary	OI FISCAI IIII	paci.			
	Fiscal Years	20 <u>15</u>	20 <u>16</u>	20_17_	20 <u>18</u>	20 _19
Ope External Pro	oital penditures erating Costs ernal Revenues gram Income (Coun Kind Match (County)					
NE	T FISCAL IMPACT	*				
	. ADDITIONAL FTE SITIONS (Cumulativ	/e)				
Buc	em Included In Curi Iget Account No.: ect Re	Fund	Departr	nent	 Unit	
В.	Recommended S	ources of F	unds/Summa	ry of Fiscal I	mpact:	
C.	Departmental Fis	cal Review:				
		III. <u>RE</u>	VIEW COMM	<u>ENTS</u>		
A.	OFMB Fiscal and While likely determinable BU & OFM	haz 1/5	1015 <u>(</u>	ontrol Commo IMPACT H Intract Dev. ar	awort	nt is
В.	Legal Sufficiency Assistant Count	live &	49/16			
C.	Other Departmen	it Review:				
	Departmer	nt Director				

REVISED 9/03 ADM FORM 01 (THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.)

Contract Incentive for Apprentice Utilization 12/11/14

Palm Beach County offers a Apprentice Incentive payment to a contractor who actually expends a minimum of \$25,000 (including subcontractors) in payroll costs on apprentice wages. For purposes of this section, "apprentice" means any person who is participating in a Florida Department of Education registered apprenticeship program. The Living Wage provisions of this contract shall not be diminished by paying an apprentice less than the Living Wage.

Upon completion of the contract, Contractor may apply for the payment which will be added to the contract by change order. If the County determines that the Contractor complied with the requirements of this section, it will reimburse the contractor 20% of its apprentice 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.

For projects with construction costs of \$20,000,000 or greater, the threshold amount of expenditures for apprentices which must be paid to qualify for the incentive shall increase to \$50,000 and the maximum reimbursement payment to \$200,000.

To be eligible for the Apprenticeship Incentive payment, the apprentice employer (through the Contractor) must provide the following documentation: apprentice name(s), contact information, the apprentice Registered Apprenticeship Partners Information Data System (RAPIDS) Registration number, certification from the apprentice program that the employee was in good standing during the time on the project, registered trade, and certified payroll for the apprentice hours worked on the project.

The Contractor is required to forward all documentation, assembled and submitted by the apprentice employer in accordance with the above paragraph, to the County for review and disposition. Any incentive that the County approves shall be provided to the apprentice employer in full.