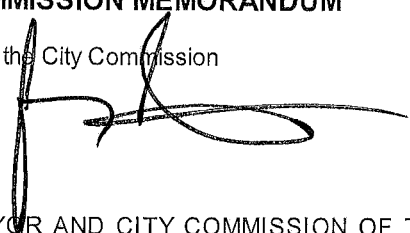


MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission
FROM: Jimmy L. Morales, City Manager
DATE: December 11, 2019



SUBJECT: AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 31 OF THE CODE OF THE CITY OF MIAMI BEACH, ENTITLED "PURCHASING," BY AMENDING ARTICLE II THEREOF, ENTITLED "CONSTRUCTION CONTRACTS - MINIMUM WAGES AND BENEFITS," BY AMENDING SECTION 31-27, ENTITLED "ESTABLISHMENT OF MINIMUM WAGES," TO INCREASE THE CONTRACT THRESHOLD FOR CITY PROJECTS SUBJECT TO MINIMUM WAGES AND BENEFITS; BY AMENDING SECTION 31-31, ENTITLED "EXCEPTIONS," TO EXEMPT EMERGENCY PURCHASES FROM THE MINIMUM WAGE REQUIREMENTS OF THE ORDINANCE; BY CREATING SECTION 31-32, ENTITLED "REPORTING REQUIREMENT," TO INCLUDE A REPORTING REQUIREMENT OF CERTIFIED PAYROLL INFORMATION FOR ALL CITY CONSTRUCTION CONTRACTS IN EXCESS OF \$1,500,000, INCLUDING CONTRACTS EXEMPTED PURSUANT TO SECTION 31-31 OF THE CITY CODE; AND BY AMENDING ARTICLE III, ENTITLED "LOCAL WORKFORCE PARTICIPATION GOALS AND REPORTING REQUIREMENTS FOR CITY CONSTRUCTION CONTRACTS," SECTION 31-40 THEREOF, ENTITLED "LOCAL WORKFORCE PARTICIPATION GOALS AND REPORTING REQUIREMENTS FOR CITY CONSTRUCTION CONTRACTS," TO STREAMLINE REPORTING REQUIREMENTS AND ELIMINATE UNNECESSARY INTERIM WORKFORCE PARTICIPATION REPORTING REQUIREMENTS; AND PROVIDING FOR REPEALER, SEVERABILITY, CODIFICATION AND AN EFFECTIVE DATE.

BACKGROUND/HISTORY

Section 31, Article II of the City Code requires that construction contractors pay wages that are in accordance with United States Department of Labor, Federal Register, to any laborer, mechanic and apprentice that performs work on any project in excess of \$1,000,000. Section 31, Article III of the City Code requires, for any project to which Article II is applicable, that contractors make reasonable efforts to promote employment opportunities, with a goal of thirty percent (30%), for Miami Beach and Miami-Dade County residents. Both articles are in need of revisions as articulated below.

ANALYSIS

The proposed revisions incorporated are intended to address the following goals:

1. Article II.

- a. Update the project threshold to allow for the impact of inflation.
 - b. Include an exemption for emergency projects pursuant to Section 2-396 of the City code.
 - c. Implement a reporting requirement, to be considered annually for continuation, for all projects above the threshold amount.
- The purpose of the reporting requirement is to collect data on the wages the contractors are paying employees. This

information will help the City better understand the pressures of the labor market on contractor employee wages and make future wage determinations.

2. Article III.

- a. Since Article III is only applicable to projects that would fall under the requirements of Article II, the proposed changes will make Article III consistent with Article II.
- b. Eliminate the requirement that bidders submit staffing information with the bid since most contractors (and subcontractors) cannot assign staff to a project until the project is awarded.
- c. Eliminate the requirement that contractors submit local workforce information monthly. The article already requires bidders to submit an affidavit affirming that they, if selected, agree to hire at least 30% of its workforce from the local area. The article further requires contractors to submit a final report detailing its performance and efforts in complying with the local workforce requirement. Requiring contractors to additionally submit monthly employee residency reports, in addition to the reporting requirements of Article II, is a burdensome exercise for contractors that does not typically provide benefits and is contrary to the goal of making it easier for contractors to do business with the City.

CONCLUSION

On October 25, 2019, the Finance Committee considered and endorsed the recommendations to update the ordinance. The

recommendations to Article II are intended to allow the City to collect construction worker information which will allow the City Commission to analyze future wage recommendations. The recommendations to Article III will continue to make it easier for vendors to do business with the City by streamlining burdensome requirements that do not add substantive value.

Applicable Area

Citywide

Is this a Resident Right to Know item?

No

Does this item utilize G.O. Bond Funds?

No

Legislative Tracking

Procurement/CAO

Sponsor

Commissioner Steinberg