RESOLUTION No. 22-99

A RESOLUTION OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL, FLORIDA, APPROVING AN AMENDMENT TO THE CONTRACT WITH SFM SERVICES, INC. FOR RIGHT OF WAY MAINTENANCE SERVICES UNDER ITB #2020-14, TO INCREASE THE ANNUAL TOTAL COST FOR ALL SUBSEQUENT YEARS AS A RESULT OF THE FLORIDA MINIMUM WAGE INCREASE AND FUEL COST INCREASE, IN AN AMOUNT NOT TO EXCEED ANNUAL BUDGETED FUNDS; AUTHORIZING THE CITY MANAGER TO EXPEND BUDGETED FUNDS IN FURTHERANCE HEREOF; PROVIDING FOR IMPLEMENTATION; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, on August 12, 2020, the Mayor and City Councilmembers adopted Resolution No. 20-159 (approved 5-0) awarding ITB 2020-14 "Right-of-Way Maintenance Services" and authorizing the City Manager to enter into an agreement with SFM Services, Inc.; and

WHEREAS, the contract was awarded for an initial term of three (3) years with the option to renew for an additional two (2) one-year (1) periods, and the initial three-year term is set to expire on August 31, 2023, with the option to renew for the first one-year extension; and

WHEREAS, on November 3, 2020, Florida voters passed Amendment 2 to Section 24 of Article X of the Florida Constitution with a supermajority (60.8%) of the vote; and

WHEREAS, Florida Minimum Wage Amendment 2 is an initiated constitutional amendment to change the Florida constitution. As such, it is a self-enforcing amendment that requires no additional acts of legislature to enact; and

WHEREAS, the amendment requires the minimum wage to increase on September 30, 2021 to \$10.00 per hour from \$8.65 per hour; and it will increase by \$1.00 on September 30th annually until 2026 when it reaches \$15.00 per hour; and

WHEREAS, on May 16, 2022, SFM provided the City Manager's Office with a formal request to increase the contract's unit pricing as a result of the State of Florida raise in minimum wage and the exponential cost increase of fuel prices, see attached letter; and

WHEREAS, the proposed unit pricing takes into consideration the minimum wage increases per Fiscal Year; and

WHEREAS, SFM requested a 15% increase in the current Fiscal Year (2022) for all right-of-way maintenance unit prices, a 5% increase in miscellaneous (as needed basis) unit prices, and a 15% increase in tree, shrubs, and groundcover purchase, delivery, and installation line items; and

WHEREAS, for Fiscal Year 2023, SFM requested 8.5% increase for the proposed amended unit prices of the current Fiscal Year (2022) for all right-of-way maintenance unit prices, a 3% increase in miscellaneous (as needed basis) unit prices, and a 8.5% increase in tree, shrubs, and groundcover purchase, delivery, and installation line items ;and

WHEREAS, for Fiscal Year 2024, SFM requested 8.5% increase for the proposed amended unit prices of Fiscal Year (2023) for all right-of-way maintenance unit prices, a 3% increase in miscellaneous (as needed basis) unit prices, and an 8.5% increase in tree, shrubs, and groundcover purchase, delivery, and installation line items

WHEREAS, for year 2023 an adjustment is being request from the proposed \$23.28 and \$22.37 to \$25.96 and \$24.94 respectively; and

WHEREAS, after further analysis of SFM's request, the PWD respectfully requests that the Mayor and City Councilmembers authorize the City Manager to amend the existing SFM contract agreement which provides Right-of-Way Maintenance Services for the City of Doral Public Right-of-Way; and

WHEREAS, funding for this request is budgeted in the current Fiscal Year and will be budget in subsequent Fiscal Years in the Public Works Fund – "Contractual Services", Account No. 001.80005.500340.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL AS FOLLOWS:

<u>Section 1.</u> Recitals. The above recitals are confirmed, adopted, and incorporated herein and made part hereof by this reference.

Section 2. Approval. The amendment of the Contract Agreement between the City of Doral and SFM Services Inc., which provides right-of-way maintenance services for the City's right-of-way, to adjust pricing to reflect increases in operating costs due to increases in the Florida minimum wage and fuel cost prices, in an amount not to exceed annual budgeted funds, is hereby approved.

<u>Section 3.</u> <u>Authorization</u>. The Mayor and the City Council-Members authorize the amendment of the Contract Agreement between the City of Doral and SFM Services Inc.

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and authorize the City Manager to expend budgeted funds on behalf of the City in furtherance hereof.

<u>Section 4.</u> <u>Implementation.</u> The City Manager and the City Attorney are hereby authorized to take such further action as may be necessary to implement the purpose and the provisions of this Resolution.

<u>Section 5.</u> <u>Effective Date.</u> This Resolution shall take effect immediately upon adoption.

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The foregoing Resolution was offered by Councilmember Mariaca who moved its adoption.

The motion was seconded by Councilmember Cabrera and upon being put to a vote, the vote was as follows:

Mayor Juan Carlos Bermudez

Yes

Vice Mayor Digna Cabral

Absent / Excused

Councilman Pete Cabrera

Yes Yes

Councilwoman Claudia Mariaca Councilman Oscar Puig-Corve

Yes

PASSED AND ADOPTED this 8 day of June, 2022.

JUAN CARLOS BERMUDEZ, MAYOR

ATTEST:

CONNIE DIAZ, MMC

CITY CLERK

APPROVED AS TO FORM AND LEGAL SUFFICIENCY FOR THE USE AND RELIANCE OF THE CITY OF DORAL ONLY:

LUIS FIGUEREDO, ESQ.

CITY ATTORNEY