

DATE: February 4, 2020  
TO: Bill Shepherd, Chief Customer Officer  
FROM: James Frampton, Procurement Manager  
SUBJECT: Required Apprenticeship Program Impact

1. Staff anticipates additional direct cost to the project due to additional costs of running an apprentice program being added to the bid cost leading to increased budget requirements and possible upward rate pressure.
  - Labor cost for a project would increase by at least the living wage for each apprentice hour required.
  - Administrative cost to monitor compliance with the program based on the cost of adding an analyst with benefits estimated at \$76,922.56 per year.
2. Possible barrier to small/minority business because of additional labor and bookkeeping cost.
3. Decrease in responses to solicitations because of apprenticeship requirement.