CITY OF SAN DIEGO
MEMORANDUM

DATE: June 29, 2010

TO: Council President Ben Hueso and Members of the City Council

FROM: Debra Fischle-Faulk, Director, Administration Department

SUBJECT: Local Hiring Policy and Prevailing Wage

REFERENCE: Memo dated April 22, 2010 from Council Members Donna Frye and Todd Gloria, same subject

---

The following is in response to information requested in the memo referenced above.

1. What percentage of fiscal year 2009 and 2010 City projects require the payment of prevailing wages? Please identify those projects.

Response: In Fiscal Year 2009, a total of 74 projects were awarded of which 22 (30%) required payment of prevailing wages. For Fiscal Year 2010, to date, a total of 56 projects have been awarded of which 14 (25%) require payment of prevailing wages. Attachment 1 lists the projects and dollar values. An employee/number of hours worked count was conducted on a sampling of these contracts which is included as Attachment 2.

In addition, based on a sampling of contracts awarded between FY08-FY10, 87.5% of the contract dollars were awarded to prime contractors located in San Diego County:

Contract Dollars in SD County:	$131,104,694
Contract Dollars outside SD County:	$ 18,734,183
Total Dollars:	$149,838,877
% Dollars SD County:	87.5%

2. What steps does the City take to monitor compliance with prevailing wage requirements?

Response: Equal Opportunity Contracting Program staff follows the procedures outlined in the City's Labor Compliance Program adopted by City Council and approved by the Department of Industrial Relations December 29, 2009 to monitor compliance with prevailing wage requirements. Attachment 3 lists the procedures included in the Program. In addition, two Department Instructions were issued in November 2009 – DI-2, Certified Payroll review and DI-3, Labor Compliance Interviews (site visits) which are also included.

3. Which and how many staff positions are currently designated to monitor compliance?

Response: As indicated in the City's approved Labor Compliance Program, there are total of 7 staff positions designated to monitor compliance. The Director of Administration is responsible for the overall oversight of the Program and 6 Compliance Officers (3 of which are Senior Compliance Officers) are conducting the day-to-day duties associated with compliance.

4. What violations, penalties or fines, if any have been identified in fiscal years 2009 and 2010 to date?

Response: To date we have identified and corrected several minor contractor errors. We have recovered back pay totaling $769 to two employees and ensured the incorrect hourly rates of pay were corrected. In addition, we recently identified a number of potential violations on a large project which could result in penalties and/or fines – at minimum incorrect wages will be corrected and employees will be paid any monies due. For this contract we are conducting a comprehensive labor review. The review is ongoing and the final outcome has not been determined. Finally, staff is working with the City Attorney on a violation for failure to submit required documentation which may result in a fine payable to DAS.

While there are certain violations where civil penalties can be collected and retained by the City (i.e. contractor or subcontractor knowingly violates Apprenticeship requirements, failure to submit certified payrolls as requested), there have been no instances to report at this time.

If you have any additional questions, feel free to contact me at extension 36387.

Debra Fischle-Faulk

Debra Fischle-Faulk, Director
Administration Department

cc: Wally Hill, Assistant Chief Operating Officer
David Jarrell, Deputy Chief Operating Officer
Patti Boekamp, Engineering & Capital Projects Director
Hildred Pepper, Purchasing & Contracting Director
Andrea Tevlin, IBA

FY 2009 CONSTRUCTION PROJECTS

Contract	Project Title	Total Contract Value
K083623C	Seismic Retrofit of the North Harbor Drive Bridge over Estuary	11,216,857.00
K084071DB	Design Build of Vista Terrace Park Playground Upgrade	215,000.00
K084098	Taylor Street Reconstruction	503,622.00
K084155	La Mirada Joint Use Improvements Phase II	398,800.00
K084189C	Trench Restoration of Various Streets Citywide - FY 08	2,350,176.00
K084280C	Fault Crossing Retrofit to Large Pipelines & Landslide	2,138,000.00
K084338	Brown Field Airport Airfield Electrical System Upgrade Ph II & III	1,382,900.00
K094301C	Sewer & Water Group 3011	11,948,422.35
K094442C	Fire Station No. 1 - Remodel	506,953.31
K094467C	Asphalt Overlay Group I, FY '09	9,728,059.72
K094504C	General Requirements Contract 2009 "H"	1,000,000.00
K094618C	East Village - City Heights Building Demolition	107,446.00
M084003	Developed Regional Parks Asphalt Repair	139,450.00
M084118	Windandsea Parking Lot Improvements	182,045.00
M084172	North Torrey Pines Road Bridge over Los Penasquitos Creek	50,000.00
M084191	Linda Vista Library Parking Lot Repair	21,256.00
M084228	Construction of Police Dept Crime Laboratory Forensic Biology	65,418.00
M084290	Removal of Architectural Barriers - Curb Ramp Contract 49	131,600.00
M094589	Construction of Cypress Canyon Rd. MAD, Recycled Water	30,995.00
M094596	Scripps Poway Parkway Maintenance Assesment District	78,660.00
M094612	1449 9th Avenue Plumbing Upgrades	304,027.00
M094613	Construction of 1449 9th Avenue Electrical Upgrades - Sole Source	45,695.00
Prevailing Wage contract count - 22 (30%)		**42,545,382.38 (34%)**
K083521C	Construction of Sewer and Water Group 676	2,649,028.00
K083817C	Construction of Crown Point Trunk Sewer Project	3,433,453.35
K083932C	Construction of West Miramar Landfill - Phase II - Module E	1,420,063.86
K084024	Construction of Vista Sorrento Parkway Bike Lanes	262,654.50
k084037CA	City Administration Building Elevator Modernization	785,495.00
K084038A	Evan V. Jones Parkade Elevator Modernization and Maintenance	904,005.00
K084077C	Water Group 541	1,896,062.01
K084078	Sewer & Water Group 684A	3,794,220.00
K084222C	Asphalt Overlay Group II, FY 08	8,366,855.04
K084238	Water Group 546	1,622,501.05
K084245C	Work in the Right of Way -Rehabilitation Package G-1	7,072,711.00
K084293A	Pipeline Lateral Rehabilitation - Phase C-3	369,000.00
K084297	Removal of Architectural Barriers - Curb Ramp Contract GF-2	555,555.00
K084303DB	ADA & Title 24 Facility Improvement Projects - Project III	982,891.00
K084304DB	Design Build of ADA & Title 24 Facility Improvements - Project IV	902,738.00
K091323C	Penasquitos Views Trunk Sewer	995,232.00
K092596M	Removal of Fiberglass Surface & Re-Plaster Entire Clairemont	134,000.00
K092601C	Citywide Pump StationUpgrades, Group I - North County SPS	3,689,000.00
K093547CA	Construction of Medians on Scripps Ranch Boulevard	713,534.00
K093810A	Camino de la Plaza Streetscape Improvements	291,010.00
K094112C	Sewer and Water Group 689	3,582,385.75
K094182C	Sidewalk Replacement Group I (Tree Related) FY 09	938,744.30
K094251C	Sewer and Water Group Job 731	1,817,261.50
K094267C	Famosa Accelerated Water and Sewer Main Replacement	3,619,159.25
K094298C	Water Group Job 785	1,600,003.00
K094299C	Sewer Group 725	1,347,370.00
K094305C	Water Main Replacement Group 3008	5,777,000.00
K094318	60th Street Accelerated Sewer	669,303.00
K094321A	5998 Camino de la Costa Storm Drain Replacement	314,200.00
K094364C	Pipeline Rehabilitation Phase H-1	4,824,727.00
K094398C	Sewer and Water Group 747	2,745,000.00
K094406	Street Lighting Circuit Upgrades on Prospect St/La Jolla Blvd	674,580.00
K094443C	Underground Utilities of Block 2E, Phase 1	2,130,000.00
K094471C	Slurry Seal Group I, FY '09	4,870,257.54
K094505	East San Ysidro Boulevard Street Lighting System	211,976.00

K094511M	Demolition of 1136 Edgemont Street	22,553.00	
K094519C	Sewer and Water Group 829	923,226.43	
K094579C	Removal of Architectural Barriers - Curb Ramp Contract GF-3	538,450.00	
K094626	La Jolla Country Club Reservoir Emergency Repair	250,000.00	
K094665M	Kellog Park Playground Demolition	30,980.00	
K098491C	Sewer Group 703	2,345,000.00	
M084217A	Sidewalk Replacement Group III, FY 08	163,558.00	
M084346	Construction of Water Meter Box Replacements - Group I	90,640.00	
M084347	Construction of Water Meter Box Replacements - Group II	82,145.00	
M084348	Construction of Water Meter Box Replacements - Group III	89,700.00	
M093406	Construction of University Ave and Front Street Pop-Out	49,110.00	
M094397	Construction Services for Rain Barrells/Downspout Disconnect	42,950.00	
M094493	Construction of Penasquitos Towne Center Linear Park	46,944.00	
M094530	Via Capri Traffic Calming Project	40,420.00	
M094533	Sidewalk Replacement Group V, FY 09 (Tree Related)	134,000.50	
M094534	Sidewalk Replacement Group VI, FY 09 (Tree Related)	138,981.00	
M094592	Traffic Signal and Streel Lighting Systems at Bayside Walk	88,954.00	
Non-Prevailing Wage contract count - 52 (70%)		**81,039,588.08**	**(66%)**
Grand Total - 74		**123,584,970.46**	

FY 2010 CONSTRUCTION PROJECTS (as of 05-2010)

Contract	Project Title	Total Contract Value	
K092192C	South Mission Valley Trunk Sewer	11,678,955.80	
K094371C	Alvarado WTP Phase 3 Flocculation/Sedimentation Basins Rehab	12,250,000.00	
K094404M	Construction of ADA Improvements for Clairemont, North Clairemont, Skyline Hills, and University Community Branch Libraries	95,990.00	
K101876C	Lake Murray Trunk Sewer	7,903,270.74	
K103835	Ransom Street and Darwin Way Storm Drain Replacement	371,115.59	
K104456	Birney Elementary School Joint Use Field	438,103.72	
K104537	Street Lighting System on University Avenue	193,626.00	
M094619	Canyonside Community Park Recycled Water Retrofit	141,200.00	
M094636	Campus Point Drive Recycled Water Retrofit	37,070.00	
M094645	Eastgate Technology Park, Maintenance Assessment District (MAD) Recycled Water Retrofit Project	66,780.00	
M094672	NE Mira Mesa Subarea of Mira Mesa Recycled Water Retrofit	121,815.00	
M097083	Potomac Street Sidewalk Improvements	80,836.00	
M104925	San Ysidro Streetlights Phase II	104,277.25	
M104967	Safe Route to School - Central Elementary School (SR2S)	95,470.00	
Prevailing Wage contract count - 14 (25%)		**33,578,510.10**	**(38%)**
4538DB	Water Group 790 Design Build	5,397,000.00	
K091290C	Sewer Group 715	2,022,730.33	
K091456C	Sewer & Water Group 544	2,334,000.00	
K092359C	Sewer & Water Group 766	1,209,000.00	
K093007	Genesee Avenue/Eastgate Mall Turn Pocket	173,663.00	
K094328C	Quincy Street & Wilbur Avenue Sewer Accelerated	1,203,397.00	
K094427C	Traffic Signal and Street Lighting Systems For Dayton Street at El Cajon Boulevard and 29th Street at Ocean View Boulevard	229,906.10	
K094435C	Water Group 3010	1,899,020.00	
K094638	Removal of Architectural Barriers Curb Ramp GF-4	560,920.00	
K094646	Removal of Architectural Barriers - Curb Ramp GF-5	515,220.00	
K094653M	Birdrock Elementary School ADA Upgrades/Waverly Avenue	118,608.00	
K094712	La Playa Storm Drain Repair	395,750.00	
K094803	Florida Canyon Storm Drain - Sole Source	600,000.00	
K101209CA	Balboa Avenue Trunk Sewer	1,962,939.14	
K102909CA	Sewer Group Job 665	1,386,556.46	
K104183CA	Sidewalk Replacement Group I, FY 10 (Tree Related)	666,976.00	
K104323	Mesa College Drive Utilities Undergrounding	465,855.00	
K104366	Rosecrans & Midway Drive Turn Pockets	242,394.00	
K104567	Martin Luther King CP - Play Area Upgrade	401,400.00	
K104621	Memorial Park Infiltration	295,904.00	
K104648C	Water Group 665	924,274.25	
K104664C	Water Group 793	3,189,239.72	
K104696C	Water Group 911	1,025,900.00	
K104700C	Sewer Main Rehabilitation Phase I-1D	1,862,634.37	
K104728C	Sidewalk Replacement Group 2, FY 10	957,977.00	
K104729C	Concrete Street Panel Replacement Group I, FY10	658,736.00	
K104766	Via Rialto Storm Drain Improvements	435,689.00	
K104820C	Sewer Group 745	3,080,000.00	
K104823C	Sewer Pipeline Rehabilitation Phase J-1A	3,292,819.75	
K104836C	Sewer Rehabilitation Phase J-1	3,193,079.75	
K104858C	Asphalt Overlay Group 01, FY '10	8,992,600.00	
K104883M	Removal of Fiberglass Liner and Re-Plaster Entire Surface - Kearny Mesa Pool	60,800.00	
K104918C	Sewer Main Rehabilitation Phase J-1B	1,655,348.31	
K104928C	Pump Station "D" Box Manifold Emergency Replacement Project	663,804.28	
K104968M	Removal of Fiberglass Liner and Re-Plaster Entire Surface - Vista Terrace Pool	63,000.00	
K108449C	Sewer Group Job 716	3,066,024.99	
M094084	Watson Ranch Creek Drain Culvert	72,443.00	
M094459	Normal Street Median Improvements	134,119.00	
M094668	West Point Loma Boulevard Sidewalk	61,470.00	
M104416	47th Street - Street Light Installation	33,789.00	
M104853	El Camino Real Flashing Beacons & Landsdale Drive Flashing Beacon	28,000.00	
M105008	Garnet Avenue Emergency Storm Drain Pipe Repair	194,965.00	
Non-Prevailing Wage contract count - 42 (75%)		**55,727,952.45**	**(62%)**
Grand Total - 56		**89,306,462.55**	