



Office of Council President
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MEDIA ADVISORY

COUNCIL PRESIDENT BRINGS FORWARD PROP. A CLARIFICATION *Resolution Will Protect State Funding of City Projects*

San Diego, CA: Council President Todd Gloria has docketed a Resolution for the City Council's consideration today that would adopt an interpretation of Proposition A that could keep millions of needed state dollars coming to San Diego for maintenance and improvement projects.

The Resolution would support an interpretation of Proposition A -- an initiative approved by voters on June 5, 2012 -- which prohibits the City from requiring project labor agreements on City construction projects. Proposition A, however, contains an exception clause that states, "except where required by state or federal law as a contracting or procurement obligation, or as a condition of the receipt of state or federal funds."

Current state law withholds state construction funds from cities that ban project labor agreements. Since 2012, the City Attorney's office has interpreted the Proposition A exception clause as allowing the City to consider project labor agreements and, therefore, preserving the City's right to receive state funds. Although no state funds have been denied to date, the State Water Resources Board recently asked the City of San Diego to explain how the City is reconciling State law and Proposition A.

The City Council on Monday will consider adopting a resolution that supports this legal interpretation by confirming that the City and City Council maintain discretion to adopt, require or utilize Project Labor Agreements as a condition for state funding and financial assistance. On October 16, State Attorney Michael Lauffer wrote in the attached letter:

“[A]ssuming that the necessary majority of the City Council votes to adopt and implement the resolution, Public Contract Code section 2503 and San Diego Municipal Code section 22.4402 would not appear to stand as obstacles to financial assistance from either of the state revolving funds administered by the State Water Board.”

Council President Todd Gloria was instrumental in working with Toni Atkins, the Speaker of the State Assembly, to open the lines of communications with state officials. **“The City Council must abide by the will of the voters who approved Proposition A, which includes this exception clause,”** said Council President Gloria. **“I am optimistic that we will preserve millions of dollars while still abiding by Proposition A.”**

City Attorney Jan Goldsmith thanked Council President Gloria, Mayor Kevin Faulconer and Speaker Atkins for opening the lines of communications and working to remove politics from the situation. **“This is a reasonable legal interpretation of Proposition A which saves the City of San Diego millions of dollars,”** Goldsmith said. **“We certainly urge the City Council to adopt the Resolution.”**

At risk is the City’s eligibility for State funds for water projects including pipeline replacements, wastewater projects including pump station reliability and surge projection, and recycled water facilities. The City’s Public Utilities Department identified in 2013 more than \$383 million in projects that may qualify for state funds. Recycled water projects are estimated to cost approximately \$2 billion through 2050.

The City Council meeting starts at 2:00 p.m. in the City Administration Building, 202 C Street, San Diego, CA 92101.

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