ORDINANCE NO. 3052-14

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE TO ADD A NEW SECTION TO CHAPTER 2.09 OF TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE SUNNYVALE MUNICIPAL CODE TO REQUIRE THE PAYMENT OF PREVAILING WAGES ON PUBLIC WORKS PROJECTS

WHEREAS, Senate Bill 7 ("SB 7") was adopted by the State Legislature on October 13, 2013, and provides that the State will only extend financial assistance to construction projects of charter cities that comply with the prevailing wage law on all municipal construction projects; and

WHEREAS, SB 7 takes effect on January 1, 2015, and bars charter cities from state financial assistance for a period of two (2) years if the city has awarded a public works contract on or after January 1, 2015, without requiring the contractor to comply with the prevailing wage requirements; and

WHEREAS, SB 7 requires contractors on public works projects to be paid the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed; and

WHEREAS, in July 2000, the City Council adopted an informal policy exempting the City from paying prevailing wages on maintenance and repair projects, but otherwise requiring the payment of prevailing wages on public works projects; and

WHEREAS, SB 7 requires the payment of prevailing wages on maintenance and repair projects in excess of \$15,000 and all public works construction projects in excess of \$25,000; and

WHEREAS, the City of Sunnyvale would like to remain eligible for state financial assistance for its municipal construction projects by incorporating the prevailing wage requirements of SB 7 into the Sunnyvale Municipal Code.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUNNYVALE DOES ORDAIN AS FOLLOWS:

SECTION 1. SECTION ADDED. Section 2.09.220 of Chapter 2.09 (Public Works Contracting) of Title 2 (Administration and Personnel) of the

Sunnyvale Municipal Code is hereby added to read as follows:

2.09.220. Prevailing Wages.

- (a) The City shall comply with state law requiring prevailing wages to be paid on all public works projects within the meaning set forth in Labor Code section 1782, in order to remain eligible for state funding on City construction projects.
- (b) If for any reason, Labor Code section 1782 shall be held to be invalid or inapplicable to charter cities by any court of competent jurisdiction or is otherwise repealed, this section shall automatically sunset and be of no further effect thereafter.

<u>SECTION 2</u>. CEQA - EXEMPTION. The City Council finds, pursuant to Title 14 of the California Code of Regulations, Section 15061(b)(3), that this ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) in that it is not a project which has the potential for causing a significant effect on the environment.

<u>SECTION 3.</u> CONSTITUTIONALITY; SEVERABILITY. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision or decisions shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance, and each section, subsection, sentence, clause and phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid.

<u>SECTION 4.</u> EFFECTIVE DATE. This ordinance shall be in full force and effect thirty (30) days from and after the date of its adoption.

SECTION 5. POSTING AND PUBLICATION. The City Clerk is directed to cause copies of this ordinance to be posted in three (3) prominent places in the City of Sunnyvale and to cause publication once in The Sun, the official publication of legal notices of the City of Sunnyvale, of a notice setting forth the date of adoption, the title of this ordinance, and a list of places where copies of this ordinance are posted, within fifteen (15) days after adoption of this ordinance.

APPROVED:
Mayor
<u>,</u>