



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Adopt a Resolution Authorizing the Director of Public Works to Apply and Implement a Labor Compliance Program Approved by the Department of Industrial Relations as Required for Public Works Contracts Funded Through Proposition 84 Chapter 2 Integrated Regional Water Management (IRWM) Grant Program

BACKGROUND

Proposition 84 Chapter 2 Integrated Regional Water Management Plan (IRWMP) 2014 Grant Program, administered through the Department of Water Resources (DWR), provides funding to drought-affected communities for projects and programs that assist local public agencies to meet long term water needs of the state, including the delivery of safe drinking water and the protection of water quality and the environment.

On July 15, 2014, City Council adopted the Bay Area IRWMP as a required condition for receipt of the subject grant funding (Report to Council 14-0593) and authorized staff to complete the grant application process.

In October 2014, the DWR awarded approximately \$221 million to fund projects statewide. As part of a \$23 million Bay Area Drought Relief Program grant award, the City of Sunnyvale and Santa Clara Valley Water District (SCVWD) project team will receive \$4 million in grant funding for the Sunnyvale Continuous Recycled Water Production Facilities and Wolfe Road Pipeline. The Sunnyvale component of this project, the Continuous Recycled Water Production Facilities, is earmarked to receive \$1.5 million.

The Continuous Recycled Water Production Facilities project under Capital Improvement Project (CIP) 829430, WPCP Chlorine Conversion, will rehabilitate the plant production facilities to allow for production of recycled water while concurrently discharging to the San Francisco Bay which will improve the overall reliability and flexibility to produce recycled water.

EXISTING POLICY

Sunnyvale General Plan, Chapter 7- Environmental Management

Goal EM-1 Adequate Water Supplies: Acquire and manage water supplies so that existing and future reasonable demands for water, as projected in the 20-year forecast, are reliably met.

Policy EM-1.2: Maximize recycled water use for all approved purposes both within and in areas adjacent to the City, where feasible.

Policy EM-1.2b: Pursue opportunities for external funding for existing and future recycled water

projects by supporting the efforts of regional water quality and recycling organizations such as BARWRP as they seek and apply for funding for expansion and continued support of recycled water and water quality in the region.

ENVIRONMENTAL REVIEW

The adoption of this resolution is not considered a project under California Environmental Quality Act (CEQA). The project that this resolution supports will be submitting a Categorical Exemption at the time the construction contract is awarded by Council. This construction project falls under CEQA Guidelines, Section 150301(d), because the project involves rehabilitation of existing facilities and mechanical equipment with no expansion of an existing use.

DISCUSSION

The Proposition 84 grant program requires the agency awarding a contract for public works project (s), financed in any part with funds made available through this grant to adopt and enforce, or contract with a third party to enforce, a labor compliance program pursuant to California Labor Code (CLC) § 1771.5(b) regarding prevailing wage requirements. Proposition 84 requires agencies to have a Labor Compliance Program (LCP) approved through the Department of Industrial Relations (DIR) in place at the time of awarding a contract for a public works project by the agency.

While Sunnyvale currently has a process in place for monitoring labor compliance and adherence with prevailing wage requirements for capital improvement projects, the City's program is not a DIR-approved LCP. To be an approved LCP, the City Council would need to adopt a resolution and submit an application packet to the DIR for review including a proposed manual outlining the responsibilities and procedures of the LCP. LCPs are required to file annual reports with the DIR and approval of the LCP has to be in place before the award of a construction contract.

Staff contracted with Contractor Compliance and Monitoring, Incorporated (CCMI), a labor compliance specialist, for assistance with creating a draft LCP (Attachment 1), as well as completing the required application for approval through the DIR (Attachment 2). CCMI is recognized as an expert in the field of prevailing wage compliance. They customize services to their clients on a project by project basis to ensure full labor compliance. CCMI was approved by the DIR as a Third Party Labor Compliance Program Administrator. They provide LCP services to cities, counties, school districts, water districts and other public agencies.

Additionally, staff proposes to hire CCMI to assist with project monitoring, enforcing and reporting for the LCP. Cost for services by CCMI is based on project size. It is anticipated for large projects such as this one, CCMI services would cost approximately 1% of the project construction cost.

The Continuous Recycled Water Production Facilities design is nearing completion and the construction contract is scheduled to be awarded in Spring 2015.

City Council will need to adopt the Resolution (Attachment 3) authorizing the Director of Public Works to submit an application to the Department of Industrial Relations for acceptance of the proposed draft Labor Compliance Program for the City of Sunnyvale.

FISCAL IMPACT

The fee of \$1,500 for services by CCMI for assistance with creating and completing an application for

a City Labor Compliance Program was budgeted in CIP 829430 *WPCP Chlorine Conversion* the Continuous Recycled Water Production Facilities Project.

Costs associated with the adoption, implementation and ongoing monitoring and reporting of the LCP will be included within the budget for the WPCP Chlorine Conversion project.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

STAFF RECOMMENDATION

Adopt a Resolution authorizing the Director of Public Works to apply and implement a Labor Compliance Program for the City Approved by the Department of Industrial Relations as required for Public Works contracts funded through Proposition 84 Chapter 2 Integrated Regional Water Management (IRWM) Grant Program.

Prepared by: Christina Uribe, Acting City Property Administrator

Reviewed by: Manuel Pineda, Director, Public Works

Reviewed by: John Stufflebean, Director, Environmental Services

Reviewed by: Robert A. Walker, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Draft Labor Compliance Program for City of Sunnyvale
2. Labor Compliance Program Application
3. Resolution