

BOARD of SUPERVISORS



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MEMORANDUM

TO: Carmen Chu, City Administrator, Office of the City Administrator
Daniel Adams, Mayor's Office of Housing and Community Development
(MOHCD)

FROM: Victor Young, Assistant Clerk *Victor Young*

DATE: November 4, 2024

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee received the following proposed Ordinance:

File No. 241071

Ordinance amending the Administrative Code to direct the City Administrator to negotiate amendments to the citywide Project Labor Agreement (PLA) that would incorporate into the PLA multi-family affordable housing projects constructed under an agreement with the Mayor's Office of Housing and Community Development, make subject to the PLA subcontractors for PLA-covered projects that qualify as Local Business Enterprises once they have been awarded over \$5,000,000 for work on covered projects, and extend the term of the PLA from 20 to 30 years, until July 14, 2050.

If you have comments or reports to be included with the file, please forward them to Victor Young at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: victor.young@sfgov.org.

c: Sophie Hayward, Office of the City Administrator
Vilian Po, Office of the City Administrator
Angela Yip, Office of the City Administrator
Lydia Ely, MOHCD
Brian Cheu, MOHCD
Maria Benjamin Sheila Nikolopoulos, MOHCD



City and County of San Francisco

Master Report

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 241071 **File Type:** Ordinance **Status:** 30 Day Rule

Enacted: _____ **Effective:** _____

Version: 1 **In Control:** Rules Committee

File Name: Administrative Code - Amending the Citywide Project Labor Agreement **Date Introduced:** 10/29/2024

Requester: _____ **Cost:** _____ **Final Action:** _____

Comment: _____ **Title:** Ordinance amending the Administrative Code to direct the City Administrator to negotiate amendments to the citywide Project Labor Agreement (PLA) that would incorporate into the PLA multi-family affordable housing projects constructed under an agreement with the Mayor’s Office of Housing and Community Development, make subject to the PLA subcontractors for PLA-covered projects that qualify as Local Business Enterprises once they have been awarded over \$5,000,000 for work on covered projects, and extend the term of the PLA from 20 to 30 years, until July 14, 2050.

Sponsors: Safai; Chan

History of Legislative File 241071

Ver	Acting Body	Date	Action	Sent To	Due Date	Result
1	President	10/29/2024	ASSIGNED UNDER 30 DAY RULE	Rules Committee	11/28/2024	

1 [Administrative Code - Amending the Citywide Project Labor Agreement]

2

3 **Ordinance amending the Administrative Code to direct the City Administrator to**
4 **negotiate amendments to the citywide Project Labor Agreement (PLA) that would**
5 **incorporate into the PLA multi-family affordable housing projects constructed under an**
6 **agreement with the Mayor’s Office of Housing and Community Development, make**
7 **subject to the PLA subcontractors for PLA-covered projects that qualify as Local**
8 **Business Enterprises once they have been awarded over \$5,000,000 for work on**
9 **covered projects, and extend the term of the PLA from 20 to 30 years, until July 14,**
10 **2050.**

11 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
12 **Additions to Codes** are in *single-underline italics Times New Roman font*.
13 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
14 **Board amendment additions** are in double-underlined Arial font.
15 **Board amendment deletions** are in ~~strikethrough Arial font~~.
16 **Asterisks (* * * *)** indicate the omission of unchanged Code
17 subsections or parts of tables.

18 Be it ordained by the People of the City and County of San Francisco:

19

20 Section 1. Chapter 6, Article II of the Administrative Code is hereby amended by
21 revising Section 6.27, to read as follows:

22 **SEC. 6.27. CITYWIDE PROJECT LABOR AGREEMENT ORDINANCE.**

23 (a) **Short Title.** This Section 6.27 shall be known and may be cited as the Citywide
24 Project Labor Agreement Ordinance.

25 (b) **Findings and Purpose.**

(1) Certain public work and improvement projects can involve numerous
contractors and employees in different trades, have critical timelines for completion, and

1 require a skilled and properly-trained workforce to successfully complete the work in a proper
2 and timely manner. To avoid costly delays and additional expense to the City, it is essential
3 that construction on such projects proceed without the labor disruptions that can occur on
4 long-term projects, both from external labor relations problems and from the frictions that often
5 arise when a large number of contractors and their employees and subcontractors work in
6 proximity to one another on a job site.

7 (2) Additionally, in a complex and highly developed urban environment such as
8 San Francisco, many smaller projects can be of substantial importance to City residents,
9 whether through provision of basic services or through the establishment or maintenance of
10 conditions for economic, physical, or emotional well-being, such that it is highly desirable and
11 even essential to avoid the delay in their completion that might result from labor disruptions.

12 (3) Affordable housing projects funded through contracts between developers and the
13 Mayor's Office of Housing and Community Development (MOHCD) can involve numerous contractors
14 and employees from different trades, can have critical timelines for completion that come with penalties
15 if not met, and can require a skilled and properly trained workforce to successfully complete quality
16 work on time and on budget.

17 (34) In the private sector, project labor agreements have been used for many
18 years on numerous construction projects to achieve satisfactory performance and the
19 economic benefits that result from having a guaranteed source of skilled workers and from
20 avoiding work disruptions.

21 (45) In San Francisco, project labor agreements have been and are being
22 used successfully by public entities including the San Francisco Public Utilities Commission,
23 the San Francisco Community College District, the San Francisco Unified School District, the
24 Transbay Joint Powers Authority, and the United States General Services Administration, as
25 well as by many private entities, for construction in both large and small scale projects,

1 including hospitals, reservoirs, water treatment and transmission facilities, schools, offices,
2 and residences, and for the retrofit and remodel of existing buildings and facilities. Such
3 agreements have been a major factor in producing quality construction work and projects
4 completed on time, within budget, without labor strife or disruptions.

5 (~~56~~) Beyond San Francisco, throughout the Bay Area and Northern California,
6 project labor agreements have been used successfully on numerous public and private
7 construction projects, and public entities such as the County of Contra Costa, the Bay Area
8 Rapid Transit District, the Oakland Unified School District, the City of Berkeley, and others,
9 maintain Project Labor Agreement Ordinances and Policies requiring the use of project labor
10 agreements on their publicly funded construction projects. The same is true of the San
11 Francisco International Airport, a City entity located in the County of San Mateo.

12 (~~67~~) The cyclical nature of our economy has led and will lead to high levels of
13 unemployment and underemployment of San Francisco residents, particularly in certain
14 neighborhoods and communities. Statistics also indicate that high levels of unemployment or
15 underemployment correlate to a higher number of families living at or near the poverty line. As
16 a result, it is the policy of the City to increase and improve the employment of persons living in
17 San Francisco in an attempt to counteract the grave economic ills associated with the
18 unemployment and underemployment levels that have existed and will exist within San
19 Francisco.

20 (~~78~~) There is a need to provide San Francisco residents with more
21 opportunities to participate in workforce development and pre-apprenticeship programs that
22 include life skills training and job readiness training. To this end, the City has funded the
23 CityBuild Academy established by the Office of Economic and Workforce Development and
24 has funded and may in the future fund additional programs such as the Mario DeLaTorre
25 Academy. Such pre-apprenticeship programs increase the capacity of San Francisco

1 residents to succeed later in formal apprenticeship programs and hence reduce
2 unemployment and underemployment and accompanying poverty and economic conditions.

3 (~~89~~) The construction crafts that work on City-funded projects require a supply
4 of new apprentices to perpetuate the crafts into the future. Through their apprenticeships,
5 these crafts provide genuine opportunities for long-term, well-paid careers in the construction
6 industry. Entry into and employment through these apprenticeships can be facilitated by
7 formal understandings between the City and the labor organizations affiliated with the San
8 Francisco Building and Construction Trades Council.

9 (~~910~~) In addition, large numbers of returning veterans will be seeking
10 employment on City-funded construction projects and training opportunities for entrance into
11 the construction industry. Such training opportunities are available through a program known
12 as “Helmets to Hardhats,” a program that current City project labor agreements require
13 contractors and subcontractors to use.

14 (~~1011~~) In addition, economic exclusion and the City’s housing crisis have led
15 and will continue to lead to significant displacement and out-migration of San Francisco
16 residents, particularly from historically African-American neighborhoods, which have suffered
17 steady and disproportionate population decline since 1970. There is a need to provide
18 economic opportunities to enable such displaced residents to return to San Francisco.

19 (~~1112~~) The use of project labor agreements has proven to be a valuable
20 vehicle for accomplishing all of the goals set out above.

21 (c) **Definitions.** For purposes of this Section 6.27, the following definitions shall
22 apply:

23 “Contract” means both (1) “Contract” as defined in Section 6.1 of the Administrative Code,
24 and/or (2) an agreement executed by the City, acting through MOHCD, to fund, in whole or in part, the
25 construction of Multi-Family Affordable Housing.

1 “Contractor” means both (1) “Contractor” as defined in Section 6.1 of the Administrative
2 Code; and (2) any non-City party entering into a Contract as defined in this Section.

3 “Core Employee” means an employee of a Contractor who has not previously had a
4 relationship with the Unions who demonstrates the following qualifications: (1) possesses any
5 license required by state or federal law for the Project work to be performed; (2) has worked a
6 total of at least 1,000 hours in the construction craft during the prior three years; (3) has been
7 on the Contractor’s active payroll for at least 500 hours during a time period to be determined
8 in the Project Labor Agreement; and (4) has the ability to perform safely the basic functions of
9 the applicable trade.

10 “Cost” means both (1) for a Public Work or Improvement, as that term is defined in Section
11 6.1 of the Administrative Code, the amount of money the Department Head estimates the City
12 will spend on construction work, and (2) for construction of Multi-Family Affordable Housing under
13 a Contract with MOHCD, the amount of funding MOHCD estimates the City will contribute toward
14 construction work. “Cost” does not include money the Department Head projects the City will
15 spend on City employees, project managers, program managers, construction managers, and
16 design teams (including, but not limited to, architects and engineers, or any other consultant
17 employed by a City Department and their respective sub-consultants, and other employees of
18 professional service organizations, unless performing craft work).

19 “Covered Project” means both a project performed under a Contract involving Public
20 Work or Improvement as those terms are defined in Section 6.1 of the Administrative Code
21 Section 6.1, and a project for construction of Multi-Family Affordable Housing funded, in whole or in
22 part, through a Contract with MOHCD, if, in either case, one of the following three criteria is
23 met~~either~~: (1) the Contract is funded in whole or in part by a General Obligation Bond or
24 Revenue Bond and the Department Head estimates the Cost of the Contract to exceed the
25 following threshold amounts: \$5,000,000 for Covered Projects where the Advertisement for

1 Bid is released in the first year after the City and Unions sign a Project Labor Agreement,
2 \$3,000,000 for Covered Projects where the Advertisement for Bid is released in the second
3 year after the City and Unions sign a Project Labor Agreement, and \$1,000,000 thereafter, or
4 (2) the project is funded by a source other than a General Obligation Bond or Revenue Bond
5 and the Department Head estimates the Cost of the Covered Project to exceed \$10,000,000,
6 or (3) the Department Head has determined that delay in completing the Covered Project may
7 lead to interruption or delay of services or use of facilities that are important to the essential
8 operations or infrastructure of the City. Notwithstanding the foregoing sentence, "Covered
9 Project" does not include any Public Work or Improvement projects undertaken by the San
10 Francisco International Airport, the San Francisco Public Utilities Commission, the Port of San
11 Francisco, or the San Francisco Municipal Transportation Agency. "Covered Project" also
12 does not include any Public Work or Improvement project where application of the citywide
13 PLA would violate the conditions of a state, federal, or other public funding source.

14 "MOHCD" means the Mayor's Office of Housing and Community Development, or any
15 successor agency.

16 "Multi-Family Affordable Housing" means a multi-family residential building, including any
17 ancillary commercial space, where 100% of the City-subsidized residential units (not including a
18 manager's unit) are or will be subject to a recorded regulatory restriction to ensure affordability based
19 on income or provide permanent housing for homeless or formerly homeless persons.

20 "Project Labor Agreement" or "PLA" means a multi-craft collective bargaining
21 agreement between the City and the San Francisco Building and Construction Trades Council
22 and affiliated labor unions that will refer workers to Covered Projects, and which governs the
23 construction services on the Covered Project.

24 "Subcontractor" means any person, firm, partnership, owner-operator, limited liability
25 company, corporation, joint venture, proprietorship, trust, association, or other entity providing

1 services to a Contractor or other Subcontractor in fulfillment of the Contractor's or other
2 Subcontractor's obligations arising from a Covered Project.

3 "Unions" means the San Francisco Building and Construction Trades Council and its
4 affiliated local unions. These affiliated local unions are listed in a document that is on file in
5 Board of Supervisors File No. 181043 and incorporated by reference as if set forth herein, and
6 the City Administrator and San Francisco Building and Construction Trades Council may
7 update the list by mutual agreement at any time. Nothing in this Section 6.27 is intended to
8 imply that the City has the authority to approve which local unions may affiliate with the San
9 Francisco Building and Construction Trades Council.

10 (d) **Project Labor Agreement Requirement.** The City and Unions entered into a
11 citywide Project Labor Agreement on July 14, 2020, with a term of 20 years, to terminate on July 14,
12 2040, a copy of which is included in Board File No. _____ . That Project Labor Agreement
13 incorporates the definition of "Covered Projects" and of other terms defined in subsection (c) of this
14 Section 6.27 that were in effect at the time the PLA was executed. Not later than July 1,
15 2025~~September 1, 2019~~, the City Administrator shall negotiate with the Unions and sign on
16 behalf of the City, an amended citywide Project Labor Agreement that shall apply to all Covered
17 Projects as that term is defined under subsection (c) as a result of enactment of the ordinance in Board
18 File No. _____ amending the definition of that term, incorporate other new and amended definitions
19 in subsection (c), incorporate the requirements in subsection (e)(3), as updated by said ordinance, and
20 extend the term of the PLA by ten years, to July 14, 2050. In the City Administrator's discretion, the
21 City Administrator may extend this deadline once for up to three months, to no later than
22 October 1, 2025~~December 1, 2019~~, by providing written notice to the Unions, the Mayor, and the
23 Board of Supervisors. For all Covered Projects defined as such under the terms of a PLA in effect
24 at the time the project is advertised ~~after the City Administrator signs the PLA on behalf of the City,~~
25 each Department Head shall set as a precondition to the award of the contract that the

1 Contractor and its Subcontractors sign an agreement to be bound by the citywide Project
2 Labor Agreement. The Contractor shall execute the Project Labor Agreement on file with the
3 City Administrator. Nothing in this ~~provisions~~subsection (d) shall impact or otherwise impair the
4 terms of any existing Project Labor Agreement. The City is not bound by ~~the any~~ requirements
5 listed in ~~of~~ subsection (e) unless and until the City and all Unions have executed a ~~final~~ Project
6 Labor Agreement that incorporates that particular requirement listed in subsection (e).

7 (e) **Required Terms for citywide Project Labor Agreement.** The citywide Project
8 Labor Agreement shall include the following terms:

9 (1) The Project Labor Agreement is binding on all Contractors and Subcontractors
10 at all tiers of a Covered Project, except as provided in subsection (e)(10);

11 (2) Unions, Contractors, and Subcontractors are bound by the requirements of
12 Administrative Code Chapters 6, 14B, 82, and 83 and Labor and Employment Code Article
13 131, as they may be amended from time to time, including but not limited to the provisions
14 addressing Local Hire and Local Business Enterprise;

15 (3) Contractors will condition the engagement of each Subcontractor on the
16 Subcontractor agreeing to be bound by and comply with all the terms of the Project Labor
17 Agreement, unless the Subcontractor is a Local Business Enterprise that has not ~~received~~ been
18 awarded over \$5,000,000 for work on Covered Projects cumulatively over the entire duration of
19 the PLA;

20 (4) Contractors and Subcontractors to whom construction services are awarded
21 for a Covered Project will use the hiring halls operated by signatory Unions for all labor on the
22 Covered Project except for (A) the services provided by non-craft managerial, executive, and
23 clerical employees, (B) supervisory employees above the level of general foreman; (C) at
24 least two Core Employees per Covered Project, as further determined in Project Labor
25

1 Agreement negotiations, or (D) LBEs that meet the requirements set forth in subsection
2 (e)(10);

3 (5) Contractors and Subcontractors will hire apprentices indentured in the State-
4 approved joint apprenticeship program for the applicable craft or trade for work on the
5 Covered Project in accordance with the apprentice ratios contained in California Labor Code
6 Section 1777.5, as it may be amended from time to time;

7 (6) Unions will use the “Helmets to Hardhats” Program to assist returning veterans
8 in obtaining employment and training opportunities on the project;

9 (7) Within three years of the City Administrator executing the PLA on behalf of the
10 City, all of the Unions shall enter into agreements, or modify existing agreements, with
11 CityBuild Academy to ensure graduates of CityBuild Academy have a pathway for direct entry
12 into the Union’s apprenticeship program;

13 (8) ~~A~~ single jurisdictional dispute resolution process for resolving all disputes
14 between Unions, as adopted by the North America’s Building Trades Unions, or any
15 subsequent plan or dispute resolution procedure that the North America’s Building Trades
16 Unions may adopt thereafter;

17 (9) ~~An~~ agreement by all Unions to refrain from strikes, picketing, and other labor
18 disruptions related to the Covered Project, and that Union members will continue work on a
19 Covered Project despite the expiration of any applicable collective bargaining agreement;

20 (10) ~~The~~ PLA does not apply to Contractors performing work on Covered Projects
21 that are certified as Local Business Enterprises (LBEs) under Administrative Code Chapter
22 14B.3, until the LBE has received the value of contracts awarded for work on Covered
23 Projects in an amount exceeding \$5,000,000 cumulatively over the entire duration of the PLA;

1 (11) ~~The~~ PLA's coverage does not extend to the Contractors' or Subcontractors'
2 parent companies, subsidiaries, or affiliates except to the extent those entities are performing
3 work on a Covered Project;

4 (12) ~~The~~ PLA does not apply to any work performed on or near or leading to or
5 into the Covered Project site by federal, state, local, or other governmental entities or their
6 contractors or subcontractors, or by utilities or their contractors or subcontractors, or by the
7 City or its contractors or subcontractors if that work ~~that~~ is not part of the Covered Project; and

8 (13) ~~A~~ prohibition against discrimination on any and all bases that City, state, or
9 federal law prohibits.

10 (f) **Annual Reporting.** Beginning on the effective date of the ordinance in Board File
11 No. 181043 enacting this Section 6.27, the Office of the Controller shall, in collaboration with
12 the Contract Monitoring Division, collect utilization rates for LBEs on current Contracts
13 covered by this Section 6.27. Within one year after the City Administrator executes the PLA
14 on behalf of the City, and annually thereafter, the Controller shall conduct annual reviews of
15 the PLA to evaluate whether the PLA has promoted the efficient, economical, and timely
16 completion of Covered Projects, the costs of Covered Projects, and the PLA's impact on LBEs
17 and the local workforce.

18 (g) No later than July 31, 2023, the Controller shall submit to the Clerk of the Board
19 and all members of the Board of Supervisors a request for a public hearing regarding the
20 annual reports described in subsection (f).

21 (h) The Project Labor Agreement shall automatically expire ~~20 years from the date it is~~
22 ~~initially signed by the City and the Unions on July 14, 2050~~, at which point the City and Unions shall
23 no longer be bound by the citywide Project Labor Agreement, except on Covered Projects for
24 which contracts are awarded before expiration of the Project Labor Agreement.

1 (i) **Severability.** If any subsection, sentence, clause, phrase, or word of this Section
2 6.27, or any application thereof to any person or circumstance, is held to be invalid or
3 unconstitutional by a decision of a court of competent jurisdiction, such decision shall not
4 affect the validity of the remaining portions or applications of the Section. The Board of
5 Supervisors hereby declares that it would have passed this Section and each and every
6 subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional
7 without regard to whether any other portion of this Section or application thereof would be
8 subsequently declared invalid or unconstitutional.

9 (j) **No Conflict with Federal or State Law.** Nothing in this Section 6.27 shall be
10 interpreted or applied so as to create any requirement, power, or duty in conflict with any
11 federal or state law.

12
13 Section 2. Effective Date. This ordinance shall become effective 30 days after
14 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
15 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
16 of Supervisors overrides the Mayor's veto of the ordinance.

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1 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
2 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
3 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
4 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
5 additions, and Board amendment deletions in accordance with the "Note" that appears under
6 the official title of the ordinance.

7
8 APPROVED AS TO FORM:
9 DAVID CHIU, City Attorney

10 By: /s/ Sarah Crowley
11 SARAH CROWLEY
12 Deputy City Attorney

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LEGISLATIVE DIGEST

[Administrative Code - Amending the Citywide Project Labor Agreement]

Ordinance amending the Administrative Code to direct the City Administrator to negotiate amendments to the citywide Project Labor Agreement (PLA) that would incorporate into the PLA multi-family affordable housing projects constructed under an agreement with the Mayor’s Office of Housing and Community Development, make subject to the PLA subcontractors for PLA-covered projects that qualify as Local Business Enterprises once they have been awarded over \$5 million for work on covered projects, and extend the term of the PLA from 20 to 30 years, until July 14, 2050.

Existing Law

The current version of Administrative Code Section 6.27, enacted in 2019, directed the City Administrator to negotiate with the San Francisco Building and Construction Trades Council and affiliated local unions (“Unions”) a Citywide Project Labor Agreement (“PLA”) to apply to all City public work and improvement projects with estimated projects costs over certain threshold amounts, exempting projects under the jurisdiction of the Airport, the Public Utilities Commission, the Port, and the Municipal Transportation Agency. The City and the Unions entered into the current PLA July 14, 2020, and the agreement is set to expire July 14, 2040.

Amendments to Current Law

The proposed ordinance would direct the City Administrator to negotiate amendments to the PLA that would expand the PLA to cover projects for the construction of multi-family affordable housing under a contract with the Mayor’s Office of Housing and Community Development (“MOHCD”), subject to the same cost thresholds in the current PLA, apply the PLA to subcontractors for all PLA-covered projects that qualify as Local Business Enterprises once they have been awarded over \$5 million for work on covered projects, rather than only once they have received over \$5 million; and extend the term of the PLA for all PLA-covered projects from 20 to 30 years so that the PLA will expire in July 2050.

Background Information

A copy of the PLA entered into on July 14, 2020, is included in Board File No. _____.

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SAN FRANCISCO CITYWIDE PROJECT LABOR AGREEMENT

This Project Labor Agreement is entered into by and between the City and County of San Francisco (hereinafter the “City”), together with contractors and subcontractors of all tiers, who shall become signatory to this Agreement by signing the Letter of Assent set forth in **Addendum A** (referred to collectively herein as “Contractors”), and the San Francisco Building & Construction Trades Council (hereinafter the “Council”) and its affiliated local Unions that have executed this Agreement (referred to collectively herein as the “Union” or “Unions”).

WHEREAS, effective February 18, 2019, the San Francisco Board of Supervisors (“Board”) passed the Citywide Project Labor Agreement Ordinance, Ordinance No. 001-19, File No. 181043 (“Ordinance”), codified at Section 6.27 of the San Francisco Administrative Code (“Administrative Code”), which requires the City to negotiate a Citywide project labor agreement applicable to Covered Projects; and

WHEREAS, Section (b) of the Ordinance sets forth the findings and purpose of the Ordinance and this Agreement as determined by the Board and as supplemented by the statements herein; and

WHEREAS, the timely and successful completion of Covered Projects is of the utmost importance to meet the business and operational needs of the City and to avoid increased costs resulting from delays in construction on Covered Projects; and

WHEREAS, a large number of workers with various skills will be required in the performance of Covered Projects and will be represented by the Unions signatory to this Agreement and employed by Contractors; and

WHEREAS, the use of skilled labor on construction work increases the safety of construction projects as well as the quality of completed work; and

WHEREAS, it is recognized that on Covered Projects, with multiple Contractors and workers represented by different Unions on the job site at the same time over an extended period of time, the potential for work disruption may be substantial without an overriding commitment to maintain continuity of work; and

WHEREAS, the interests of the general public, the City, the Council, the Unions and the Contractors are served if the construction work proceeds in an orderly manner without disruption

because of strikes, sympathy strikes, work stoppages, picketing, lockouts, slowdowns or other interferences with work; and

WHEREAS, the Contractors and the Unions desire to mutually establish and stabilize wages, hours and working conditions for the workers employed on Covered Projects and to encourage close cooperation among the Contractors and the Unions so that a satisfactory, continuous and harmonious relationship will exist among the parties to this Agreement; and

WHEREAS, this Agreement is not intended to replace, interfere with, abrogate, diminish or modify existing collective bargaining agreements in effect during the duration of Covered Projects insofar as legally binding agreements exist between the Contractors and the Unions, except that if the provisions of this Agreement are inconsistent with such collective bargaining agreements, the provisions of this Agreement shall prevail; and

WHEREAS, the City will award Construction Contracts for Covered Projects in accordance with the applicable provisions of federal, state and local law, including but not limited to the requirements of the San Francisco Charter and the San Francisco Administrative Code; and

WHEREAS, the parties place a high priority on developing the local construction workforce via programs for the recruitment, training and employment of local area residents and military veterans, and recognize the ability of local pre-apprenticeship and apprenticeship programs to provide meaningful and sustainable careers in the construction industry; and

WHEREAS, the parties pledge their full good faith and trust to work toward the satisfactory completion of Covered Projects;

NOW, THEREFORE, IT IS AGREED BETWEEN AND AMONG THE PARTIES HERETO, AS FOLLOWS:

ARTICLE I

PURPOSE

1.1 In addition to the legislative intent set forth in the Ordinance, and the WHEREAS provisions in the preamble of this Agreement, the purpose of this Agreement is to promote the efficiency and cost effectiveness of construction operations for the City through the use of skilled labor resulting in quality construction outcomes, and to prevent labor disputes and resolve grievances without strikes or lockouts, thereby promoting the public interest in assuring the timely and economical completion of Covered Projects.

- 1.2 In addition, the cyclical nature of the Bay Area economy has led and will lead to high levels of unemployment and underemployment of San Francisco residents, particularly in certain neighborhoods and communities. Statistics indicate that high levels of unemployment or underemployment correlate to a higher number of families living at or near the poverty line. As a result, it is the policy of the City to increase and improve the employment of persons living in San Francisco in an attempt to counteract the grave economic ills associated with the unemployment and underemployment levels that have existed and will exist within San Francisco. As a result, there is a need to provide San Francisco residents with more opportunities to participate in workforce development and pre-apprenticeship programs that include life skills training and job readiness training. To this end, the City has funded the CityBuild Academy (“CityBuild”) established by the Office of Economic and Workforce Development and has funded and may in the future fund additional programs such as the Mario DeLaTorre Academy. Such pre-apprenticeship programs increase the capacity of San Francisco residents to succeed later in formal apprenticeship programs and hence reduce unemployment and underemployment and accompanying poverty and economic conditions. This Agreement incorporates the parties’ support for the CityBuild Academy and other pre-apprenticeship programs.

ARTICLE II

DEFINITIONS

- 2.1 Wherever a word or phrase defined below, or a pronoun used in place of such word, is used in this Agreement (as defined in this Section 2.1), it shall have the meaning set forth in this Section.
- 2.1.1 “Administrative Code” means the San Francisco Administrative Code, as may be amended. For informational purposes only, San Francisco Administrative Code Sections 6.0, 6.1, 6.2, and 6.3, in effect as of July 1, 2020, are attached hereto as **Addendum B**.
- 2.1.2 “Agreement” means this Project Labor Agreement.
- 2.1.3 “Board” means the San Francisco Board of Supervisors.
- 2.1.4 “City” means the City and County of San Francisco.

- 2.1.5 “Completion” means that point at which there is Final Acceptance by the City of a Construction Contract and the City has filed a Notice of Completion. For purposes of this definition, "Final Acceptance" means that point at which the City has determined upon final inspection that the work has been completed in all respects and all required contract documents, contract drawings, warranties, certificates, manuals and data have been submitted and training completed in accordance with the contract documents and the City has executed a written acceptance of the work.
- 2.1.6 “Contract” or “Construction Contract” means a Contract as that term is defined in Administrative Code Section 6.1 awarded on a Covered Project.
- 2.1.7 “Contractor” means any individual, firm, partnership, owner-operator, limited liability company, corporation, joint venture, proprietorship, trust, association, or other entity that is independent of the City and has entered into a Construction Contract with the City or Contractors of any tier. As applicable depending on its context, “Contractors” shall refer to Prime Contractors and/or Subcontractors at any tier.
- 2.1.8 “Core Employee” means an employee of a Contractor who has not previously had a relationship with the Union and who demonstrates the following qualifications: (1) possesses any license required by state or federal law for the Covered Work to be performed; (2) has worked a total of at least 1,000 hours in the construction craft during the three years prior to the demonstration; (3) has been on the Contractor’s active payroll for at least 500 hours during the most recent five (5) month time period prior to the demonstration; and (4) has the ability to perform safely the basic functions of the applicable trade. Notwithstanding the foregoing, an employee who is referred to a non-signatory Contractor as a Core Employee on a Covered Project may be treated as a Core Employee on other Covered Projects provided that employee meets the definition of Core Employee set forth above; this subsequent employment on other Covered Projects does not establish a relationship with the Union.
- 2.1.9 “Cost” means the amount of money the Department Head estimates the City will spend on construction work for a Covered Project. “Cost” does not include money the Department Head projects the City will spend on City employees, project

managers, program managers, construction managers, and design teams including, but not limited to, architects and engineers, or any other consultant employed by a City department and their respective sub-consultants, and other employees of professional service organizations, unless performing craft work.

2.1.10 “Council” means the San Francisco Building & Construction Trades Council.

2.1.11 “Covered Project” means a project performed under a Contract involving Public Work or Improvement as those terms are defined in Administrative Code Section 6.1, if either: (1) the Contract is funded in whole or in part by a General Obligation Bond or Revenue Bond and the Department Head estimates the Cost of the Contract to exceed the following threshold amounts: (a) \$5,000,000 for Covered Projects where the advertisement for bid is released in the first year after the Effective Date of this Agreement, (b) \$3,000,000 for Covered Projects where the advertisement for bid is released in the second year after the Effective Date of this Agreement, and (c) \$1,000,000 for Covered Projects where the advertisement for bid is released in the third year after the Effective Date of this Agreement or thereafter; or (2) the Contract is funded by a source other than a General Obligation Bond or Revenue Bond and the Department Head estimates the Cost of the Covered Project to exceed \$10,000,000, or (3) the Department Head has determined that delay in completing the Covered Project may lead to interruption or delay of services or use of facilities that are important to the essential operations or infrastructure of the City. Notwithstanding the foregoing sentence, “Covered Project” does not include any Public Work or Improvement projects undertaken by the San Francisco International Airport, the San Francisco Public Utilities Commission, the Port of San Francisco, or the San Francisco Municipal Transportation Agency. “Covered Project” also does not include any Public Work or Improvement project where application of this Agreement would violate the conditions of a state, federal, or other public funding source. In addition, “Covered Project” does not include: (i) a project under a Contract for professional services between the City and a consultant, Project Manager, construction manager or design team (but not a design-build contractor), including, but not limited to, architects and engineers, or other professional service providers; or (ii) a project under a subcontract for professional services with a consultant, Project Manager, construction manager or

design team, including, but not limited to, architects and engineers, or other professional service providers; unless the project under any such Contract or subcontract for professional service includes Covered Work and the dollar value of such Covered Work exceeds the monetary thresholds set forth in subsections (1) and (2) of this Section 2.1.11. In this situation, only the Covered Work portion of the project under the Contract or subcontract for professional services is covered by this Agreement. The requirement that, for Covered Work to be part of a Covered Project under a professional services Contract or subcontract, such Covered Work must exceed the monetary thresholds set forth in Subsections (1) and (2) of this Section 2.1.11 does not apply to shop and field drawings/details used in fabrication and erection under the International Association of Sheet Metal, Air, Rail and Transportation Workers, Sheet Metal Workers' Local Union No. 104's Schedule A agreement; such work is covered regardless of whether the monetary thresholds are met.

- 2.1.12 "Covered Work" means work under a Schedule A agreement performed under a Construction Contract.
- 2.1.13 "Days" means business days unless otherwise specified in this Agreement. If a deadline falls on a holiday or a weekend, the deadline shall fall on the next business day.
- 2.1.14 "Department Head" means a Department Head for a particular City department as defined in Administrative Code Section 6.1.
- 2.1.15 "Effective Date" means the date immediately after the City Administrator, the Council and all Unions have executed this Agreement.
- 2.1.16 "Expiration Date" means the day twenty (20) calendar years from the Effective Date.
- 2.1.17 "Letter of Assent" means the Letter of Assent attached to this Agreement as **Addendum A**.
- 2.1.18 "Local Business Enterprise Contractor" or "LBE Contractor" means any Contractor certified by the City as an LBE under Administrative Code Section 14B.

- 2.1.19 “LBE Threshold” means the five million dollar (\$5,000,000) threshold applicable to LBE Contractors as set forth and more fully described in Section 3.5 (Local Business Enterprises).
- 2.1.20 “Local Resident” means a Local Resident as that term is defined in Administrative Code Section 82.3.
- 2.1.21 “Ordinance” means the Citywide Project Labor Agreement Ordinance, Administrative Code Section 6.27.
- 2.1.22 “Plan” means the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry.
- 2.1.23 “Prime Contractor” shall mean a Contractor who has a Construction Contract with the City on a Covered Project.
- 2.1.24 “Project Manager” means the person or entity designated by the City to oversee a Covered Project. A Contractor may function as Project Manager.
- 2.1.25 “Public Work or Improvement” means a Public Work or Improvement as that phrase is defined in Administrative Code Section 6.1.
- 2.1.26 “Schedule A agreements” means the applicable collective bargaining agreements of the Unions signatory hereto, including any agreements incorporated by reference therein. Schedule A agreements may also be referred to as “collective bargaining agreements” in this Agreement.
- 2.1.27 “Subcontractor” means any individual, firm, partnership, owner-operator, limited liability company, corporation, joint venture, proprietorship, trust, association, or other entity, at any tier, providing services to a Prime Contractor or other Subcontractor in fulfillment of the Prime Contractor’s or other Subcontractor’s obligations arising from a Construction Contract.
- 2.1.28 “Unions” means the Council and its affiliated local unions. These affiliated local unions are listed in a document that is on file in Board of Supervisors File No. 181043 and incorporated by reference as if set forth herein. The City Administrator and the Council may update the list by mutual agreement at any time. Nothing in the Ordinance or this Agreement is intended to imply that the City has the authority to approve the local unions that may affiliate with the Council.

- 2.2 The defined terms set forth in Section 2.1 and throughout this Agreement shall have the same meaning whether singular or plural and shall be treated in this Agreement as gender neutral.

ARTICLE III

SCOPE

- 3.1 **Parties.** This Agreement is made by and among the following parties with respect to Covered Projects: (1) the City; (2) the Unions; (3) the Council; and (4) the Contractors who agree to be bound by this Agreement through a Letter of Assent.
- 3.1.1 It is agreed that all Contractors and Subcontractors, of whatever tier, whom have been awarded Covered Work under a Construction Contract shall be required to accept and to be bound by the terms and conditions of this Agreement, and shall evidence their acceptance by executing the Letter of Assent attached hereto as **Addendum A** prior to the commencement of work. Each Contractor and Subcontractor shall provide a copy of the Letter of Assent to the Council and the City Administrator or designee prior to commencement of work.
- 3.1.2 When a Contractor enters into a subcontract with any Subcontractor to perform Covered Work under a Construction Contract, the Contractor shall require the Subcontractor, as a condition of accepting the award of the subcontract, to execute a Letter of Assent to be bound to the Agreement prior to the commencement of work. The Prime Contractor has the primary obligation to meet all conditions of this Agreement. This obligation cannot be relieved, evaded or diminished by subcontracting. Should the Prime Contractor elect to subcontract, the Prime Contractor shall continue to have such primary obligation.
- 3.1.3 The City has the absolute right to award a Construction Contract to any Contractor notwithstanding the existence or nonexistence of any agreement between such Contractor and any Union, provided only that such Contractor is willing, ready and able to execute and comply with this Agreement should such Contractor be awarded a Construction Contract, unless such Contractor is exempted under Section 3.5. All qualified Contractors and Subcontractors may bid and be awarded work on Covered Projects without regard to whether they are otherwise parties to collective bargaining agreements.

- 3.1.4 The City shall not divide Construction Contracts to intentionally evade the Covered Project monetary thresholds.
- 3.1.5 This Agreement shall be binding only on the signatory parties to this Agreement or to a Letter of Assent, and shall not apply to the parents, affiliates, subsidiaries, or other ventures of any such party.
- 3.1.6 The liability of the Contractor and the liability of any Union under this Agreement shall be several and not joint. This Agreement shall not have the effect of creating any joint employment status between or among the City, the Council, the Union, or any Contractor. Any dispute between the Unions and their signatory-Contractors respecting compliance with this Agreement shall not affect the rights, liabilities, obligations and duties between the Unions and such signatory-Contractors under their respective Schedule A agreements, unless specifically set forth in this Agreement.
- 3.1.7 If the City Administrator and the Council agree to update the list of affiliated local Unions on file in Board of Supervisors File No. 181043 by adding or deleting one or more Unions to the list, the Council shall ensure that the newly added Union(s) signs this Agreement at the same time as the list is updated.
- 3.2 The City, at its sole option and discretion, may add, delete, terminate, delay, modify or suspend any and all portions of a Covered Project at any time.
- 3.3 The City may also prohibit some or all Covered Work on certain days or during certain hours of the day to accommodate ongoing operations at City facilities or City security issues in the area of any Covered Project, or require such other operational or schedule changes that it may deem necessary.
- 3.4 **Construction Contracts and Contract Award.** For all Covered Projects advertised after the City Administrator signs the PLA on behalf of the City, each Department Head shall set as a precondition to the award of the Construction Contract that, except for LBE Contractors that have not reached the LBE Threshold, the Prime Contractor and its Subcontractors sign a Letter of Assent to be bound by the Agreement. The City shall include this Agreement in all advertisements for bid for Covered Projects. The City shall determine, in its sole discretion, the budget, schedule, terms and conditions, and scope of Covered Projects.

- 3.4.1 In awarding Construction Contracts subject to this Agreement, the City and Contractors shall comply with applicable federal, state, and local laws including, but not limited to, Administrative Code Chapters 6, 12B, 14B, 82 and 83.
- 3.4.2 The Unions shall support and cooperate in the implementation of all applicable local laws, recognizing the particular importance of local hiring policies, including as set forth in Administrative Code Chapters 82 and 83, and the City's interest in promoting opportunities for small local business enterprises as Contractors or Subcontractors to competitively bid for work on a Covered Project as set forth in Administrative Code Chapter 14B.
- 3.4.3 To avoid costly delays and additional expense on Covered Projects, the Council and the Unions agree to work cooperatively to encourage competitive bidding for all Covered Work on Covered Projects. The Council and the applicable Unions agree to use their best efforts to contact signatory Contractors, provide information to those Contractors to support bidding the work, and take any other reasonable steps to encourage bidding for the work. Nothing in this Section shall relieve the City or any Contractor of their responsibilities under this Agreement.
- 3.4.4 If an LBE Contractor who has not reached the LBE Threshold is a Prime Contractor, then any Subcontractor of the LBE Prime Contractor must comply with this Agreement unless otherwise exempt under Section 3.5.
- 3.5 **Local Business Enterprises.** Contractors certified as LBEs under Administrative Code Chapter 14B that are unwilling to execute the Letter of Assent before commencement of work shall be exempt from the terms of this Agreement, except as set forth herein.
- 3.5.1 The exemption in Section 3.5 shall apply until such time that the certified LBE Contractor has received an amount exceeding five million dollars (\$5,000,000) for work on a Covered Project(s) cumulatively over the entire duration of this Agreement (“LBE Threshold”). The City Administrator shall establish a process to track the value LBE Contractors have received for work on Covered Projects. Notwithstanding the foregoing, a certified LBE Contractor exempt from the terms of this Agreement may nonetheless choose to sign a Letter of Assent and comply with this Agreement.

- 3.5.2 When the amount an LBE Contractor has received exceeds the LBE Threshold, the LBE Contractor shall sign a Letter of Assent and comply with this Agreement for all current, ongoing, and subsequent Construction Contracts. For current and ongoing Construction Contracts, an LBE, after exceeding the LBE Threshold, shall have a reasonable amount of time, not to exceed thirty (30) calendar days, to comply with this Agreement.
- 3.5.3 The City Administrator, or designee, shall track the LBE Threshold and shall provide documentation regarding the value LBE Contractors have received on Covered Projects to the Council and shall provide a report at each regularly scheduled JAC meeting.
- 3.6 **Covered Work.** This Agreement shall apply and is limited to Covered Work under Construction Contracts solicited and awarded by the City on or after the Effective Date of this Agreement and prior to the Expiration Date, and **includes**, but is not limited to, the following scopes of work:
- 3.6.1 Site preparation, surveying, construction, alteration, demolition, installation, improvement, remediation, retrofit, painting or repair of buildings, structures, geotechnical and exploratory drilling, temporary HVAC, landscaping and temporary fencing, soils and materials testing and inspection, pipelines (including those in linear corridors built to serve the Covered Project), pumps, pump stations, start-up, modular furniture installation, and final clean-up and related activities for a Covered Project that are within the craft jurisdiction of one of the Unions as set forth in a Schedule A agreement.
- 3.6.2 All on-site work for a Covered Project over which the City, a Contractor or a Subcontractor possesses the right of control, including fabrication work done in any temporary yard or area established for a Covered Project.
- 3.6.3 Off-site work, including fabrication, that is traditionally performed by the United Association of Journeyman and Apprentices of the Plumbing and Pipefitting Industry, Local No. 38, the International Brotherhood of Electrical Workers, Local 6, or the International Association of Sheet Metal, Air, Rail and Transportation Workers, Sheet Metal Workers' Local Union No. 104, and that is under a Covered Project, provided such work is covered by the local Schedule A agreement or local

addenda to a national agreement of the applicable Union, as more fully set forth by Side Letters of Agreement contained in **Addendum C**. In the event that a Union, other than the three (3) Unions listed above, negotiates language in a Schedule A regarding off-site work, including fabrication, the Council, the affected Union, and the City may mutually agree to cover such off-site work under this Agreement.

- 3.6.4 Work done in temporary yards, dedicated sites, or areas adjacent to the Project, and at any on-site or off-site batch plant constructed to supply materials to the Project.
- 3.6.5 Construction trucking work on a Covered Project, such as the delivery of ready-mix, asphalt, aggregate, sand or other fill or material that are directly incorporated into the construction process, as well as the off-hauling of debris and excess fill, material or mud, shall be covered by this Agreement to the fullest extent provided by prevailing wage law and by the applicable prevailing wage rate determinations. The furnishing of supplies, equipment or materials that are stockpiled for later use shall in no case be considered construction subcontracting and is not covered by this Agreement. Contractors, including brokers of persons providing construction trucking work, shall provide certified trucking payroll records to the City Administrator or designee within ten (10) calendar days of written request from the City Administrator or designee or as required by bid specifications.
- 3.6.6 Surveyors, on-site inspectors, material testers, and/or x-ray technicians customarily covered by the Schedule A agreements, and as to which classifications a prevailing wage rate determination has been published.
- 3.6.7 Start-up, calibration, commissioning performance testing, repair, maintenance, and operational revisions to systems and subsystems for a Covered Project performed after Completion as required under a Construction Contract and as customarily covered by a Schedule A agreement. This provision shall not apply if the work is: (i) excluded under a warranty or a guarantee under Section 3.6.9.6; or (ii) performed by City employees.
- 3.6.8 This Agreement applies to Construction Contracts on Covered Projects until Completion, except if the City directs a Contractor to engage in repairs, warranty work, punch list work, or modifications under a Construction Contract after Completion, or when a Contractor performs work under a change order for a

Construction Contract after Completion, in which case this Agreement shall apply to such work.

3.6.9 The following work is specifically **excluded** from the scope of this Agreement:

3.6.9.1 Work of non-manual employees, including but not limited to superintendents; supervisors above the level of general foreman; staff engineers; inspectors, quality control and quality assurance personnel (except that the classifications of surveyors, on-site inspectors, material testers, and/or x-ray technicians that are customarily covered by a Schedule A agreement and as to which classifications a prevailing wage determination has been published shall be covered by this Agreement); timekeepers; mail carriers; clerks, office workers, including messengers, guards, safety personnel, emergency medical and first aid technicians, and other professional, engineering, administrative, supervisory and management employees.

3.6.9.2 Work performed under the NTL Articles of Agreement, the National Stack/Chimney Agreement, the National Cooling Tower Agreement, and all instrument calibration work and loop checking shall be performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Systems Technicians; and Covered Work within the craft jurisdiction of the Elevator Constructors will be performed under the terms of the National Agreement of the International Union of Elevator Constructors, with the exception that Article XII (Work Stoppages, Strikes, Sympathy Strikes and Lockouts), Article XIII (Grievance Arbitration Procedure) and Article XIV (Work Assignments and Jurisdictional Disputes) of this Agreement shall apply to such work;

3.6.9.3 Work by all City employees.

3.6.9.4 Work by all consultants of the City, designated City representatives, Project Managers, construction managers and design teams including, but not limited to, architects and engineers, and other employees of professional service providers, unless such work is covered by a Schedule A agreement and is not excluded under Section 2.1.11;

- 3.6.9.5 Work for which a professional architect's or engineer's stamp is required;
 - 3.6.9.6 Work by employees of a manufacturer or vendor necessary to maintain such manufacturer's or vendor's warranty or guarantee; provided, however, that the manufacturer or vendor can demonstrate by enumeration of specific tasks that the work cannot be performed by craft employees (including Core Employees) referred by the Unions;
 - 3.6.9.7 All emergency work under Administrative Code Section 6.60, and special event work performed at the direction of the City in its sole discretion, where such contracts are not advertised for bid;
 - 3.6.9.8 All off-site manufacture and handling of materials, equipment or machinery, except at dedicated project lay-down or storage areas, except as set forth in Section 3.6.3 above;
 - 3.6.9.9 Off-site maintenance of leased equipment and on-site supervision of such maintenance work;
 - 3.6.9.10 Off-site laboratory work for specialty testing or inspections;
 - 3.6.9.11 Contracts awarded by the San Francisco Municipal Transportation Agency, the San Francisco International Airport, the San Francisco Public Utilities Commission, and the Port of San Francisco.
- 3.6.10 Electrical work performed on, near, or leading to or into the Covered Project site and undertaken by state, county, city or other governmental bodies, or their contractors, or by public utilities or their contractors, or by the City or its contractors, for work that is not within the scope of this Agreement, shall be excluded. Electrical work performed by public or private utilities, including all electrical utility, voice-data-video, and security installation work ahead of and up to the electrical service entry connection or the main point of entry into the building is also excluded from this Agreement. However, all electrical utility, voice-data-video, and security installation work performed after the electrical utility service entrance or the main point of entry shall be covered by this Agreement. Additionally, all contracted electrical work performed ahead of the service entrance connection and main point of entry that is inside the property line and provides for access to the building via a conduit or series of conduits shall also be covered by

this Agreement. This section applies only to electrical work covered under a Schedule A agreement for which there is a state prevailing wage determination.

3.6.11 The City has an interest in ensuring that Contractors working on art related Construction Contracts have the expertise to fabricate, install, inspect, repair and transport such art work in a safe manner consistent with industry standards and expertise, and in accordance with the original artist's design intent. To facilitate early resolution of any disputes on art related Construction Contracts, the parties may refer any disputes relating to fabrication, installation, repair and transport of art work under a Construction Contract to the JAC. In addition, the parties must submit such disputes to the JAC prior to filing a grievance pursuant to Article XIII.

3.7 **Complete Agreement.** The Council, Unions and Contractors agree to abide by the terms and conditions of this Agreement and further agree that this Agreement, together with the applicable Schedule A agreements, represent the complete understanding of the parties. Each Union shall provide current copies of its Schedule A agreement(s) and/or any agreements incorporated therein to the City Administrator or designee or any Contractor promptly upon request. The Unions shall be responsible for providing updated copies of their newly negotiated Schedule A agreements to the City Administrator or designee.

3.7.1 Where a subject is covered by both this Agreement and a Schedule A agreement, this Agreement shall prevail. Where a subject is covered by a Schedule A agreement and not by this Agreement, the Schedule A agreement shall prevail.

3.7.2 Any dispute as to whether this Agreement or any Schedule A agreement governs shall be resolved as provided under Article XIII [Grievance Procedure] of this Agreement.

3.7.3 The parties understand and agree that this Agreement is a stand-alone agreement and that by virtue of having become bound to the Agreement by a Letter of Assent, the Contractor will not be obligated to sign any other local, area or national agreement as a condition of performing Covered Work.

3.8 If the Board amends Chapter 6 of the Administrative Code, including the Ordinance, in a manner that nullifies or directly impacts this Agreement, then the Council, the Unions and the City shall meet to negotiate and amend this Agreement consistent with the amendments to the Administrative Code and the purpose of this Agreement.

ARTICLE IV

UNION RECOGNITION AND REFERRAL

- 4.1 The Unions shall be the primary source of craft labor employed on Covered Projects, subject to the provisions set forth in this Agreement.
- 4.2 No employee covered by this Agreement shall be required to join any Union as a condition of being employed, or remaining employed, to work on a Covered Project. All employees who are employed by Contractors to perform Covered Work shall be required, however, to be members in good standing with the referring Union or to comply with the union security provisions of the applicable Schedule A agreement on or before the eighth (8th) day of continuous or cumulative employment on a Covered Project. This requirement shall include rendering payment of the applicable periodic dues and fees uniformly required for membership in the applicable Union which is signatory to this Agreement, to the extent such payments are consistent with federal and state law.
- 4.3 The Contractor shall honor Union dues and initiation fees check-off pursuant to receipt of properly authorized dues deduction cards signed by its employees, along with other lawful authorizations from employees providing for deductions from wages.
- 4.4 The Contractor performing Covered Work shall, in filling craft job requirements, utilize and be bound by the registration facilities and referral systems established or authorized by the Unions signatory to this Agreement. The Contractor shall have the right to reject any applicant referred by a Union in accordance with the applicable Schedule A agreement.
- 4.5 The Unions will exert their best efforts to recruit sufficient numbers of skilled craft workers to fulfill Contractors' workforce requirements. If the Union's referral system does not refer the required number of qualified applicants requested by the Contractor within a forty-eight (48) hour period after such request is made (Saturdays, Sundays, and holidays excepted), the Contractor may withdraw the request and employ craft workers from other sources. If the Contractor hires an employee from another source, the Contractor promptly shall provide the appropriate Union with the name and address of the employee and refer the employee to the appropriate Union to satisfy the requirements of this Article. Nothing in this Article relieves the Contractor from its responsibilities under all other sections of this Agreement with respect to such employees.

4.6 Contractors signatory to local, regional, or national collective bargaining agreements with Unions signatory to this Agreement shall be bound to use the hiring hall provisions contained in the Schedule A agreement of the affected Unions, and nothing in the referral provisions of this Agreement shall be construed to supersede the local hiring hall provisions of the Schedule A agreements as they relate to such Contractors.

4.7 **Referrals of Core Employees to Contractors Not Signatory to a Schedule A Agreement.** The parties recognize the City's interest in providing opportunities to participate in Covered Projects to Contractors that may not have previously had a relationship with the Unions. Therefore, if a Contractor has its own core workforce, the Contractor may request by name, and the Union will honor, referral of Core Employees who have applied to the Union as set forth in Section 4.7.1 below, and who meet the definition of Core Employee as set forth in Section 2.1.8. Upon request, the Contractor shall provide the Union with satisfactory proof of the Core Employee's eligibility as set forth in Section 2.1.8.

4.7.1 **Core Employee Referral Procedure.** For a Contractor not signatory to a Schedule A agreement, the Union and the Contractor shall use an alternating process by which the Union shall refer to such Contractor one (1) of such Contractor's Core Employees as a journeyman and will then refer one (1) journeyman employee from the hiring hall out-of-work list for each affected trade or craft, and shall repeat the process, one and one, until such Contractor's crew requirements are met or until such Contractor has hired five (5) Core Employees for each trade or craft, whichever occurs first. Thereafter, all additional employees in the affected trade or craft shall be hired exclusively from the applicable hiring hall out-of-work list. For the duration of the Contractor's work on a Covered Project, the ratio shall be maintained and when the Contractor's workforce is reduced, the Contractor shall layoff Core Employees using the same alternating process.

4.7.2 A Contractor who hires any Core Employee to perform Covered Work shall provide the City Administrator or designee and the appropriate Union with the name, address, craft classification, and other required payroll information for such Core Employee, and refer such Core Employee to the appropriate Union to be dispatched, before the Core Employee starts working.

ARTICLE V

APPRENTICES/EMPLOYMENT OPPORTUNITIES

- 5.1 **Generally.** The parties recognize the need to develop adequate numbers of competent workers in the construction industry. Contractors shall employ apprentices only from a state-approved joint apprenticeship training program to perform such Covered Work that is customarily performed by the craft in which they are indentured and is within their capabilities.
- 5.2 The Council and the Unions also recognize the need to provide San Francisco residents with more opportunities to participate in workforce development and pre-apprenticeship programs for the reasons set forth in Section 1.2. The parties will cooperate and support the incorporation of apprentices, veterans, and local disadvantaged workers and Local Residents as provided in this Article V. The Union shall make best efforts to give credit to apprentices who are transitioning from a state-approved unilateral employer apprentice program to a state-approved joint apprenticeship training program commensurate with their knowledge, skills and abilities.
- 5.3 In order to offer legitimate, cost-effective, transparent and accountable workforce development programming in connection with this Agreement, and in furtherance of City-wide policy objectives, any construction industry pre-apprenticeship training and programming shall be coordinated by the Council and the Mayor's Office of Economic and Workforce Development and will be administered and overseen by CityBuild.
- 5.4 **Apprentices.** The Contractors and the Unions shall comply with the requirements of the State of California, Department of Industrial Relations, Division of Apprenticeship Standards, as set forth in the California Labor Code §1777.5, *et seq.*, as they may be amended from time to time.
- 5.4.1 Acceptable joint apprenticeship programs must have been approved by the State of California, Department of Industrial Relations, Division of Apprenticeship Standards. This requirement applies to any craft for which the Division of Apprenticeship Standards has approved an Apprenticeship Program. A properly indentured apprentice must be employed under the regulations of the craft or trade at the work of which the apprentice is indentured and shall be employed only for work of the craft or trade in which the apprentice is registered. Any review of an

alleged failure to comply with this Section 5.4.1, shall be made in conformance with Labor Code §1777.5, *et seq.*, as it may be amended from time to time.

5.4.2 The apprentice ratios will be in compliance with the provisions of the California Labor Code and the applicable state prevailing wage determination, as they may be amended from time to time.

5.4.3 Consistent with the Schedule A agreements, there shall be no restriction on using apprentices in performing the work of their craft provided they are properly supervised.

5.5 **CityBuild Agreements.** Within three (3) years after the Effective Date of this Agreement, all of the Unions with a state-approved joint apprenticeship program in construction shall enter into agreements, or modify existing agreements, with CityBuild to ensure graduates of CityBuild have a pathway for direct entry into the Union's apprenticeship program. Such CityBuild agreements shall be signed by authorized representatives of CityBuild and each Union, and shall at a minimum include verbatim the following terms:

5.5.1 To the maximum extent possible and consistent with all applicable federal, state and local laws, hiring hall procedures and apprenticeship program standards, the Union will refer graduates of CityBuild for employment on projects covered by the San Francisco Citywide Project Labor Agreement under San Francisco Administrative Code Section 6.27.

5.5.2 At least annually, the Union will participate in a job fair and information night exclusive to participants of CityBuild, to inform them about career opportunities and provide a pathway into the Union's apprenticeship program.

5.5.3 At the request of CityBuild, the Union will set up a trade booth at a career fair hosted by the City within the geographic limitations of the City.

5.5.4 At the request of CityBuild, once per CityBuild class cycle the Union will collaborate to provide guest speakers to CityBuild participants.

5.5.5 At the request of CityBuild, the Union will collaborate to host CityBuild participants at its apprenticeship training center.

5.5.6 The parties to the CityBuild agreement shall meet as reasonably requested, and no less than annually, to review the enrollment of CityBuild graduates and discuss

ways to further facilitate entry into the Union's apprenticeship program for graduates of CityBuild.

5.5.7 The Union will exert its best efforts to recruit CityBuild graduates and Local Residents to qualify for entry into its joint apprenticeship program(s). Towards that end, the Union shall prioritize outreach efforts for CityBuild graduates into the Union apprenticeship program from Local Residents residing within Tier 1 zip codes determined by CityBuild.

5.5.8 If the Union cannot recruit a sufficient number of Local Resident CityBuild graduates into the Union apprenticeship program under section 5.5.7 above, the Union will exert its best efforts to recruit Local Residents from any City zip code to qualify for entry into the Union apprenticeship program.

5.6 **Data Reporting.** On an annual basis, starting one year after the Effective Date, the Council and the Unions shall work with CityBuild to compile an annual joint report for the JAC, the City Administrator, or designee, the Mayor and Board of Supervisors, which shall include a summary of the gender, race, veteran status, zip code and number of:

- i. CityBuild graduates accepted into joint apprenticeship programs;
- ii. CityBuild graduates who have graduated from joint apprenticeship programs;
- iii. Local Residents accepted into joint apprenticeship programs;
- iv. Local Residents who have graduated from joint apprenticeship programs.

The Council, the Unions and CityBuild shall work together to validate the data underlying the annual report.

5.7 Nothing in this Article V shall prohibit the Unions and CityBuild from mutually agreeing to additional terms and conditions in their respective agreements. A copy of the Memorandum of Understanding between the San Francisco Office of Economic and Workforce Development's CityBuild Academy and the International Union of Elevator Constructors, Local Union No. 8 (Union) is attached as **Addendum D**.

5.8 Any Union that does not, on the Execution Date, have a state-approved joint apprenticeship program in construction, and thereafter adopts a state-approved joint apprenticeship program in construction, must enter into a CityBuild Agreement in accordance with Section 5.5 above. Within three (3) years after the Effective Date of this Agreement, each Union

that does not have a state-approved joint apprenticeship program in construction shall provide CityBuild with an acknowledgement that it will comply with Section 5.5 if the Union thereafter adopts a state-approved joint apprenticeship program in construction.

5.9 Two years after the Effective Date of this Agreement, at the next regularly scheduled meeting of the JAC, the Council shall appear to provide an update on the status of the Unions with respect to Section 5.5 above.

5.10 If any Union with a state-approved joint apprenticeship program in construction has not entered into an agreement, or modified an existing agreement, with CityBuild within two and one half years after the Effective Date of this Agreement, consistent with Section 5.5 above, that Union shall appear at a meeting of the JAC to facilitate compliance by the three year deadline. If any such Union has not entered into an agreement, or modified an existing agreement, with CityBuild within three years after the Effective Date of this Agreement, consistent with Section 5.5 above, then:

5.10.1 The City may file a grievance under Article XIII seeking enforcement of this section. The Arbitrator is authorized to mediate the dispute, and the losing party shall pay all arbitration costs associated with the grievance; and

5.10.2 The Arbitrator shall, if warranted: (a) issue monetary penalties including, but not limited to, per diem monetary penalties; and/or (b) impose injunctive relief.

5.10.3 Until an agreement between the Union and CityBuild is signed, the Union:

- i. shall not file any legal challenges to this Agreement; and
- ii. shall remain bound by Article XII (Work Stoppages, Strikes, Sympathy Strikes and Lockouts).

5.11 Nothing in this Article V shall prevent the Unions from recruiting apprentices into their respective apprenticeship programs from sources other than CityBuild.

5.12 **Military Veterans.** The Contractors and Unions share a desire to facilitate the entry into the building and construction trades of military veterans who are interested in careers in the building and construction industry. In addition to the Unions' local veteran recruitment programs, the Contractors and Unions agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment ("Center"), and the Center's "Helmets to Hardhats" program, to serve as a resource for preliminary orientation,

assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the parties. The Unions and Contractors agree to coordinate with the Center to participate in an integrated database of veterans interested in working on Covered Projects and of apprenticeship and employment opportunities for Covered Projects. To the extent permitted by law, the Unions will give credit to such veterans for bona fide, provable past construction experience.

- 5.13 To effectuate the goals of hiring military veterans, the Unions shall, on an annual basis, report to the JAC on the status of ongoing outreach efforts to increase the hiring of military veterans, including veterans hired through the Helmets to Hardhats program.
- 5.14 **Local Hiring.** The Unions and Contractors are bound by the requirements of Administrative Code Chapters 6, 12B, 14B, 82 and 83, as they may be amended from time to time, including but not limited to the provisions addressing Local Hire and Local Business Enterprises. Specifically, the parties to this Agreement support increasing the number of skilled construction workers from City residents to fulfill the needs of Covered Projects, as provided under San Francisco Administrative Code §6.22(G), as it may be amended from time to time. Under their Contracts with the City, Contractors will be required to comply with Administrative Code §6.22(G). The Unions will support the Contractors' efforts. The Unions agree, to the extent permitted by law, to encourage the referral and utilization in hiring hall procedures of qualified City residents as journeymen and apprentices to work on Covered Projects.

ARTICLE VI

UNION REPRESENTATION AND STEWARDS

- 6.1 Authorized representatives of the Unions shall have access to Covered Projects, provided that they do not unreasonably interfere with the work of the employees and further provided that such representatives fully comply with the posted visitor, security and safety rules and regulations. This Section is not intended to interfere with the Unions' right to administer this Agreement, or engage in lawful Union activity, or interfere with the Union's responsibility to provide representation to employees.
- 6.2 The Contractors recognize the Unions as the sole bargaining representatives of all craft employees working within the scope of this Agreement.

- 6.3 Each Union shall have the right to appoint a working steward for each shift in accordance with the applicable Schedule A agreement; however, the steward shall not be a supervisor. The working steward will be permitted a reasonable amount of paid release time to fulfill the steward's Union duties. Each Union shall notify the applicable Contractor of the steward working on each Covered Project.
- 6.4 Stewards shall not have the right to determine when overtime shall be worked or who shall work overtime. Steward overtime shall be as provided in the applicable Schedule A agreement, provided the steward is qualified to perform the overtime work available.

ARTICLE VII

MANAGEMENT RIGHTS

- 7.1 The Contractor(s) retains full and exclusive authority for the management of its work force for all work performed under this Agreement. This authority includes, but is not limited to, the right to:
- i. Plan, direct and control the operation of all the work.
 - ii. Decide the number and types of employees required to perform the work safely and efficiently. The lawful manning provisions of the applicable Schedule A shall be recognized.
 - iii. Hire, promote, and lay off employees as deemed appropriate to meet work requirements and/or skills required. The Contractor will determine the competency and qualifications of applicants and employees with the right to hire, reject, or terminate for just cause.
 - iv. Assign and schedule work at its sole discretion and determine when overtime will be worked.
 - v. Discharge, suspension or discipline of employees will be handled under the applicable craft Schedule A.
- 7.2 Unless otherwise specified in this Agreement, the Contractor may use any method or techniques of construction. The use of new technology, equipment, machinery, tools and/or labor saving devices and methods of performing work may be initiated by the Contractor from time-to-time during the Project. Except as specifically provided for

herein, there shall be no limitation or restriction by a signatory Union upon a Contractor's choice of materials or design.

- 7.3 Notwithstanding Section 7.2 above, upon the request of a Union, a Contractor must meet and confer with the Union regarding the wages and benefits that should apply to the use of new technology as required under the applicable Schedule A agreement. Such meet and confer shall not delay any Covered Work.

ARTICLE VIII

WAGES AND BENEFITS

- 8.1 Contractors shall classify and pay all employees covered by this Agreement for all hours worked in accordance with the classification(s) and wage scales, overtime scales and benefits contained in the prevailing wage determination under Chapter 6 of the Administrative Code. If the prevailing wage laws are repealed during the term of this Agreement, the Contractor shall pay the wage rates established under the applicable Schedule A agreement(s).
- 8.2 All employees covered by this Agreement shall have fringe benefit contributions made on their behalf by the Contractor employing those employees to the recognized employee benefit trust funds identified in the applicable Schedule A agreements.
- 8.3 Holidays shall be set forth in the applicable Schedule A agreement.
- 8.4 Each Contractor shall pay contributions to the established employee benefit trust funds in the amounts designated in the applicable Schedule A agreement on behalf of all employees and make all employee-authorized deductions in the amounts designated in the applicable Schedule A agreement.
- 8.5 While performing Covered Work, each Contractor agrees to be bound by the written terms of the applicable, legally-established trust agreements specifying the detailed basis on which payments are to be made into, and benefits paid out of, such trust funds for Contractor's employees. The Contractor authorizes the parties to such trust agreements to appoint trustees and successor trustees to administer the trust funds and hereby ratifies and accepts the trustees so appointed as if made by the Contractor. Each Contractor agrees to execute a separate subscription agreement if the trust fund so requires.

- 8.6 The Unions shall notify the Contractor and the City Administrator or designee of any Contractor delinquencies as soon as they learn of such delinquencies and as set forth in Section 12.5. However, any failure to provide such notice shall not affect the Unions' or their members' right to recover such delinquencies under the law.
- 8.7 Nothing in this Agreement shall affect normal legal remedies available under the Schedule A agreements or trust agreements against Contractors signatory to those agreements for recovery of Contractor or Subcontractor delinquencies.

ARTICLE IX

HEALTH AND SAFETY

- 9.1 The Contractor shall comply fully with all laws, orders, rules, regulations, requirements, standards, and statutes with respect to occupational health and safety, the handling and storage of hazardous materials, accident prevention, safety equipment and practices including, but not limited to, any safety rules adopted by the State Department of Industrial Relations, the City, and/or the Contractor.
- 9.2 The Contractor is responsible for ensuring safe working conditions and employee compliance with any safety rules, safety regulations and safety requirements contained herein or established by the City, the City's designated Project Manager, or the Contractor. The Contractor shall publish and post such rules, regulations and requirements in conspicuous places throughout the work site. Employees shall be bound by the published and posted safety rules, regulations and requirements established by the City, the Project Manager, and/or the Contractor. An employee's failure to satisfy the obligations under this Article shall subject the employee to discipline, up to and including discharge. Nothing in this Agreement shall make the Unions or the City liable to any employee or to other persons or entities if an injury or accident occurs.
- 9.3 Each Contractor and Subcontractor shall be required to have each employee sign in themselves before the start of each shift and sign out at the close of each shift. All employees shall sign in and sign out themselves at a location designated by the Prime Contractor. These sign in sheets shall be kept by the Prime Contractor on a daily basis and retained at the Covered Project job site from the first day of the Covered Project until the Completion of the Covered Project. The sign in sheets, copies of which may be retained

electronically, shall be made available upon request to the Project Manager, the Council, and/or the Unions for inspection and to copy.

- 9.4 No employee may purchase, sell, transfer, furnish, possess, or use drugs (illegal under federal or state law) or alcohol while working on any Covered Project job site. No employee may be under the influence of drugs (illegal under federal or state law) or alcohol while working on any Covered Project job site, or when using any Contractor vehicle or heavy equipment.
- 9.5 The use, sale, transfer, purchase and/or possession of a firearm at any time on a Covered Project site is prohibited.
- 9.6 The proper use of prescription drugs or over-the-counter medication as part of a medical treatment program and consistent with the terms of this Article is not a violation of this Article. The improper use of prescription drugs, over-the-counter medication or the use of designer or synthetic drugs that alter or affect an individual's motor function or mental capacity while working on any Covered Project job site, or when using any Contractor vehicle or heavy equipment, is prohibited and is a violation of this Article.
- 9.7 A Contractor may suspend all or a portion of the Covered Work to protect the life and safety of an employee or employees. In such cases, the Contractor shall compensate affected employees in conformance with the applicable Schedule A agreements.
- 9.8 The Contractor shall provide adequate supplies of drinking water and sanitary facilities for all employees.
- 9.9 The Contractor shall, at the site of a Covered Project, maintain adequate first aid equipment and provisions for the safety of its employees. The Contractor shall arrange for adequate and prompt transportation to a hospital or doctor for any employee who is injured on the job and may require medical attention. The Contractor shall post at the job site the name and address of the hospital and the doctor who would provide such medical attention and the contact information for the Contractor's Workers' Compensation Insurance carrier.
- 9.10 In the event of an injury or accident, this Agreement shall not constitute grounds for liability to any employee or to other persons or entities by or among the Unions, the Contractor, or the City.

ARTICLE X

DRUG AND ALCOHOL TESTING

- 10.1 Drug and alcohol testing shall be conducted in accordance with the substance abuse prevention policies set forth in the applicable Schedule A agreement.
- 10.2 If the City determines that a single drug and alcohol testing policy is preferable to the multiple policies set forth in the Unions' Schedule A agreements, then the drug and alcohol testing policy attached to the San Francisco Public Utilities Commission Water System and Improvement Program ("WSIP") Project Labor Agreement, as amended, may be implemented for all Covered Work under this Agreement or for a particular Covered Project or Projects.
- 10.3 If the City is unable to implement the WSIP Project Labor Agreement drug and alcohol testing policy under this Agreement, the City shall request to meet and confer with the Council in order to substitute, by mutual agreement, language that would allow the WSIP policy to be implemented. If, following that meeting, the City and the Council have not agreed upon language, the City may submit a proposed drug and alcohol testing policy for a final and binding decision under the Grievance Procedure in Article XIII.

ARTICLE XI

PRE-CONSTRUCTION CONFERENCE

- 11.1 The Project Manager shall provide notice and hold a pre-construction conference at least fourteen (14) calendar days before the commencement of any Covered Project. Each pre-construction conference shall be held at a date, time, and location designated by the Project Manager, with at least fourteen (14) calendar days' prior notice to the Council, and shall be attended by representatives from the Project Manager and all Contractors and Subcontractors, including LBE Contractors, and the Unions.
- 11.2 It is the responsibility of the Prime Contractor to coordinate and ensure all Subcontractors, including LBE Contractors, attend the pre-construction conference. The Project Manager will be responsible for taking meeting minutes of discussions and distributing those minutes within two (2) days after the pre-construction conference to participants, including Contractors, Subcontractors and the Council.

- 11.3 At the pre-construction conference, the Contractors shall announce the assignment of work. The Contractor shall fill out and submit the Council’s Craft Assignment Form (attached as **Addendum E**) to the Council at or before the pre-construction conference.
- 11.4 The pre-construction conference shall include, but not be limited to, the following subjects:
- i. A listing of each Contractor’s scope of work;
 - ii. Craft assignments;
 - iii. Estimated number of craft workers required to perform the work;
 - iv. The estimated start and completion dates of the work;
 - v. Transportation arrangements (if any);
 - vi. The use of new technology, equipment, machinery and/or tools (if any);
and
 - vii. Pre-fabricated materials (if any).
- 11.5 Any Union jurisdictional dispute relating to the assignment of work made at the pre-construction conference and listed on the Craft Assignment Form (attached as **Addendum E**) is waived if not made within twenty-one (21) calendar days of the pre-construction conference, or from when the Union becomes aware or should have become aware of the pre-construction conference assignment on the Craft Assignment Form. All work shall proceed without delay as assigned at the pre-construction conference notwithstanding any pending disputes about the assignment of any portion of that work. Work assignments and jurisdiction disputes are subject to the procedures set forth in Article XIV [Work Assignments and Jurisdictional Disputes].
- 11.6 For any Covered Projects where LBE requirements apply, the Project Manager shall provide to the Council and the Unions the LBE Participation Worksheet (“Worksheet”) (sample attached as **Addendum F**). This Worksheet will be provided at or before the pre-construction conference.
- 11.7 The pre-construction conference referenced in this Article is the same as the “pre-job conference with the Council” referenced in Section 14.5.

ARTICLE XII

WORK STOPPAGES, STRIKES, SYMPATHY STRIKES AND LOCKOUTS

- 12.1 During the term of this Agreement, there will be no strikes, sympathy strikes, picketing, work stoppages, slowdowns, interference with the work or other disruptive activity for any reason by the Unions, the applicable local Union, or by any employee, and there shall be no lockout by the Contractor. Signatory Unions and their represented employees shall refuse to honor picket lines or any work stoppages at the Contractor's project site.
- 12.2 If any applicable Schedule A agreement between a Contractor and Union expires before the Contractor completes the performance of its Construction Contract, and the Union and Contractor fail to reach agreement on a new or extended Schedule A agreement, the Union shall not strike or engage in other activities prohibited under this Article XII. The Contractor and the Union agree that the expired Schedule A agreement shall continue in full force and effect until a new or extended Schedule A agreement is reached between the Contractor and the Union.
- 12.3 There shall be no lockout of any kind by any Contractor arising out of, or relating to, a dispute under this Agreement or relating to a Covered Project.
- 12.4 The failure of any Union or its represented employees to cross any picket line at the site of any Covered Project during the term of this Agreement, whether the picket line is established by any union, signatory or non-signatory, to this Agreement, or by any other organization or individual, is a violation of this Article. Contractors and Unions shall take all steps necessary to obtain compliance with this Article.
- 12.5 In the case of an alleged nonpayment of wages or trust fund contributions on a Covered Project, the Union shall give written notice of the alleged non-payment to the Project Manager, the City Administrator or designee and the applicable Contractor or Subcontractor. The written notice shall provide for either: (a) five (5) days' notice to cure when a nonpayment of trust fund contributions has occurred; or (b) two (2) days' notice to cure when a nonpayment of wages has occurred, or when a financial institution normally recognized to honor such paychecks will not honor paychecks tendered to such institution because of insufficient funds and, in either case; (c) notice of the intent to withhold labor under this Section 12.5 from the Contractor's or Subcontractor's workforce if the non-payment is not cured during the notice period. Upon timely notification of an alleged

nonpayment of wages or trust fund contributions, the City may work with the Contractor and/or Subcontractor that is delinquent in payments to assure that proper wage and benefit payments are made. In the event a default is not cured after the applicable notice period has expired, a Union's withholding of labor (but not picketing) from the Contractor or Subcontractor, shall not be considered a violation of this Article.

12.6 If the City or any Contractor contends that any Union(s) has violated this Article, it will notify in writing the Council, the Senior Executive of the involved Union(s), and the City Administrator or designee, setting forth the facts the complaining party contends constitute a violation. The Council will immediately use its best efforts to cause the cessation of any violation of this Article and the leadership of the involved Union(s) shall immediately direct the membership to cease any violation of this Article. The City or any Contractor shall adhere to the procedure set forth in this Section prior to taking any action under Section 12.8 below.

12.7 If the Union contends that any Contractor has violated this Article, it will notify in writing the applicable Contractor, the Council and the City Administrator or designee, setting forth the facts the complaining party contends constitute such a violation. The City shall immediately order the involved Contractor to cease any violation of this Article and the Contractor shall immediately order any involved Subcontractor to cease any violation of this Article. A Union shall adhere to the procedure set forth in this Section prior to taking any action under Section 12.8 below.

12.8 **Expedited Arbitration.** When a party alleges a breach of this Article has occurred, the party shall institute the following procedure after providing the applicable notice under Section 12.6 or 12.7 above:

12.8.1 The party invoking this procedure shall make a written request to Robert Hirsch who is the permanent arbitrator under this Article and to the parties alleged to be in violation of this Article. In the event that the permanent arbitrator is unavailable at any time, the parties shall make a written request to Barry Winograd as the alternate. Request may be made by electronic mail, hand delivery, or overnight mail, which will be deemed effective upon receipt. If neither of the designated arbitrators are available within a reasonable period of time to hear the dispute, the parties may designate an arbitrator. If the parties are unable to reach agreement on

an arbitrator, the parties shall select an arbitrator by the alternate striking method from a list of seven (7) experienced Northern California construction industry labor arbitrators obtained from the American Arbitration Association.

- 12.8.2 The arbitrator shall hold a hearing within twenty-four (24) hours after receipt of the notice invoking the procedure under this Section.
- 12.8.3 The arbitrator shall notify the parties of the place and time chosen for this hearing. The hearing shall be completed in one session, not to exceed twenty-four (24) hours, including appropriate recesses, unless otherwise agreed upon by all parties. A failure of any party or parties to attend a hearing shall neither prevent the arbitration from proceeding nor delay the hearing of evidence or the issuance of any decision by the arbitrator.
- 12.8.4 The sole issue at the hearing shall be whether a violation of this Article has occurred. The arbitrator shall not consider any matter in justification, explanation, or mitigation of such violation and shall not award damages except as provided in Section 12.9, below. The arbitrator shall issue a written decision and award within three (3) hours after the close of the hearing and may or may not include a written opinion. If any party desires a written opinion, the arbitrator shall issue one within ten (10) days but its issuance shall not delay compliance with or enforcement of the award. The requesting party shall be responsible to pay any additional cost associated with the written opinion. The arbitrator may order cessation of any violation of this Article and other appropriate relief, and shall serve the award on all parties by hand or electronic mail.
- 12.8.5 Any rights created by statute or law governing arbitration proceedings and any practices, understandings, or agreements between the parties that are not specifically set forth in this Agreement and that are inconsistent with or interfere with the above procedure are hereby waived by the parties to whom they accrue.
- 12.8.6 The fees and expenses of the arbitrator shall be equally divided between or among the party or parties initiating this procedure and the respondent party or parties.
- 12.8.7 If a hearing has not taken place within three Days after a party has requested an arbitrator under the expedited arbitration procedure set forth in subsection (a) above, then the City or the Council may seek judicial enforcement of Sections 12.1, 12.2, 12.3, 12.4, and 12.5, in addition to the relief set forth in this Section 12.8.

- 12.8.8 The procedures contained in Sections 12.8.1 through 12.8.7 shall be applicable to alleged violations of this Article. Disputes alleging violation of any other provision of this Agreement, including any underlying disputes alleged to be in justification, explanation or mitigation of this Article, shall be resolved under the grievance procedure or jurisdictional dispute procedure of this Agreement.
- 12.9 If the arbitrator determines that a violation of Section 12.1, 12.2, 12.3, 12.4, or 12.5 has occurred, the breaching party shall within twenty-four (24) hours after the issuance of the award take all steps necessary to immediately cease such activities and return to work. If the breaching party does not cease such activities by the beginning of the next shift following the expiration of the twenty-four (24) hour period after the arbitrator's issuance of the award, then the breaching party shall pay to the City as liquidated damages and not as a penalty the sum of fifteen thousand dollars (\$15,000) per shift until the breach is remedied. The arbitrator shall retain jurisdiction for the purpose of determining compliance with this obligation, and determining the amount of liquidated damages, if any; but, such retention shall not prevent or delay judicial enforcement of the initial decision.
- 12.10 The City is a party of interest in all proceedings arising under this Article and, at its option, may participate in any proceeding initiated under this Article. However, the City shall not be responsible for any fees and expenses under Section 12.8.6 unless the City initiates the expedited arbitration procedure.
- 12.11 Any party to the arbitration may seek to confirm, correct or vacate the award in the San Francisco Superior Court. The moving party shall serve the Court's order or orders on all parties by hand or by certified mail.
- 12.12 Should any of the arbitrators listed in this Article no longer work as a labor arbitrator, the City and the Council shall mutually agree upon a replacement.

ARTICLE XIII

GRIEVANCE ARBITRATION PROCEDURE

- 13.1 Any question, dispute, or claim arising out of, or involving the interpretation or application of this Agreement shall be considered a grievance and shall be resolved in conformance with the procedures set forth in this Article. However, jurisdictional disputes, addressed under Article XIV, between a Contractor and the City arising out of performance of a

Construction Contract, and disputes involving alleged violations of the work stoppage provisions contained in Article XII are not grievances subject to this Article XIII.

13.2 Any dispute as to the interpretation or application of a Schedule A agreement between a Union and a Contractor signatory to that Schedule A agreement, where such dispute involves an issue not covered in this Agreement, shall be resolved in conformance with the grievance procedures contained in the particular Schedule A agreement.

13.3 No grievance initiated by a Union or Contractor shall be recognized unless called to the attention of the other party by the party who filed the grievance (hereinafter “Grievant”) as soon as possible after the alleged violation was committed, but in no event more than thirty (30) days after the grievant knew or reasonably should have known of the event giving rise to the dispute. In addition to the Unions and Contractors, the City also has the authority to initiate a grievance and to avail itself of the grievance and arbitration procedure described in this Article, subject to the timelines stated herein.

13.4 Grievances shall be resolved under the following procedures:

13.4.1 **Step 1.** Within five (5) days after receipt of the written notice of the grievance, the business representative of the Union involved and the Contractor's designated representative at the construction site shall confer and attempt to resolve the grievance. The Union or Contractor, as applicable, shall notify the Project Manager and the City Administrator or designee of the grievance by email and the Project Manager and City Administrator or designee may participate in the Step 1 meeting if they wish.

13.4.2 **Step 2.** If the representatives are unable to resolve the dispute either party may advance the grievance to Step 2 within ten (10) days after the Step 1 grievance meeting by referring the grievance to the Joint Administrative Committee (“JAC”) (see Article XV below). The JAC shall then meet within five (5) days after the referral of the grievance (or such longer time as agreed by more than half the members of the JAC), to confer in an attempt to resolve the grievance. Regardless of which party initiated the grievance, the Union will notify its International Union representative prior to the Step 2 meeting, and the International Union representative shall advise if it intends to participate in the Step 2 meeting. The Project Manager and the Council shall have the right to participate in any efforts to

resolve the grievance at Step 2. If the dispute is not settled or otherwise resolved within five (5) days after the Step 2 meeting, or such longer time as mutually agreed upon by the parties that cannot exceed ninety (90) calendar days after the Step 2 meeting, either party may advance it to Step 3.

13.4.3 **Step 3.** Any grievance timely advanced to Step 3 shall proceed as follows:

13.4.3.1 The party requesting advancement to Step 3 shall serve the Step 3 request on the other party, with a copy to the City Administrator or designee, the Council, and the Project Manager, by hand delivery or electronic mail. Grievances that are not advanced to Step 3 within ninety (90) days of the Step 2 meeting, are waived.

13.4.3.2 The parties shall select an arbitrator from among the following designated arbitrators: David Weinberg, Morris Davis, Robert Hirsch, Barry Winograd, Catherine Harris, Joel Schaffer, and Barbara Kong-Brown, who shall constitute a permanent panel of arbitrators and who shall be selected to hear disputes on an alternate striking method. The winner of a coin flip may choose first or second strike. If none of the designated arbitrators (in reverse strike order) are available within one hundred and twenty (120) calendar days, or longer if mutually agreed to by the parties, the parties shall select an arbitrator by the alternate striking method from a list of seven (7) experienced Northern California construction industry labor arbitrators obtained from the American Arbitration Association.

13.4.3.3 The arbitrator shall arrange for a hearing on the earliest date available, recognizing that time is of the essence for all parties.

13.4.3.4 The arbitrator's decision shall be confined to the issue(s) posed by the grievance and the arbitrator shall not have the authority to modify, amend, alter, add to or subtract from, any provision of this Agreement. The arbitrator shall issue a written decision and award within five (5) calendar days after completion of the hearing unless such time is extended by mutual agreement. If any party desires a written opinion, the arbitrator shall issue the opinion within fifteen (15) days of the request, but its issuance shall not delay compliance with, or enforcement of the award. The requesting party shall be responsible to pay any additional cost

associated with the written opinion. The arbitrator's decision shall be final and binding on all parties to the grievance.

13.4.3.5 The cost of the arbitrator's fees and expenses, and any cost to pay for facilities for the hearing shall be borne equally by the parties to the grievance. If any party requests a court reporter, the cost of the court reporter shall be borne by the requesting party.

13.4.3.6 Any of the time periods set forth in this Article may be modified in writing by mutual consent of the parties to the grievance, and any written referral or request shall be considered timely if it is personally delivered, faxed, electronically mailed, or postmarked during the extended time period. Failure to respond in writing within the time limits provided above, without a request for an extension of time, shall be deemed a waiver of such grievance with prejudice. Notwithstanding the foregoing, a grievance filed regarding a subsequently occurring like or similar dispute may be resolved through this grievance procedure provided that it is timely filed and advanced through the grievance steps.

13.5 All disputes involving discipline and/or discharge of employees working on a Covered Project shall be resolved through grievance and/or arbitration provisions contained in the Schedule A agreement for the Union of the affected employee.

13.6 The City is a party in interest in all proceedings arising under this Article and, at its option, may participate in any proceeding initiated under this Article. However, the City shall not be responsible for fees and expenses unless it initiates the procedure.

13.7 Should any of the arbitrators listed in this Article no longer work as a labor arbitrator, the City and the Council shall mutually agree upon a replacement.

ARTICLE XIV

WORK ASSIGNMENTS AND JURISDICTIONAL DISPUTES

14.1 The assignment of Covered Work will be solely the responsibility of the Contractor performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of Jurisdictional Disputes in the Construction Industry (the "Plan") or any successor Plan.

- 14.2 All jurisdictional disputes on a Covered Project between or among the building and construction trades Unions and the Contractors party to this Agreement, shall be settled and adjusted according to the present Plan or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Contractors and Unions party to this Agreement.
- 14.3 If a dispute arising under this Article involves the Northern California Carpenters Regional Council or any of its subordinate bodies, then an arbitrator shall be chosen by the procedures specified in Article V, Section 5 of the Plan from a list composed of John Kagel, Thomas Angelo, Robert Hirsch and Thomas Pagan, and the arbitrator's hearing on the dispute shall be held at the offices of the California State Building and Construction Trades Council in Sacramento, California within fourteen (14) calendar days of the selection of the arbitrator. All other procedures shall be as specified in the Plan.
- 14.4 All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and the Contractor's assignment shall be adhered to until the dispute is resolved. Individual employees violating this section shall be subject to immediate discharge.
- 14.5 Each Contractor will conduct a pre-job conference with the Council prior to commencing work. The Project Manager and the City will be advised in advance of all such conferences and may participate if they wish. Pre-job conferences for different Contractors may be held together.

ARTICLE XV

JOINT ADMINISTRATIVE COMMITTEE AND NOTICE

- 15.1 **Joint Administrative Committee.** The parties to this Agreement shall establish a six (6) person JAC. The JAC shall be comprised of three (3) representatives selected by the City (designated by the City Administrator) and three (3) representatives of the signatory Unions selected by the Council. The City or the Council may select an alternate in the event that a representative is not available to attend a JAC meeting.
- 15.2 The JAC shall meet as needed to review the implementation of this Agreement and the progress of Covered Projects, and attempt to resolve problems and grievances by majority vote. Any such vote shall constitute a recommendation and shall not be binding. Nothing

in this Article shall be construed to waive the right of any party to bring a grievance to arbitration as provided in this Agreement or, if appropriate, the applicable Schedule A agreement. This Article shall not apply to individual employee discipline. Meetings of the JAC may be convened by the City or the Council.

- 15.3 **Notice.** For purposes of providing notices under this Agreement, communications to the City Administrator must be sent to:

Office of the City Administrator, City Hall, 1 Dr Carlton B. Goodlet Place, Room 362, San Francisco, California 94102.

The City Administrator may update the contact information for notices as necessary by written notice to the Council.

ARTICLE XVI

NO DISCRIMINATION

- 16.1 The Contractors and Unions agree not to engage in any form of discrimination because of actual or perceived race, color, creed, national origin, ancestry, age, sex, sexual orientation, disability, or any other protected classification, against any employee or applicant for employment on a Covered Project. The signatory Unions represent that their respective job referral systems are operated in full compliance with the federal, state, and local laws and regulations requiring equal employment opportunities and non-discrimination.

ARTICLE XVII

SAVINGS CLAUSE

- 17.1 If any article or provision of the Agreement shall be declared invalid, inoperative or unenforceable by any competent authority of the executive, legislative or judicial branch of the Federal or California government, the City, Contractor and the Council shall suspend the operation of such article or provision during the period of its invalidity. The City shall substitute by mutual consent of the Council, in its place and stead, an article or provision which will meet the objections to its validity and which will be in accord with the intent and purpose of the article or provision in question, if possible.
- 17.2 Should a court of competent jurisdiction nullify a significant portion of the Agreement so that any party believes that the intention of the parties can no longer be achieved, the parties shall reconvene to renegotiate the terms of the Agreement, with all the provisions of the

Agreement being open. The remaining provisions of the Agreement shall remain in full force and effect until a successor Agreement is fully ratified. If the parties do not reach a successor Agreement, then the entire Agreement shall be null and void.

ARTICLE XVIII

TERM

- 18.1 This Agreement shall remain in effect for a period of twenty (20) years from the Effective Date as defined in Article II of this Agreement. This Agreement shall apply to Construction Contracts awarded after the Effective Date and prior to the Expiration Date. Any Construction Contract awarded during the term of this Agreement shall continue to be covered hereunder until Completion notwithstanding the Expiration Date of this Agreement.
- 18.2 Prior to the Expiration Date of this Agreement, the City and the Council shall meet to discuss whether the parties should extend this Agreement for an additional term and whether to jointly make such a recommendation to the Board of Supervisors.

ARTICLE XIX

MISCELLANEOUS PROVISIONS

- 19.1 The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.
- 19.2 This Agreement may be executed in counterparts, such that original signatures may appear on separate pages and when bound together all necessary signatures shall constitute an original. The parties agree that their signatures on any facsimile or electronic transmission thereof shall be fully binding upon them in the same manner as if the parties had each signed the same original Agreement.
- 19.3 Each of the persons signing this Agreement represents and warrants that such person has been duly authorized to sign this Agreement on behalf of the party indicated and each of the parties signing this Agreement warrants and represents that such party is legally authorized and entitled to enter into this Agreement.
- 19.4 The parties agree that jurisdiction to enforce this Agreement shall be limited to the San Francisco Superior Court or United States District Court, Northern District of California. All disputes arising out of this Agreement shall be resolved by the San Francisco Superior Court, or United States District Court, Northern District of California, in accordance with

the provisions set forth in this Agreement. This Section 19.4 is not intended to abrogate or otherwise interfere with any arbitration or dispute resolution procedures, rights, or obligations set forth in this Agreement.

19.5 This Agreement is to be governed by and construed in accordance with the laws of the State of California and without regard to the conflicts of laws principles thereof.

19.6 The parties acknowledge that this is a negotiated agreement, that they have had the opportunity to have this Agreement reviewed by their respective legal counsel, and that the terms and conditions of this Agreement are not to be construed against any party on the basis of such party's draftsmanship thereof.

[Signatures on page to follow]

CITY AND COUNTY OF SAN FRANCISCO

By: Naomi M. Kelly
Naomi Kelly, City Administrator

Date: 7/14/2020

SAN FRANCISCO BUILDING AND
CONSTRUCTION TRADES COUNCIL

By: [Signature]
Title: SECRETARY-TREASURER
TIM PAULSON

Date: _____

APPROVED AS TO FORM:

DENNIS J. HERRERA, CITY ATTORNEY

By: Erik A. Rapoport
Erik A. Rapoport, Deputy City Attorney

Date: 7/14/2020

UNION SIGNATURES

Insulators & Asbestos Workers, Local 16

By: 

Boilermakers, Local 549

By: 

Bricklayers & Allied Craftworkers, Local 3

By: 

Cement Masons, Local 300

By: 

Electrical Workers, Local 6

By: 

Elevator Constructors, Local 8

By: 

Iron Workers, Local 377

By: 

Laborers, Local 261

By: 


Laborers, Local 67

By: 

Northern California District Council of Laborers

By: 

Operating Engineers, Local 3

By: 

Plasterers, Local 66

By: 

Roofers & Waterproofers, Local 40

By: 

International Association of Sheet Metal, Air, Rail and Transportation Workers, SMW Local Union No. 4

By: 

Sign & Display, Local 510

By: 

Sprinkler Fitters, Local 483

By: 

[continued on next page]

Teamsters Local 2785

By: 

Teamsters Local 350

By: 

Teamsters Local 853

By: 

Teamsters Local 665

By: 

District Council No. 16 Northern California International Union of Painters & Allied Trades (on behalf of Painters Local 913, Carpet, Linoleum & Soft Tile Workers Local 12, Glaziers Local 718)

By: 

Northern California Carpenters Regional Council (on behalf of Carpenters Local 22, Carpenters Local 2236, Lathers Local 68L, Millwrights Local 102, Pile Drivers Local 34)

By: 

United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry, Local 38

By: 

Addendum A

LETTER OF ASSENT

[Date]
[Addressee]
[Address]

Re: City of San Francisco Project Labor Agreement – Letter of Assent

Dear _____:

The undersigned confirms that it agrees to be a party to and bound by the City of San Francisco Project Labor Agreement (“Agreement”) as such Agreement may, from time to time, be amended by the parties or interpreted pursuant to its terms.

By executing this Letter of Assent, the undersigned subscribes to, adopts and agrees to be bound by the written terms of the legally established trust fund documents as set forth in Sections 8.4 and 8.5 of the Agreement, as they may from time to time be amended, specifying the detailed basis upon which contributions are to be made into, and benefits made out of, such trust funds, and ratifies and accepts the trustees appointed by the parties to such trust funds.

The obligation to be a party to and bound by the Agreement shall extend to all Covered Work self-performed or subcontracted under a Construction Contract (as defined in the Agreement) that is undertaken by the undersigned. The undersigned shall require all of its Subcontractors (as defined in the Agreement), of whatever tier, to become similarly bound by signing an identical Letter of Assent.

CONTRACTOR/SUBCONTRACTOR: _____

California Contractor State License No. or Motor Carrier (CA) Permit No.: _____

Name of Authorized Person (print): _____

Signature of Authorized Person: _____

Title of Authorized Person: _____

Telephone Number of Authorized Person: _____

Address of Authorized Person: _____

State Public Works Registration Number: _____

Addendum B
SAN FRANCISCO ADMINISTRATIVE CODE
SECTIONS 6.0, 6.1, 6.2, AND 6.3
[As of July 1, 2020]

[See pages to follow]

**PROJECT LABOR AGREEMENT
ADDENDUM B
SAN FRANCISCO ADMINISTRATIVE CODE SECTIONS 6.0 – 6.3**

SEC. 6.0. SCOPE OF CHAPTER.

Chapter 6 shall govern Public Work or Improvement contracting policies and procedures, including the procurement of professional design, consulting and construction management services for Public Work or Improvement projects.

(Added by Ord. 286-99, File No. 991645, App. 11/5/99; amended by Ord. 108-15, File No. 150175, App. 7/2/2015, Eff. 8/1/2015)

SEC. 6.1. DEFINITIONS.

Advertisement For Bid. An Advertisement For Bid is a set of documents which includes without limitation the published Advertisement for Bids on a construction Contract; the forms to be submitted with a Bid, as required by the contracting department and CMD; the construction Contract general and special conditions; and the plans and specifications for the Public Work or Improvement.

Award. The action taken by the City in conformance with the Administrative Code and the Charter to enter into a Contract pursuant to this Chapter 6. For Contracts in excess of the Threshold Amount, a Contract is awarded by the City when the following events have occurred:

- (1) For departments under the Mayor, (a) the Mayor or the Mayor's designee has approved the Contract for Award and (b) the Department Head has then issued an order of Award;
- (2) For departments empowered to contract for Public Works or Improvements with boards or commissions, (a) the Department Head has recommended to the board or commission concerned a Contract for Award and (b) such board or commission has then adopted a resolution awarding the Contract.

For Contracts less than or equal to the Threshold Amount, a Contract is awarded when the Department Head either signs the Contract or issues an order of Award, whichever occurs first. Pursuant to Charter Section 3.105, all Contract Awards are subject to certification by the Controller as to the availability of funds.

Bid. A sealed document submitted in response to an Advertisement For Bids. No Bid shall be deemed accepted by the City until such time as the Contract is awarded in accordance with this Chapter 6.

Bidder. One who submits a Bid in response to an Advertisement For Bids.

City. The City and County of San Francisco.

Construction Manager. Any individual, firm, partnership, corporation, association, joint venture or other legal entity permitted by law to furnish construction management services to the City.

Contract. For the purposes of this Chapter, a Contract is an agreement in writing between the City and any party to perform professional design services, consultant services, construction management services or construction services relative to a Public Work or Improvement. No Contract shall be deemed awarded, effective or binding on the City until such time as the requirements for Award are met, as provided in this Chapter 6.

Contract Monitoring Division (CMD). A division of the Office of the City Administrator to which the City Administrator has delegated responsibility to implement Administrative Code Chapter 14B.

Contractor. A party who contracts directly with the City to perform professional design services, consultant services, construction management services or construction services relevant to a Public Work or Improvement. A Contractor performing construction services may also be referred to as a "General Contractor" or a "Prime Contractor."

Core Trade Subcontractor. A subcontractor identified by the City or the Contractor that may provide key pre-construction services for a procurement under Section 6.61 or Section 6.68.

Department Head. The duly appointed General Manager, Director, or Executive Director of a City department authorized to perform Public Work or Improvements under Section 6.2. For

**PROJECT LABOR AGREEMENT
ADDENDUM B
SAN FRANCISCO ADMINISTRATIVE CODE SECTIONS 6.0 – 6.3**

purposes of this Chapter only, an authorized Department Head may designate an individual to execute on his or her behalf any document referenced in this Chapter 6, including but not limited to Contracts, change orders, modifications, service orders, task orders, approvals, progress payments, and certificates of acceptance. Such designation shall be in writing and shall identify the individual by name and title and the scope and term of the designation.

Integrated Furniture, Fixtures, and Equipment (IFF&E). Furniture, fixtures, and/or equipment that require integration that significantly affects the building design and/or the design of interior renovation of a Public Work or Improvement due to physical dimension, power connection, or data communication, and/or coordination with construction trades, including but not limited to, electrical, plumbing, mechanical, or building controls.

Prevailing Wage or Prevailing Rate of Wage. For purposes of this Chapter 6, the highest general prevailing rate of wage plus "per diem wages" and wages paid for overtime and holiday work paid in private employment in the City for the various crafts and kinds of labor employed in the performance of any Public Work or Improvement. "Per diem wages" are defined pursuant to Labor Code Section 1773.1, as amended from time to time.

Public Work or Improvement. Any erection, construction, renovation, alteration, improvement, demolition, excavation, installation, or repair of any public building, structure, infrastructure, bridge, road, street, park, dam, tunnel, utility or similar public facility performed by or for the City, the cost of which is to be paid wholly or partially out of moneys deposited in the Treasury of the City. A Public Work or Improvement may include Integrated Furniture, Fixtures, and Equipment.

Quote or Quotation. A statement or proposal setting out the estimated cost for work or services submitted in response to a request for a quote from a department for work or services on a Public Work or Improvement.

Responsible. A Bidder or Contractor who (1) meets the qualifying criteria required for a particular project, including without limitation the expertise, experience, record of prior timely performance, license, resources, bonding and insurance capability necessary to perform the work under the Contract and (2) at all times deals in good faith with the City and submits bids, estimates, invoices, claims, requests for equitable adjustments, requests for change orders, requests for Contract modifications, or requests of any kind seeking compensation on a City Contract only upon a good faith honest evaluation of the underlying circumstances and a good faith, honest calculation of the amount sought.

Responsive. A Bid or proposal that complies with the requirements of the subject Advertisement For Bids or request for proposals and/or qualification without condition or qualification.

Threshold Amount. The Threshold Amount, for the purposes of this Chapter, is \$600,000. On January 1, 2020, and every five years thereafter, the Controller shall recalculate the Threshold Amount to reflect any proportional increase in the Urban Regional Consumer Price Index from January 1, 2015, rounded to the nearest \$1,000.

(Added by Ord. 286-99, File No. 991645, App. 11/5/99; amended by Ord. 324-00, File No. 001919, App. 12/28/2000; Ord. 208-02, File No. 021221, App. 10/18/02; Ord. 19-10, File No. 091163, App. 2/10/2010; Ord. 96-10, File No. 100332, App. 5/13/2010; Ord. 108-15, File No. 150175, App. 7/2/2015, Eff. 8/1/2015; Ord. 6-17, File No. 161081, App. 1/20/2017, Eff. 2/19/2017)

SEC. 6.2. DEPARTMENTS OR COMMISSIONS EMPOWERED TO CONTRACT FOR PUBLIC WORKS OR RELATED PROFESSIONAL SERVICES.

Except as otherwise provided, the departments or commissions empowered on behalf of the City to contract for Public Works or Improvements or professional services related to a Public Work or Improvement are San Francisco Public Works, the Municipal Transportation Agency, and the Airport, Port, Public Utilities, and Recreation and Park Commissions. All other

**PROJECT LABOR AGREEMENT
ADDENDUM B
SAN FRANCISCO ADMINISTRATIVE CODE SECTIONS 6.0 – 6.3**

departments or commissions must procure construction or related professional services through San Francisco Public Works.

(Added by Ord. 286-99, File No. 991645, App. 11/5/99; amended by Ord. 118-00, File No. 000478, App. 6/2/2000; Ord. 58-05, File No. 041571, App. 4/1/2005 Ord. 108-15, File No. 150175, App. 7/2/2015, Eff. 8/1/2015)

SEC. 6.3. CONTRACTING POWERS AND PROCEDURE.

(a) Public Work or Professional Service Contracts Less Than or Equal to the Threshold Amount. The Department Head may award any construction Contract or professional services Contract of less than or equal to the Threshold Amount. For such Contracts, approval of the Mayor, commission or board concerned is not required.

(b) Public Work or Professional Service Contracts in Excess of the Threshold Amount.

(1) Departments Under the Mayor. For departments under the Mayor, the Mayor or the Mayor's designee shall approve for Award all Public Work and professional service Contracts in excess of the Threshold Amount and the Department Head may then issue an order of Award.

(2) Departments Under Boards or Commissions. For departments empowered to contract for Public Works or Improvements, the Department Head shall recommend to the board or commission concerned the Award of all Public Work and professional service Contracts in excess of the Threshold Amount and such board or commission may then adopt a resolution awarding the Contract.

(c) Certification Required. In accordance with Section 3.105 of the Charter, all Contract Awards are subject to certification by the Controller as to the availability of funds.

(d) Execution of Contracts. Following all necessary approvals, orders or resolutions and execution by the Contractor, the Department Head shall execute all Contracts, modifications and change orders. All paper transactions under this Chapter 6 shall be executed in duplicate. All electronic transactions shall be executed in accordance with Section 21.06 of the Administrative Code.

(Added by Ord. 286-99, File No. 991645, App. 11/5/99; amended by Ord. 108-15, File No. 150175, App. 7/2/2015, Eff. 8/1/2015)

Addendum C

SIDE LETTERS OF AGREEMENT

**United Association of Journeymen and Apprentices of the Plumbing and Pipefitting
Industry, Local No. 38**

International Brotherhood of Electrical Workers, Local 6

**International Association of Sheet Metal, Air, Rail and Transportation Workers, Sheet
Metal Workers' Local Union No. 104**

[See pages to follow]

**SIDE LETTER BETWEEN
THE UNITED ASSOCIATION OF JOURNEYMAN AND APPRENTICES OF THE
PLUMBING AND PIPEFITTING INDUSTRY, LOCAL NO. 38
AND
THE CITY AND COUNTY OF SAN FRANCISCO**

Consistent with Article III, Sections 3.6.3 and 3.6.9.8 of the Citywide Project Labor Agreement (“PLA”), the City recognizes off-site work, including fabrication work customarily performed under the United Association of Journeyman and Apprentices of the Plumbing and Pipefitting Industry, Local No. 38 (“UA Local 38”) Schedule A agreement as Covered Work under the PLA.

UA Local 38 recognizes that the timely and efficient completion of Covered Projects is vital to the parties. To this end, UA Local 38 recognizes that the City may seek relief from this letter to address construction and community concerns that may arise in the future.

If the City requests relief from this letter, then UA Local 38 agrees to meet with the City to discuss the scope of the request. At the option of either the City or UA Local 38, the matter may be referred to the PLA Joint Administrative Committee. The parties will consider the City’s request for relief from this letter. Any relief from this letter shall be by mutual agreement between the City and UA Local 38.


The parties agree this letter accurately sets forth the substance of the parties’ understanding and provides the basis for resolving any questions or concerns regarding the interpretation and application of Sections 3.6.3 and 3.6.9.8 of the Agreement.

SO AGREED:


LARRY MAZZOLA JR.
Business Manager


NAOMI KELLY
City Administrator

APPROVED AS TO FORM
DENNIS J. HERRERA, CITY ATTORNEY


Erik A. Rapoport
Deputy City Attorney

**SIDE LETTER BETWEEN
THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS,
LOCAL NO. 6
AND
THE CITY AND COUNTY OF SAN FRANCISCO**

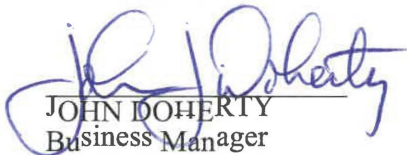
Consistent with Article III, Sections 3.6.3 and 3.6.9.8 of the Citywide Project Labor Agreement (“PLA”), the City recognizes off-site work, including fabrication work customarily performed under the International Brotherhood of Electrical Workers, Local No. 6 (“IBEW Local 6”) Schedule A agreement as Covered Work under the PLA.

IBEW Local 6 recognizes that the timely and efficient completion of Covered Projects is vital to the parties. To this end, IBEW Local 6 recognizes that the City may seek relief from this letter to address construction and community concerns that may arise in the future.

If the City requests relief from this letter, then IBEW Local 6 agrees to meet with the City to discuss the scope of the request. At the option of either the City or IBEW Local 6, the matter may be referred to the PLA Joint Administrative Committee. The parties will consider the City’s request for relief from this letter. Any relief from this letter shall be by mutual agreement between the City and IBEW Local 6.

The parties agree this letter accurately sets forth the substance of the parties’ understanding and provides the basis for resolving any questions or concerns regarding the interpretation and application of Sections 3.6.3 and 3.6.9.8 of the Agreement.

SO AGREED:


JOHN DOHERTY
Business Manager


NAOMI KELLY
City Administrator

APPROVED AS TO FORM
DENNIS J. HERRERA, CITY ATTORNEY



Erik A. Rapoport
Deputy City Attorney

**SIDE LETTER BETWEEN
THE INTERNATIONAL ASSOCIATION OF SHEET METAL, AIR, RAIL AND
TRANSPORTATION WORKERS, SHEET METAL WORKERS LOCAL NO. 104
AND
THE CITY AND COUNTY OF SAN FRANCISCO**

Consistent with Article III, Sections 3.6.3 and 3.6.9.8 of the Citywide Project Labor Agreement (“PLA”), the City recognizes off-site work, including fabrication work customarily performed under the International Association of Sheet Metal, Air, Rail and Transportation Workers, Sheet Metal Workers, Local No. 104 (“SMW Local 104”) Schedule A agreement as Covered Work under the PLA.

SMW Local 104 recognizes that the timely and efficient completion of Covered Projects is vital to the parties. To this end, SMW Local 104 recognizes that the City may seek relief from this letter to address construction and community concerns that may arise in the future.

If the City requests relief from this letter, then SMW Local 104 agrees to meet with the City to discuss the scope of the request. At the option of either the City or SMW Local 104, the matter may be referred to the PLA Joint Administrative Committee. The parties will consider the City’s request for relief from this letter. Any relief from this letter shall be by mutual agreement between the City and SMW Local 104.

The parties agree this letter accurately sets forth the substance of the parties’ understanding and provides the basis for resolving any questions or concerns regarding the interpretation and application of Sections 3.6.3 and 3.6.9.8 of the Agreement.

SO AGREED:



RICK WERNER
Business Manager



NAOMI KELLY
City Administrator

APPROVED AS TO FORM
DENNIS J. HERRERA, CITY ATTORNEY



Erik A. Rapoport
Deputy City Attorney

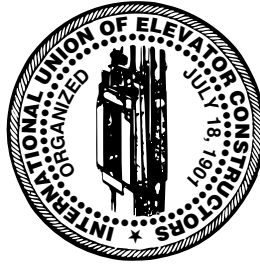
Addendum D

Memorandum of Understanding (MOU) between the San Francisco Office of Economic and Workforce Development's CityBuild Academy and the International Union of Elevator Constructors, Local Union No. 8 (Union)

[See pages to follow]

International Union of Elevator Constructors

AFFILIATED WITH THE
AFL-CIO
PHONE (415) 285-2900
FAX (415) 285-2020



LOCAL UNION NO.8
690 POTRERO AVENUE
SAN FRANCISCO, CA 94110-2117

Memorandum of Understanding

for

San Francisco City Wide Project Labor Agreement

The following is a Memorandum of Understanding (MOU) between the San Francisco Office of Economic and Workforce Development's CityBuild Academy and the International Union of Elevator Constructors, Local Union No. 8 (Union):

- To the maximum extent possible and consistent with all applicable federal, state and local laws, hiring hall procedures and apprenticeship program standards, the Union will refer graduates of CityBuild for employment on projects covered by the San Francisco Citywide Project Labor Agreement under San Francisco Administrative Code Section 6.27.
- At least annually:
 - The Union will participate in a job fair and information night exclusive to participants of CityBuild, to inform them about career opportunities and provide a pathway into the Union's apprenticeship program.
 - At the request of CityBuild, the Union will set up a trade booth at a career fair hosted by the City within the geographic limitations of the City.
 - At the request of CityBuild, the Union will collaborate to host CityBuild participants at its apprenticeship training center.
 - The parties to this CityBuild MOU shall meet as reasonably requested to review the enrollment of CityBuild graduates and discuss ways to further facilitate entry into the Union's apprenticeship program for graduates of CityBuild.
- Once per CityBuild class cycle:
 - At the request of CityBuild, the Union will collaborate to provide guest speakers to CityBuild participants.
- The Union will exert its best efforts to recruit CityBuild graduates and Local Residents to qualify for entry into its Northern California Elevator Industry Joint Apprenticeship and Training Program. The Union shall prioritize outreach efforts for CityBuild graduates into the Union apprenticeship program from Local Residents residing within Tier 1 zip codes as determined by CityBuild.
 - If the Union cannot recruit a sufficient number of Local Resident CityBuild graduates into the Union apprenticeship program under this provision, as set forth immediately above, the Union will exert its best efforts to recruit Local Residents from any City zip code to qualify for entry into the Union apprenticeship program.

- It is further agreed that applicants who have successfully completed the CityBuild Program associated with City College of San Francisco will qualify for a direct interview provided the applicants meet the qualifications below. Such applicants will be allowed this direct to interview opportunity only once, and only at the next open application period for the apprenticeship program, as is determined solely by the Northern California Elevator Industry Joint Apprenticeship and Training Committee. CityBuild graduates must:
 1. Pass a pre-employment drug test.
 2. Provide proof of 100% attendance in the CityBuild program.
 3. Provide transcripts demonstrating successful completion of the CityBuild Academy program with cumulative academic scores of 75% or higher.
 4. Provide transcripts demonstrating CityBuild math course grade of C or higher.
 5. Provide a copy of their high school diploma or GED.
 6. Provide proof the applicant is a San Francisco resident.
 7. Provide proof of their U.S. citizenship or eligibility to work in the U.S.
 8. Provide a copy of their valid California driver's license.
 9. Be able to perform all duties as detailed in the NCEIJATC Application Announcement.



For IUEC Local 8

Date: 7-13-2020



For CityBuild

Date: 7/14/2020

Addendum E
CRAFT ASSIGNMENT FORM

[See pages to follow]

CRAFT ASSIGNMENT FORM

PROJECT NAME: _____ DATE: _____

NAME OF CONTRACTOR: _____

PRINCIPAL OFFICE ADDRESS: _____

PHONE: _____ E-MAIL: _____

PROJECT CONTACT INFORMATION: _____

MEMBER OF ASSOCIATION (IF APPLICABLE): _____

NAME OF PRIME CONTRACTOR (IF APPLICABLE): _____

NAME OF SUPERVISOR: _____ TITLE: _____

CONTRACT VALUE: _____

UNION(S) SIGNATORY TO: _____

START DATE:
END DATE:

FOR EACH SCOPE OF WORK PROVIDE THE FOLLOWING INFORMATION:

WORK DESCRIPTION:	
VALUE:	
CRAFT DESIGNATION/UNION:	
ESTIMATED CRAFT HOURS:	
NUMBER OF WORKERS:	
START DATE:	

**PROVIDE THE FOLLOWING INFORMATION FOR EACH SUBCONTRACTOR
(ATTACH ADDITIONAL PAGES IF NECESSARY):**

CONTRACTOR NAME:	
PRIMARY CONTACT:	
ADDRESS:	
PHONE:	
E-MAIL:	
UNION(S) SIGNATORY TO:	

WORK DESCRIPTION:	
VALUE:	
CRAFT DESIGNATION/UNION:	
ESTIMATED CRAFT HOURS:	
NUMBER OF WORKERS:	
START DATE:	

Addendum F

LBE PARTICIPATION WORKSHEET

[See pages to follow]



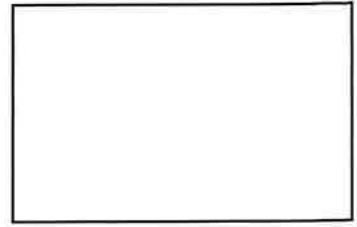
Total LBE Subparticipation Requirement (%) for this contract as established by CMD:

For column "A", list the Prime Consultant, each joint venture partner and **ALL** subconsultants and vendors including 2nd and 3rd tier subs. Make copies if more space is needed.
 For the "Name of the Firm" column below, list the prime consultant (including each JV partner) and ALL subconsultants including lower tier LBEs. Indicate if the firm is an LBE.

A Name of Firm	B LBE? (Yes or No)	B Service(s) to Be Performed	C Amount of Contract or Purchase Order at Time of Award	D Percent LBE Required Participation
[insert Prime Proposer here]				
[insert your team of non-LBE and LBE subs in subsequent rows]				
CONTRACT TOTALS			\$	-

Introduction Form

(by a Member of the Board of Supervisors or the Mayor)



I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- 2. Request for next printed agenda (For Adoption Without Committee Reference)
(Routine, non-controversial and/or commendatory matters only)
- 3. Request for Hearing on a subject matter at Committee
- 4. Request for Letter beginning with "Supervisor _____ inquires..."
- 5. City Attorney Request
- 6. Call File No. _____ from Committee.
- 7. Budget and Legislative Analyst Request (attached written Motion)
- 8. Substitute Legislation File No. _____
- 9. Reactivate File No. _____
- 10. Topic submitted for Mayoral Appearance before the Board on _____

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- Small Business Commission Youth Commission Ethics Commission
- Planning Commission Building Inspection Commission Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- Yes No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Safai, Chan

Subject:

[Administrative Code - Amending the Citywide Project Labor Agreement]

Long Title or text listed:

Ordinance amending the Administrative Code to direct the City Administrator to negotiate amendments to the citywide Project Labor Agreement (PLA) that would incorporate into the PLA multi-family affordable housing projects constructed under an agreement with the Mayor's Office of Housing and Community Development, make subject to the PLA subcontractors for PLA-covered projects that qualify as Local Business Enterprises once they have been awarded over \$5 million for work on covered projects, and extend the term of the PLA from 20 to 30 years, until July 14, 2050.

Signature of Sponsoring Supervisor:

From: [Buckley, Jeff \(BOS\)](#)
To: [BOS Legislation, \(BOS\)](#)
Cc: [CROWLEY, SARAH \(CAT\)](#); [RUSSI, BRAD \(CAT\)](#); [Safai, Ahsha \(BOS\)](#); [Chan, Connie \(BOS\)](#); [Hsieh, Frances \(BOS\)](#); [Carrillo, Lila \(BOS\)](#)
Subject: Ordinance for Introduction - PLA Amendments
Date: Tuesday, October 29, 2024 3:44:33 PM
Attachments: [image001.png](#)
[Ordinance - PLA Amendments - 10.29.24.docx](#)
[Intro Form - PLA for 100% Affordable Housing MOHCD.pdf](#)

Hello – Please see attached legislation for introduction today. Let me know if you have any questions. DCA Crowley can confirm it is approved to form.

Thanks!

-Jeff

From: Crowley, Sarah (CAT) <Sarah.Crowley@sfcityatty.org>
Sent: Tuesday, October 29, 2024 3:31 PM
To: Buckley, Jeff (BOS) <jeff.buckley@sfgov.org>
Cc: RUSSI, BRAD (CAT) <Brad.Russi@sfcityatty.org>
Subject: RE: Ordinance for Introduction - PLA Amendments

Here you go.

Privileged and Confidential Communication – Do Not Disclose

Sarah Crowley (*she/her*)
Deputy City Attorney
Office of City Attorney David Chiu
(415) 554-4677 Direct
www.sfcityattorney.org

From: Buckley, Jeff (BOS) <jeff.buckley@sfgov.org>
Sent: Tuesday, October 29, 2024 3:28 PM
To: Crowley, Sarah (CAT) <Sarah.Crowley@sfcityatty.org>
Cc: Russi, Brad (CAT) <Brad.Russi@sfcityatty.org>
Subject: RE: Ordinance for Introduction - PLA Amendments

Sarah – can you recirculate a draft with Supervisor Chan as a cosponsor. I want to introduce it with her name on it.

Thanks!

-Jeff

From: Buckley, Jeff (BOS)
Sent: Tuesday, October 29, 2024 3:09 PM

To: CROWLEY, SARAH (CAT) <Sarah.Crowley@sfcityatty.org>
Cc: RUSSI, BRAD (CAT) <Brad.Russi@sfcityatty.org>; Hsieh, Frances (BOS) <frances.hsieh@sfgov.org>
Subject: FW: Ordinance for Introduction - PLA Amendments

Sarah - Please add Supervisor Chan as a cosponsor.

-Jeff

From: Hsieh, Frances (BOS) <frances.hsieh@sfgov.org>
Sent: Tuesday, October 29, 2024 3:08 PM
To: Buckley, Jeff (BOS) <jeff.buckley@sfgov.org>; Chan, Connie (BOS) <connie.chan@sfgov.org>
Cc: Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>
Subject: RE: Ordinance for Introduction - PLA Amendments

Jeff,

Thanks for sharing. Please add Supervisor Chan as a cosponsor.

Thanks!
Frances

Frances Hsieh | 謝令宜
Pronouns: she/her/hers
Office of Supervisor Connie Chan
San Francisco Board of Supervisors, District 1
(415) 554-7410

From: Buckley, Jeff (BOS) <jeff.buckley@sfgov.org>
Sent: Tuesday, October 29, 2024 1:53 PM
To: Chan, Connie (BOS) <connie.chan@sfgov.org>
Cc: Hsieh, Frances (BOS) <frances.hsieh@sfgov.org>; Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>
Subject: Ordinance for Introduction - PLA Amendments

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and extend the term of the PLA from 20 to 30 years, until July 14, 2050.

Let me know if you have any questions or if you want to cosponsor.

Take care and happy Tuesday,

-Jeff

From: [Crowley, Sarah \(CAT\)](#)
To: [BOS Legislation, \(BOS\)](#); [Buckley, Jeff \(BOS\)](#)
Cc: [RUSSI, BRAD \(CAT\)](#); [Safai, Ahsha \(BOS\)](#); [Chan, Connie \(BOS\)](#); [Hsieh, Frances \(BOS\)](#); [Carrillo, Lila \(BOS\)](#); [BOS Legislation, \(BOS\)](#)
Subject: RE: Ordinance for Introduction - PLA Amendments
Date: Wednesday, October 30, 2024 9:48:16 AM
Attachments: [image001.png](#)
[image005.png](#)

Confirming that I approve as to form and consent to use of my electronic signature.

Privileged and Confidential Communication – Do Not Disclose

Sarah Crowley (*she/her*)
Deputy City Attorney
Office of City Attorney David Chiu
(415) 554-4677 Direct
www.sfcityattorney.org

From: BOS Legislation, (BOS) <bos.legislation@sfgov.org>
Sent: Wednesday, October 30, 2024 9:43 AM
To: Buckley, Jeff (BOS) <jeff.buckley@sfgov.org>; Crowley, Sarah (CAT) <Sarah.Crowley@sfcityatty.org>
Cc: Russi, Brad (CAT) <Brad.Russi@sfcityatty.org>; Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>; Chan, Connie (BOS) <connie.chan@sfgov.org>; Hsieh, Frances (BOS) <frances.hsieh@sfgov.org>; Carrillo, Lila (BOS) <lila.carrillo@sfgov.org>; BOS Legislation, (BOS) <bos.legislation@sfgov.org>
Subject: RE: Ordinance for Introduction - PLA Amendments

Hello,

Thank you for the legislation submission. We are seeking the approval from Deputy City Attorney Sarah Crowley for use of her electronic signature and approval as to form for the attached proposed Ordinance, by reply to this email. Thank you.

Lisa Lew
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102
T 415-554-7718 | F 415-554-5163
lisa.lew@sfgov.org | www.sfbos.org

(VIRTUAL APPOINTMENTS) To schedule a “virtual” meeting with me (on Microsoft Teams), please ask and I can answer your questions in real time.



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Cc: CROWLEY, SARAH (CAT) <Sarah.Crowley@sfcityatty.org>; RUSSI, BRAD (CAT) <Brad.Russi@sfcityatty.org>; Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>; Chan, Connie (BOS) <connie.chan@sfgov.org>; Hsieh, Frances (BOS) <frances.hsieh@sfgov.org>; Carrillo, Lila (BOS) <lila.carrillo@sfgov.org>
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Cc: RUSSI, BRAD (CAT) <Brad.Russi@sfcityatty.org>
Subject: RE: Ordinance for Introduction - PLA Amendments

Here you go.

Privileged and Confidential Communication – Do Not Disclose

Sarah Crowley (*she/her*)
Deputy City Attorney
Office of City Attorney David Chiu
(415) 554-4677 Direct
www.sfcityattorney.org

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Cc: Russi, Brad (CAT) <Brad.Russi@sfcityatty.org>
Subject: RE: Ordinance for Introduction - PLA Amendments

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Thanks!

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Subject: Ordinance for Introduction - PLA Amendments

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Take care and happy Tuesday,

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From: [Crowley, Sarah \(CAT\)](#)
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Cc: [RUSSI, BRAD \(CAT\)](#); [Safai, Ahsha \(BOS\)](#); [Chan, Connie \(BOS\)](#); [Hsieh, Frances \(BOS\)](#); [Carrillo, Lila \(BOS\)](#)
Subject: Re: Ordinance for Introduction - PLA Amendments
Date: Tuesday, October 29, 2024 5:35:10 PM

Hi Jeff,
There's no change to the digest I provided to you earlier.
Thanks,
Sarah

Attorney-Client Privileged Communication — Do Not Disclose

Sarah Crowley
Deputy City Attorney
Office of City Attorney David Chiu
[\(415\) 554-4677](tel:(415)554-4677) Direct
www.sfcityattorney.org

From: Buckley, Jeff (BOS) <jeff.buckley@sfgov.org>
Sent: Tuesday, October 29, 2024 4:43:29 PM
To: BOS Legislation, (BOS) <bos.legislation@sfgov.org>
Cc: Crowley, Sarah (CAT) <Sarah.Crowley@sfcityatty.org>; Russi, Brad (CAT) <Brad.Russi@sfcityatty.org>; Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>; Chan, Connie (BOS) <connie.chan@sfgov.org>; Hsieh, Frances (BOS) <frances.hsieh@sfgov.org>; Carrillo, Lila (BOS) <lila.carrillo@sfgov.org>
Subject: Re: Ordinance for Introduction - PLA Amendments

DCA Crowley can you provide an updated digest? Thanks!

Jeff

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From: BOS Legislation, (BOS) <bos.legislation@sfgov.org>
Sent: Tuesday, October 29, 2024 3:47:59 PM
To: Buckley, Jeff (BOS) <jeff.buckley@sfgov.org>; BOS Legislation, (BOS) <bos.legislation@sfgov.org>
Cc: CROWLEY, SARAH (CAT) <Sarah.Crowley@sfcityatty.org>; RUSSI, BRAD (CAT) <Brad.Russi@sfcityatty.org>; Safai, Ahsha (BOS) <ahsha.safai@sfgov.org>; Chan, Connie (BOS) <connie.chan@sfgov.org>; Hsieh, Frances (BOS) <frances.hsieh@sfgov.org>; Carrillo, Lila (BOS) <lila.carrillo@sfgov.org>
Subject: RE: Ordinance for Introduction - PLA Amendments

Greetings,

Please provide the legislative digest that is to accompany the attached Ordinance. Thank you.

Jocelyn Wong

Legislative Clerk

San Francisco Board of Supervisors

1 Dr. Carlton B. Goodlett Place, Room 244

San Francisco, CA 94102

T: 415.554.7702 | F: 415.554.5163

jocelyn.wong@sfgov.org | www.sfbos.org

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San Francisco Board of Supervisors, District 1

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[Administrative Code - Amending the Citywide Project Labor Agreement]

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Ordinance amending the Administrative Code to direct the City Administrator to negotiate amendments to the citywide Project Labor Agreement (PLA) that would incorporate into the PLA multi-family affordable housing projects constructed under an agreement with the Mayor’s Office of Housing and Community Development, make subject to the PLA subcontractors for PLA-covered projects that qualify as Local Business Enterprises once they have been awarded over ~~\$5,000,000-million~~ for work on covered projects, and extend the term of the PLA from 20 to 30 years, until July 14, 2050.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~italics Times New Roman font~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Chapter 6, Article II of the Administrative Code is hereby amended by revising Section 6.27, to read as follows:

SEC. 6.27. CITYWIDE PROJECT LABOR AGREEMENT ORDINANCE.

(a) **Short Title.** This Section 6.27 shall be known and may be cited as the Citywide Project Labor Agreement Ordinance.

(b) **Findings and Purpose.**

(1) Certain public work and improvement projects can involve numerous contractors and employees in different trades, have critical timelines for completion, and

1 require a skilled and properly-trained workforce to successfully complete the work in a proper
2 and timely manner. To avoid costly delays and additional expense to the City, it is essential
3 that construction on such projects proceed without the labor disruptions that can occur on
4 long-term projects, both from external labor relations problems and from the frictions that often
5 arise when a large number of contractors and their employees and subcontractors work in
6 proximity to one another on a job site.

7 (2) Additionally, in a complex and highly developed urban environment such as
8 San Francisco, many smaller projects can be of substantial importance to City residents,
9 whether through provision of basic services or through the establishment or maintenance of
10 conditions for economic, physical, or emotional well-being, such that it is highly desirable and
11 even essential to avoid the delay in their completion that might result from labor disruptions.

12 (3) Affordable housing projects funded through contracts between developers and the
13 Mayor's Office of Housing and Community Development (MOHCD) can involve numerous contractors
14 and employees from different trades, can have critical timelines for completion that come with penalties
15 if not met, and can require a skilled and properly trained workforce to successfully complete quality
16 work on time and on budget.

17 (34) In the private sector, project labor agreements have been used for many
18 years on numerous construction projects to achieve satisfactory performance and the
19 economic benefits that result from having a guaranteed source of skilled workers and from
20 avoiding work disruptions.

21 (45) In San Francisco, project labor agreements have been and are being
22 used successfully by public entities including the San Francisco Public Utilities Commission,
23 the San Francisco Community College District, the San Francisco Unified School District, the
24 Transbay Joint Powers Authority, and the United States General Services Administration, as
25 well as by many private entities, for construction in both large and small scale projects,

1 including hospitals, reservoirs, water treatment and transmission facilities, schools, offices,
2 and residences, and for the retrofit and remodel of existing buildings and facilities. Such
3 agreements have been a major factor in producing quality construction work and projects
4 completed on time, within budget, without labor strife or disruptions.

5 (56) Beyond San Francisco, throughout the Bay Area and Northern California,
6 project labor agreements have been used successfully on numerous public and private
7 construction projects, and public entities such as the County of Contra Costa, the Bay Area
8 Rapid Transit District, the Oakland Unified School District, the City of Berkeley, and others,
9 maintain Project Labor Agreement Ordinances and Policies requiring the use of project labor
10 agreements on their publicly funded construction projects. The same is true of the San
11 Francisco International Airport, a City entity located in the County of San Mateo.

12 (67) The cyclical nature of our economy has led and will lead to high levels of
13 unemployment and underemployment of San Francisco residents, particularly in certain
14 neighborhoods and communities. Statistics also indicate that high levels of unemployment or
15 underemployment correlate to a higher number of families living at or near the poverty line. As
16 a result, it is the policy of the City to increase and improve the employment of persons living in
17 San Francisco in an attempt to counteract the grave economic ills associated with the
18 unemployment and underemployment levels that have existed and will exist within San
19 Francisco.

20 (78) There is a need to provide San Francisco residents with more
21 opportunities to participate in workforce development and pre-apprenticeship programs that
22 include life skills training and job readiness training. To this end, the City has funded the
23 CityBuild Academy established by the Office of Economic and Workforce Development and
24 has funded and may in the future fund additional programs such as the Mario DeLaTorre
25 Academy. Such pre-apprenticeship programs increase the capacity of San Francisco

1 residents to succeed later in formal apprenticeship programs and hence reduce
2 unemployment and underemployment and accompanying poverty and economic conditions.

3 (~~§~~) The construction crafts that work on City-funded projects require a supply
4 of new apprentices to perpetuate the crafts into the future. Through their apprenticeships,
5 these crafts provide genuine opportunities for long-term, well-paid careers in the construction
6 industry. Entry into and employment through these apprenticeships can be facilitated by
7 formal understandings between the City and the labor organizations affiliated with the San
8 Francisco Building and Construction Trades Council.

9 (~~§~~) In addition, large numbers of returning veterans will be seeking
10 employment on City-funded construction projects and training opportunities for entrance into
11 the construction industry. Such training opportunities are available through a program known
12 as “Helmets to Hardhats,” a program that current City project labor agreements require
13 contractors and subcontractors to use.

14 (~~§~~) In addition, economic exclusion and the City’s housing crisis have led
15 and will continue to lead to significant displacement and out-migration of San Francisco
16 residents, particularly from historically African-American neighborhoods, which have suffered
17 steady and disproportionate population decline since 1970. There is a need to provide
18 economic opportunities to enable such displaced residents to return to San Francisco.

19 (~~§~~) The use of project labor agreements has proven to be a valuable
20 vehicle for accomplishing all of the goals set out above.

21 (c) **Definitions.** For purposes of this Section 6.27, the following definitions shall
22 apply:

23 “Contract” means both (1) “Contract” as defined in Section 6.1 of the Administrative Code,
24 and/or (2) an agreement executed by the City, acting through MOHCD, to fund, in whole or in part, the
25 construction of Multi-Family Affordable Housing.

1 “Contractor” means both (1) “Contractor” as defined in Section 6.1 of the Administrative
2 Code; and (2) any non-City party entering into a Contract as defined in this Section.

3 “Core Employee” means an employee of a Contractor who has not previously had a
4 relationship with the Unions who demonstrates the following qualifications: (1) possesses any
5 license required by state or federal law for the Project work to be performed; (2) has worked a
6 total of at least 1,000 hours in the construction craft during the prior three years; (3) has been
7 on the Contractor’s active payroll for at least 500 hours during a time period to be determined
8 in the Project Labor Agreement; and (4) has the ability to perform safely the basic functions of
9 the applicable trade.

10 “Cost” means both (1) for a Public Work or Improvement, as that term is defined in Section
11 6.1 of the Administrative Code, the amount of money the Department Head estimates the City
12 will spend on construction work, and (2) for construction of Multi-Family Affordable Housing under
13 a Contract with MOHCD, the amount of funding MOHCD estimates the City will contribute toward
14 construction work. “Cost” does not include money the Department Head projects the City will
15 spend on City employees, project managers, program managers, construction managers, and
16 design teams (including, but not limited to, architects and engineers, or any other consultant
17 employed by a City Department and their respective sub-consultants, and other employees of
18 professional service organizations, unless performing craft work).

19 “Covered Project” means both a project performed under a Contract involving Public
20 Work or Improvement as those terms are defined in Section 6.1 of the Administrative Code
21 Section 6.1, and a project for construction of Multi-Family Affordable Housing funded, in whole or in
22 part, through a Contract with MOHCD, if, in either case, one of the following three criteria is
23 met~~either~~: (1) the Contract is funded in whole or in part by a General Obligation Bond or
24 Revenue Bond and the Department Head estimates the Cost of the Contract to exceed the
25 following threshold amounts: \$5,000,000 for Covered Projects where the Advertisement for

1 Bid is released in the first year after the City and Unions sign a Project Labor Agreement,
2 \$3,000,000 for Covered Projects where the Advertisement for Bid is released in the second
3 year after the City and Unions sign a Project Labor Agreement, and \$1,000,000 thereafter, or
4 (2) the project is funded by a source other than a General Obligation Bond or Revenue Bond
5 and the Department Head estimates the Cost of the Covered Project to exceed \$10,000,000,
6 or (3) the Department Head has determined that delay in completing the Covered Project may
7 lead to interruption or delay of services or use of facilities that are important to the essential
8 operations or infrastructure of the City. Notwithstanding the foregoing sentence, "Covered
9 Project" does not include any Public Work or Improvement projects undertaken by the San
10 Francisco International Airport, the San Francisco Public Utilities Commission, the Port of San
11 Francisco, or the San Francisco Municipal Transportation Agency. "Covered Project" also
12 does not include any Public Work or Improvement project where application of the citywide
13 PLA would violate the conditions of a state, federal, or other public funding source.

14 "MOHCD" means the Mayor's Office of Housing and Community Development, or any
15 successor agency.

16 "Multi-Family Affordable Housing" means a multi-family residential building, including any
17 ancillary commercial space, where 100% of the City-subsidized residential units (not including a
18 manager's unit) are or will be subject to a recorded regulatory restriction to ensure affordability based
19 on income or provide permanent housing for homeless or formerly homeless persons.

20 "Project Labor Agreement" or "PLA" means a multi-craft collective bargaining
21 agreement between the City and the San Francisco Building and Construction Trades Council
22 and affiliated labor unions that will refer workers to Covered Projects, and which governs the
23 construction services on the Covered Project.

24 "Subcontractor" means any person, firm, partnership, owner-operator, limited liability
25 company, corporation, joint venture, proprietorship, trust, association, or other entity providing

1 services to a Contractor or other Subcontractor in fulfillment of the Contractor's or other
2 Subcontractor's obligations arising from a Covered Project.

3 "Unions" means the San Francisco Building and Construction Trades Council and its
4 affiliated local unions. These affiliated local unions are listed in a document that is on file in
5 Board of Supervisors File No. 181043 and incorporated by reference as if set forth herein, and
6 the City Administrator and San Francisco Building and Construction Trades Council may
7 update the list by mutual agreement at any time. Nothing in this Section 6.27 is intended to
8 imply that the City has the authority to approve which local unions may affiliate with the San
9 Francisco Building and Construction Trades Council.

10 (d) **Project Labor Agreement Requirement.** The City and Unions entered into a
11 citywide Project Labor Agreement on July 14, 2020, with a term of 20 years, to terminate on July 14,
12 2040, a copy of which is included in Board File No. _____ . That Project Labor Agreement
13 incorporates the definition of "Covered Projects" and of other terms defined in subsection (c) of this
14 Section 6.27 that were in effect at the time the PLA was executed. Not later than July 1,
15 2025~~September 1, 2019~~, the City Administrator shall negotiate with the Unions and sign on
16 behalf of the City, an amended citywide Project Labor Agreement that shall apply to all Covered
17 Projects as that term is defined under subsection (c) as a result of enactment of the ordinance in Board
18 File No. _____ amending the definition of that term, incorporate other new and amended definitions
19 in subsection (c), incorporate the requirements in subsection (e)(3), as updated by said ordinance, and
20 extend the term of the PLA by ten years, to July 14, 2050. In the City Administrator's discretion, the
21 City Administrator may extend this deadline once for up to three months, to no later than
22 October 1, 2025~~December 1, 2019~~, by providing written notice to the Unions, the Mayor, and the
23 Board of Supervisors. For all Covered Projects defined as such under the terms of a PLA in effect
24 at the time the project is advertised ~~after the City Administrator signs the PLA on behalf of the City,~~
25 each Department Head shall set as a precondition to the award of the contract that the

1 Contractor and its Subcontractors sign an agreement to be bound by the citywide Project
2 Labor Agreement. The Contractor shall execute the Project Labor Agreement on file with the
3 City Administrator. Nothing in this ~~provision~~ subsection (d) shall impact or otherwise impair the
4 terms of any existing Project Labor Agreement. The City is not bound by ~~the any~~ requirements
5 listed in of subsection (e) unless and until the City and all Unions have executed a ~~final~~ Project
6 Labor Agreement that incorporates that particular requirement listed in subsection (e).

7 (e) **Required Terms for citywide Project Labor Agreement.** The citywide Project
8 Labor Agreement shall include the following terms:

9 (1) The Project Labor Agreement is binding on all Contractors and Subcontractors
10 at all tiers of a Covered Project, except as provided in subsection (e)(10);

11 (2) Unions, Contractors, and Subcontractors are bound by the requirements of
12 Administrative Code Chapters 6, 14B, 82, and 83 and Labor and Employment Code Article
13 131, as they may be amended from time to time, including but not limited to the provisions
14 addressing Local Hire and Local Business Enterprise;

15 (3) Contractors will condition the engagement of each Subcontractor on the
16 Subcontractor agreeing to be bound by and comply with all the terms of the Project Labor
17 Agreement, unless the Subcontractor is a Local Business Enterprise that has not ~~received~~ been
18 awarded over \$5,000,000 for work on Covered Projects cumulatively over the entire duration of
19 the PLA;

20 (4) Contractors and Subcontractors to whom construction services are awarded
21 for a Covered Project will use the hiring halls operated by signatory Unions for all labor on the
22 Covered Project except for (A) the services provided by non-craft managerial, executive, and
23 clerical employees, (B) supervisory employees above the level of general foreman; (C) at
24 least two Core Employees per Covered Project, as further determined in Project Labor
25

1 Agreement negotiations, or (D) LBEs that meet the requirements set forth in subsection
2 (e)(10);

3 (5) Contractors and Subcontractors will hire apprentices indentured in the State-
4 approved joint apprenticeship program for the applicable craft or trade for work on the
5 Covered Project in accordance with the apprentice ratios contained in California Labor Code
6 Section 1777.5, as it may be amended from time to time;

7 (6) Unions will use the "Helmets to Hardhats" Program to assist returning veterans
8 in obtaining employment and training opportunities on the project;

9 (7) Within three years of the City Administrator executing the PLA on behalf of the
10 City, all of the Unions shall enter into agreements, or modify existing agreements, with
11 CityBuild Academy to ensure graduates of CityBuild Academy have a pathway for direct entry
12 into the Union's apprenticeship program;

13 (8) ~~A~~ single jurisdictional dispute resolution process for resolving all disputes
14 between Unions, as adopted by the North America's Building Trades Unions, or any
15 subsequent plan or dispute resolution procedure that the North America's Building Trades
16 Unions may adopt thereafter;

17 (9) ~~An~~ agreement by all Unions to refrain from strikes, picketing, and other labor
18 disruptions related to the Covered Project, and that Union members will continue work on a
19 Covered Project despite the expiration of any applicable collective bargaining agreement;

20 (10) ~~The~~ PLA does not apply to Contractors performing work on Covered Projects
21 that are certified as Local Business Enterprises (LBEs) under Administrative Code Chapter
22 14B.3, until the LBE has received the value of contracts awarded for work on Covered
23 Projects in an amount exceeding \$5,000,000 cumulatively over the entire duration of the PLA;

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1 (11) ~~The~~ PLA's coverage does not extend to the Contractors' or Subcontractors'
2 parent companies, subsidiaries, or affiliates except to the extent those entities are performing
3 work on a Covered Project;

4 (12) ~~The~~ PLA does not apply to any work performed on or near or leading to or
5 into the Covered Project site by federal, state, local, or other governmental entities or their
6 contractors or subcontractors, or by utilities or their contractors or subcontractors, or by the
7 City or its contractors or subcontractors if that work ~~that~~ is not part of the Covered Project; and

8 (13) ~~A~~ prohibition against discrimination on any and all bases that City, state, or
9 federal law prohibits.

10 (f) **Annual Reporting.** Beginning on the effective date of the ordinance in Board File
11 No. 181043 enacting this Section 6.27, the Office of the Controller shall, in collaboration with
12 the Contract Monitoring Division, collect utilization rates for LBEs on current Contracts
13 covered by this Section 6.27. Within one year after the City Administrator executes the PLA
14 on behalf of the City, and annually thereafter, the Controller shall conduct annual reviews of
15 the PLA to evaluate whether the PLA has promoted the efficient, economical, and timely
16 completion of Covered Projects, the costs of Covered Projects, and the PLA's impact on LBEs
17 and the local workforce.

18 (g) No later than July 31, 2023, the Controller shall submit to the Clerk of the Board
19 and all members of the Board of Supervisors a request for a public hearing regarding the
20 annual reports described in subsection (f).

21 (h) The Project Labor Agreement shall automatically expire ~~20 years from the date it is~~
22 ~~initially signed by the City and the Unions on July 14, 2050~~, at which point the City and Unions shall
23 no longer be bound by the citywide Project Labor Agreement, except on Covered Projects for
24 which contracts are awarded before expiration of the Project Labor Agreement.

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1 (i) **Severability.** If any subsection, sentence, clause, phrase, or word of this Section
2 6.27, or any application thereof to any person or circumstance, is held to be invalid or
3 unconstitutional by a decision of a court of competent jurisdiction, such decision shall not
4 affect the validity of the remaining portions or applications of the Section. The Board of
5 Supervisors hereby declares that it would have passed this Section and each and every
6 subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional
7 without regard to whether any other portion of this Section or application thereof would be
8 subsequently declared invalid or unconstitutional.

9 (j) **No Conflict with Federal or State Law.** Nothing in this Section 6.27 shall be
10 interpreted or applied so as to create any requirement, power, or duty in conflict with any
11 federal or state law.

12
13 Section 2. **Effective Date.** This ordinance shall become effective 30 days after
14 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
15 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
16 of Supervisors overrides the Mayor's veto of the ordinance.

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1 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
2 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
3 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
4 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
5 additions, and Board amendment deletions in accordance with the "Note" that appears under
6 the official title of the ordinance.

7

8 APPROVED AS TO FORM:
9 DAVID CHIU, City Attorney

10 By: /s/ Sarah Crowley
11 SARAH CROWLEY
12 Deputy City Attorney

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