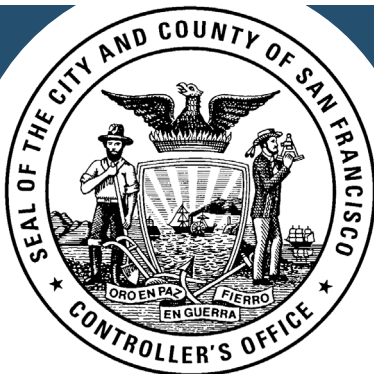


Citywide Project Labor Agreement

Fiscal Years 2020-21 Through 2022-23



CITY & COUNTY OF SAN FRANCISCO

Office of the Controller
City Services Auditor

Mark de la Rosa | Hunter Wang |
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November 15, 2023

- **February 18, 2019:** The San Francisco Board of Supervisors adopted the Citywide Project Labor Agreement Ordinance (San Francisco Administrative Code, Section 6.27), which directed the City to negotiate a **Project Labor Agreement** with the San Francisco Building Construction Trades Council.
 - A **Project Labor Agreement** enables agencies to negotiate a single collective bargaining settlement that applies to multiple projects instead of having the contract awardee for each project negotiate its own terms.
- **July 14, 2020:** The citywide PLA was fully executed and only applies to the **Department of Public Works** and **Recreation and Park Department**.
- **Fiscal years 2020-21 through 2022-23:** The **Controller's Office** issued three annual reports on the evaluation and impact of PLA-covered projects, as required by the ordinance.
- **By July 31, 2023:** The **Controller's Office** is required to request a hearing before the Board of Supervisors to review our reports.

Obligations of contractors and unions under the citywide PLA

Contractors must:

- Use union halls for all work except clerical or Supervisory Roles.
- Pay fringe benefits to respective union trust funds unless they are a qualified LBE.
- Follow existing local hire and prevailing wage requirements.

Unions must:

- Refrain from strikes, picketing, work stoppages, lockouts, interference or other disruptive activity for any reason.
- Enter into agreement with city funded CityBuild Academy to provide pathways for San Francisco residents into trade unions' apprenticeship programs.

Criteria and value thresholds for covered projects under the citywide PLA

Projects must meet 1 of the 3 criteria below to be covered under the PLA.

Criterion 1

Contract is funded in whole or in part by general obligation bond or revenue bond and estimated cost of the contract exceeds the value thresholds in the advertisement bid period below.

- \$5,000,000 – July 14, 2020, through July 13, 2021
- \$3,000,000 – July 14, 2021, through July 13, 2022
- \$1,000,000 – July 14, 2022, and thereafter

Criterion 2

Estimated project value exceeding \$10 million that is funded by a source other than the general obligation or revenue bond

Criterion 3

The department head has determined that a 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.

Registered LBEs, acting as either prime contractors or subcontractors, may declare an exemption from PLA requirements until they have received the value of contract award work on covered projects in an amount exceeding \$5 million cumulatively over the duration of the PLA.

Roles and responsibilities of departments under the citywide PLA

Office of Labor Standards Enforcement: Handles general administration of the Project Labor Agreement and coordinates with Public Works, Rec and Park, and San Francisco Building and Construction Trades Council including scheduling and facilitating pre-bid, pre-construction, and pre-job meetings, as well as managing the LBE exemption process including tracking payments issued to LBEs and Letters of Assent and Statements of Exemptions submitted by LBEs.

Public Works and Rec and Park: Manages, advertises, and executes PLA-covered projects and collects, updates, and reports prime contractor and subcontractor information.

- **Public Works** provides contract administration procurement services for all covered projects and construction management services on most covered projects.

Contract Monitoring Division: Coordinates with city stakeholders on matters related to the LBE community.

Office of Economic Workforce Development (CityBuild): Develops Direct Entry Agreements and administers local hiring requirements.

Controller's Systems Division: Develops dashboards and tests functionality for the Project Team Construction Manager-General Contractor (CMGC) and design-build contracts.

Status Update of the Project Labor Agreement

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- The **PLA working group** meets periodically, focusing on goals and tasks to ensure the program and project set-ups, tracking, and reporting by departments are implemented, along with the necessary procedures and processes to monitor and enforce PLA requirements.
- Departments track, monitor, and report on their PLA compliance.
- Departments continue to advertise and award PLA-covered projects. Construction work is underway on several projects, the first of which is anticipated to be completed in fiscal year 2023-24.
 - As of June 30, 2023, Public Works advertised 20 PLA-covered projects, with an estimated value of over **\$336 million**.

- OEWD continues to provide pre-apprenticeship and construction administration training through its CityBuild Academy for San Francisco residents and place graduates into joint apprenticeship programs.
- The Controller's Office supports the PLA Working Group by creating dashboards to track payments.
- The PLA Working Group continues to resolve the following issues:
 - Identify subcontractors added to PLA projects after the award and pre-job meeting.
 - Clarify LBE exemption process and payment tracking for LBEs on Construction Manager/General Contractor PLA projects.
 - Transition exempt LBEs to covered by the PLA mid contract.
 - Coordinate PLA applicability between departments.

Analyzing Impact of the Project Labor Agreement

- No PLA-covered projects were completed by June 30, 2023.
- In anticipation of completed PLA-covered projects, the Controller's Audits Division developed a preliminary, high-level methodology to evaluate whether the PLA promotes the efficient, economical, and timely completion of such projects. The evaluation will analyze:
 - The impact of the PLA on projects with cost and performance data.
 - The PLA's impact on LBEs and the local workforce, in collaboration with CMD.

Awarded PLA-Covered Projects

PLA-covered projects, by award date

| Project | Awarding Department | Contract Amount | Award Date |
|--|---------------------|----------------------|-------------------|
| 6th Street Pedestrian Safety Project | Public Works | \$10,088,005 | May 10, 2021 |
| Safer Taylor Street | Public Works | 9,099,655 | May 25, 2021 |
| Various Locations Pavement Renovation No. 48 and Sewer Replacement | Public Works | 8,036,269 | June 10, 2021 |
| Various Locations Pavement Renovation No. 54 and Sewer Replacement | Public Works | 9,512,131 | November 18, 2021 |
| Various Locations No. 50 Infrastructure Improvements | Public Works | 2,897,512 | December 2, 2021 |
| Various Locations Pavement Renovation No. 55 and Sewer Replacement | Public Works | 13,267,955 | April 28, 2022 |
| Mission Street And Geneva Avenue Improvement Project | Public Works | 22,874,117 | June 6, 2022 |
| Contract No. 65 New Traffic Signals | Public Works | 3,754,625 | June 30, 2022 |
| 900 Innes Park Development | Rec and Park | 54,300,000 | July 21, 2022 |
| Various Locations Pavement Renovation No. 53 and Sewer Replacement | Public Works | 10,712,821 | July 27, 2022 |
| Gene Friend Recreation Center Rebid | Rec and Park | 38,319,208 | August 18, 2022 |
| Laguna Honda Hospital and Rehabilitation Center Administration Building M and O Wings Renovation | Public Works | 52,436,300 | August 31, 2022 |
| Various Locations Pavement Renovation No. 56 and Sewer Replacement | Public Works | 10,438,000 | August 31, 2022 |
| Golden Gate Park Middle Lake Rehabilitation | Rec and Park | 5,640,555 | October 20, 2022 |
| Western Addition Area Traffic Signal Upgrades Phase 1 | Public Works | 6,100,000 | October 21, 2022 |
| Earthquake Safety and Emergency Response (ESER) Bond 2020-911 Call Center Renovation | Public Works | 3,402,463 | November 4, 2022 |
| Mission Branch Library Renovation | Public Works | 23,020,000 | December 2, 2022 |
| Castro Station Elevator | Public Works | 11,540,000 | January 20, 2023 |
| Herz Recreation Center | Rec and Park | 17,548,200 | June 15, 2023 |
| PW Various Locations Pavement Renovation No. 60 and Sewer Replacement (Rebid) | Public Works | 11,142,642 | July 21, 2023 |
| Ingleside Police Station Replacement | Public Works | 67,443,820 | July 21, 2023 |
| Richmond Playground Renovation | Rec and Park | 1,738,500 | July 23, 2023 |
| CMGC for San Francisco Municipal Transportation Agency Parking Enforcement Headquarters | Public Works | 34,853,942 | November 3, 2023 |
| Total | 23 | \$428,166,720 | |

Advertised PLA-Covered Projects as of November 9, 2023

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Advertised PLA-covered projects but not yet awarded as of November 9, 2023

| Project | Awarding Department | Contract Amount (<i>Estimate</i>) | Bid Date |
|---|---------------------|--|-------------------|
| Japantown Peace Plaza (2020 Bond Project) | Rec and Park | \$16,500,000 | October 18, 2023 |
| Lake Merced Bond Program 2012 | Rec and Park | 1,562,561 | November 29, 2023 |
| Total | 2 | \$18,062,561 | |

Planned PLA-Covered Projects

Planned PLA-covered projects*

| Project | Awarding Department | Contract Amount (Estimate) | Estimated Bid Opportunity Timing |
|--|---------------------|----------------------------|----------------------------------|
| McLaren Trails – McLaren Park Priority Trail Improvements (2012 Bond) | Rec and Park | \$2,400,000 | 2023 |
| Stern Grove Playground – LetsPlaySF! | Rec and Park | 1,803,000 | 2023 |
| Fire Training Facility | Public Works | 150,000,000 | 2023 |
| ZSFG Building 5 1X65 Radiology Project | Public Works | 1,500,000 | 2023 |
| ZSFG Building 5 Family Health Center Project – Phase 1 | Public Works | 6,000,000 | 2023 |
| SFAC - African American Arts and Culture Complex - Seismic Improvement Project | Public Works | 10,500,000 | 2024 |
| SFAC - Mission Cultural Center for Latino Arts - Seismic Improvement Project | Public Works | 18,000,000 | 2024 |
| Ocii Transbay Block 3 Park and Streetscape Project | Public Works | 39,000,000 | 2024 |
| Various Locations Pavement Renovation No. 62 and Sewer Replacement | Public Works | 8,300,000 | 2024 |
| Chinatown Branch Library Renovation | Public Works | 37,400,000 | 2024 |
| ZSFG Building 5 Adolescent Behavioral Health Services | Public Works | 15,700,000 | 2024 |
| Chinatown Public Health Clinic | Public Works | 38,300,000 | 2024 |
| Southeast Health Center Clinic | Public Works | 8,750,000 | 2024 |
| ZSFG Childcare Center | Public Works | 12,500,000 | 2024 |
| Buchanan Street Mall Renovation (LetsPlaySF! And 2020 Bond) | Rec and Park | <i>To Be Determined</i> | 2024 |
| Buena Vista Park Improvement Project | Rec and Park | <i>To Be Determined</i> | 2024 |
| Portsmouth Square Improvements (2020 Bond Project) | Rec and Park | <i>To Be Determined</i> | 2024 |
| South Sunset Clubhouse | Rec and Park | <i>To Be Determined</i> | 2024 |
| ZSFG Building 5 Family Resource Center | Public Works | 31,400,000 | 2025 |
| Crocker Amazon – Giants | Rec and Park | <i>To Be Determined</i> | <i>To Be Determined</i> |
| Golden Gate Park Kezar Pavilion | Rec and Park | <i>To Be Determined</i> | <i>To Be Determined</i> |
| Jackson Playground (2020 Bond Recovery Park Project) | Rec and Park | <i>To Be Determined</i> | <i>To Be Determined</i> |
| Silver Avenue Health Clinic | Public Works | <i>To Be Determined</i> | <i>To Be Determined</i> |
| Total | 23 | \$381,553,000 | |

* This list is subject to change. Changes in project scope and/or funding can cause a project to not be covered by the PLA.

Thank you.