



San Francisco Public Utilities Commission  
WATER SYSTEM IMPROVEMENT PROGRAM

# PROJECT LABOR AGREEMENT

Local Area Apprenticeship and  
Employment Opportunities Program



Water System Improvement Program  
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**Definitions**

For the purposes of the Procedures described herein, the following terms are defined as follows:

**WSIP:** Water System Improvement Program, the \$4.3 billion capital program to renovate and upgrade the Hetch Hetchy water delivery system owned and operated by the San Francisco Public Utilities Commission. The program includes approximately 85 projects spanning six San Francisco Bay Area Counties, scheduled for completion in 2015.

**WSIPLA:** The Project Labor Agreement, covering all WSIP projects for which the engineer's estimate equals or exceeds \$5 million. The WSIPLA contains specific commitments with respect to local area hiring and apprenticeship of disadvantaged residents of the Hetch Hetchy water system service area.

**WSIPLA Administrative Staff or WSIPLA Staff:** The SFPUC has created an office for administration of the WSIPLA within the Office of the Assistant General Manager, Infrastructure, Office of Labor Relations and Community Programs.

**Joint Administrative Committee (JAC):** Constituted by the PLA, the JAC is responsible for monitoring and oversight of progress of the PLA. (See article XVII of the WSIPLA). It is comprised of two Agency representatives and two union representatives.

**Local Area Hire:** The local area for purposes of this program includes all communities, defined by zip code, which are serviced directly or indirectly by Hetch Hetchy water. The Local Area includes part or all of the following counties: Alameda, San Francisco, San Joaquin, San Mateo, Santa Clara, Stanislaus and Tuolumne Counties.

**Pre-Job Meeting:** Mandatory meeting for all prime and subcontractors on a given project, held prior to commencement of construction as required by PLA Section XIV. The purpose of the meeting is for the contractor to make craft assignments and for WSIPLA staff to discuss craft assignments, Letter of Assent, substance abuse testing, local area hire and apprenticeship requirements, prevailing rate enforcement and other matters governed by the PLA.

**Referral Agencies:** Educational, training and construction worker advocacy organizations identified by the parties to the WSIPLA that shall assist the Contractors and the parties to the WSIPLA in identifying and preparing workers for entrance and referral to construction employment opportunities with WSIP projects. (A list of participating Referral Agencies can be found in Attachment 4 of this document.)

**Low-Income Resident:** A low-income resident is an "economically disadvantaged individual" as defined in San Francisco Administrative Code, Section 83.4(i).

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Introduction

The San Francisco Public Utilities Commission entered into a Project Labor Agreement with local, regional, and national construction trade unions covering on-site construction work on its \$4.39 Billion Water System Improvement Program to upgrade and seismically strengthen the Hetch Hetchy water delivery system (WSIPLA). The parties to the WSIPLA have agreed to encourage the employment of residents as journeymen and apprentices on WSIP construction.

Through the adoption of the WSIPLA, the Commission established a policy of collaborating with pre-apprenticeship training organizations within the SFPUC's water service area to ensure pre-apprenticeship training for low-income individuals residing in the water service territory and to further enrollment of qualified residents in union apprenticeship programs in each county where construction will take place.

To this end, construction contractors performing work on the WSIP are required to make good faith efforts to consider low income residents for entry level openings. The WSIPLA recognizes that employment of apprentices is regulated by State of California prevailing wage law.

To fulfill these directives, WSIPLA staff, in conjunction with the WSIPLA Joint Administrative Committee, has devised a multi-step process to be followed for each individual construction project. The process, as described in this document, comprises the **WSIP Local Area Apprenticeship and Employment Opportunities Program**. The purpose of the Program is to promote employment and career development of low income individuals residing in the SFPUC's water system service territory and to support and promote local area hiring practices in the areas where construction will take place.

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**Project Employment Plan and Implementation**

Prior to the commencement of construction on a WSIP project, the Contractor, applicable Unions and the SFPUC will develop a working plan to meet the requirements of the Local Area Apprenticeship and Employment Opportunities Program. The plan will include workforce projections, by trade, for the life of the project. It will also include estimates of apprenticeship utilization and participation levels of apprentices referred by participating pre-apprenticeship training programs. The process for identifying, indenturing and dispatching designated apprentices will be included in the plan. Specific steps are discussed in detail below.

**Step One: Establish Apprenticeship Utilization Targets for Disadvantaged Residents**

Prior to commencement of work on a project, WSIPLA Administrative Staff (WISPLA Staff) will obtain and review the contractors' projected workforce requirements and apprentice utilization. Prime contractors and all subcontractors performing work in excess of \$350,000 shall be required to furnish projections.

Based on review of contractor submittals, WISPLA Staff shall obtain agreement from the parties on apprenticeship opportunities to be made available to candidates referred by participating Referral Agencies. Apprenticeship utilization met through these efforts shall be intended to meet requirements contained in State of California Division of Apprenticeship Standards requirements.

Steps in the process of establishing goals for disadvantaged resident participation on the project shall include the following:

- **Agreement to Participate.** All bidders shall be required to sign Document 00457, which mandates participation in the WSIPLA's Local Area Apprenticeship and Employment Opportunities Program, projections and hiring of disadvantaged local residents as apprentices (Attachment 1).
- **Craft Employment Projections.** After the contract is executed and before starting construction, the contractor and all major subcontractors are required to provide estimates of the total number of journeypersons and apprentices to be employed in each trade on the project, including estimated start dates and duration of employment. Non-union contractors are required to provide

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estimates of the number of core and non-core employees. The estimates will be provided on Bidding Document 00458 (Attachment 2). These estimates shall be updated quarterly or as otherwise agreed upon by WSIPLA staff and the affected contractors.

- Disadvantaged Apprentice Participation. Craft employment projections shall be relied upon to obtain agreement between WSIPLA Staff and affected contractors on the level of participation of apprentices to be hired on the project from participating Referral Agencies. This agreement will be recorded on Document 00459 (Attachment 3).
  
- Union Participation. WSIPLA Staff shall meet with representatives of the applicable construction trade unions and respective labor/management apprenticeship programs to confirm the availability of apprentices referred by participating referral agencies as specified in Document 00459, or persons that otherwise meet the definition of low-income resident. Any remedial action deemed necessary to effectuate apprentice availability, such as identification and enrollment of candidates from participating Referral Agencies into applicable apprenticeship programs, shall be taken.

### Step Two: Dispatch of Disadvantaged Apprentices.

WSIPLA Staff shall contact Referral Agencies located nearest to the project to provide notification of available opportunities. WSIPLA Staff shall also notify CityBuild of employment projections at the commencement of each project and of specific employment opportunities as they arise. WSIPLA Staff shall work to facilitate placement of CityBuild referrals with specific attention to apprenticeship advancement.

Contractors shall contact Referral Agencies located nearest to the project site when openings are available. Contractors may contact as many Referral Agencies as desired, and interview as many candidates as desired, until an individual or individuals are identified and dispatched to the job site.

Contractors are expected to extend hiring preference to residents of the county where the construction is located; and to CityBuild candidates in the event candidates from the county in which the work is located cannot be identified. Referral Agencies shall be responsible for notifying the contractor of the employment history and residency status of the candidates so that these factors can be considered.

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Once candidates are selected through the process described above, WISPLA Staff shall contact the affected unions to identify procedures for the contractor to follow. The affected unions shall use best efforts to provide opportunities for the selected individuals in the respective apprenticeship programs and dispatch individuals to the job as requested.

The contractors shall have the sole responsibility, and retain all authority over, employment decisions with respect to hiring, retention and discharge.

All individuals hired under this WSIP Local Area Apprenticeship and Employment Opportunities Program will be employees of the contractors and/or subcontractors, not the SFPUC.

**Step Three: Local Area Hire.**

In recognition of community interest and commitment to employing locally-based tradespersons within the areas where WSIP construction will take place, the SFPUC, its contractors and the effected unions agree to make good faith efforts to promote local employment and achieve the goals established within a municipality or county in which the construction project is located.

To facilitate the smooth application of this provision, WSIPLA Staff shall provide contractors with applicable zip codes of the service territory and locality in which the construction project is located and any information in the Agency's possession with respect to local area hiring statutes, policies, and/or practices.

Municipal and other local hire goals shall be considered and referenced solely as non-binding guidelines. Local area policies and/or practices shall not take precedence over application of the WSIPLA.

**Step Four: Monitoring and Reporting.**

Workforce statistics, including current and projected employment and anticipated apprenticeship statistics, shall be updated on a quarterly basis. Data collected in the electronic certified payroll system shall be used to compare actual labor utilization to workforce projections, and to ensure that the agreed-upon apprenticeship utilization of candidates from participating Referral Agencies is met.

WSIPLA Staff shall monitor and report on the performance of contractors, unions, Referral Agencies, participating apprentices, and local residents where applicable. Reports shall be provided to the contractors, referral agencies, Joint Administrative Committee, the SFPUC and other interested parties.

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- Contractors. WSIPLA Staff shall provide contractors with periodic reports on progress in relation to plan, and may recommend specific corrective actions to the contractor to meet the agreed-upon goals.
- Unions. WSIPLA Staff shall record and report participation of each signatory union regarding goals for hire of disadvantaged local apprentices. The dispatch of disadvantaged apprentices will be noted in periodic reports.
- Referral Agencies. WSIPLA staff shall track Agency performance for participation in projects, including the number of individuals hired.
- Work Force. WSIPLA Staff shall monitor progress of individuals employed via the Local Area Apprenticeship and Employment Opportunities Program, including hours and compensation, and progress through the apprenticeship grades where applicable.

**Step Five: Enforcement.**

In the event WSIPLA Staff determines that the prime contractor, subcontractors and/or one or more of the signatory unions have failed to show good faith in meeting goals under the Local Area Apprenticeship and Employment Opportunities Program, WSIPLA Staff shall provide a report detailing progress and recommendations for mitigation to the Joint Administrative Committee and to the effected contractor(s). Lack of a good faith effort may result in the contractor and/or the affected union being subject to the Grievance and Arbitration procedure contained in Article VII of the WSIPLA.

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Attachment 1: Bidding Document 00457 Certification Form

DOCUMENT 00457

Certification Form for the Water System Improvement Program  
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*Submit completed and signed certification form with Bid if Bidder's Total Bid Price and, if applicable, Alternates selected by the City prior to the date of award of the Contract, exceeds \$350,000. The City may determine that Bidder's Bid is non-responsive if Bidder's Total Bid Price and selected Alternates, if applicable, exceeds \$350,000 and Bidder fails to submit this certification with its Bid.*

I, \_\_\_\_\_, by affixing my signature hereto, acknowledge that I have read San Francisco Administrative Code chapter 83 and agree to participate in the Water System Improvement Program, Project Labor Agreement Local Area Apprenticeship and Employment Opportunities Program, which fosters construction and permanent employment opportunities for Qualified Economically Disadvantaged Individuals. I agree to abide by the terms and conditions of the Program, as described in the PLA and its supporting plans and documents, as they may be amended from time to time. I understand that upon meeting the conditions described herein, and those described in the Project Labor Agreement Local Area Apprenticeship and Employment Opportunities Program, the contractor has met the obligations imposed by San Francisco Administrative Code Chapter 83. In order to meet the requirements, I agree to the following:

- 1) To submit a completed DOCUMENT 00458 INITIAL EMPLOYMENT PROJECTION as described below.
- 2) After execution of the contract and before commencement of work on the project, to meet with PLA Administrative Staff, and to require sub-contractors with a bid price in excess of \$350,000 to meet with PLA Administrative Staff, to provide a detailed estimate of the numbers of journeymen and apprentices in each trade to be employed by each contractor and sub-contractor on the project.
- 3) After execution of the contract and before commencement of work, to agree with PLA Administrative Staff, and to require sub-contractors with a bid price in excess of \$350,000 to agree with PLA Administrative Staff, on a number of apprentices which Contractors and sub-contractors will make a good faith effort to hire from referrals by participating Referral Agencies. This agreement will be documented in writing on DOCUMENT 00459.
- 4) To make a good faith effort, and to require participating sub-contractors to make a good faith effort, to give Participating Referral Agencies the first opportunity to refer qualified applicants for consideration for apprenticeship openings until the number of apprentices agreed upon in 3) above are working on the project.
- 5) To make a good faith effort to hire individuals on the project from referrals by participating Referral Agencies and to facilitate the enrollment of such individuals in their respective union apprenticeship programs until the number of apprentices agreed to in 3) above are working on the project.
- 6) To update, and to require sub-contractors to update, on an annual basis the estimated numbers of journeymen and apprentices to be employed in each trade on the project and the number of referrals from participating Referral Agencies to be employed on the project.

I understand that in accordance with the WSIP Project Labor Agreement Local Area Apprenticeship and Employment Opportunities Program, the final decision to hire and to retain individuals referred by participating

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Referral Agencies shall be made by Contractor or its Subcontractors. Such individuals will be employees of contractor and its subcontractors, not the SFPUC.

The City will review the contractor's activities to verify compliance with the above requirements. I agree to maintain accurate records demonstrating my compliance during the contract and to provide upon request all information deemed necessary by the City to verify contractor's compliance.

\_\_\_\_\_  
Bidder's Name

\_\_\_\_\_  
Bidder's Street Address

\_\_\_\_\_  
Name and Title of Signer

\_\_\_\_\_  
Bidder's City, State, ZIP

\_\_\_\_\_  
Bidder's Telephone No.

\_\_\_\_\_  
Signature of Bidder or Authorized Representative

\_\_\_\_\_  
Date

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Attachment 2: Bidding Document 00458 Initial Employment Projection

DOCUMENT 00458

INITIAL EMPLOYMENT PROJECTION

*Successful Bidder shall submit a completed Employment Projection and Plan for the Project which shall include:*

1. *The TOTAL estimated number of Journey Level Positions and Entry Level/Apprentices Positions needed to perform the Work including whether the contractor intends to fill the position with a “core” employee as defined in the WSIP Project Labor Agreement, Article III; and*
2. *The approximate dates and duration of employment.*

Contractor	Prevailing Wage Classification	Journey or Apprentice (J/A)	Number of Positions	Est. Start Date (mo./day/yr.)	Duration	Core Employee? (Yes/No)

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Signature	Print Name
Title	Telephone Number
Contractor Name	Date

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**Attachment 3: Document 00459 Agreement to Hire Apprentices from Participating Referral Agencies**

DOCUMENT 00459

AGREEMENT TO HIRE APPRENTICES FROM PARTICIPATING REFERRAL AGENCIES

*Document 00459 will be submitted by the Contractor before commencing work on the project. Contractor agrees to make a good faith effort to hire and employ on the project the number of apprentices indicated below from candidates referred by Participating Referral Agencies. Participating referral agencies shall have forty eight (48) hours to refer a qualified candidate to the Contractor after receiving notice of the opening from the contractor. The decision to hire and retain any candidate or employee shall be made entirely by the Contractor.*

Contractor	Prevailing Wage Classification	Number of Positions	Est. Start Date (mo./day/yr.)	Duration

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Contractor Name

\_\_\_\_\_  
Date

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**Attachment 4: Participating Referral Agencies**

Below is a partial list of Community Based Organizations (CBO) recommended by the parties as referral agencies for the WSIPLA Local Hire Process. Parties have agreed to expand the number of Referral Agencies as needed.

<b>Organization Name</b>	<b>City</b>	<b>County</b>	<b>Type of Organization</b>	<b>Target Population</b>
CityBuild	San Francisco	San Francisco	CCSF Agency	Adults
Project Build	Menlo Park	San Mateo	CBO	Adults
Northern California Construction and Training Inc.	Stockton	San Joaquin	CBO	Adults
Youth Build San Joaquin	Stockton	San Joaquin	Housing Authority	Youth Aged 17-24
Eden Area ROP	Hayward	Alameda	Regional Occupation Program (ROP)	High School and Adults
Mission Valley ROP	Fremont	Alameda	ROP	High School and Adults
Helmets to Hardhats	Sacramento	All Counties	Veterans Administration CBO	Veterans
Tradeswomen Inc.	Oakland	All Counties	CBO	Women
Building Futures	San Mateo	San Mateo	San Mateo Adult School	Adults
Job Corps	San Francisco & San Jose	San Francisco & Santa Clara	U.S. Dept. of Labor	Adults