

## DOCUMENT 00820

## LOCAL HIRING REQUIREMENTS

## 1.1 SUMMARY

- A. This Document 00820 incorporates applicable requirements of the San Francisco Local Hiring Policy for Construction ("Policy") as set forth in Section 6.22(G) of the San Francisco Administrative Code. The Provisions of the Policy are hereby incorporated as a material term of this Contract. Contractor agrees that (i) Contractor shall comply with all applicable requirements of the Policy; (ii) the provisions of the Policy are reasonable and achievable by Contractor and its Subcontractors; and (iii) they have had a full and fair opportunity to review and understand the terms of the Policy.
- B. The Office of Economic and Workforce Development (OEWD) is responsible for administering the Policy. For more information on the Policy and its implementation, please visit the OEWD website at: [www.oewd.org](http://www.oewd.org).
- C. Meeting the local hiring requirements of the Policy as set forth in this Document will satisfy Contractor's obligations under the City's First Source Hiring Program (San Francisco Administrative Code Chapter 83).

## 1.2 DEFINITIONS

- A. "Apprentice" means any worker who is indentured in a construction apprenticeship program that maintains current registration with the State of California's Division of Apprenticeship Standards.
- B. "Area Median Income (AMI)" means unadjusted median income levels derived from the Department of Housing and Urban Development ("HUD") on an annual basis for the San Francisco area, adjusted solely for household size, but not high housing cost area.
- C. "Core Employee or Core Worker" means an apprentice or journey level employee, who possesses any license required by state or federal law for the project work to be performed, of a Contractor or Subcontractor who appears on that Contractor or Subcontractor's certified payroll sixty (60) of the previous one hundred calendar (100) days prior to date of award of a City contract.
- D. "Covered Project" means a public work or improvement or part thereof with estimated cost in excess of the Threshold Amount as set forth in section 6.1 of the San Francisco Administrative Code.
- E. "Non-covered Project" means any construction projects not covered by the San Francisco Local Hiring Policy.
- F. "Disadvantaged Worker" means a local resident, who (i) resides in a census tract within the City with a rate of unemployment in excess of 150% of the City unemployment rate; or (ii) at the time of commencing work on a covered project has a household income of less than 80% of the AMI, or (iii) faces or has multiple barriers to employment as set forth in section 6.22(G)(2)(g) of the Administrative Code.

- G. “Local Resident” means an individual who is domiciled, as defined by Section 349(b) of the California Election Code, within the City at least seven (7) days prior to commencing work on the project.
- H. “New Hire” means any employee of a contractor who is not listed on the contractor’s quarterly tax statements for the tax period as a Core Employee or Core Worker and has been hired prior to the commencement of work.
- I. “Project Work Hours” means the total work hours worked on a construction contract by all apprentices and journey-level workers, whether those workers are employed by the contractor or any subcontractor.
- J. "Hiring Opportunity" means the opportunity created when Contractor adds workers to its existing Core workforce for the purpose of performing the Work under this Contract. For example, if the carpentry Subcontractor has an existing Core crew of five carpenters and needs seven carpenters to perform the work, then there are two hiring opportunities for carpentry on the Project.
- K. "Job Notification" means the written notice of any hiring opportunities from Contractor to CityBuild. Contractor shall provide Job Notifications to CityBuild with a minimum of 3 business days' notice.
- L. Targeted Worker means any Local Resident or Disadvantaged Worker.

### 1.3 LOCAL HIRING REQUIREMENTS

- A. Total Project Work Hours By Trade: For all contracts for Covered Projects advertised for bids between March 25, 2011 and March 24, 2012, the mandatory participation level in terms of Project Work Hours within each trade to be performed by Local Residents is 20%, with a goal of no less than 10% of Project Work Hours within each trade to be performed by Disadvantaged Workers.
- B. Apprentices: For all Covered Projects, at least 50% of the Project Work Hours performed by apprentices within each trade shall be performed by local residents, with a goal of no less than 25% of Project Work Hours performed by apprentices within each trade to be performed by Disadvantaged Workers.
- C. Out-of-State Workers. For all Covered Projects, Project Work Hours performed by residents of states other than California will not be considered in calculation of the number of Project Work Hours to which the local hiring requirements apply. Contractors and Subcontractors shall report to 1. Contracting City Agency and OEWD the number of Project Work Hours performed by residents of states other than California.

***[Manual Insert Field]: Consult with OEWD – Workforce Contract Compliance Officer(s): Ken Nim or Ian Fernando to determine the project-specific requirements, which shall be manually inserted in the following paragraph D:***

- D. Projects Constructed Outside of the City. Projects constructed outside the City and within 70 miles of the jurisdictional boundary of the City shall be governed by the terms of the Policy, except that percentage requirements shall apply in proportion to

the City's actual cost after reimbursement from non-City sources compared to the total cost of the project.

*Awarding departments to insert project-specific requirements applicable to CCSF projects taking into account % of City's contribution, etc. (per Admin Code section 6.22(G)(3)(b). If this paragraph does not apply, do not insert it and delete this help text.*

- E. Local Hiring Plan. For Covered Projects estimated to cost more than \$1,000,000, Contractor shall prepare and submit to 1. Contracting City Agency and OEWD for approval a Local Hiring Plan for the project using OEWD Form 2. The OEWD-approved Local Hiring Plan will be incorporated into this Contract as a Contract Document, and will serve as the basis for determining Contractor's and its Subcontractors' compliance with local hiring requirements.
1. The City will not issue a Notice to Proceed (NTP) until Contractor submits the Local Hiring Plan. Contractor shall be fully responsible for any delays to NTP and associated damages incurred by the City caused by Contractor's failure to timely submit a Local Hiring Plan.
  2. The Local Hiring Plan must be reviewed and approved in writing by OEWD before any Application for Payment can be approved and progress payment paid to Contractor.
  3. Upon commencement of work, Contractor and its Subcontractors must submit Job Notifications within three business days for all Hiring Opportunities.
  4. Refer to OEWD Form 2 for more information regarding the Local Hiring Plan.
- F. Pre-construction or other Local Hire Meeting. Prior to commencement of construction on Covered Projects subject to the Local Hiring Plan requirement summarized above, Contractor and its Subcontractors identified in the Local Hiring Plan as contributing toward the mandatory local hiring requirement shall attend a preconstruction or other Local Hire meeting(s) convened by OEWD staff. Representatives from Contractor and the Subcontractor(s) who attend the pre-construction or other Local Hire meeting must have hiring authority.
- G. The Policy does not limit Contractor's or its Subcontractors' ability to assess qualifications of prospective workers, and to make final hiring and retention decisions. No provision of the Policy shall be interpreted so as to require a Contractor or Subcontractor to employ a worker not qualified for the position in question, or to employ any particular worker. In event of a termination of an employee referred by OEWD, the Contractor must submit notice to OEWD and reserve the position for another referral through the OEWD program.

#### 1.4 CITYBUILD WORKFORCE DEVELOPMENT PROGRAM; REFERRAL SOURCES

- A. OEWD administers the CityBuild Program. CityBuild is a resource for Contractor and Subcontractors to use to meet Contractor's local hiring requirements under the Policy. CityBuild has two main goals:
1. Assist contractors and subcontractors in meeting Contractor's local hiring requirements under the Policy through referrals of qualified journey-level, apprentice, and pre-apprentice local residents.

2. Promote training and employment opportunities for disadvantaged workers of all ethnic backgrounds and genders in the construction work force.
- B. Where Contractor's or its Subcontractors' preferred or preexisting hiring or staffing procedures for a Covered Project do not enable Contractor to satisfy the local hiring requirements of the Policy, the Contractor or Subcontractor shall use other procedures to identify and retain Targeted Workers, including the following:
1. Requesting referrals from CityBuild, with qualifications described in the request limited to skills directly related to performance of job duties.
  2. Considering Targeted Workers who are referred by CityBuild within three business days of the request and who meet the qualifications described in the request. Such consideration shall include in-person interviews. All referrals from CityBuild will qualify as Disadvantaged Workers under the Policy. Neither Contractor nor its Subcontractors are required to make an independent determination of whether a CityBuild referral is "disadvantaged" as defined in the Policy.
- C. When Contractor or Subcontractor has taken the referral steps described in 1.4A, above, and a Targeted Worker is not available, Contractor may request a conditional waiver from local hiring requirements as described in Article 1.5, below.

#### 1.5 CONDITIONAL WAIVER FROM LOCAL HIRING REQUIREMENTS

- A. If, subject to verification by OEWD, Contractor or a Subcontractor has complied with the referral requirements of the Policy and a Targeted Worker is not available, thus demonstrating the high impracticality of complying with the applicable local hiring requirement, Contractor or the Subcontractor may use one or more of the following pipeline and retention compliance mechanisms to receive a conditional waiver from the local hiring requirements on a project-specific basis:
1. Specialized Trades: OEWD has published a list of trades designated as "Specialized Trades" for which the local hiring requirements of the Policy will not apply. The list is available on the OEWD website. ***[Manual Insert Field]: Consult with OEWD before inserting the following:*** "In addition, project-specific Specialized Trades, approved by OEWD during the bid period, are also exempt from the local hiring requirements." ***Otherwise, do not insert it and delete this help text.*** Contractor and its Subcontractors shall report to OEWD the project work hours utilized in each designated Specialized Trade and in each OEWD-approved project-specific Specialized Trade.
  2. Credit for Hiring on Non-Covered Projects: Contractor and its Subcontractors may accumulate credit hours for hiring Targeted Workers on Non-Covered Projects in the nine-county San Francisco Bay Area and apply those credit hours to contracts for Covered Projects to meet the mandatory local hiring requirement. For hours performed by Targeted Workers on Non-Covered Projects, the hours shall be credited toward the local hiring requirement for this Contract provided that:
    - a. the Targeted Workers are paid the prevailing wages for work on the Non-Covered Projects; and
    - b. for Non-Covered Projects located in the City, the number of hours to be credited for the Non-Covered Project exceed one-half of the number of hours that would be required if the project were a Covered Project.

3. Sponsoring Apprentices: Contractor or a Subcontractor may agree to sponsor an OEWD-specified number of new apprentices in trades in which noncompliance is likely and retaining those apprentices for the period of Contractor's or a Subcontractor's work on the project. OEWD will verify with the California Department of Industrial Relations that the new apprentices are registered and active apprentices.
4. Direct Entry Agreements: OEWD is authorized to negotiate and enter into direct entry agreements with apprenticeship programs that are registered with California Department of Industrial Relations' Division of Apprenticeship Standards. Contractor may avoid assessment of penalties for non-compliance with the Policy by Contractor or Subcontractor hiring and retaining apprentices who are enrolled through such direct entry agreements. Such exception from assessments of penalties is subject to review and approval by OEWD. Visit the OEWD website for the standards and procedures pertaining to Contractor or Subcontractor hiring and retaining apprentices from direct entry agreements.

#### 1.6 LOCAL HIRING FORMS

- A. Utilizing the City's online Project Reporting System ("PRS"), Contractors shall submit the following forms, as applicable, to the 1. Contracting City Agency and OEWD **within 15 calendar days of notice of Award**:
  1. Form 1: Local Hiring Workforce Projection.
  2. Form 2: Local Hiring Plan – to be completed by Contractor if the estimated cost of the Project exceeds \$1 million. Refer to Article 1.3 for Local Hiring Plan requirements. The City will not issue the Notice to Proceed until Contractor completes and submits a Local Hiring Plan form.
  3. Form 4: Conditional Waivers – to be completed by Contractor in the event that Contractor or a Subcontractor believes the local hiring requirements cannot be met. Refer to Articles 1.4 and 1.5 for more information regarding conditional waivers.

#### 1.7 ENFORCEMENT, RECORD KEEPING, NONCOMPLIANCE AND PENALTIES

- A. Subcontractor Compliance. Contractor shall ensure that Subcontractors of all tiers comply with applicable requirements of the Policy. Refer to Administrative Code Section 6.22(G)(6)(d).
- B. Reporting. As required by Subparagraph 9.03M of the General Conditions (Document 00700) Contractor shall submit certified payrolls to the City electronically using the Project Reporting System. OEWD and 1. Contracting City Agency will monitor compliance with the Policy electronically.
- C. Recordkeeping. Contractor and each Subcontractor shall keep, or cause to be kept, for a period of four years from the date of Substantial Completion of project work, certified payroll and basic records, including time cards, tax forms, and superintendent and foreman daily logs, for all workers within each trade performing work on the Project.
  1. Such records shall include the name, address and social security number of each worker who worked on the covered project, his or her classification, a general description of the work each worker performed each day, the apprentice or journey-level status of each worker, daily and weekly number of hours worked, the self-

identified race, gender, and ethnicity of each worker, whether or not the worker was a local resident, and the referral source or method through which the contractor or subcontractor hired or retained that worker for work on the covered project (e.g., core workforce, name call, union hiring hall, City-designated referral source, or recruitment or hiring method).

2. Contractor and Subcontractors may verify that a worker is a local resident by following OEWD's domicile policy.
3. All records described in this subsection shall at all times be open to inspection and examination by the duly authorized officers and agents of the City, including representatives of the awarding department and the OEWD.

D. Monitoring. From time to time and in its sole discretion, OEWD and/or the awarding department may monitor and investigate compliance of Contractor working on the Project with requirements of this Policy. Consistent with the Access to Work provisions of Paragraph 3.13 of the General Conditions (Document 00700), Contractor and all Subcontractors shall allow representatives of OEWD and the awarding department, in the performance of their duties, to engage in random inspections of the Site. Contractor and all Subcontractors shall also allow representatives of OEWD and the awarding department to have access to employees of Contractor and Subcontractors and the records required to be maintained under the Policy.

E. Noncompliance and Penalties. Failure of Contractor and/or its Subcontractors to comply with the requirements of the Policy and the obligations set forth in the Local Hiring Plan may subject Contractor to the consequences of noncompliance specified in Section 6.22(G)(7)(f) of the Administrative Code, including but not limited to the penalties prescribed in Section 6.22(G)(7)(f)(ii). The assessment of penalties for noncompliance shall not preclude the City from exercising any other rights or remedies to which it is entitled. Refer to Administrative Code Section 6.22(G)(7)(f)(iv) for a description of the recourse procedure applicable to penalty assessments under the Policy.

END OF DOCUMENT



**FORM 1: LOCAL HIRING WORKFORCE PROJECTION**

**Contractor:** \_\_\_\_\_ **Project Name:** \_\_\_\_\_ **Contract #:** \_\_\_\_\_

The Contractor must complete and submit this Local Hiring Workforce Projection (Form 1) within 15 calendar days from notice award of the contract. The Contractor must include information regarding all of its Subcontractors who will perform construction work on the project regardless of Tier and Value Amount. Notice to Proceed (NTP) will not be issued until the City receives a completed Form 1 from Contractor. The Contractor shall be responsible for any delays to NTP and resulting damages incurred by the City caused by Contractor's failure to submit an accurate and complete Form 1 for its workforce and the workforce of its Subcontractors in a timely manner.

**Will you be able to meet the mandatory Local Hiring Requirements?**

- YES** (Please provide information for all contractors performing construction work in Table 1 below.)
- NO** (Please complete Table 1 below and Form 4: Conditional Waivers.)

**INSTRUCTIONS FOR COMPLETING TABLE 1:**

1. Please organize the contractors' information based on their Trade Craft work.
2. For contractors performing work in various Trade Craft, please list contractor name in each Trade Craft (i.e. if Contractor X will perform two trades, list Contractor X under two Trade categories.)
3. If you anticipate utilizing apprentices on this project, please note the requirement that 50% of apprentice hours must be performed by San Francisco residents.
4. Additional blank form is available at our Website: [www.oewd.org](http://www.oewd.org). For assistance or questions in completing this form, contact the CityBuild (415) 581-2363 or Email @ [Local.hire.ordinance@sfgov.org](mailto:Local.hire.ordinance@sfgov.org).

**TABLE 1: WORKFORCE PROJECTION**

Trade Craft	Contractor <i>List contractors by Trade Craft</i>		Est. Total Work Hours	Est. Total Local Work Hours	Est. Total Local Work Hours %
<i>Example:</i> Laborer	Contractor X	Journey	800	100	12.5%
		Apprentice	200	100	50%
<i>Example:</i> Laborer	Contractor Y	Journey	500	100	20%
		Apprentice	0	0	0
<i>Example:</i>	<b>TOTAL LABORER</b>	Journey	1300	200	15%
		Apprentice	200	100	50%
<i>Example:</i>	<b>TOTAL</b>		<b>1500</b>	<b>300</b>	<b>20%</b>
		Journey			
		Apprentice			
		Journey			
		Apprentice			
		Journey			
		Apprentice			

\_\_\_\_\_  
Name of Authorized Representative      Signature      Date      Phone      Email



**FORM 2: LOCAL HIRING PLAN**

**Contractor:** \_\_\_\_\_ **Project Name:** \_\_\_\_\_ **Contract #:** \_\_\_\_\_

If the Engineer's Estimate for this Project exceeds **\$1 million**, then Contractor must submit a Local Hiring Plan using this Form 2 through the City's Project Reporting System. NTP will not be issued until Contractor submits a completed Form 2. Contractor shall be responsible for any delays to NTP and resulting damages incurred by the City caused by the Contractor's failure to submit a completed Form 2 in a timely manner. The Local Hiring Plan must be approved in writing by OEWD before any Application for Payment can be approved and progress payment paid to Contractor. The OEWD-approved Local Hiring Plan will be a Contract Document and will be the basis for determining Contractor's and its Subcontractors' compliance with the local hiring requirements. Any OEWD-approved Conditional Waivers (Form 4) will be incorporated into the OEWD-approved Local Hiring Plan.

**COMPLETE AND SUBMIT A SEPARATE FORM 2 FOR EACH TRADE THAT WILL BE UTILIZED ON THIS PROJECT.**

**INSTRUCTIONS:**

1. Please complete tables below for Contractor and all Subcontractors that will be contributing Project Work Hours to meet the Local Hiring Requirement.
2. Please note that a Form 2 will need to be developed and approved separately for each trade craft that will be utilized on this project.
3. If you anticipate utilizing apprentices on this project, please note the requirement that 50% of apprentice hours must be performed by San Francisco residents.
4. The Contractor and each Subcontractor identified in the Local Hiring Plan must sign this form before it will be considered for approval by OEWD.
5. If applicable, please attach all OEWD-approved Form 4 Conditional Waivers.
6. Additional blank form is available at our Website: [www.oewd.org](http://www.oewd.org). For assistance or questions in completing this form, contact the CityBuild (415) 581-2363 or Email @ [Local.hire.ordinance@sfgov.org](mailto:Local.hire.ordinance@sfgov.org).

**List Trade Craft. Add numerical values from Form 1: Local Hiring Workforce Projection and input in the table below.**

Trade Craft	Total Work Hours	Total Local Work Hours	Local Work Hours%	Total Apprentice Work Hours	Total Local Apprentice Work Hours	Local Apprentice Work Hours %
<i>Example: Laborer</i>	1500	300	20%	200	100	50%

**List all contractors contributing to the project work hours to meet the Local Hiring Requirements for the above Trade Craft**

Contractor and Authorized Representative	Local Journey Hours	Local Apprentice Hours	Total Local Work Hours	Start Date	Number of Working Days	*Contractor Signature
Contractor X Joe Smith	100	100	200	3/25/11	60	Joe Smith
Contractor Y Michael Lee	100	0	100	5/25/11	30	Michael Lee

**\*We the undersigned, have reviewed Form 2 and agree to deliver the hours set forth in this document.**

City Use Only	
OEWD Approval	<input type="checkbox"/> Yes <input type="checkbox"/> No
Signature and Date:	

## FORM 4: CONDITIONAL WAIVERS

**Contractor:** \_\_\_\_\_ **Project Name:** \_\_\_\_\_ **Contract #:** \_\_\_\_\_

Upon approval from OEWD, Contractors and Subcontractors may use one or more of the following pipeline and retention compliance mechanisms to receive a Conditional Waiver from the Local Hiring Requirements on a project-specific basis. Conditional Waivers must be approved by OEWD prior to approval of Contractor's first Application for Payment. If applicable, each contractor must submit their individual Waiver request to OEWD and copy their Prime Contractor.

**TRADE WAIVER INFORMATION:** Please provide information on the Trades you are requesting Waivers for:

Laborer Trade Craft	Est. Total Work Hours	Projected Deficient Local Work Hours	Laborer Trade Craft	Est. Total Work Hours	Projected Deficient Local Work Hours
1.			3.		
2.			4.		

*Please check any of the following Conditional Waivers and complete the appropriate boxes for approval:*

1. SPECIALIZED TRADES     2. SPONSORING APPRENTICES     3. CREDIT FOR NON-COVERED PROJECTS

<b>1. SPECIALIZED TRADES:</b> Will your firm be requesting Conditional Waivers for "Specialized Trades" designated by OEWD and listed on OEWD's website or project-specific Specialized Trades approved by OEWD during the bid period?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p style="text-align: center;"><i>Please CHECK off the following Specialized Trades you are claiming for Condition Waiver:</i></p> <input type="checkbox"/> MARINE PILE DRIVER <input type="checkbox"/> HELICOPTER OPERATOR <input type="checkbox"/> CRANE OPERATOR <input type="checkbox"/> DERRICK BARGE OPERATOR <input type="checkbox"/> STAINLESS STEEL WELDER <input type="checkbox"/> TUNNEL OPERATING ENGINEER <input type="checkbox"/> ELECTRICAL UTILITY LINEMAN		
a. List OEWD-approved project-specific Specialized Trades approved during the bid period: _____		
OEWD APPROVAL: <input type="checkbox"/> Yes <input type="checkbox"/> No      OEWD Signature: _____		

<b>2. SPONSORING APPRENTICES:</b> Will you be able to work with OEWD to sponsor an OEWD-specified number of new apprentices in the agreeable trades into California Department of Industrial Relations' Division of Apprenticeship Standards approved apprenticeship programs?	<input type="checkbox"/> Yes	<input type="checkbox"/> No				
<b>PLEASE PROVIDE DETAILS:</b>						
Construction Trade	Est. # of Sponsor Positions	Union (Yes / No) Y <input type="checkbox"/> N <input type="checkbox"/>	If Yes, Local #	Est. Start Date	Est Duration of Working Days	Est Total Work Hours Performed
		Y <input type="checkbox"/> N <input type="checkbox"/>				
OEWD APPROVAL: <input type="checkbox"/> Yes <input type="checkbox"/> No			OEWD Signature: _____			

<b>3. CREDIT for HIRING on NON-COVERED PROJECTS:</b> If your firm cannot meet the mandatory local hiring requirement, will you be requesting credit for hiring Targeted Workers on Non-covered Projects?	<input type="checkbox"/> Yes	<input type="checkbox"/> No		
<b>PLEASE PROVIDE DETAILS:</b>				
Labor Trade, Position, or Title	Est. # of Off-site Hires	Est Total Work Hours Performed	Offsite Project Name	Project Address
Journey				
Apprentice				
OEWD APPROVAL: <input type="checkbox"/> Yes <input type="checkbox"/> No			OEWD Signature: _____	