

San Francisco Local Hiring for Construction Implementation Plan



Office of Economic and Workforce Development
Citybuild Program
March 2011



San Francisco Local Hiring Policy for Construction Implementation Plan

1.1. Introduction

The implementation of the City's new mandatory hiring policy is a top priority for Mayor Lee and the Office of Economic and Workforce Development (OEWD). This implementation plan will outline the steps taken in preparing impacted City departments, contractors, and the broader community for the San Francisco Local Hiring Policy for Construction. The new policy is an amendment to Chapter 6.22(G) of the San Francisco Administrative Code, and will require contractors performing City public works or improvement projects to meet mandatory levels of San Francisco resident participation.

The goal of the implementation plan is to provide predictability for all stakeholders by maximizing existing City resources and infrastructure to eliminate duplication and new administrative barriers, while at the same time achieving the goals of the Local Hiring Policy.

1.2. Overview

1.2.1. Implementation Strategy

OEWD is working with the City Administrator's Office, the City Attorney's Office, San Francisco Public Utilities Commission, Department of Public Works, Recreation and Parks Department, SFO, San Francisco Port, San Francisco Municipal Transportation Agency, the Human Rights Commission, Office of Labor Standards and Enforcement, and the Controller's Office.

All City departments impacted by the new ordinance are assisting OEWD in developing new contract language that will be included in bid specifications for construction contracts. The document, referred to as Document 00820 in bid language, will be introduced to a broad group of stakeholders for feedback. The various departments are also working together to develop a policy around incentives for exceeding local hiring mandates, and in creating education and outreach documents tailored for different stakeholders.

The collaborative of City departments is also assisting OEWD in developing new internal policies and procedures to deal with all aspects of the new policy, including the compliance process, off-ramp and waiver requests, determining domicile for the purposes of being a "local hire," etc. These policies will guide our work with contractors after they have successfully bid on City projects.

The collaborative is also coordinating a number of outreach events directed at educating the contractor community, with a particular focus on the City's most active LBE contractors, as well as those who have historically performed the most hours on City public works projects. Other efforts will include press events, trainings, and outreach meetings.

Efforts are also underway with Elation Systems, the City-approved certified payroll vendor, in creating new modules and functions to ensure an effective and accurate compliance mechanism. Changes to Elation Systems will also include automating the process of submitting required workforce forms and documents by contractors who successfully bid on City contracts. The goal is to simplify the contracting process, reduce waste, and ensure that there are no delays in moving a project forward.

A Local Hire website hosted by OEWD is being updated as information is released on the new policy. Included on the website is the ordinance itself, a fact sheet outlining the new provisions, and a San Francisco Labor Market Analysis on the construction sector. OEWD has also set up an email address for all inquiries related to the new ordinance, as well as a hotline number.

Website: http://oewd.org/Workforce_Development-SF_Mandatory_Local_Hire.aspx

Email: Local.Hire.Ordinance@sfgov.org

Hotline: 415-581-2363

1.2.2. Roles and Responsibilities

OEWD is responsible for overall management of the implementation along with the Deputy City Administrator. All City departments impacted by the new ordinance have identified at least 2 senior staff to assist in the implementation phase.

There were two groups created to work on implementation. The Working Group is a multi-department team charged with crafting the various policies, procedures, contract specifications, bid language, forms, and other related items. From the Working Group, three subcommittees were formed to focus on different aspects of the legislation. The Working Group and its subcommittees have been meeting weekly since February. The three subcommittees are:

Bids/Contract Documents Subcommittee - This group focused on drafting new contract language to be included in bid specifications for construction contracts impacted by the new ordinance. The goal of the subcommittee was to draft the document in way that was similar in format to the previous contract language around local hiring, but that sufficiently highlighted the amendments to reflect the new mandatory obligations.

Incentives/Penalties Policy Subcommittee – The new ordinance calls for incentives, both financial and non-financial, when a contractor exceeds the local hiring goal, and the issuance of financial penalties when a contractor falls short of the goal. This subcommittee focused on drafting policies to outline the process for both scenarios.

Outreach and Education Subcommittee – This subcommittee worked to develop marketing materials to educate the contractor community and the general public on the provisions of the new ordinance. The group also provided recommendations for the different forums that are being held to broadcast the new legislation to different stakeholders.

In addition to the Working Group, the other group created was the Implementation Policy Group. While the Working Group coordinated the day-to-day tasks necessary for implementation, the Policy Group provided broad leadership to address items that need resolution, reviews/comments on Working Group work products, and addressed larger City-wide issues as warranted. Each head of department either serves on the Implementation Policy Group, or has provided a designee in their place. In addition to the City departments that will award contracts under the new policy, other participating agencies included the Controller's Office, Capital Planning, Budget Office, and the City Attorney's Office. This group has been meeting bi-weekly since February.

1.3. Implementation Plans

1.3.1. Release Overview

All City construction contracts advertised for bid on or after March 25, 2011, will be subject to the new policy, and updated contract language will be included in all relevant bid specifications.

The new contract language, Document 00820, will be available to the public prior to that date on the OEWD website and that of all Chapter 6 awarding departments.

1.3.2. Streamlined Process

As part of the implementation process, the collaborative took the opportunity in re-drafting contract language to assess the overall contracting process and to streamline efforts in order to minimize burdens on bidding contractors and City departments (please refer to *Attachment 1*, which outlines the new process).

1.3.3. Schedule

In preparation for the March 25, 2011, effective date of the policy, OEWD is coordinating a series of events with the Mayor's office, the Board of Supervisors, City departments, and other stakeholders. On February 26, OEWD participated in a local hire teach-in, convened by workforce and advocacy groups in Southeast San Francisco. Dozens of community members and trades workers attended, including approximately 50 members of the contractor community.

On March 9, Mayor Lee will be conducting a press event to announce the local hire policy. The event will take place at the Palega Recreation Center, which will undergo a \$13 million rebuild this summer. At the event, a schedule of upcoming City construction projects that will be impacted by the new ordinance will be released (please refer to *Attachment 2*). Earlier that day, OEWD and the City's Administrator's Office will be meeting with LBE contractors to discuss how best our small, local businesses can continue to successfully bid on City project.

On March 14, Supervisor John Avalos, the author of the ordinance, is holding a hearing entitled the Local Hiring for Construction Ordinance Implementation Status, where OEWD and other City departments will provide updates to the Board and the public.

On March 18, OEWD will host a Stakeholder Meeting to gather feedback on the new contract language from community partners and labor unions.

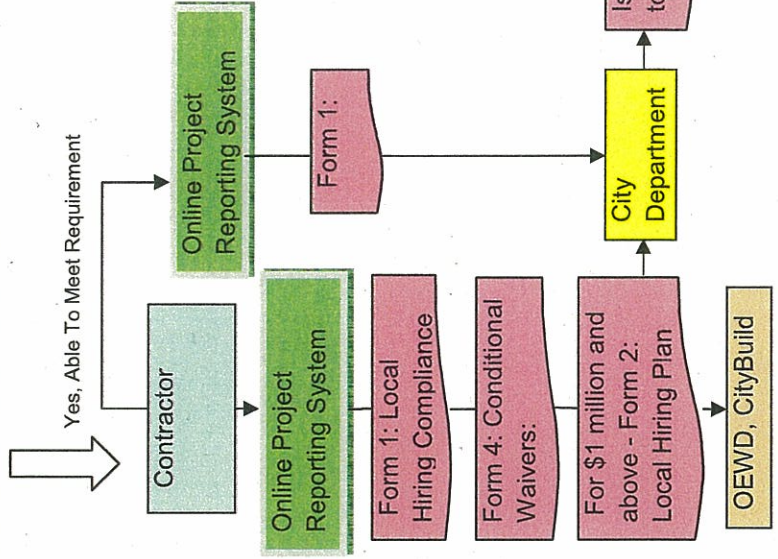
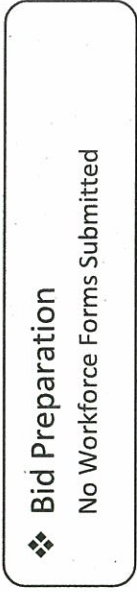
On an ongoing basis, OEWD staff will discuss the new requirements at pre-bid meetings, trainings for the Elation Systems, and other outreach events.

The Implementation Policy Group will continue to meet on an ongoing basis after March 25 to review the success of the Implementation Plan.

LOCAL HIRING IMPLEMENTATION BID COMPARISON – ATTACHMENT 1

PROPOSED LOCAL HIRING IMPLEMENTATION

CURRENT WORKFORCE DOCUMENT PROCESS



Attachment 2

Upcoming Construction Projects Subject to the San Francisco Local Hiring Policy for Construction

*This is a list of projected projects as of March 8, 2011, and is subject to change. For a final list of contracts, please refer to the Office of Contract Administration's Bid/Contracts Listing website at: <http://mission.sfgov.org/OCABidPublication/>

Department of Public Works (DPW), March 2011 – October 2012

*RPD projects listed separately below

Contract #/Name	Est. Value	Funding Source	Est. Adv. Date	Contract Delivery Model
1739J, Cabrillo St Pavement Renovation	\$2.1 million	Commercial Paper, COP, Prop 1B	March 2011	Design-Bid-Build
1762J, Stanyan and Golden Gate Pavement Renovation	\$2.5 million	Commercial Paper, COP, Prop 1B	March 2011	Design-Bid-Build
1758J, Marina Blvd, Lyon St, and Columbus Pavement Renovation	\$2.8 million	Commercial Paper, COP, Prop 1B	April 2011	Design-Bid-Build
1746J, 17 th St Pavement Renovation Phase 1	\$3.1 million	Prop K, Prop 1B	April 2011	Design-Bid-Build
1747J, Parnassus St Pavement Renovation	\$2 million	Prop K, Prop 1B	April 2011	Design-Bid-Build
1765J, Lawton St Pavement Renovation	\$1.5 million	Commercial Paper, COP, Prop 1B	April 2011	Design-Bid-Build
1257J, Plymouth Street Pavement Renovation and Sewer Replacement	\$600,000	Capital Project Funds - Repair and Replace	April 2011	Design-Bid-Build
1643J, Plymouth Paving Renovation	\$1 million	Prop 42	May 2011	Design-Bid-Build
1717J, MOD Curb Ramps FY 10-11	\$600,000	COP (gas tax)	June 2011	Design-Bid-Build
1790J, Prop K Curb Ramps FY 10-11	\$500,000	Prop K	July 2011	Design-Bid-Build
1718J, Design-Build Curb Ramps	\$500,000	COP (gas tax)	July 2011	Design-Bid-Build
1197J, SOMA West Ancillary Improvement Project	\$1.3 million	Capital Project Funds - Repair and Replace	FY 11-12	Design-Bid-Build
7265A, San Francisco Office of Aids Research (SOAR) CM/GC Bid Packages	\$4.5 million	General Fund, Special Revenue Fund	July 2011	Design-Bid-Build
7223, Cruise Ship Terminal Phase I	\$42 million		July 2011 : January 2012	Design-Bid-Build
ESER I Neighborhood Fire Stations, Phase 1: Focused Slope - Roofing JOC	\$1.4 million		3 rd Quarter 2011	Design-Bid-Build
ESER I Neighborhood Fire Stations, Phase 2:	\$1.8 million		3 rd Quarter 2011	Design-Bid-Build

Contract #/Name	Est. Value	Funding Source	Est. Adv. Date	Contract Delivery Model
Focused Slope – Roofing JOC				
1073J, Marina Green Bicycle Trail	\$1.03 million		October 2011	Design-Bid-Build
1720J, Point Lobos	\$400,000	General Fund	October 2011	Design-Bid-Build
1066J, Broadway Phase III	\$1.5 million		November 2011	Design-Bid-Build
1064J, Second Street	\$5 million		December 2011	Design-Bid-Build
1785J, Arelidous Walker Stair Replacement	\$1.1 million	Special Revenue Funds	December 2011	Design-Bid-Build
181J, SOMA Alley Improvement Phase II, Sewer Replacement	\$1.4 million		TBD	TBD
MOD Curb Ramps FY 11-12	\$600,000		TBD	TBD
ESER I Neighborhood Fire Stations, Phase 3: Seismic / Comprehensive	\$21 million		TBD	TBD
7451A, ESER I Cisterns	\$26 million		TBD	TBD

Port of San Francisco, March 2011 – September 2011

Contract #/Name	Est. Value	Funding Source	Est. Adv. Date	Contract Delivery Model
2744, Roundhouse 2 HVAC Central Plant Upgrade	\$450,000	Port Capital Project	March 2011	Design-Bid-Build
2740, Heron's Head Park Improvement Project	\$1.6 million	Clean & Safe Park Bond	April 2011	Design-Bid-Build
2745, HSH Joint Ops & Security Team	TBD	Security Grant	April 2011	Design-Bid-Build
Pier 70, Building 113 Stabilizing	\$500,000	Port Capital Project	May 2011	Design-Bid-Build
2743, P33 Bulkhead Improvements & P33 New Electrical Service	\$2 million	Revenue Bond	June 2011	Design-Bid-Build
2726, Brannan Street Wharf Park	\$23.8 million	Port Funds & Clean & Safe Park Bond	August 2011	Design-Bid-Build
Tulare Park	\$500,000	Clean & Safe Park Bond	September 2011	Design-Bid-Build
Pier 70 Abatement	TBD	Port Capital Project	TBD	TBD

Public Utilities Commission (PUC), March 2011 – August 2012

* Some of the PUC contracts listed below are Water Improvement System Program (WSIP) projects. Discussions are ongoing as to the applicability of this ordinance to WSIP projects.

Contract #/Name	Est. Value	Funding Source	Est. Adv. Date	Contract Delivery Model
TBD - Hetch Hetchy, ISY Switchyard, Phase 1	\$3.2 million	Power Infrastructure	March 2011	Design-Bid-Build
WW-433, Buchanan St./Filbert St./Marina Blvd./Pierce St./Sacramento St. Sewer Replacement	\$16 million	Revenue & Bond	April 2011	Design-Bid-Build
TBD - Waste Water, Oceanside Digester Corrosion Repairs	\$8 - \$10 million	WWE Interim CIP	April 2011	Design-Bid-Build
HH-942, Moccasin Powerhouse Generator	\$12 million	Power Infrastructure	April 2011	Design-Bid-Build
WD-2445, 8-inch DIP Main Installation in Second, New Montgomery, Stevenson and other Streets	\$1.5 million	Revenue & Bond	May 2011	Design-Bid-Build
WD-2456, 8-inch DIP Main Installation in Mission, San Carlos, Sycamore and 19th Streets	\$1.5 million	Revenue & Bond	May 2011	Design-Bid-Build
Spot Sewer Repair Contract #26	\$3.5 million	Revenue & Bond	May 2011	Design-Bid-Build
WD-2446, 8-inch DIP Main Installation in 18th, 19th, Noe and Hartford Streets	\$1.5 million	Revenue & Bond	June 2011	Design-Bid-Build
TBD - Power, LED Street Light Conversion	\$400,000		June 2011	Micro-LBE Contracts
TBD - Hetch Hetchy, Powerhouse Oil/Water Separator	\$2.5 million	Power Infrastructure	June 2011	Design-Bid-Build
WW-501, Western Addition/Beach/Marina District Sewer Replacement	\$2.4 million	Revenue & Bond	Spring 2011	Design-Bid-Build
WW-502, Laurel Height/Haight District Sewer Replacement	\$2.7 million	Revenue & Bond	Spring 2011	Design-Bid-Build
WW-503, Richmond District Sewer Replacement	\$2 million	Revenue & Bond	Spring 2011	Design-Bid-Build
WW-519, Channel Pump Station Odor Control and Facilities Improvements Phase III	\$3 - \$5 million	WWE Interim CIP	Spring 2011	Design-Bid-Build
TBD - Waste Water, Powell & Bay Street Sewer System Improvement	\$2 - \$5 million		Spring 2011	Design-Bid-Build
TBD - Power, SFO Long-Term Parking Lot	\$1.5 million		July 2011	Integrated Project Delivery
WD-2499, 8-inch DIP Main Installation in Van Ness	\$2.68 million	Revenue & Bond	July 2011	Design-Bid-Build
TBD - Waste Water, Southeast Plant Building	\$4 - \$5 million	WWE Interim CIP	July 2011	Design-Bid-Build

840/860 Corrosion Repairs and Digester Roof Repairs						
TBD - Waste Water, Wastewater Facility-Wide Security Improvements	\$8 - \$10 million	WWE Interim CIP	July 2011			Design-Bid-Build
TBD - Waste Water, Wastewater Enterprise Major Mechanical/ Electrical Equipment Replacement	\$10 - \$12 million	WWE Interim CIP	July 2011			Design-Bid-Build
TBD - JOC, Sunol Building & Grounds Warehouse	\$800,000	Water CIP, 1/3 retail rate funded.	July 2011			Design-Bid-Build
WD-2226R, 8-inch DIP Main Installation in Gough Street	\$720,000	Revenue & Bond	August 2011			Design-Bid-Build
TBD - Waste Water, Oceanside Interim Class A Biosolids Conversion	\$4 - \$6 million	WWE Interim CIP	August 2011			Design-Bid-Build
HH-951, Moccasin to Modesto, Transmission Line Optical Ground Wire Upgrade	\$4.2 million	Facilities Maintenance	August 2011			Design-Bid-Build
TBD - Hetch Hetchy, Powerhouse Mist System	\$2.5 million	Power Infrastructure	August 2011			Design-Bid-Build
TBD - Waste Water, Old Richmond Tunnel Cleaning & Rehabilitation	\$5 - \$10 million		Summer 2011			Design-Bid-Build
WD-2503, 8-inch DIP Main Installation in Davis, Drumm, Jackson and Sacramento Streets	\$930,000	Revenue & Bond	September 2011			Design-Bid-Build
WD-2443, Lining of 22" SP in Mission Street	\$1.2 million	Revenue & Bond	September 2011			Design-Bid-Build
TBD - Hetch Hetchy, MSY Switchyard, Phase 1	\$3.2 million	Power Infrastructure	September 2011			Design-Bid-Build
TBD - Hetch Hetchy, HHWP Microwave - Moccasin to Calaveras Substation	\$4 million	Facilities Maintenance	September 2011			Design-Bid-Build
WW-483RR, North Shore to Channel Force Main Improvements	\$10 million	Revenue & Bond	October 2011			Design-Bid-Build
TBD - Waste Water, Southeast Plant Northside Reliability Upgrades and Odor Control Phase II	\$20 - \$22 million	WWE Interim CIP	October 2011			Design-Bid-Build
TBD - Waste Water, Southeast Bay Outfall Rehabilitation	\$1 - \$3 million	WWE Interim CIP	October 2011			Design-Bid-Build
TBD - Hetch Hetchy, HPH Unit 2 Upgrades	\$2 million	Power Infrastructure	December 2011			Design-Bid-Build
JOC-29, C-16 Fire Suppression	\$4 million		2011			Job Order Contract
WW-506, McClaren/Ingleside/Excelsior/Mt. Davidson District Sewer Replacement	\$2.9 million	Revenue & Bond	Winter 2011			Design-Bid-Build
WW-507, Potrero/Bernal Heights District Sewer Replacement	\$2.5 million	Revenue & Bond	Winter 2011			Design-Bid-Build
WW-500, SOMA/Mission District Sewer	\$2.2 million	Revenue & Bond	Spring 2012			Design-Bid-Build

Replacement	Est. Value	Funding Source	Est. Adv. Date	Contract Delivery Model
WW-505, Noe/Glen Park/Twin Peaks District Sewer Replacement	\$2.2 million	Revenue & Bond	Spring 2012	Design-Bid-Build
TBD - Water, West Bay Treatment Facilities Upgrades	\$7 million (About \$0.7M a year for 10 years)	Water CIP, 1/3 retail rate funded	July 2012	Design-Bid-Build
TBD - Water, East Bay Treatment Facilities Upgrades	\$7 million (About \$0.7M a year for 10 years)	Water CIP, 1/3 retail rate funded	July 2012	Design-Bid-Build
TBD - Water, Pipeline Repair	\$7.5 million (About \$0.75M a year for 10 years)	Water CIP, 1/3 retail rate funded.	July 2012	Design-Bid-Build
TBD - Waste Water, Bayside Treatment Reliability Improvements	\$25 - \$30 million	WWE Interim CIP	July 2012	Design-Bid-Build
TBD - Waste Water, Oceanside Treatment Reliability Improvements	\$12 - \$15 million	WWE Interim CIP	July 2012	Design-Bid-Build
TBD - Waste Water, Westside Pump Station and Griffith Pump Station Corrosion Repairs	\$8 - \$10 million	WWE Interim CIP	July 2012	Design-Bid-Build
TBD - JOC, Corrosion Protection Projects	\$1.6 million (About \$1.6M a year for 10 years)	Water CIP, 1/3 retail rate funded	July 2012	Job Order Contract
TBD - Power, Alvarado School	\$1 million		2012	Integrated Project Delivery

Recreation and Parks Department (RPD), March 2011 - December 2012

Contract #/Name	Est. Value	Funding Source	Est. Adv. Date	Contract Delivery Model
3055V, Fulton Playground and Clubhouse Renovation	\$3 million	Clean & Safe Park Bond	April/May 2011	Design-Bid-Build
Balboa Park - Trust for Public Land Partners	\$2 million		April 2011	Design-Bid-Build
Forestry Group #2	\$700,000		May 2011	Design-Bid-Build
Palaga Recreation Center	\$13.3 million		June 2011	Design-Bid-Build
Boedekker Park	\$6 million		September 2011	Design-Bid-Build
Forestry Group #3	\$700,000		September 2011	Design-Bid-Build
3070V, Cabrillo Playground and Clubhouse	\$2.8 million	Clean & Safe Park Bond	October 2011	Design-Bid-Build

Renovation									
Alta Plaza	\$800,000							October 2011	Design-Bid-Build
Jefferson Square	\$900,000							October 2011	Design-Bid-Build
Kimbell Playground	\$2 million							November 2011	Design-Bid-Build
Trails -- Glen Canyon	\$900,000							November 2011	Design-Bid-Build
Forestry Group #4	\$700,000							December 2011	Design-Bid-Build
3072V, Lafayette Park Renovation	\$7 million							December 2011	Design-Bid-Build
Trails - Phase 3	\$1.4 million							April 2012	Design-Bid-Build
Mission Dolores Park Renovation	\$8 million							May 2012	Design-Bid-Build
Beach Chalet Field & Minnie Lovie Fields	\$8.3 million							June 2012	Design-Bid-Build
Glen Canyon	\$3.9 million							June 2012	Design-Bid-Build
Trails - Phase 4	\$1.4 million							October 2012	Design-Bid-Build
Trails - Twin Peaks	\$600,000							December 2012	Design-Bid-Build

San Francisco International Airport (SFO), March 2011 - August 2012

* The projects listed are SFO projects without any federal funding.

* Projects projected to be bid out in the next 18 months. In various stages of design phase so exact bid dates TBD.

Contract #/Name	Est. Value	Funding Source	Est. Adv. Date	Contract Delivery Model
8673 Airfield Operations Center	\$6.204 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8697 Access Control System Upgrade	\$13.6 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
9049 Variable Message Signs	\$1.56 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8489 Emergency Response Boathouse	\$4.25 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
9078 Airport Data Center Consolidation	\$2.9 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8879 Central Garage CO Monitoring System Replacement	\$1.268 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8573 Domestic Terminal Seating	\$6.209 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8466A T1 Boarding Area B - Foundation Repair	\$2.78 million	General Airport Revenue Bonds	TBD	Design-Bid-Build

8599 Terminal 1 Lighting Improvements	\$869,840	Revenue Bonds General Airport Revenue Bonds	TBD	Design-Bid-Build
8710 Terminal 1 Roofing Improvement	\$2,482 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8555 Boarding Area C HVAC Improvement	\$1,002 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8580 Terminal 3 Concourse and Boarding Area F Carpet Replacement	\$2,687 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8522 New Sewer Outfall to SSF from MLTP	\$1.76 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8704 Underground Utilities Improvement	\$1.175 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
Industrial Waste System Improvement Phase I				
8427C Mel Leong Treatment Plant Process Building Construction	\$14,347 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8595A Storm Drainage System Improvement Phase I	\$1,773 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8595B Storm Drainage System Improvement Phase II	\$1,583 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8543 Airport Cooling System Energy Efficiency Improvements	\$1,079 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8536 Central Plant Chiller and Energy Management System	\$1,504 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8545 Central Plant Chiller No 2 Improvement	\$5,187 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8803 Central Plant Equipment Upgrade	\$1,573 million	General Airport Revenue Bonds	TBD	Design-Bid-Build
8590 Telecommunication Infrastructure Airport Wide	\$2,158 million	General Airport Revenue Bonds	TBD	Design-Bid-Build