



Board Agenda Item 48

DATE: March 1, 2016

TO: Board of Supervisors

SUBMITTED BY: Bernard Jimenez, Interim Director
Department of Public Works and Planning

SUBJECT: Labor Compliance Program for Projects Funded Through the Proceeds
of Proposition 84 Bonds

RECOMMENDED ACTION(S):

- 1. Adopt a Resolution approving a labor compliance program to be implemented for projects funded, in any part, by bond proceeds issued pursuant to Division 43 of the Public Resources Code, and directing the Director of Department of Public Works and Planning, or his or her designee, to apply to the State of California, Department of Industrial Relations for approval of the County's labor compliance program.**
- 2. Authorize the Director of the Department of Public Works and Planning, or his or her designee, to amend the County's Labor Compliance Program Manual, as required to comply with any changes to labor codes or Department of Industrial Relations guidelines, and as necessary to conform to funding program requirements.**

The Department of Public Works and Planning (Department), in cooperation with the Upper Kings Basin Integrated Water Management Authority under the Integrated Regional Water Management Plan (IRWMP), is currently working on a project (Jensen-Drummond Sewer Feasibility Study) funded through a Proposition 84 program. As a condition of funding, it is required that a Labor Compliance Program (LCP) be adopted by the Board of Supervisors (Board) and approved by the State's Department of Industrial Relations (DIR).

The DIR requires that the Board adopt the LCP prior to accepting applications for LCP review and approval. With the approval of the first Recommended Action the Board will adopt a Resolution establishing a LCP for use on projects funded through Proposition 84 programs, and direct the Director of the Department, or his or her designee, to apply for approval of the LCP from the DIR.

The second Recommended Action will authorize the Director of the Department, or his or her designee, to make modifications to the County's Labor Compliance Program Manual adopted with the LCP necessary to comply with DIR comments and applicable laws. Granting the Director the authority to make necessary changes or to deviate as necessary to comply with other requirements, will enable the Department to proceed with projects with superseding or integrating requirements without returning to the Board for each modification.

ALTERNATIVE ACTION(S):

If the Board chooses to reject the first recommended action, the County will not be in compliance with Proposition 84 funding requirements for current or future projects. The Department of Water Resources (DWR), as a condition of a planning grant received by the County for the design of sewer mains for the Jensen Drummond neighborhood, in conjunction with the Kings River Conservation District, through the IRWMP,

requires that the County attain a DIR approved LCP. Failure to adopt a LCP and obtain DIR approval may result in the County being required to return grant funds already expended.

FISCAL IMPACT:

There will be no net County costs associated with the recommended actions. Costs associated with the operation of the LCP will be budgeted and reimbursed through project funding sources which require the implementation of the LCP. Sufficient funds to cover the costs involved in the preparation of the LCP are included in Public Works and Planning - Grants Org 5512.

DISCUSSION:

Proposition 84 was approved by voters during the election of November 2006 authorizing the state to sell \$5.388 billion dollars in general obligation bonds and allocate the funds to a variety of state programs. Those programs fund a variety of local and regional infrastructure projects. Some of these programs provide low interest loans to local agencies for public works projects which meet a certain need, through State Revolving Fund (SRF) programs, while others provide direct and indirect grants for public works projects.

Since 2012, the County has initiated several planning projects which utilize loan and grant funds originating from Proposition 84 bond proceeds. Among the provisions of Proposition 84 is the requirement that an agency receiving funding for a public works project financed in any part with the proceeds of Proposition 84 bonds shall adopt and enforce, or contract with a third party to enforce, a labor compliance program. The planning grant acquired by the County, through the IRWMP for the Jensen-Drummond Sewer Feasibility Study is a Proposition 84 funded project and it is required that the County adopt a DIR approved LCP.

Labor compliance monitoring and enforcement on County public works projects is typically handled by the Department's Construction Division. The manual being adopted by Recommended Action No. 1 would formalize the standards by which the Department operates for Proposition 84 funded projects only, and be used to apply for DIR approval of the LCP. Approval of Recommended Action No. 2 would enable the Director of the Department to make temporary or permanent adjustments necessary to comply with other requirements which might be applied to a project, such as by use of federal or other state funds, and would eliminate the potential need to return to the Board with project specific requirements for projects utilizing Proposition 84 funding. This would be consistent with the Department's typical oversight of public works construction activities.

OTHER REVIEWING AGENCIES:

The State of California, Department of Industrial Relations will have the authority to accept or reject the County's application for approval, or to require revision of the manual for acceptance.

REFERENCE MATERIAL:

The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006; Public Resources Code, Division 43 (Proposition 84)

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with the Clerk - Resolution

CAO ANALYST:

John Hays