

***Draft – 1-28-15***

**City of San Leandro**

**I. Local Inclusion Policy**

**II. Open Hiring Policy Addendum**

**I. Purpose**

For the purpose of encouraging and supporting the training and hiring of San Leandro residents, this addendum to the City of San Leandro Local Inclusion Policy (SLLIP) sets forth the key elements of an Open Hiring Policy that embodies the principles of honoring all local professionally operated businesses as set forth in the SLLIP as quoted at the end of this document.

As the title implies, this Open Hiring Policy Addendum establishes the framework for an open local resident training and hiring system, whether with or without union participation on the part of the contractor.

**II. Performance**

- A. Under this open policy the contractor may perform its work as a professional independent enterprise, paying prevailing wages and treating its employees with due respect for their work.
- B. Should an agreement with a union be in the best interest of the City, the contractor and the union(s), for all or a portion of the work, the following conditions for such an agreement shall apply:

**DEFINITIONS**

- 1.1 "City" means San Leandro, California.
- 1.2 "Contractor(s)" means any individual, firm partnership or corporation, or combination thereof, including joint ventures, which is an independent business enterprise or any of its subcontractors or subcontractors of any tier, who may construct any part of the Project under contract terms and conditions incorporated in this Agreement. "General Contractor" means the Contractor awarded the Project by the County.
- 1.3 "Construction contract" means all City-initiated public works or improvement contracts.

## **1. Scope**

Construction contracts awarded to contractors valued at or above One Million Dollars (\$1,000,000.00).

## **2. Workforce**

Contractors/Employers shall be free to obtain and retain its core workforce and work persons from any source.

For purposes of this Agreement, an employee shall be considered a member of a Contractor's core workforce if the employee:

- i. possesses any license required by state or federal law, if any, for the Project work to be performed;
- ii. has been on the Contractor's payroll for at least 120 of the 200 working days prior to the date the Notice to Proceed or equivalent authorization granted by the County to begin work on the Project; and
- iii. has the ability to safely perform the basic functions of the applicable trade.

## **3. Optional Dues and Fees Requirement**

Any requirement for the payment of dues and fees shall be optional. No employee covered by this Agreement shall be required to join any Union as a condition of being employed, or remaining employed, for the completion of City of San Leandro work.

## **4. Fringe Benefits**

Contractors/Employers shall compensate its workforce for benefits in excess of the basic hourly wage rate in accordance with the applicable prevailing wage determination established by the Department of Industrial Relations pursuant to the California Labor Code. Contractors/Employers may: (1) directly compensate its workforce, or (2) contribute to Contractor/Employer's benefit plans on behalf of the workforce, or (3) contribute to the Union's established employee benefit plans on behalf its workforce.

## **5. Apprenticeship**

Any contractor performing work for the City of San Leandro shall have the right to employ apprentices enrolled in any State-approved apprenticeship program serving Alameda County.

Because the San Leandro building trades labor pool is quite small, there is no formal quota for engaging apprentices because. That said, it is incumbent upon both the City and the contractor/subcontractor to work together to secure *available* apprentices from State-approved programs; and for the City to work with appropriate agencies to encourage residents to enter apprenticeship programs.

## **6. Veterans**

Any contractor working for the City of San Leandro agrees to make a good faith effort to hire qualified individuals who are veterans, particularly recent veterans of military service in Afghanistan and Iraq.

A bidder or contractor shall be deemed to have made a “good faith effort” to hire sufficient numbers of veterans if, prior to execution of the contract at least two of the following veteran employee recruitment activities have been undertaken and documented:

1. Written and oral communication indicating an interest in hiring veterans for the project with a Veterans Representative at the closest Workforce Services Office of the California Employment Development Department.
2. Written and oral communication indicating an interest in hiring veterans for the project with the Alameda County agency responsible for job placement of veterans.
3. Written and oral communication indicating an interest in hiring veterans for the project with a veterans employment service, administered by a legitimate veterans advocacy organization placing veterans in employment in Alameda County.
4. Written and oral communication indicating an interest in hiring veterans for the project with a private non-profit organization dedicated to finding employment for veterans in Alameda County.

## **7. Local Hire**

These sample provisions are meant to ensure that local residents will benefit from a project in terms of employment opportunities, without imposing restrictions on where and how contractors can obtain local workers. These provisions will encourage contractors to provide job opportunities to local residents, expand the local employment base, and reduce the impact on the environment caused by long commuting times to jobs outside the area.

### **A. LOCAL HIRING**

It is the intent of the City of San Leandro to provide job opportunities for local workers in the construction of its facilities. The City of San Leandro has set a goal that XX percent (this percent to be based on a labor pool availability study by the City) of work hours for contractors on construction contracts will be performed by permanent residents of the City of San Leandro. To confirm that the City of San Leandro is achieving this goal, contractors will provide weekly payroll records that indicate the permanent home address of each worker, the trade of the worker, and the number of hours worked.

A “permanent home address” refers to the legal domicile of the worker immediately preceding the date of the Notice of Solicitation or bid advertisement. Each worker will be expected to verify his or her domicile upon request of the contractor or city by producing documentation such as a rent/lease agreement, telephone and utility bills or payment bills, a valid California driver's license or identification card, and/or any other similar, reliable evidence that verifies the legal domicile of the worker.

Contractors will agree to make a good faith effort to hire qualified individuals who are local residents in sufficient numbers so that local residents comprise no less than (see above)percent of the contractor's total work force on the project. The contractor's total work force shall include employees of all subcontractors performing one half of one percent of the work or more, measured in labor work hours for the project.

A bidder or contractor who fails to meet the goal of having XX percent of its workforce as current local residents shall, nevertheless, be deemed to have made a “good faith effort” to hire sufficient numbers of local residents if, prior to execution of the contract at least XX of the following employee recruitment activities have been undertaken and documented:

1. Placing a valid job order for existing and projected position vacancies with the local office of the California Employment Development Department, for no less than ten (10) consecutive calendar days.
2. Placing a valid job order for existing and projected position vacancies with (such as Alameda County Hire, WIB as chosen by the City), for no less than ten (10) consecutive calendar days.
3. Advertising existing and projected position vacancies, job informational meetings, job application workshops, job application centers and job interviews by posting notices which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process, in conspicuous local authorized public places, including but not limited to the local city hall, schools, post offices, libraries, and senior citizens centers.
4. Conducting a job informational meeting to inform the community of employment opportunities of the contractor, to be held at a local facility in the City of San Leandro. This meeting may be hosted by multiple contractors.
5. Providing ongoing assistance to local residents in completing job application forms.
6. Conducting a job application workshop to assist the community in applying and interviewing for jobs in the contracting industry, to be held at a local facility in the City of San Leandro. This meeting may be hosted by multiple contractors.
7. Establishing a job application center located in the City of San Leandro, where job applications may be obtained, delivered to and collected.
8. Conducting job interviews within XX miles of the location designated for contract performance.
9. Advertising valid existing and projected position vacancies through the local media, such as a community television network, local newspapers of general circulation, and trade papers or minority focus newspapers.
10. Telephone solicitation of known potential local subcontractors or employees.

11. Obtaining employees who are local residents by any other means which are reasonably calculated to comply with the goal in this Agreement.

Upon submission of the bid or price quotation, the bidder or contractor shall submit a statement explaining how it and its subcontractors propose to meet these requirements. Alternatively, if the bidder or contractor cannot provide such proof, it shall provide proof of good-faith effort as outlined above.

During the term of the contract, the contractor shall keep an accurate record on a standardized form, showing the name, place of residence, trade classification or description of work to be performed, hours employed, per diem wages and benefits, of each person employed by the contractor, and the contractor's subcontractors, to perform any work on the project pursuant to the contract with the City of San Leandro, including full-time, part-time, permanent and temporary employees, and make such records available to the City of San Leandro upon request, within XX working days. The contractor shall also keep a copy of the records submitted by the employee as evidence of local residency. The Public Works Payroll Reporting Form required by the City of San Leandro for Public Works projects with the evidence of residency documents attached will satisfy the requirements of this section.

#### **8. Assessing Financial Liability for Work Stoppages and Slowdowns**

In the event a work stoppage or slowdown affects work covered by this Agreement and said stoppage or slowdown involves or is caused by a Union signatory to this Agreement, an affected signatory party may seek redress under the grievance procedure of this Agreement which shall include, but not be limited to, liquidated damages of \$10,000 [depending on size/scope of project] per day and any other remedies available under applicable law.

#### **9. No Discrimination**

The Contractor/Employers and Unions agree not to engage in any form of discrimination based on race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, political affiliation, disability, or membership in a labor organization against any employee, or applicant for employment on the Project.

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As referenced above, quoting from the ***City of San Leandro Local Inclusion Policy***, page 1:

### **“Findings**

The City Council of the City of San Leandro hereby finds that it is in the City’s interest to have a healthy local business community. The City Council also finds that San Leandro businesses, particularly small and nonprofit organizations, often encounter obstacles to participating in City projects and procurements, obtaining financing and credit, and bonding and insurance, which affects the economic viability and growth of these businesses and organizations.

### **Declaration of Policy and Purpose**

(a) It shall be a policy of the City of San Leandro that San Leandro business enterprises, including small and nonprofit businesses, should be encouraged to participate as contractors and suppliers in the provision of goods and services to the City. Policies and programs that enhance opportunities and utilize the skills and expertise of San Leandro businesses, including small businesses and nonprofit organizations, serve the public interest, primarily because the growth and development of such businesses have a significant positive impact on the economic health of the City of San Leandro. A City ordinance that grants a preference for awarding contracts for projects and procurements to businesses located or operating within the City serves the public interest by encouraging businesses, including small and nonprofit businesses, to locate, hire residents and remain in San Leandro.”