



# County of San Diego

DEPARTMENT OF GENERAL SERVICES

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DIRECTOR

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August 20, 2021

## NOTICE OF BOARD OF SUPERVISORS MEETING AGENDA ITEM SCHEDULED ON TUESDAY, OCTOBER 5, 2021 - PROPOSED FAIR EMPLOYMENT STANDARDS ON COUNTY CONSTRUCTION PROJECTS

On July 13, 2021, the County's Board of Supervisors (Board) considered Agenda Item 21, titled "ESTABLISHING FAIR EMPLOYMENT STANDARDS ON COUNTY CONSTRUCTION PROJECTS AND COUNTY-OWNED LEASED PROPERTY." The Board directed the County of San Diego's (County) Chief Administrative Officer to return to the Board in 90 days with a draft "Working Families Ordinance," prequalification policy, proposed amendments to existing policies, and a report on the estimated impact of implementing the Working Families Ordinance on County construction projects and County-owned leased property. The July 13 Board action and draft of the proposed ordinance is attached to this notice.

If adopted by the Board, the proposed ordinance would impact prospective contractors and subcontractors on County public works contracts. Key items of note in the proposed ordinance include:

- Any contractor and its subcontractors (at any level) performing construction pursuant to a contract that is greater than \$500,000 that is awarded by the County in accordance with the Public Contract Code ("County Construction Contracts") shall:
  - Pay employees the higher of any prevailing wage rates set by the California Department of Industrial Relations, minimum wage, living wage or similar wage rates that may be set by the County by ordinance, and local, State, or federal minimum or similar wage rates if applicable to the work.
  - Utilize a skilled and trained workforce to complete County Construction Contracts as set forth in Public Contract Code 2600.
  - Provide employees working on County Construction Contracts with paid sick leave, which will minimally accumulate up to 56 hours per year.

The Board also directed the CAO to return to the Board with a prequalification policy for prospective bidders and proposers on public works contracts in alignment with the model questionnaire developed by the State Department of Industrial Relations



The Board meeting date for Board consideration and approval of the Working Families Ordinance is Tuesday, October 5, 2021. If the meeting date is changed, the County will mail an updated notice. County staff is seeking input prior to August 27, 2021 to gauge potential impacts of the proposed ordinance. Your participation would assist in determining the estimated impact of implementing the Working Families Ordinance in the County staff response to the Board.

Prior to the Board meeting on October 5, 2021, there are two ways that you can provide input regarding the proposed ordinance and how the ordinance might impact your business:

1. Provide written comment by replying to this notice via e-mail **no later than Friday, August 27, 2021**. We encourage you to provide your input as early as possible so it can best be incorporated in the staff report.
2. Attend a “Contractor Roundtable Discussion” via Zoom on **Friday, August 27**. During this meeting County staff will receive verbal comments from contractors. A link to the Zoom meeting was sent along with this notice.  
LANGUAGE TRANSLATION ASSISTANCE: Language translation services for public speakers are available upon request at least 72 hours prior to the meeting.

In addition to providing input in advance of the Board meeting on October 5, 2021, as described above, you may also choose to comment on the proposed ordinance by attending the Board meeting on October 5, 2021, and/or by submitting comments to the Board electronically using the County’s website. The Board meeting will begin at 9:00 a.m. and the meeting can be observed through a link at the following website address:

<https://www.sandiegocounty.gov/content/sdc/cob/bosa.html>

Instructions for public participation in Board meetings via teleconference is posted on the County’s website.

It is anticipated that the October 5, 2021 Board agenda and associated Board Letter for this agenda item will be posted on the Clerk of the Board of Supervisors website (at the website address noted above) on **Wednesday, September 29, 2021**. If you choose to attend the Board meeting in person the meeting will take place in the Board chambers on the third floor of the County Administration Center located at 1600 Pacific Highway, San Diego, California.

Attachments - July 13 Board Action, Draft Ordinance



COUNTY OF SAN DIEGO  
2021 JUL -2 AM 11:34  
CLERK OF THE BOARD  
OF SUPERVISORS

# COUNTY OF SAN DIEGO

## BOARD OF SUPERVISORS

1600 PACIFIC HIGHWAY, ROOM 335, SAN DIEGO, CALIFORNIA 92101-2470

### AGENDA ITEM

**21**

**DATE:** July 13, 2021  
**TO:** Board of Supervisors

**SUBJECT: ESTABLISHING FAIR EMPLOYMENT STANDARDS ON COUNTY CONSTRUCTION PROJECTS AND COUNTY-OWNED LEASED PROPERTY (DISTRICTS: ALL)**

#### OVERVIEW

Creating good jobs for working families is a regional responsibility and requires a regional – not a piecemeal – response. San Diego County can and must establish a framework to ensure that all County construction projects, and all projects and operations on County-owned leased land, support good jobs and fair wages for the region’s workers.

With major projects and leases coming before the Board of Supervisors, such as at Gillespie Field, Otay Mesa, and Palomar Airport, it is imperative that we act with urgency to establish fair working standards to protect our region’s workers.

Lessees of valuable pieces of publicly-owned property and companies that build projects with taxpayer dollars have paid low wages in the past, forcing workers to rely on the social safety net instead of fair pay for their labor. San Diego County needs a comprehensive ordinance to strengthen our local workforce, invest in San Diego families, and help grow our economy for now and the future.

That is why we are proposing to set baseline employment standards for County construction projects and for activities, enterprises, and operations on County-owned leased property.

This Board Letter also directs the Chief Administrative Officer to return to the Board with a policy requiring the prequalification of prospective bidders and proposers on County public works projects, in alignment with the model prequalification questionnaire developed by the State Department of Industrial Relations. The goal being to ensure bidders on publicly-funded projects are consistently held to appropriate wage and safety standards.

**SUBJECT: ESTABLISHING FAIR EMPLOYMENT STANDARDS ON COUNTY CONSTRUCTION PROJECTS AND COUNTY-OWNED LEASED PROPERTY (DISTRICTS: ALL)**

**RECOMMENDATION(S)  
SUPERVISOR TERRA LAWSON-REMER AND CHAIR NATHAN FLETCHER**

1. Direct the Chief Administrative Officer to return to the Board within 90 days with the following:
  - a. A draft Working Families Ordinance for consideration by the Board of Supervisors that will amend the County Administrative Code as outlined in this Board Letter and the attached Draft Ordinance; and
  - b. A prequalification policy and any proposed amendments to existing policies to require prospective bidders and proposers on public works projects to prequalify prior to submitting a bid or proposal, as specified in the Background section of this Board Letter.
  - c. Estimated impact of the implementation of the Working Families Ordinance on County construction projects and County-owned leased property.
  
2. Direct the Chief Administrative Officer to update the relevant contracting and leasing processes and templates for County construction projects and County-owned leased property to implement the intent of the Working Families Ordinance through binding contractual obligations with counterparties.

**FISCAL IMPACT**

There is no direct fiscal impact as a result of today's requested action. Funding for construction contracts is budgeted by departments for specific project requests. It is expected that there will likely be costs associated with implementing the Working Families Ordinance to be determined upon implementation.

**BUSINESS IMPACT STATEMENT**

Implementing the Working Families Ordinance supports good jobs and fair wages for the region's workers and supports the County of San Diego's goal of economic prosperity for working families.

Implementing the Working Families Ordinance will likely have a business impact for construction firms, potentially increasing overhead costs and reducing competition in procurement.

SUBJECT: ESTABLISHING FAIR EMPLOYMENT STANDARDS ON COUNTY  
CONSTRUCTION PROJECTS AND COUNTY-OWNED LEASED  
PROPERTY (DISTRICTS: ALL)

## **EQUITY IMPACT STATEMENT**

For decades, pay and benefits for many, especially those in underserved communities, have not kept up with the cost of living, housing, or providing for a family. Incomes have stagnated for middle- and working-class San Diegans even while housing and other costs have skyrocketed. Amending our County policies and ordinances to protect working families will allow the County to do our part to help ensure that no worker employed on a County-related project is left behind. This initiative will improve pay and working conditions in the industries and sectors that rely most heavily on labor from women and people of color, including construction and services.

## **ADVISORY BOARD STATEMENT**

N/A

## **BACKGROUND**

Inadequate pay and poor working conditions have a significant adverse impact on the ability of working families to obtain housing and provide for their families. Poverty, unemployment, and income inequality threaten the County of San Diego's economic prosperity, stability, and competitiveness. According to a study by the Center on Policy Initiatives, four of the ten largest industries in San Diego County do not pay enough for the average individual in that industry to make ends meet, with median wages of less than \$30,000 per year.

The County of San Diego seeks to address these barriers to self-sufficiency by ensuring that individuals working on County projects or at County-owned property are paid wages that allow them to adequately provide for themselves and their families, and by taking steps to create quality employment opportunities for area residents. Providing workers in San Diego County more opportunity to obtain quality jobs will generate shared prosperity and inclusive growth, and enable workers to invest back in the regional economy.

**This Board Letter directs the Chief Administrative Officer to return to the Board with a Working Families Ordinance that governs all County construction projects with contracts for over 500,000 dollars and any operations/enterprises on County-owned leased property or single craft projects over 25,000 dollars. We request that the ordinance be drafted based on the attached Draft Ordinance that was prepared with County Counsel's review. No significant legal issues were noted, as the County would be requiring the conditions as set forth in the ordinance in the County's proprietary capacity as a contracting party. Higher or more rigorous standards may be applicable for specific types of projects, enterprises, or operations.**

**This Board Letter also directs the Chief Administrative Officer to return to the Board with a prequalification policy to require prospective bidders and proposers on public works contracts to submit to a prequalifying process prior to submitting a bid or proposal, in alignment with the model questionnaire developed by the State Department of Industrial Relations.**

**SUBJECT: ESTABLISHING FAIR EMPLOYMENT STANDARDS ON COUNTY CONSTRUCTION PROJECTS AND COUNTY-OWNED LEASED PROPERTY (DISTRICTS: ALL)**

**Finally, this Board Letter asks the Chief Administrative Officer to provide estimated impacts of enacting this Working Families Ordinance.**

**Strengthening the economic vitality of working families in San Diego should be a priority for us all. The creation of this ordinance represents a critical first step in ensuring that workers are paid adequately.**

**We urge your support on this proposal.**

**LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN**

Today's proposed action establishing baseline standards on County Projects supports the Sustainable Environment/Thriving Strategic Initiative in San Diego by ensuring a vibrant region with planning, development, infrastructure and investment in workers and families that strengthen the local economy.

Respectfully submitted,



**TERRA LAWSON-REMER**  
Supervisor, 3rd District



**CHAIR NATHAN FLETCHER**  
Supervisor, 4th District

**ATTACHMENT(S)**

**Attachment A: DRAFT ORDINANCE: "AN ORDINANCE AMENDING THE COUNTY CODE OF ADMINISTRATIVE ORDINANCES RELATING TO EMPLOYMENT ON COUNTY CONSTRUCTION PROJECTS AND PROPERTY"**

**SUBJECT: ESTABLISHING FAIR EMPLOYMENT STANDARDS ON COUNTY CONSTRUCTION PROJECTS AND COUNTY-OWNED LEASED PROPERTY (DISTRICTS: ALL)**

**AGENDA ITEM INFORMATION SHEET**

**REQUIRES FOUR VOTES:**       Yes     No

**WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED**

Yes     No

**PREVIOUS RELEVANT BOARD ACTIONS:**

Continued Item from 03/03/2021 (08): Gillespie Field – New 50-year ground lease with SGCLMC-WLD Investment Company, L.P. (District: 2) – Approved by BOS (5-0) – Directed the Chief Administrative Office to notify lessee that a workforce ordinance is currently under development by the Fiscal subcommittee of the Board of Supervisor and if enacted by a majority of the board, will be applicable to this the Gillespie Field lease as well.

**BOARD POLICIES APPLICABLE:**

N/A

**BOARD POLICY STATEMENTS:**

N/A

**MANDATORY COMPLIANCE:**

N/A

**ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION NUMBER(S):**

N/A

**ORIGINATING DEPARTMENT:** Supervisorial Districts Three and Four

**OTHER CONCURRENCE(S):** N/A

**CONTACT PERSON(S):**

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AYES: Vargas, Anderson, Lawson-Remer, Fletcher, Desmond

State of California)  
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER  
Clerk of the Board of Supervisors



**Signed**  
**by** Andrew Potter

