



Date: February 13, 2007
To: Honorable Mayor and City Council
From: Vice Mayor Bonnie Lowenthal, First District *BL*
Councilmember Patrick O'Donnell, Fourth District *PO*
Subject: Prevailing Wage Contract Compliance Report

Throughout Long Beach, city construction and infrastructure projects are contracted out for completion by private construction companies. A number of these projects fall directly under the purview of the City Council. Other projects utilize public funds, including those administered by the Harbor Department, Water Department and Redevelopment Agency. Specifications for certain construction projects, including park and municipal building improvements, and street and sidewalk repairs, are developed by City staff and include requirements related to wages and benefits, working conditions and other labor-related issues.

In accordance with the Municipal Code, one such requirement is that prevailing wages be paid to workers on any City-funded project. Prevailing wage is defined as the hourly wage, usual benefits and overtime paid to the majority of workers, laborers, and mechanics in the course of public work. Prevailing wages are established for each trade and occupation employed in the performance of public work. They are reflective of local wage conditions. Enforcement of prevailing wage, and all other stipulations set forth in City contracts, is vital to maintain the integrity of present and future projects. There are currently mechanisms by which City staff monitors and enforces project requirements.

In order to have knowledge of existing provisions and be aware of issues related to City contracts, the Council should be updated on current contract compliance, specifically as it relates to prevailing wage and other labor requirements. An initial report back to Council should include current standards for City contracts, a review of ongoing projects and agreements, and a report on enforcement and any issues therein. A similar request for reports should be made to the Harbor Commission, Water Commission and Redevelopment Agency.

Recommendation: Request the City Manager to work with appropriate staff and report back in sixty days on contract compliance, oversight, procedures and issues, including but not limited to, prevailing wage and labor standards for construction projects authorized by the City Council.

Request that the Harbor and Water Commissions, as well as the Redevelopment Agency Board, work with appropriate staff to provide a corresponding report for projects utilizing public funds.