

BOARD OF EDUCATION
SAN DIEGO UNIFIED SCHOOL DISTRICT
SAN DIEGO, CALIFORNIA

Resolution in the Matter of the Project)
Stabilization Agreement (PSA) for) **RESOLUTION**
Future Local Bonds' School Construction,)
Repairs and Renovations)

WHEREAS, on July 28, 2009, the San Diego Unified School District ("District") and its Board of Education ("Board") adopted a Project Stabilization Agreement ("PSA") for contracts awarded by the District that exceed one million dollars (\$1,000,000) for projects funded in whole or in part by Proposition S, a general obligation bond for School Construction, Repairs and Renovation; and

WHEREAS, the duration of the PSA continue in effect until October 27, 2014, and the Parties agreed therein to discuss extension or modification of the PSA based on the District's determination on whether the agreement achieves its intent; and

WHEREAS, the District is authorized by state legislation (Chapter 431, Statutes of 2011, codified as Public Contract Code 2500-2502) to use project labor agreements that meet minimum criteria designed to protect the taxpayers, which include provisions that (a) prohibit discrimination on the basis of race, national origin, religion, sex, sexual orientation, political affiliation, or membership in a labor organization; (b) permit all qualified contractors to bid for and be awarded work regardless of whether otherwise parties to a collective bargaining agreement; (c) provide an agreed-upon protocol for substance abuse testing of employees working on site; (d) guarantees against strikes, work stoppages, lockouts, and similar disruptions; and (e) provides that disputes between parties will be resolved by a neutral arbitrator; and

WHEREAS, on December 13, 2011, the Board authorized the PSA for the remaining duration of use of Proposition S funds and expanded its scope to include all District projects paid for in whole or in part with state bond funds, in order to shift prevailing wage enforcement to the Department of Industrial Relations and take advantage of the available fee waiver;

WHEREAS, the District has a compelling interest in managing its public works contracts so as to ensure the highest standards of quality and efficiency at the lowest responsible cost; and

WHEREAS, the PSA, which is a form of pre-hire collective bargaining agreement covering all terms and conditions of employment on a specific project, has been able to ensure the highest standards of quality and efficiency at the lowest responsible cost on the covered projects including containing a mechanism for resolving disputes about the payment of wages; and

WHEREAS, the PSA has established a record successfully promoting the use of local workers, providing quality training for the local workforce, encouraging small business, and ensuring outreach to military veterans; and

WHEREAS, a third party study has confirmed that the PSA has met the intent of the agreement to promote the use of local workers and provide quality training for the local workforce; and

WHEREAS, the Board continues to believe that it is in the best interests of the District, and the public that it serves for the District, to use the PSA for all District projects paid in whole or in part with future local bond funds, and the Board desires to continue to shift prevailing wage enforcement to the Department of Industrial Relations and take advantage of the available fee waiver;

- (1) The PSA meets the taxpayer protection criteria set forth in Public Contract Code section 2500 -2502;
- (2) The District determines that the PSA is achieving the intent of the agreement;

ACCORDINGLY, the Board hereby approves Addendum No. Three to the PSA by which the parties agree to extend the scope of the PSA to include all District projects paid in whole or in part with future local bonds for contracts awarded by the District that exceed one million dollars (\$1,000,000), for which enforcement of prevailing wages is required under Labor Code sections 1771.3 and 1771.7. A copy of Addendum No. 3 is attached to this Resolution as Exhibit "A."

PASSED AND ADOPTED by the Board of Education of the San Diego Unified School District, San Diego, California, at a public meeting thereof duly called and held this 24th day of July, 2012, by the following vote:


AYES: Barnett, Barrera, Beiser, Evans, Jackson
 NAYS: None
 ABSENT: None
 ABSTAIN: None

STATE OF CALIFORNIA)


) SS:


COUNTY OF SAN DIEGO)

I, Cheryl Ward, Board Action Officer, Board of Education, San Diego Unified School District, do hereby certify that the foregoing is a full, true and correct copy of a resolution adopted by said board at a meeting thereof held on the day and by the vote above stated, which resolution is on file with the minutes of said meeting.


 Board Action Officer, Board of Education
 San Diego Unified School District

LEGALITY AND FORM APPROVED


 SANDRA T.M. CHONG, Assistant General Counsel
 San Diego Unified School District

Approved in public meeting of the Board of Education of
 the San Diego Unified School District on 7/24/12

 Cheryl Ward, Board Action Officer, Board of Education

ADDENDUM NO. THREE
SAN DIEGO UNIFIED SCHOOL DISTRICT
PROJECT STABILIZATION AGREEMENT

The Board of Education of the San Diego Unified School District, its successors or assigns (hereinafter "District"), the San Diego Building and Construction Trades Council, and its Signatory Craft Unions (hereinafter, "Council") and the Southwestern Regional Council of Carpenters (hereinafter "Carpenters") hereby agree to amend the applicable Project Stabilization Agreements ("PSA") dated July 28, 2009, amended on July 28, 2009 as Addendum No. One, and amended on December 13, 2011 as Addendum No. Two, as follows:

The Parties acknowledge the benefits of the PSA as applied to Proposition S funded Projects that exceed one million dollars (\$1,000,000) for the duration of the Proposition S program and for District Projects paid for, in whole or in part, out of public funds, within the meaning of Subdivision (b) of Section 1720 of the Labor Code, that are derived from Bonds issued by the State of California. The Parties agree that the PSA is amended as Addendum No. Three to provide that the Agreement is expanded to include Projects paid for, in whole, or in part, with future local bond funds that exceed one million dollars (\$1,000,000) for the duration of the applicable local bond program:

DEFINITIONS. "Covered Contract" means any of the following: (a) a contract (and related subcontracts) for capital improvement work respecting a Measure S Project awarded during the term of this Agreement to the extent that said contract exceeds one million dollars (\$1,000,000), as set forth in Section 2.2, and is paid for, in whole or in part, with Measure S funds; (b) a contract for capital improvement work funded in whole or in part with Bonds issued by the State of California, as set forth in Section 2.2, awarded during the term of this Agreement; or (c) a contract for capital improvement work awarded during the term of this Agreement to the extent that said contract exceeds one million dollars (\$1,000,000), as set forth in Section 2.2, and is paid for in whole or in part, with future local bond funds.

Section 2.1 General. This Agreement shall apply to all construction, rehabilitation and capital improvement work as described in Section 2.2 of this Article, performed by those Contractor(s) of whatever tier that have contracts, where such work is funded in whole or in part by (a) Proposition S funds for Projects whose contract award exceed one million (\$1,000,000); (b) funds derived from bonds issued by the State of California for Projects regardless of the value of contract award; or (c) future local bond funds for Projects whose contract award exceed one million dollars (\$1,000,000). Notwithstanding the foregoing: (i) each Covered Contract shall be awarded in accordance with the applicable provisions of California's Public Contract Code, (ii) the District has the absolute right to award Covered Contracts to the lowest responsible and responsive bidder, and (iii) the District has the absolute right to combine, consolidate or cancel contract(s) or portions of contract(s) for work on Proposition S or state bond funded Projects or local bond funded Projects.

Section 2.2 Specific. The Covered Projects are defined and limited to the following:

(a) Work funded in whole or in part by Proposition S funds: To the maximum extent allowed by law, all construction, major rehabilitation, and renovation work awarded to prime general contractors, the total of which exceeds one million dollars (\$1,000,000); and

(b) Work funded in whole or in part by Proposition S funds: To the maximum extent allowed by law, all construction, major rehabilitation, and renovation work awarded pursuant to

prime multi-trade construction contracts, the total of which exceeds one million dollars (\$1,000,000); and

(c) Work funded in whole or in part by funds derived from bonds issued by the State of California for Projects regardless of the value of contract award; and

(d) Work funded in whole or in part by funds derived from future local bonds: To the maximum extent allowed by law, all construction, major rehabilitation, and renovation work awarded to prime general contractors, the total of which exceeds one million dollars (\$1,000,000); and

(e) Work funded in whole or in part by funds derived from future local bonds: To the maximum extent allowed by law, all construction, major rehabilitation, and renovation work awarded pursuant to prime multi-trade construction contracts, the total of which exceeds one million dollars (\$1,000,000); and

(f) It is understood by the Parties that the District may at any time, and at its sole discretion, determine to build segments of the Project under this Agreement which were not currently proposed, or to modify or not to build any one or more particular segments proposed to be covered. It is also understood that the threshold amounts in subsections (a) and (b) above will be determined by the engineer's estimate prior to the submittal of the individual Project to the Division of State of Architect ("DSA").

Section 21.1 Duration. The Agreement shall be effective July 28, 2009 for purposes of work funded under Proposition S for Projects that exceed one million dollars (\$1,000,000) until the completion of all Project Work, paid for in whole or in part with Proposition S funds. The Agreement shall continue for work funded in whole or in part, with state bonds regardless of Project value or for work funded by in whole or in part with future local bonds for Projects that exceed one million dollars (\$1,000,000) until the completion of all Project Work.

The Parties also acknowledge the benefits of the PSA to allow for the Department of Industrial Relations to enforce compliance with applicable prevailing wage requirements on all state bond funded projects covered by the PSA without the necessity of the District to reimburse the Department of Industrial Relations the cost of monitoring and enforcing compliance with the prevailing requirements on each Project. Accordingly, the Parties will coordinate enforcement of prevailing wage requirements with the Department of Industrial Relations including initiating proceeding under Article X to resolve disputes about wages.

The Parties agree that the PSA is intended to comply and complies with Public Contract Code Section 2500-2502. The Parties reaffirm their agreement of Non-Discrimination in Referral, Employment and Contracting in amending Section 3.4:

Section 3.4 Non-Discrimination in Referral, Employment and Contracting. The Unions and Contractors agree that they will not discriminate and will prohibit discrimination based on race, national origin, religion, sex, sexual orientation, political affiliation, marital status, age or disability or membership in a labor organization in hiring and dispatching workers. Further, it is recognized that the District has certain policies, programs, and goals for the utilization of local Small Business Enterprises. The Parties shall jointly endeavor to assure that these commitments are fully met, and that any provisions of this Agreement which may appear to interfere with a local Small Business Enterprise successfully bidding for work within the scope of this Agreement shall be carefully reviewed, and adjustments made as may be appropriate and agreed upon among the Parties, to ensure full compliance with the spirit and letter of the District's

policies and commitment to its goals for the significant utilization of local Small Business Enterprises as direct Contractors or suppliers on Covered Work.

Each person executing this Addendum No. Three on behalf of a Party represents he or she has been authorized to execute and be bound by this Addendum No. Three by formal action of the Party and where applicable each of the affiliated unions.

This Addendum No. Three may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

SIGNATURES ON FOLLOWING PAGE


San Diego Unified School District

By: _____

Southwestern Regional Council of Carpenters

By:  _____

San Diego Building and Construction Trades
Council on behalf of their signatory craft unions,
including but not limited to:

By:  _____

Asbestos Workers' Local 5

Boilermakers Local 92

Bricklayer & Allied Crafts Local 4

Cement Masons Local 500/Area 744

Electrical Workers Local 569

Elevator Constructors Local 18

Glaziers & Floor Coverers Local 1399

Iron Workers Local 229

Laborers Local 89

Laborers Local 1184

Operating Engineers Local 12

Painters & Allied Trades District Council #36

Painters & Tapers Local 333

Plasterers Local 200

Plaster Tenders of Southern California Local Union 1414

Plumbers & Pipefitters Local 230

Road Sprinkler Fitters Local 669

Roofers & Waterproofers Local 45

Sheet Metal Workers' Local 206

Steamfitters & Pipefitters Local 250

Teamsters Local 36

Tile, Marble & Terrazzo Local 18

Tradeshow & Sign Crafts Local 831

UA Local 345