



CALIFORNIA'S  
COALITION  
for ADEQUATE  
SCHOOL HOUSING

## **MANAGING YOUR LABOR COMPLIANCE PROGRAM**



**Kurt Weidmann & Roland P. Williams  
Harris & Associates**

## **LABOR COMPLIANCE PROGRAMS**



- School Facility Program (SFP) projects requiring LCP:
  - Projects that were or will be funded from the proceeds of Propositions 47 or 55; and
  - The NTP for the initial contract for construction issued on or after April 1, 2003

## LABOR COMPLIANCE PROGRAMS



- Proposition 1D (AB127) funded projects:
  - LCP is not currently included in the language
  - However, you may want to monitor Prop 1D Implementation for changes

## LABOR COMPLIANCE PROGRAMS



- SFP Expenditure Worksheet & Funding
  - Tracked as LCP under the CONSTRUCTION “bucket”
  - Prop 47 and 55 projects receive funding from the State for LCP

## LABOR COMPLIANCE PROGRAMS



- Section 1859.71.4(b) The funding provided for a new construction project to initiate and enforce an LCP shall be calculated on the total project cost, exclusive of site acquisition costs, as follows:

\$16,000 for the first \$1M or any part thereof, plus

1.6% of the next \$1M or any part thereof, plus

0.25% of the next \$1M or any part thereof, plus

0.15% of the next \$1M or any part thereof, plus

0.32% of the next \$2M or any part thereof, plus

0.31% of the next \$2M or any part thereof, plus

0.46% of the next \$5M or any part thereof, plus

0.44% of the next \$5M or any part thereof, plus

0.42% of the next \$30M or any part thereof, plus

0.4% of any remaining portion

- This is the full amount...including the District match. So, the State would provide 50% of the amount above for New Construction and 60% of the amount for Mod.

## LABOR COMPLIANCE PROGRAMS



- LCP Services & Contract Expectations

Roland P. Williams

Harris & Associates

## LABOR COMPLIANCE PROGRAMS



- Labor Compliance

What Does It Mean To You?

## LABOR COMPLIANCE PROGRAMS



- To ensure that all contractors pay prevailing wages on public works projects
- The LCP establishes that the public entities monitor the contractors for compliance and enforce the prevailing wage requirements
- Prior to AB 1506 this function was completed by DIR and outside groups

## LABOR COMPLIANCE PROGRAMS



- Major Components
  - Language
  - Pre-Bid Meeting
  - Document Control
  - Payroll Review
    - Work Classifications
    - Wage Rates
    - Apprentice Utilization
  - Job Site Interviews
  - Enforcement
  - Reporting

## LABOR COMPLIANCE PROGRAMS



- LCP Services Contract
  - Define Parties
  - Scope of Services
  - Time of Performance
  - Compensation
  - Ownership
  - Further Work
  - Insurance
  - No Third Party Relationship
  - Governing Law
  - Limited Liability
  - Agreement Modification
  - Assignment

## LABOR COMPLIANCE PROGRAMS



- Joint Use Projects
  - HUD
  - CDBG
  - Community College
- Audit Experience
  - Protocol

## LABOR COMPLIANCE PROGRAMS



**Roland P. Williams**

[rwilliams@harris-assoc.com](mailto:rwilliams@harris-assoc.com)

925.827.4900 x-144

**Kurt Weidmann**

[kweidmann@harris-assoc.com](mailto:kweidmann@harris-assoc.com)

916.928.9600