

**THE COMMITTEE ON  
RULES AND ECONOMIC DEVELOPMENT  
OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO**

**Council President Pro Tem Sherri Lightner, Chair  
Councilmember Kevin Faulconer, Vice Chair  
Councilmember Mark Kersey  
Councilmember David Alvarez  
Councilmember Marti Emerald**

**ACTIONS FOR  
WEDNESDAY, JUNE 19, 2013, AT 9:00 A.M.**

**COUNCIL COMMITTEE ROOM (12TH FLOOR),  
CITY ADMINISTRATION BUILDING  
202 C STREET, SAN DIEGO, CALIFORNIA**

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All Committee members present.

NON-AGENDA PUBLIC COMMENT : None

PUBLIC COMMENT ON REGULATORY STREAMLINING, OPEN GOVERNMENT AND  
ECONOMIC DEVELOPMENT SUGGESTIONS : None

COMMITTEE COMMENT: None

CITY ATTORNEY, IBA, AND MAYORAL STAFF COMMENT: None

SPECIAL ORDER OF BUSINESS

Approval of the Record of Action Items for June 5, 2013 were approved by  
unanimous consent.

ACTION/DISCUSSION ITEMS

ITEM-1: Consideration of Recommendation to Adopt an Ordinance Requiring Prevailing  
Wage for Municipal Public Works Projects

A. Report from the Assistant Chief Operating Officer Regarding "Prevailing  
Wage Requirements for Municipal Public Works Projects,"

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Recommending the Adoption of an Ordinance Requiring Compliance with State Prevailing Wage Laws on Municipal Public Works Projects

- B. Report from the Office of the Independent Budget Analyst Regarding “Review of Proposal to Require Compliance with the State’s Prevailing Wage Laws on All City Public Works Projects”
  
- C. Memorandum and Draft Ordinance from the Office of the City Attorney Regarding Prevailing Wage

ACTION: Motion by Councilmember Emerald, second by Councilmember Alvarez, to:

1. Move staff recommendation, as outlined in the report for Item 1. A. and as codified briefly in the City Attorney draft ordinance in Item 1.C., to the City Council.

The Committee clarified its intent regarding staff’s recommendation in Item 1.A. to request that the City’s ordinance be drafted to require that “the City and its departments, boards, and agencies shall advertise and include specifications requiring compliance” with the City’s prevailing wage ordinance, which is to be drafted to otherwise comply with state law.

2. Request that in the report to the City Council department staff provide responses to the questions raised by the IBA in their recommendations #3 and #5, as noted below:

*IBA Recommendation #3)* Request the Assistant Chief Operating Officer work with the Office of the City Attorney to clarify the applicability of the State's current prevailing wage laws to the City. The City may be able to use its charter city authority to create targeted exemptions so as not to interfere with other policy objectives and priorities (affordable housing, property owner funded Maintenance Assessment Districts, certain service contracts, etc.).

*IBA Recommendation #5)* Ask Purchasing & Contracting Department to report on their plans for gearing up the Labor Compliance Program (LCP) to properly enforce the prevailing wage ordinance. Request the department develop and present an annual report discussing the activities and results of the LCP (as was done for the Living Wage Ordinance).

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3. Recommend that the City Council consider requiring annual reports, as noted by the IBA in recommendations #5 through #7, as noted below, however the Committee defers to staff to provide information they believe is relevant to report out annually. Specifically, the Committee would like an annual update on the ordinance and implementation in order to evaluate how well they are functioning and any recommendations to improve the ordinance in the future. IBA recommendations #5 through #7 are given below:

*IBA Recommendation #5)* Ask Purchasing & Contracting Department to report on their plans for gearing up the Labor Compliance Program (LCP) to properly enforce the prevailing wage ordinance. Request the department develop and present an annual report discussing the activities and results of the LCP (as was done for the Living Wage Ordinance).

*IBA Recommendation #6)* Request that staff return to Council one year after the effective date of the prevailing wage ordinance with a report from the Public Works and Purchasing & Contracting departments on their successes and challenges in administering/monitoring for contractor compliance. Perhaps also solicit feedback from construction contractors doing business with the City or endeavoring to do work for the City.

*IBA Recommendation #7)* Request that staff return to Council one year after the effective date of the prevailing wage ordinance with an analysis of the fiscal impact of requiring prevailing wages on the cost of public works construction contracts. Request that staff acquire and maintain data on an ongoing basis to help facilitate this analysis.

4. Request that the Mayor's Office work with the City Attorney's Office to draft an ordinance in order to include the types and/or dollar amounts of projects for which this ordinance shall apply, if advisable. The recommendation from this Committee is to have the ordinance conform as closely as possible to the language in proposed State Senate Bill 7.

5. Request that the staff report and analysis to Council include consideration of any exemptions to the ordinance, and the justifications for those, and review and recommendation to the City Council regarding the appropriate amounts to be inserted into the draft ordinance.

6. Request that staff provide analysis to the City Council to allow the Council to determine benefits to implementing prevailing wage.

VOTE: 3-2; Lightner-yea, Faulconer-nay, Kersey-nay, Alvarez-yea, Emerald-yea

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ITEM-2: Report from Civic San Diego Regarding New Market Tax Credits and Other Strategies for Community Development (*Item continued from May 15, 2013 R&ED Committee meeting agenda*)

ACTION: No action taken. Information only. The Committee requested that Civic San Diego provide the Committee Consultant information regarding the City's ability to create a non-profit entity and apply for New Market Tax Credits, and for the Chair to communicate that information to Committee members.

ITEM-3: Report from Chair Lightner Regarding Council Committee Composition and Responsibilities Recommending Revisions to the Council Committee Structure and Areas of Responsibility

ACTION: Motion by Councilmember Alvarez, second by Councilmember Lightner, to recommend adoption of Chair Lightner's recommendations by the City Council.

The Committee requested that the Committee Consultant work with the City Attorney's Office to prepare any necessary ordinances to amend the Municipal Code and revisions to Council Policies in order to implement the proposed recommendations prior to hearing by the City Council.

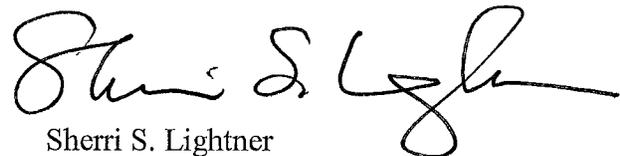
The Committee requested that the draft ordinance and/or policy revisions be brought forward to the Committee prior to Council consideration.

Also, the Committee requested that the Committees' areas of responsibility reflect that individual infrastructure projects related to water, wastewater, storm water, or parks will be brought forward to the Committee on Infrastructure and programmatic policy matters related to these areas be assigned to the proposed Committee on the Environment.

VOTE: 4-0; Lightner-yea, Faulconer-absent, Kersey-yea, Alvarez-yea, Emerald-yea

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Sherri S. Lightner  
Council President Pro Tem