

**San Francisco Office of Labor Standards Enforcement
Citywide Project Labor Agreement FAQs**

Posted August 17, 2020

PLA Projects

1. What is the Citywide Project Labor Agreement (PLA)?
 - a. Citywide PLA is an agreement between the City and San Francisco Building Trades Council and its affiliated unions. The PLA establishes terms and conditions for workers on Covered Projects in order to encourage workplace harmony between contractors and unions, thereby ensuring timely and successful completion of public works projects.

2. When does the Citywide PLA take effect?
 - a. The Citywide PLA is effective on all Covered Projects advertised for bid on or after 7/14/2020.

3. What is a “Covered Project”?
 - a. Construction projects issued by the Departments of Public Works or the Recreation and Parks when either of the following conditions are met:
 - i. Funded wholly or in part by a general obligation bond or a revenue bond with an estimated project value which exceeds the following threshold amounts:
 1. \$5 Million from 7/14/2020 – 7/13/2021
 2. \$3 Million from 7/14/2021 – 7/13/2022
 3. \$1 Million from 7/14/2022 – 7/13/2040, or
 - ii. Funded by a source other than a general obligation bond or a revenue bond with an estimated project value which exceeds \$10 million.

4. If a project has a total estimated cost of \$8 million with \$1 million General Obligation Bond, and bidding out on 7/15/2020. Is it considered a Covered Project?
 - a. Yes, it’s a Covered Project because it met the \$5 million estimated cost threshold regardless of the Bond amount.

5. Will the Citywide PLA cover SFO, Port, MTA or PUC projects?
 - a. No. The Citywide PLA only applies to Covered Projects issued by the Departments of Public Works and Recreation & Parks.

6. Are design-build projects covered by the Citywide PLA?
 - a. Yes. Design-build projects are covered if they include covered work and the dollar value of the contract exceeds the monetary thresholds described under FAQ #3.
7. I am a professional services provider. Will I be affected?
 - a. Yes, under certain circumstances. Generally, the Citywide PLA does not include professional service contracts. However, professional service contracts that include trade work performed under design-build contracts are covered.

LBE Exemption

8. Are Local Business Enterprises (LBEs) exempt?
 - a. Exemption from the Citywide PLA only applies to LBEs that are certified by the Contract Monitoring Division (CMD) and cumulative payments on Covered Projects do not exceed \$5 million.
9. If my prime contractor received more than \$5 million from Covered Projects, will it affect my LBE exemption status?
 - a. Each exempt LBE has its individual \$5 million threshold. Exemption from the Citywide PLA applies to LBEs that are certified by the Contract Monitoring Division (CMD) and its cumulative payments on Covered Projects do not exceed \$5 million.
10. I am an LBE contractor that received \$5 million from an SFO PLA. Will that affect my \$5 million LBE exemption threshold?
 - a. No. The Citywide PLA only applies to Covered Projects issued by the Departments of Public Works and Recreation & Parks.
11. I am an LBE prime contractor that received more than \$5 million on Covered Projects. However, I will disburse all the payments to my subcontractors. Will I still be exempt?
 - a. No. Contractors that have been issued more than \$5 million on Covered Projects are no longer exempt regardless of the payment's intended recipient.
12. I am an exempt LBE. Do I have to submit a Craft Assignment Form?
 - a. Yes. Each contractor anticipating to perform work on a Covered Project shall submit a Craft Assignment Form to OLSE prior to the pre-construction and pre-job meeting.
13. I am an exempt LBE. Do I have to attend a pre-job meeting?
 - a. Yes. All contractors are required to attend a pre-job meeting.

Citywide PLA Compliance

14. How do I comply with the Citywide PLA?
 - a. Complete and submit all required forms: Letter of Assent or Statement of Exemption, and Craft Assignment Form) as directed.
 - b. Use trade-appropriate union hiring halls to hire trade workers for all work performed on Covered Projects.
 - c. Make contributions to appropriate union trust funds on behalf of all trade workers who perform work on Covered Projects.
 - d. Attend the pre-job meeting.

15. What is a Letter of Assent? Why do I need to sign it?
 - a. Each contractor/subcontractor/employer of any tier working on a Covered Project is required to submit a signed Letter of Assent as directed prior to the pre-construction/pre-job meeting, whereby they agree to comply with the terms and conditions of the Citywide PLA. Exempt LBEs are not required to submit a Letter of Assent, but are required to submit a signed Statement of Exemption.

16. What is a Statement of Exemption? Why do I need to sign it?
 - a. Each LBE contractor that wishes to claim exemption from the Citywide PLA is required to sign and submit a Statement of Exemption to OLSE prior to the pre-construction/pre-job meeting. By signing the Statement of Exemption, each LBE contractor affirms that it is CMD-certified and that it has not been issued more than \$5 million in payments on Covered Projects. The LBE agrees to sign a Letter of Assent within 30 days of reaching the \$5 million cumulative threshold on Covered Projects.

17. What is a Craft Assignment Form? Why do I need to sign it?
 - a. Each contractor/subcontractor/employer of any tier working on a Covered Project is required to submit a Craft Assignment Form prior to the pre-construction/pre-job meeting.

Please email further questions to prevailingwage@sfgov.org
or call (415) 554-6573

<https://sfgov.org/olse/citywide-project-labor-agreement>