

Paul J. Manley
Secretary CBOC

Fair Labor Practices
Oversight and Compliance

Dear Members,

Over the last several months I have inquired about need for oversight of Measure F Prevailing Wages. The scope and size of the subject is as follows:

- 1) Measure F Bond money is about 429 million dollars, of which 8% is profit and about 40% of the remainder is the amount that will be paid as wages (\$157 million). I have asked if the district is collecting the certified payroll, as a means to monitor these wages? The answer is no, they do not monitor the wages.
- 2) Section 1775 of the labor code letter (2) states: The contractor shall monitor the payment of the specified general prevailing wage rate of per diem wages by the subcontractor to the employees, by periodic review of the certified payroll records of the subcontractor.
- 3) Our Director has informed the CBOC of a management policy that he feels gives the district the right to not collect certified payroll. Furthermore, the oversight of certified payroll will cost about \$500 thousand over the course of the Measure F bond (Kitchell). I have found information those conflicts with both of these positions.
- 4) Section 1777 of the labor code: Any officer, agent, or representative of the State or of any political subdivision who willfully violates any provision of this article, and any contractor, or subcontractor or agent or representative thereof, doing public work who neglects to comply with any provision of section 1776 is guilty of a misdemeanor.
- 5) I will ask formally that the district:
 - A) Collect Certified Payroll.
 - B) The District Shall Monitor Certified Payroll.
- 6) The CBOC Performs Oversight of the collection of Certified Payroll.
- 7) The CBOC Performs Oversight of the Certified Payroll.
- 8) I will ask that an ad hoc committee be assigned by the CBOC to review with the district items: 5a,b, and items 6 and 7.

Respectfully,
Paul J. Manley