

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Matt Cano

**SUBJECT: MONTEREY-BERNAL PROJECT
LABOR COMPLIANCE**

DATE: April 30, 2021

Approved

James B. McGuire

Date

4/30/2021

INFORMATION

On March 19, 2021 an informational memorandum was published providing available information to date regarding labor compliance issues at the Emergency Housing Project at Monterey and Bernal. This informational memorandum can be found at the below link:

<https://www.sanjoseca.gov/home/showpublisheddocument?id=70548>

In order to ensure safety of our most vulnerable residents during the COVID pandemic, the Emergency Housing Project at Monterey and Bernal was completed in October 2020 in an approximately six month time frame and will ultimately house over 80 previously unhoused residents with a pipeline for these individuals to move into permanent supportive housing. The project was delivered as a City public works project at a cost of approximately \$6 million. All workers were required to be paid prevailing wages set by the California Department of Industrial Relations. As it does on all public works projects, the City of San José proactively enforced labor compliance on this project.

The Office of Equality Assurance (OEA) within the City's Department of Public Works implements, monitors, and administers the City's Wage Policies. OEA ensures that San José businesses along with City contractors and vendors pay their employees the correct wage and benefit rates.

As discussed in the March 19 memorandum, City staff continued its investigation of the project to ensure full compliance with labor standards. As part of this ongoing investigation, staff has identified additional potential underpayments to workers. Staff has notified the project's contractors of these potential underpayments and is working diligently to verify this information, while also allowing for appropriate due process for the contractor to respond to the City's findings. As this is an ongoing investigation which allows for due process, staff is not available to respond to specific questions at this time. However, if there are any specific workers from the projects with questions on potential restitution, they can reach out to the Office of Equality

HONORABLE MAYOR AND CITY COUNCIL
April 30, 2021
Subject: Emergency Housing Site Labor Compliance
Page 2 of 2

Assurance at mywage@sanjoseca.gov or by phone at (408) 535-8430. All complaints and questions from workers are confidential for worker protections.

/s/
MATT CANO
Director of Public Works

For questions, please contact Christopher Hickey, Division Manager, at christopher.hickey@sanjoseca.gov