

RESOLUTION NO. 142-2010

Adopted December 7, 2010

AUTHORIZING A LETTER AGREEMENT WITH THE CITY AND COUNTY OF SAN FRANCISCO, OFFICE OF LABOR STANDARDS ENFORCEMENT FOR FISCAL YEAR 2008 THROUGH 2011 IN THE AMOUNT OF \$30,000 ANNUALLY, FOR A TOTAL AGGREGATE AMOUNT NOT TO EXCEED \$90,000, AS LICENSING FEES FOR THE UTILIZATION OF ELATION SYSTEMS, A WEB-BASED LABOR COMPLIANCE AND CERTIFIED PAYROLL SYSTEM

BASIS FOR RESOLUTION

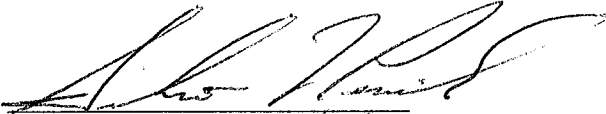
1. On January 10, 2006, the San Francisco Transportation Authority issued a Request for Proposals for a web-based Labor Compliance System and two proposals were received. On May 15, 2006, contracts were awarded to Elation Systems, Inc. and LCPtracker. Several City departments including the Redevelopment Agency of the City and County of San Francisco (“Agency”) began to use LCPtracker and Elation Systems, with the intent to administer a year long pilot program that would give the City an opportunity to test both systems. This was consistent with the goal of the Construction Contracting Improvements Working Group, whose task is to make contracting requirements consistent city-wide.
2. Since January 2006, City departments, including the Agency, have gained extensive experience using both systems. Use of the systems has made work flow more efficient and has provided the City with real time workforce data and a timely response to labor standards/certified payroll issues on construction sites.
3. The City and County of San Francisco (“City”) and the Agency have required certified payroll reports for many years on the majority of construction projects. The reports are required to be completed on a weekly basis by each contractor. As a result, contractors provide the City and the Agency a tremendous volume of hard copy certified payroll report documents to review and evaluate.
4. In June 2008, the City’s Office of Labor Standards Enforcement (“OLSE”) awarded a Citywide contract exclusively to Elation and as part of that contract; the Agency pays an annual license fee of \$30,000, to access the Labor Standards and Certified Payroll Module.
5. Staff proposes a letter agreement (“Letter Agreement”) with OLSE to provide for licensing fees for Fiscal Years 2008-2009, 2009-2010, and 2010-2011 in the amount of \$30,000 annually, for a total aggregate amount not to exceed \$90,000.

6. The Letter Agreement with the City and County of San Francisco, Office of Labor Standards Enforcement for licensing rights to utilize the Labor Standards and Certified Payroll Module does not constitute a project as defined by California Environmental Quality Act ("CEQA") Guidelines Section 15378(b)(5) because such activities are normal administrative activities of the Agency, which will not independently or indirectly result in a significant physical change in the environment and are not subject to environmental review under CEQA.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to enter into a Letter Agreement with the City and County of San Francisco, Office of Labor Standards Enforcement for fiscal year 2008 through 2011 in the amount of \$30,000 annually, for a total aggregate amount not to exceed \$90,000, as licensing fees for the utilization of relation systems, a web-based labor compliance and certified payroll system, substantially in the form lodged with the Agency General Counsel.

APPROVED AS TO FORM:



for James B. Morales *12/2/10*
Agency General Counsel