

DEPARTMENT OF INDUSTRIAL RELATIONS

OFFICE OF THE DIRECTOR
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May 13, 2002

Rodger Shimatsu
Office of Contract Compliance
600 South Spring Street, Suite 1300
Mail Stop 138
Los Angeles, CA 90014

Re: Public Works Case No. 2001-039

Telephone System Installation Work

Telephone System

Los Angeles City Hall Seismic Retrofit and Rehabilitation

Dear Mr. Shimatsu:

This constitutes the determination of the Director of the Department of Industrial Relations regarding coverage of the above-referenced project under California's prevailing wage laws and is made pursuant to Title 8, California Code of Regulations (CCR), section 16001(a). Based upon my review of the facts of this case and an analysis of the applicable law, it is my determination that the telephone system installation work being done as part of the Los Angeles City Hall seismic retrofit and rehabilitation is a public work and is therefore subject to the payment of prevailing wages.

In this case, the City of Los Angeles' Information Technology Agency ("ITA") entered into a one-year contract with GTE California, now Verizon California ("Contractor"), in the amount of \$1,500,000 for the installation and maintenance of the communications systems at City Hall and at various facilities throughout the City ("Project"). In the July 31, 2001 letter from Manny Perez, Labor Compliance Officer, he presented the question whether the work being done at City Hall under this contract is a public work.

The Request For Proposal for the overall Project refers to installation and maintenance of telephone and computer lines at various locations throughout the City, including City Hall. In determining whether a project is a public work, however, it is necessary to look at the actual work being done.

At City Hall, the work on this Project includes installing rigid conduit and pulling wires, cables and fiber optics through the conduit throughout all floors of the refurbished building. Some

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lines were terminated to boxes and closets throughout the site with appropriate testing to low-voltage power.

Labor Code section 1720(a)¹ defines "public works" in relevant part as: "Construction, alteration, demolition or repair work done under contract and paid for in whole or part out of public funds." Obviously, the City Hall work is being done under contract and is being paid for in whole or part out of public funds. Therefore, the question is whether the subject work being done on City Hall is construction, alteration, demolition or repair work under section 1720(a).

Consistent with past precedential public works decisions of this Department,² the work on City Hall consists of construction or alteration within the meaning of section 1720(a). Consequently, the work done at City Hall on this Project is a public work. Therefore, the subject work on City Hall is a "public work" in accordance with section 1720(a) and is subject to the payment of prevailing wages.

As described in Mr. Perez' letter, the work being done on this Project at City Hall consists of construction or alteration within the meaning of section 1720(a). However, if a portion of this work involves maintenance, then the maintenance work would be a public work under section 1771³ and would be subject to the payment of prevailing wages.

It should be noted that, although Los Angeles is a charter city under the laws of the State of California, section 425 of the City Charter provides, in relevant part, that the state's prevailing wage law is "hereby accepted and made applicable to the City of Los Angeles."

¹ All subsequent statutory references are to the Labor Code unless specified otherwise.

² Precedential Public Works Coverage Determination Case No. 94-002, Comcraft Inc. Contract with City of Los Angeles (July 21, 1995); See also, Precedential Public Works Coverage Determination Case No. 2000-008, Fiber Optic Cable Installation (June 13, 2000).

³ Maintenance is defined under 8 CCR section 16000, in relevant part, as: "(1) Routine, recurring and usual work for the preservation, protection and keeping of any publicly owned or publicly operated facility (plant, building, structure, ground facility, utility system or any real property) for its intended purposes in a safe and continually usable condition for which it has been designed, improved, constructed, altered or repaired."

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In Mr. Perez' letter, he requested information as to the classification of workers on some or all of this Project. That information can be obtained from the Division of Labor Statistics & Research at (415) 703-4774.

I hope this determination satisfactorily answers your inquiry.

Sincerely,



Stephen J. Smith
Director