



COUNTY OF SAN DIEGO

BOARD OF SUPERVISORS

1600 PACIFIC HIGHWAY, ROOM 335, SAN DIEGO, CALIFORNIA 92101-2470

AGENDA ITEM

DATE: September 14, 2022

TO: Board of Supervisors

SUBJECT

RIGHT-OF-WAY DONE RIGHT: PROTECTING THE QUALITY AND SAFETY OF COUNTY RIGHT-OF-WAY WORK (DISTRICTS: ALL)

OVERVIEW

Unlike many older, denser U.S. cities, the San Diego region experienced its dramatic post-WWII growth after the introduction of the automobile, and the resulting low-density sprawl relies heavily on safe, well-maintained roads and freeways.

Each year, Caltrans, San Diego County, and other jurisdictions make substantial investments in road maintenance, repair, and improvement. In Fiscal Year 2022-23, the County will receive approximately \$123.5 million in State gas tax revenues. This will primarily be used for road crews and engineering teams to perform routine maintenance and ensure safe and efficient roadway operations in the unincorporated area. Approximately \$60 million will be used to fund road maintenance. The County and other government agencies anticipate hundreds of millions of dollars of additional right-of-way work over the next decades to perform maintenance on roads, highways, and bridges, which will improve safety, reduce traffic congestion, and underground utilities. These construction projects in the right-of-way rely on traffic control workers to ensure that workers, drivers, pedestrians, and cyclists are protected and vehicle traffic can flow safely on impacted roads. These projects also rely on timely issuance of permits, to ensure that work is done on time and within budget.

Traffic control work in the right-of-way is dangerous and public-facing, and it is essential that investments maximize worker and public safety and that the work is performed by a workforce that is well-trained and paid a wage that attracts high-quality workers and helps build healthy, self-sufficient communities.

Fortunately, traffic control work on right-of-way contracts with federal, state, and local governments, as well as public utility districts, is covered under existing prevailing wage laws. However, millions of dollars of traffic control work in the County right-of-way are contracted by

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private utilities and other private and commercial enterprises that are not required to extend comparable remuneration and protections to their workers.

Given the vital public-facing role of traffic control workers in guaranteeing the safety not only of other workers but of road users, and the necessity of ensuring an experienced, well-trained workforce, this letter instructs the Chief Administrative Officer (CAO) to adopt a minimum wage for all traffic control workers doing work in the County of San Diego right-of-way equal to or greater than the prevailing wage set by the State, excluding residential or similar small project permit applicants.

Additionally, the CAO is asked to research additional steps to ensure timely right-of-way permit issuance for private companies.

RECOMMENDATION(S)

SUPERVISOR TERRA LAWSON-REMER AND CHAIR NATHAN FLETCHER

1. Direct the Chief Administrative Officer (CAO) to develop and return to the Board with an ordinance that codifies a minimum wage for traffic control workers, including forepersons and other on-site staff necessary to traffic control, doing work in the County of San Diego right-of-way equal to or greater than the prevailing wage that is set by the Department of Industrial Relations in the State of California for Traffic Control, and return to the Board within 120 days. This wage would be required for all projects other than those serving a single-family residence or similar small project permit applicant.
2. Direct the CAO to assess potential improvements that could expedite right-of-way permit issuance and return to the Board of Supervisors within 120 days with any potential recommendations.

EQUITY IMPACT STATEMENT

Traffic control workers play a critical role in keeping our roads safe when construction or other work is being done. These workers are exposed to vulnerable conditions daily, including hot temperatures, poor air quality, and distracted drivers. We want to make sure these workers are kept safe from dangerous conditions.

FISCAL IMPACT

There is no fiscal impact associated with these recommendations. There may be future fiscal impacts based on recommendations resulting from today's action. Any such recommendations would return back for consideration and approval by the Board. Upon return by staff, funding for future costs will need to be identified by the department and will proceed once identified. At this time, there will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

Businesses, including utilities and telecom companies, rely on the County of San Diego to be a critical partner in ensuring that utility work, such as undergrounding, can occur within the unincorporated area. Taking proactive measures to ensure that traffic control workers are adequately compensated can help ensure that this work is done safely and on time. Further, we should help ensure that the County's right-of-way permitting process is reliable and predictable.

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ADVISORY BOARD STATEMENT

N/A

BACKGROUND

The County of San Diego (County) is responsible for the right-of-way on nearly 2,000 miles of roads. These roads require not only regular maintenance and improvement, but are also subject to frequent public and private encroachment work that can affect the flow of traffic. Each year the County issues more than 2,000 permits for work in its right-of-way, the vast majority of which (roughly 1,800) are granted to energy, telecommunications, and other public utilities.

Traffic control is public-facing, skilled, and often dangerous work. Each year, the National Highway Traffic Safety Administration (NHTSA) records more than 800 deaths in roadway work zones, the majority of which are vehicle occupants. It is essential therefore that traffic control maximizes worker and public safety and that the work is performed by a workforce that is well-trained and paid a wage that attracts high-quality workers and helps build healthy, self-sufficient communities.

Traffic control and other work within the County’s right-of-way that utilizes Federal, State, or local government, as well as public utility, monies is covered by prevailing wage laws. Millions of dollars of traffic control work in the County right-of-way, however, is contracted by private utilities and other commercial enterprises that do not extend comparable remuneration and protections to their workers. Extending a prevailing wage mandate to traffic control work in the County right-of-way can help ensure that the traffic control workforce is uniformly well-qualified, trained, and experienced.

A prevailing wage is “the average wage paid to similarly employed workers in a specific occupation in the area of intended employment,” according to the Department of Labor. Prevailing wage is an important tool to ensure that workers are paid a fair wage based on the type of work, support a highly trained workforce, and can root out potential cases of labor exploitation.

Numerous studies have demonstrated little or no net cost to shareholders or ratepayers from prevailing wage mandates and substantial direct and indirect benefits for workers, communities, and the public. In his 2018 review of the research on prevailing wage laws, Dr. Kevin Duncan found that “the preponderance of peer-reviewed research conducted in the 21st century indicates that prevailing wage laws do not increase the cost of public construction...Of the combined 17 peer-reviewed studies over the last 18 years, 82% indicate that prevailing wages are not associated with increased construction costs...labor costs are a low percentage of total costs in the construction industry...only minor changes in labor productivity and other construction costs are needed to offset the effect of the wage policy.” Multiple studies have shown virtually no impact of prevailing wage mandates for utility infrastructure projects on customer rates. Given the negligible cost of traffic control services relative to the substantial revenue and expenditures of utilities, the impact of prevailing wage protections in the sector is likely to be negligible.

Although the effects on return on investment (ROI) for utilities and other corporations has been demonstrably slight, the social return on investment (SROI) of prevailing wage provisions can be substantial. Prevailing wage laws support the development and retention of a professional,

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experienced workforce, improve the quality and consistency of work, and increase the ability of workers to support families and help build communities. Instituting prevailing wage requirements also has significant equity impacts, particularly for traffic control workers, the vast majority of whom are drawn from communities of color.

These projects also rely on timely issuance of permits, to ensure that work is done on time and within budget. Not only does this support the businesses doing work in the right-of-way, but also the workers. Recently, the County's Department of Public Works (DPW) implemented an annual Traffic Control Permit to help expedite permit issuance. This umbrella permit can help ensure that businesses are not waiting for permits to be approved, but rather able to be doing work in the right-of-way. We are asking DPW to research any other potential options to expedite permit issuance.

We anticipate staff, with the input of stakeholders, can develop a prevailing wage mandate for traffic control in the County right-of-way that ensures the quality of traffic control services, the well-being of workers, and the safety of the road-using public, with minimal impact on the bottom line of utilities and other commercial permittees and with appropriate exclusions for residential or similar small project permit applicants.

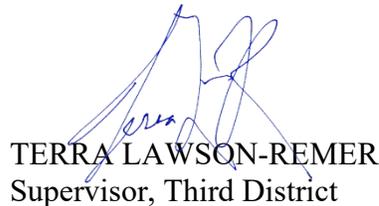
LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

These actions to protect the quality and safety of County right-of-way work in San Diego County supports the Community and Equity Strategic Initiatives in the County of San Diego's 2022-27 Strategic Plan.

Respectfully submitted,



NATHAN FLETCHER
Chair, Fourth District



TERRA LAWSON-REMER
Supervisor, Third District

ATTACHMENT(S)

N/A