Hetch Hetchy
Regional Water System
Services of the San Francisco Public Utilities Commission

Hetch Hetchy Capital Improvement Program
Project Labor Agreement
Quarterly Report

January 1, 2025, through March 31, 2025
(Third Quarter FY 2024-2025)

SFPUC
Infrastructure Division
Workforce and Economic Program Services Bureau
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San Francisco Water Power Sewer
Services of the San Francisco Public Utilities Commission

Executive Summary

Contracting and Employment Highlights – Program to Date

- Nineteen (19) construction contracts, with a combined value of $439.7 million, have been awarded.

- 907,931 total craft hours have been worked by 2,181 workers who earned $72 million in wages and benefits.

- The SFPUC Regional Service Territory consists of 251 ZIP Codes in seven counties outside of San Francisco. 874 Service Territory residents worked 393,582 hours (43.3%) and earned $32.1 million in wages and benefits.

- 207 San Francisco residents worked 98,670 hours (10.9%) and earned $6.4 million on PLA-covered projects. Combined, San Francisco and Service Territory residents worked 492,253 hours, or 54.2% of all hours, exceeding the City's Local Hiring requirement of 30%.

Table 1. Worker Highlights – Total Program

Region of Worker Residence	Inception Through March 31, 2025		
	Hours	Wages & Benefits	Worker Count
Outside	415,678	$ 33,828,560	1,123
San Francisco	98,670	$ 6,411,934	207
Service Territory	393,582	$ 32,148,757	874
Grand Total	**907,931**	**$ 72,389,252**	**2,181**
Comb. SF and Serv.	**492,253**	**$ 38,560,692**	**1,081**

Contracting and Employment Highlights – During the Quarter

- One contract was awarded during the quarter.
  - HH-1016 - San Joaquin Pipeline Valve and Safe Entry Improvements: Phases 2B & 2C was awarded to Ranger Pipelines Inc., for $50,296,818.

- 328 construction workers worked 67,492 hours and earned $6.3 million in wages and benefits.

- 14 San Francisco residents worked 2,482 hours and earned $194 thousand in wages and benefits.

- 166 SFPUC Service Territory residents worked 38,670 hours and earned $3.6 million in wages and benefits.

Table 2. Summary of Craft Worker Employment During the Quarter

Region of Worker Residence	Three Months Ending March 31, 2025		
	Hours	Wages & Benefits	Worker Count
Outside	26,340	$ 2,527,598	148
San Francisco	2,482	$ 193,917	14
Service Territory	38,670	$ 3,612,920	166
Grand Total	**67,492**	**$ 6,334,435**	**328**
Comb. SF and Serv.	**41,151**	**$ 3,806,837**	**180**

Table 3. List of HCIP Construction Contracts

- Nineteen (19) construction contracts, with a combined value of $439.7 million, have been awarded.

Sorted by Award Date (newest to oldest)

HSIP Construction Contracts				
Contract	**Project**	**Award Date**	**Prime Contractor**	**Original**
HH-1016	San Joaquin Pipeline Valve and Safe Entry Improvements: Phases 2B & 2C	3/11/2025	Ranger Pipelines Incorporated	$ 50,296,818
HH-1015	O'Shaughnessy Dam Drainage And Miscellaneous Improvements	8/13/2024	Sierra Mountain Construction, Inc	$ 5,285,955
HH-1013	Moccasin Compound Water System Filtration Addition	5/14/2024	Sierra Mountain Construction, Inc	$ 4,177,936
HH-1012	San Joaquin Pipeline Valve and Safe Entry Improvements: Phase 2A	2/27/2024	Sierra Mountain Construction, Inc	$ 5,602,000
HH-1010	Moccasin Wastewater Treatment Plant Replacement	2/27/2024	Sierra Mountain Construction, Inc	$ 7,507,640
HH-1009	San Joaquin Pipeline Valve and Safe Entry Improvements: Phase 3 – Tesla Surge Tower	1/9/2024	Mountain Cascade, Inc	$ 11,051,305
DB-135	O'Shaughnessy Dam New Bulkhead System	6/13/2023	Alltech Engineering Corp	$ 9,857,000
HH-1011	O'Shaughnessy Dam Instream Flow Release Valve Replacement	6/13/2023	Sierra Mountain Construction, Inc	$ 5,960,000
HH-1006	San Joaquin Pipeline Valve and Safe Entry Improvements: Phase 1B	8/23/2022	Mountain Cascade, Inc.	$ 11,801,808
HH-1007	Transmission Line 7/8 Upgrades	6/28/2022	Wilson Utility Construction Company	$ 23,980,141
HH-1005	San Joaquin Pipeline Valve and Safe Entry Improvements: Phase 1A	3/8/2022	Sierra Mountain Construction, Inc	$ 10,799,504
HH-1002R	O'Shaughnessy Dam Fall Protection Improvements and Spillway Access	6/8/2021	Mountain Cascade, Inc	$ 1,498,687
DB-121R2	Moccasin Powerhouse Generator Rehabilitation	5/11/2021	GE Renewable US LLC	$ 26,271,805
HH-1000R	Mountain Tunnel Improvements Project	10/13/2020	Michels Tunneling	$ 138,973,189
HH-1001	Moccasin Reservoir Perimeter Security Fence	5/12/2020	Mountain Methods, Inc	$ 1,364,290
DB-130	Bay Corridor Transmission and Distribution - Phase 3	4/28/2020	Beta Engineering California, LP	$ 56,668,701
DB-129.2	Bay Corridor Transmission & Distribution - Phase 2 (2019) South	3/10/2020	Anvil Builders Inc.	$ 29,280,870
DB-129.1	Bay Corridor Transmission & Distribution - Phase 2 (2019) North	2/11/2020	Mitchell Engineering	$ 24,058,409
DB-128R2	Bay Corridor Transmission and Distribution - Phase 1	4/25/2017	A&B Construction	$ 15,283,930
			19 Projects	**$ 439,719,988**

Summary Tables and Charts

Chart 1. Craft Hours and Wages

- During the quarter, construction workers worked 67,492 hours and earned $6,334,435 in wages and benefits.

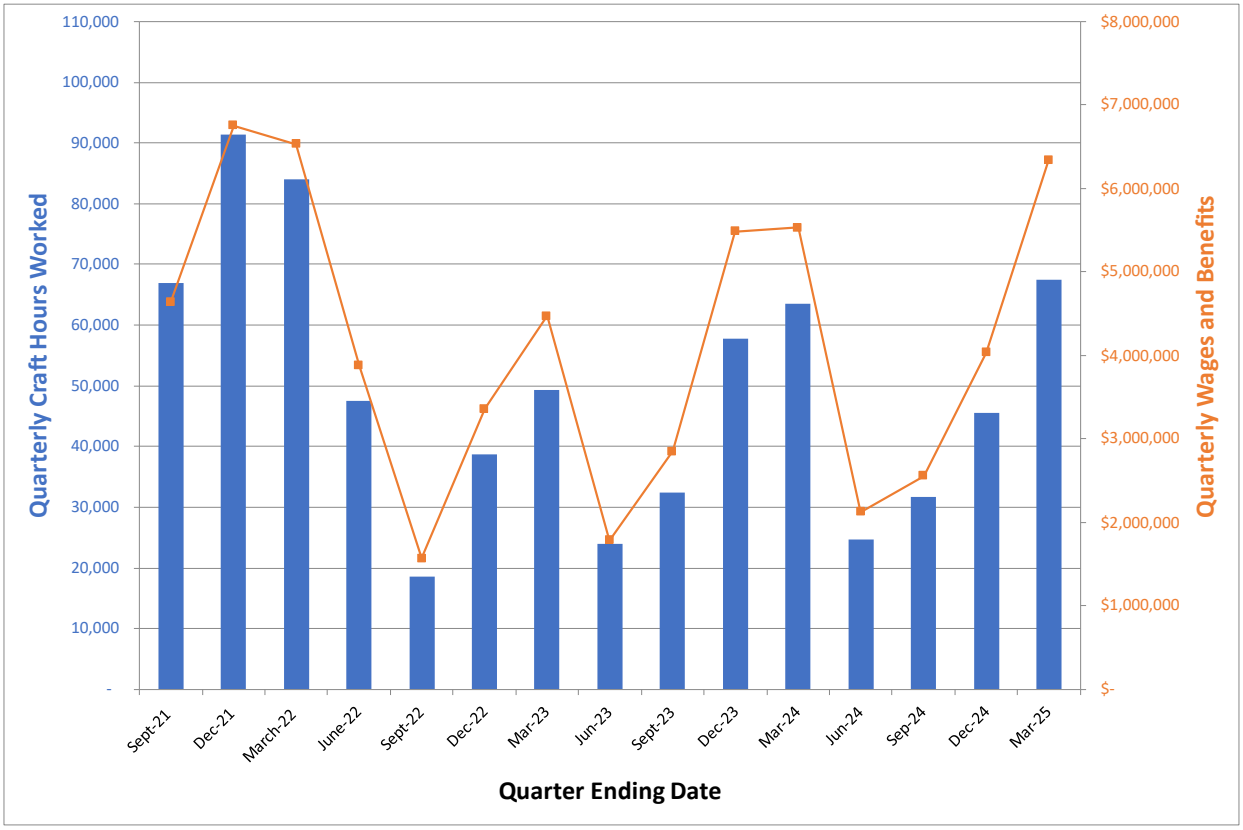

Table 4. Craft Utilization Table

The table below reflects the values of hours and wages for each trade and the relative percentages of each as compared to the HCIP program's overall totals.

- Contractors reported construction craft hours in 21 craft worker classifications.
- Laborers, Operating Engineers, Tunnel Workers, Electrical Utility Linemen, Carpenters and Electricians worked 92% of all hours, with 835,263 combined hours worked.

Cumulative Employment by Craft Inception Through March 31, 2025				
Craft	Total Hours	Total Wages	% Craft Hours of Total Hours	% Wages of Total Wages
Laborer	385,281	$24,325,343	42.4%	33.6%
Operating Engineer	207,219	$19,285,193	22.8%	26.6%
Tunnel Worker	124,213	$11,367,126	13.7%	15.7%
Electrical Utility Lineman	67,963	$ 7,058,437	7.5%	9.8%
Carpenter	32,296	$ 2,967,605	3.6%	4.1%
Electrician	18,291	$ 1,688,922	2.0%	2.3%
Top 6 Crafts Sub-Total	**835,263**	**$66,692,625**	**92.0%**	**92.1%**
Pile Driver	13,543	$ 1,279,951	1.5%	1.8%
Stator Rewinder	9,743	$ 408,057	1.1%	0.6%
Iron Worker	7,480	$ 642,508	0.8%	0.9%
Painter	6,917	$ 543,198	0.8%	0.8%
Cement Mason	5,614	$ 408,466	0.6%	0.6%
Plumber	4,585	$ 349,260	0.5%	0.5%
Roofer	3,470	$ 255,345	0.4%	0.4%
Building/Construction Inspector	2,629	$ 239,238	0.3%	0.3%
Field Surveyor	571	$ 69,544	0.1%	0.1%
Bricklayer	384	$ 25,664	0.0%	0.0%
Brick Tender	187	$ 12,375		
Boilermaker	156	$ 15,072	0.0%	0.0%
Sheet Metal Worker	23	$ 3,261	0.0%	0.0%
Remaining Apprenticeable Sub-Total	**55,299**	**$ 4,251,938**	**6.1%**	**5.9%**
Driver	14,704	$ 1,262,465	1.6%	1.7%
Teamster	2,665	$ 182,223	0.3%	0.3%
Total Non-Apprenticeable	**17,368**	**$ 1,444,688**	**1.9%**	**2.0%**
Grand Total	**907,931**	**$72,389,252**	**100.0%**	**100.0%**

Chart 2. Craft Utilization Pie Chart

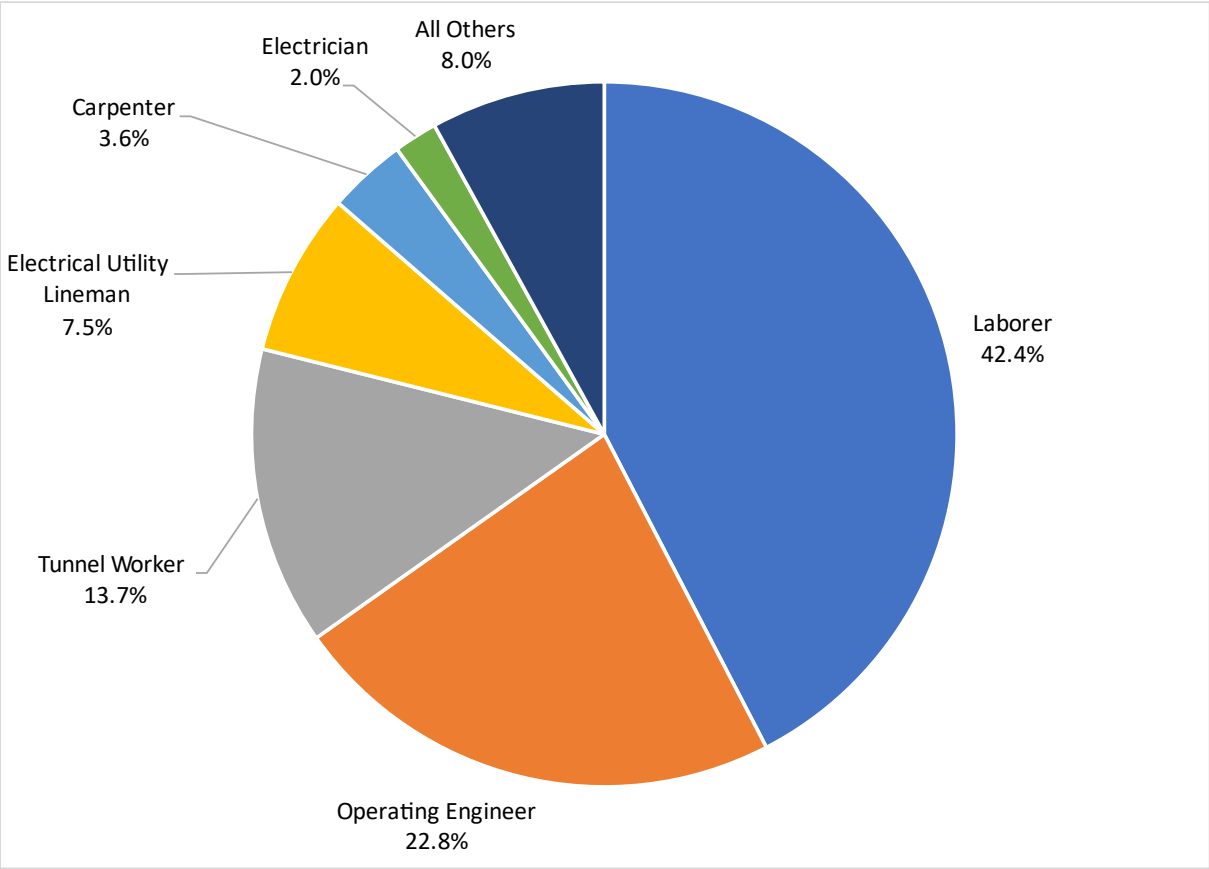

Table 5. Worker Residence by County

- When comparing the counties where workers are from, San Francisco residents worked 10.9% of all construction hours and earned $6.4 million in wages and benefits, as reported in the City's online certified payroll reporting system, LCPtracker, Inc.

HCIP-PLA Employment by Top 20 Counties of Residence Through March 31, 2025			
County	Total Craft Hours	Wages & Benefits	% Craft Hours
Tuolumne County	189,623	$ 15,791,048	20.9%
San Francisco County	**98,670**	**$ 6,411,934**	**10.9%**
Stanislaus County	95,674	$ 8,124,158	10.5%
Alameda County	81,796	$ 6,086,799	9.0%
Contra Costa County	73,546	$ 5,040,055	8.1%
San Joaquin County	46,374	$ 3,527,286	5.1%
Calaveras County	44,195	$ 4,059,702	4.9%
Merced County	24,569	$ 1,845,283	2.7%
Solano County	15,744	$ 1,291,246	1.7%
San Mateo County	14,759	$ 1,105,187	1.6%
Santa Clara County	12,409	$ 1,133,705	1.4%
Sacramento County	9,662	$ 791,095	1.1%
San Bernardino County	8,991	$ 807,314	1.0%
Placer County	8,508	$ 880,625	0.9%
Mariposa County	6,744	$ 430,081	0.7%
Butte County	6,348	$ 453,452	0.7%
Los Angeles County	5,555	$ 410,554	0.6%
Lake County	5,363	$ 462,464	0.6%
Yuba County	4,979	$ 444,100	0.5%
Riverside County	4,801	$ 327,292	0.5%
Top 20 CA Counties	**758,310**	**$ 59,423,378**	**83.5%**
All Other CA Counties	38,493	$ 3,278,246	4.2%
Out of State	111,128	$ 9,687,628	12.2%
Grand Total	**907,931**	**$ 72,389,252**	**100.0%**

Table 6. Worker Residence by Project

- HH-1015 - O'Shaughnessy Dam Drainage And Miscellaneous Improvements has the highest local worker participation to date on HCIP, with Service Territory workers having worked 100% of the project's total hours.

Sorted by San Francisco and Service Territory Total Percent

Project	Hours						
	Outside	San Francisco	Service Territory	Grand Total	San Francisco	Service Territory	SF and Serv
HH-1015 - O'Shaughnessy Dam Drainage And Miscellaneous Improvements	-	-	253	253	0.0%	100.0%	100.0%
PW-011 - Bay Corridor Transmission and Distribution Phase 4 and Water Improvements	456	2,169	802	3,427	63.3%	23.4%	86.7%
HH-1001 - Moccasin Reservoir Perimeter Security Fence	1,012	-	4,784	5,796	0.0%	82.5%	82.5%
HH-1011 - O'Shaughnessy Dam Instream Flow Release Valve Replacement	3,085	-	12,228	15,313	0.0%	79.9%	79.9%
HH-1005 - San Joaquin Pipeline Valve and Safe Entry Improvements: Phase 1A	6,801	-	15,500	22,301	0.0%	69.5%	69.5%
HH-1000R - Mountain Tunnel Improvements Project	140,308	290	247,841	388,438	0.1%	63.8%	63.9%
HH-1010 - Moccasin Wastewater Treatment Plant Replacement	1,163	178	1,809	3,150	5.7%	57.4%	63.1%
HH-1012 - San Joaquin Pipeline Valve and Safe Entry Improvements - Phase 2A	4,421	47	7,302	11,770	0.4%	62.0%	62.4%
HH-1013 - Moccasin Compound Water System Filtration Addition	467	-	770	1,236	0.0%	62.3%	62.3%
DB-128R2 - Bay Corridor Transmission and Distribution - Phase 1	29,325	25,372	16,814	71,510	35.5%	23.5%	59.0%
HH-1006 - San Joaquin Pipelines Valve and Safe Entry Phase 1B	7,096	1,081	8,659	16,836	6.4%	51.4%	57.9%
HH-1002R - O'Shaughnessy Dam Fall Protection Improvements and Spillway Access	803	-	986	1,789	0.0%	55.1%	55.1%
DB-129.2 - Bay Corridor Transmission & Distribution - Phase 2 (2019) South	54,188	32,145	23,334	109,668	29.3%	21.3%	50.6%
HH-1009 - San Joaquin Pipeline Valve and Safe Entry Improvements Phase 3 – Tesla Surge Tower	11,858	23	9,417	21,297	0.1%	44.2%	44.3%
DB-129.1 - Bay Corridor Transmission & Distribution - Phase 2 (2019) North	23,871	12,774	4,835	41,480	30.8%	11.7%	42.5%
HH-1007 - Transmission Line 7/8 Upgrades	26,712	36	15,974	42,722	0.1%	37.4%	37.5%
DB-130 - Bay Corridor Transmission and Distribution - Phase 3 (2019)	69,732	24,557	12,457	106,746	23.0%	11.7%	34.7%
DB-121R2 - Moccasin Powerhouse Generator Rehabilitation	29,949	-	8,920	38,869	0.0%	22.9%	22.9%
DB-135 - O'Shaughnessy Dam New Bulkhead System	4,433	-	900	5,333	0.0%	16.9%	16.9%
Grand Total	**415,678**	**98,670**	**393,582**	**907,931**	**10.9%**	**43.3%**	**54.2%**

Apprentice Data

The California Division of Apprenticeship Standards (DAS) consults with employers to develop a skilled workforce with viable career pathways to increase productivity and strengthen California's economy. DAS minimum ratios requires apprentices be utilized in the ratios applicable to each craft, generally one apprentice hour to every five journeymen hours at the end of the project. However, an employer can and is encouraged to employ an apprentice as the second person on the job whenever possible and allowed by the apprenticeship program standards.

Table 7. Apprentice Utilization by Craft

- On HCIP, 11.3% of the hours in apprenticeable trades have been worked by apprentices.
- Painters have utilized the most apprentices, with 33.6% of all hours being worked by apprentices.
- Apprentice Laborers have worked 12.8% of their craft's 385,281 total hours.

Craft	Apprentice Hours	Journey Hours	Total Hours	Appretice Percentage of Craft Total (Apprentice/Total)
Painter	2,326	4,591	6,917	33.6%
Bricklayer	121	263	384	31.5%
Pile Driver	3,284	10,259	13,543	24.2%
Cement Mason	1,338	4,276	5,614	23.8%
Carpenter	6,195	26,102	32,296	19.2%
Iron Worker	1,376	6,105	7,480	18.4%
Electrician	3,121	15,170	18,291	17.1%
Laborer	49,227	336,055	385,281	12.8%
Tunnel Worker	11,264	112,949	124,213	9.1%
Operating Engineer	17,597	189,622	207,219	8.5%
Electrical Utility Lineman	4,269	63,694	67,963	6.3%
Building/Construction Inspector	92	2,537	2,629	3.5%
Boilermaker	-	156	156	0.0%
Brick Tender	-	187	187	0.0%
Field Surveyor	-	571	571	0.0%
Plumber	-	4,585	4,585	0.0%
Roofer	-	3,470	3,470	0.0%
Sheet Metal Worker	-	23	23	0.0%
Stator Rewinder	-	9,743	9,743	0.0%
Apprenticeable Subtotal	**100,206**	**790,357**	**890,563**	**11.3%**
Driver	-	14,704	14,704	0.0%
Teamster	-	2,665	2,665	0.0%
Grand Total	**100,206**	**807,725**	**907,931**	**11.0%**

Table 8. Apprentice Utilization by Project

The table below lists HCIP Projects sorted by Percentage of Apprentice Utilization from highest to lowest. The total Apprentice Utilization for the entire HCIP is 11%.

- HH-1002R O'Shaughnessy Dam Fall Protection Improvements and Spillway Access has the highest apprentice utilization ratio, with 32.3% of all hours worked by apprentices.

Project Name	Apprentice Hours	Journey Hours	Grand Total	Appr. Utilization %
HH-1002R - O'Shaughnessy Dam Fall Protection Improvements and Spillway Access	579	1,210	1,789	32.3%
HH-1005 - San Joaquin Pipeline Valve and Safe Entry Improvements: Phase 1A	5,470	16,831	22,301	24.5%
HH-1001 - Moccasin Reservoir Perimeter Security Fence	1,393	4,403	5,796	24.0%
HH-1013 - Moccasin Compound Water System Filtration Addition	261	975	1,236	21.1%
HH-1011 - O'Shaughnessy Dam Instream Flow Release Valve Replacement	2,849	12,465	15,313	18.6%
HH-1010 - Moccasin Wastewater Treatment Plant Replacement	576	2,574	3,150	18.3%
HH-1012 - San Joaquin Pipeline Valve and Safe Entry Improvements - Phase 2A	1,908	9,862	11,770	16.2%
HH-1007 - Transmission Line 7/8 Upgrades	5,781	36,941	42,722	13.5%
HH-1006 - San Joaquin Pipelines Valve and Safe Entry Phase 1B	2,172	14,664	16,836	12.9%
HH-1015 - O'Shaughnessy Dam Drainage And Miscellaneous Improvements	32	221	253	12.6%
DB-121R2 - Moccasin Powerhouse Generator Rehabilitation	4,843	34,026	38,869	12.5%
DB-129.2 - Bay Corridor Transmission & Distribution - Phase 2 (2019) South	13,383	96,285	109,668	12.2%
HH-1000R - Mountain Tunnel Improvements Project	41,592	346,847	388,438	10.7%
DB-130 - Bay Corridor Transmission and Distribution - Phase 3 (2019)	9,286	97,460	106,746	8.7%
DB-129.1 - Bay Corridor Transmission & Distribution - Phase 2 (2019) North	3,167	38,313	41,480	7.6%
DB-128R2 - Bay Corridor Transmission and Distribution - Phase 1	5,405	66,105	71,510	7.6%
HH-1009 - San Joaquin Pipeline Valve and Safe Entry Improvements Phase 3 – Tesla S	1,441	19,856	21,297	6.8%
DB-135 - O'Shaughnessy Dam New Bulkhead System	72	5,261	5,333	1.4%
PW-011 - Bay Corridor Transmission and Distribution Phase 4 and Water Improvemen	-	3,427	3,427	0.0%
Grand Total	**100,206**	**807,725**	**907,931**	**11.0%**

Substance Abuse Prevention

The PLA requires pre-employment alcohol and drug testing for all covered employees. The policy also allows testing where the contractor has reasonable cause to believe that the employee has used drugs or alcohol, and mandates testing where a contractor concludes that an employee was under the influence of drugs or alcohol at the time of an accident.

Table 9. Workers' Pre-Employment Clearance Data

- 228 pre-employment tests have been on HCIP with a total non-negative screening rate of **1.3%.**

HCIP - Covered by PLA Substance Abuse Testing Summary Tests Administered to Individuals Cleared to Work Through 03/31/2025	
Project	**Number Cleared**
HH-1000R - Mountain Tunnel Improvement Project	157
HH-1007 - Transmission Line 7/8 Upgrades	31
HH-1010 - Moccasin Wastewater Treatment Plant Replacement	15
DB-129.1 - Bay Corridor Transmission and Distribution – Phase 2 (2019) North	13
HH-1001 - Moccasin Reservoir Perimeter Security Fence	9
Total Cleared	**225**

History of the WSIP PLA and SSIP Extension Agreement

On April 8, 2003, the San Francisco Board of Supervisors adopted Resolution 223-03 urging the SFPUC to develop plans for a Project Labor Agreement covering the capital improvement program to rehabilitate, repair, and upgrade the Hetch Hetchy Water System.

On May 20, 2003, the San Francisco Board of Supervisors adopted Resolution 350-03 urging the SFPUC to include social justice components in the Project Labor Agreement covering the Hetch Hetchy Water System upgrade.

On May 11, 2006, the San Francisco Board of Supervisors amended the San Francisco Administrative Code to establish a PUC Small firm Advisory Committee to provide for the certification of small construction contractors located outside San Francisco and within the SFPUC service territory for work on SFPUC construction projects, including those covered by the WSIP PLA.

On March 28, 2006, the SFPUC adopted Resolution No. 06-0049 to authorize SFPUC staff to commence negotiations with the various craft labor unions for a project labor agreement covering the Water System Improvement Program. Resolution No. 06-0049 concluded that the governmental interests of the SFPUC were furthered by a project labor agreement as follows:

> "There are numerous advantages in moving forward on the negotiation of a PLA, which include but are not limited to the following: creates framework for labor harmony; militates against construction delays; assures steady supply of qualified labor; provides employment, career, and local business opportunities; and other benefits …"

On March 26, 2007, the SFPUC approved the negotiated agreement. The PLA requires construction contractors to utilize workers dispatched by signatory unions, and prohibits the unions and contractors from participating in strikes, lockouts, or other disruptions to the work. The PLA provides a procedure for adjudicating conflicting jurisdictional claims between the unions, provides for uniform hours of work, overtime, shifts and holidays, encourages the recruitment and training of low-income residents of the SFPUC service territory, and requires substance abuse testing for all covered workers. The first implementation of the PLA was on the WD-2504 Stanford Heights Reservoir Seismic Retrofit and Improvement project, which the SFPUC awarded to S.J. Amoroso Construction Company, LLC., on June 26, 2007, in the amount of $17,899,960.

In 2008, the Commission approved Addendum No. 1 of the Agreement, which extended the Agreement to the Advanced Meter Infrastructure (AMI) project.

In May 2016, the Commission approved an Extension Agreement, which applied the terms of the PLA, as modified in the Extension Agreement, to Sewer System Improvement Program (SSIP) projects and the AWSS Pumping Station 2 project.

Governance and Certified Payroll Reporting System

The parties to the PLA have established a four-person Joint Administrative Committee (JAC) that reviews the implementation and progress of the PLA and provides guidance to questions or concerns that arise in connection with the PLA. The Workforce and Economic Program Services team, within the SFPUC's Infrastructure Division, administers the PLA under the advisement of the JAC.

Prior to the commencement of construction, representatives of participating contractors and subcontractors, the unions, and SFPUC staff, are required to attend a PLA Pre-Job Conference. At the conference, the general contractor and subcontractors must present their scope of work and make work assignments to the respective unions based on traditional craft jurisdictional lines. When conflicting claims for work are submitted to a contractor, the corresponding Jurisdictional Dispute Resolution procedures identified in the PLA, as specified for the trades involved, is invoked so as to prevent delay or disruption of the work.

All SFPUC construction projects utilize the City's authorized labor compliance reporting program, currently the web-based system, LCPtracker, Inc. The data from the certified payrolls records collected by LCPtracker, Inc., has been compiled to produce the information in this report.