

CA - PMM

Project Name: DLSE- Public Works Compliance and Monitoring System (PWCMS)

OCIO Project #: _____

Department: Dept. of Industrial Relations

Revision Date: _____

Concept Statement

Description

Brief description of the proposed project:

SBX2 9 established a dedicated program and funding source within DIR to enforce prevailing wage requirements on specified public works projects as a replacement for enforcement through Labor Compliance Programs (LCP). The cottage industry of third-party LCPs will likely be eliminated by this bill. SBX2 9 establishes the State Public Works Enforcement Fund, and authorizes the Director of DIR, with approval of the Director of the Department of Finance, to determine and assess a fee in an amount not to exceed one-quarter of one percent of the bond proceeds on bonds issued by the State to fund public works projects.

Need Statement

High Level Capabilities Needed:

The PWCMS must have the ability to track Certified Payroll Records (CPR), verify their compliance with prevailing wage standards, identify non-compliance, track remediation and, in some cases, penalties, and report on process.

What is Driving This Need?

Legislative action in the form of SBX9. This is an attempt to remedy the ineffectual operations of the third-party LCPs.

Risk to the Organization if This Work is Not Done:

This is a legislatively mandated project and is not optional. Repercussions in funding and budget risks are potential risks.

Benefit Statement

Intangible Benefits

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Process Improvements (describe the nature of the process improvement):

LAO Report showed taht existing LCPs arent working as needed. Oversight is week with, in some cases, no actions taken during the PW project. The LAO found that the third-party LCPs and extremely inefficient and spend \$23 to collect \$1. Workers will be better protected by having projects in compliance for payroll requirements. Proactive role of State will allow for early mitigation of problems and will keep them small, managable, and less expensive to remedy.

Other Intangible Benefits:

Education of Contractors and Awarding Agencies early so that they'll know how to comply. Will end a conflict of interest that exists for some third-party LCPs because they are operated by contruction firms who are the target of the LCPs intended enforcement.

Tangible Benefits

Revenue Generation (describe how revenue will be generated):

Penalties collected from violations will go into general fund.

Cost Savings (describe how cost will be reduced):

Proactive role for DLSE will change the way that Public Works projects are monitored and will curtail violations and reduce repetitions of violations decreasing overall costs of remediating infractions. Currently Awarding Agencies (AA) have to pay contract LCPs .05% of the PW Bond money, the new system will cost .025% of the bond.

Cost Avoidance (describe the cost and how avoided):

Fewer enforcement actions with new system for Bond funded projects through education of PW contract participants that is an element of the new program.

Risk Avoidance (describe the risk and how avoided):

Not Known

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Improved Services:
 Education for contractors and AAs will enable them to be aware of the applicable laws and avoid violations and penalties. Workers on these projects will be paid fairly and accurately without having to file complaints to gain satisfaction.

Consistency

"No" Responses 		Rationale	Action Required
Enterprise Architecture	Yes		
Business Plan	Yes		
Strategic Plan	Yes		

Impact to Other Agencies

Nature of Impact to Other Agencies

Agency: State and Local Agencies that run Public Works Contracts
Describe the nature of the impact:
 Anyone who runs a Bond funded Public works project will have to comply with the new Compliance and Monitoring regulations that DLSE creates. New rules and regulations are being developed. These Agencies will have to notify PWCMU when they go out for bid.

Agency: DTS
Describe the nature of the impact:
 They may be the host of the system.

Agency: _____
Describe the nature of the impact: _____

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Agency: _____

Describe the nature of the impact:

Solution Alternatives

Alternative 1:

Full scope of the system need to support this new program isn't known at this time as the regulations are currently being written. A demonstration effort on a small sample of PW projects is planned to determine the needed scale of the solution. The current plan is to use existing systems and to use existing staff and small contracts, if necessary, to modify them to assist the demonstration effort.

Upon completion of the demonstration project DLSE will be able to identify the requirements of the system needed to support the new PWCMU.

Technical Considerations for Alternative 1:

It is known that they need to utilize a system for entering CPRs (similar to LAUSD's existing web-based application), review CPRs, identify cases that need auditing, and have Case Management features for processing the violating cases and to levy and collect fines.

ROM Cost: _____ to _____

Note: high end of range must not exceed 200% of low end of range

Alternative 2:

Technical Considerations for Alternative 2:

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ROM Cost:	to	Note: high end of range must not exceed 200% of low end of range

Alternative 3:

Technical Considerations for Alternative 3:		
ROM Cost:	to	Note: high end of range must not exceed 200% of low end of range

Recommendation

Comparison:

Alternative 1	ROM Cost	Risk
	-	
Alternative 2	ROM Cost	Risk
	\$0 - \$0	
Alternative 3	ROM Cost	Risk
	\$0 - \$0	

Conclusions:

1	Volume of materials to be processed necessitates automation.
2	Lack of clarity on final requirements leads to creating "light" system that can be used to help gain grasp of ultimate needs.
3	
4	

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Recommendation:

Concept Approach (if known)

System Complexity:		System Business Hours: (e.g., 24x7, 9am-5pm) :			
Architecture	<input type="checkbox"/> Mainframe	<input type="checkbox"/> Client Server	<input checked="" type="checkbox"/> Web Based	Num. of New Databases:	n/a
Technology	<input type="checkbox"/> New	<input type="checkbox"/> New to Staff	<input type="checkbox"/> In-House Experience	Interfaces:	External
Implementation	<input type="checkbox"/> Central Site	<input type="checkbox"/> Phased Roll-out		Num. of Sites:	
M & O Support	<input type="checkbox"/> Contractor	<input type="checkbox"/> Data Center	<input type="checkbox"/> Project	<input type="checkbox"/> Returned to Sponsor	
Procurement Approach: (consult with OSI Procurement Center)					Number of Procurements:
Open Procurement?			Delegated Procurement?		
Scope of Contract	<input type="checkbox"/> Development	<input type="checkbox"/> Implementation	<input type="checkbox"/> M & O	<input type="checkbox"/> Other:	
Anticipated Length of Contract:		Years /		extensions for years	