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# Federal Infrastructure Contract Management

October 1, 2014

# Training Objectives

After this training, you will be able to:

- Describe the federal programs administered by the Contracts Administration Unit (CAU) and identify the CAU rep for your jurisdiction
- Identify resources available to help manage DWSRF and CDBG projects
- Explain “Buy American” and its requirements for DWSRF projects
- Comply with federal requirements for Procurement of Professional Services and Construction
- Apply Davis Bacon Labor Standards requirements





# Introductions



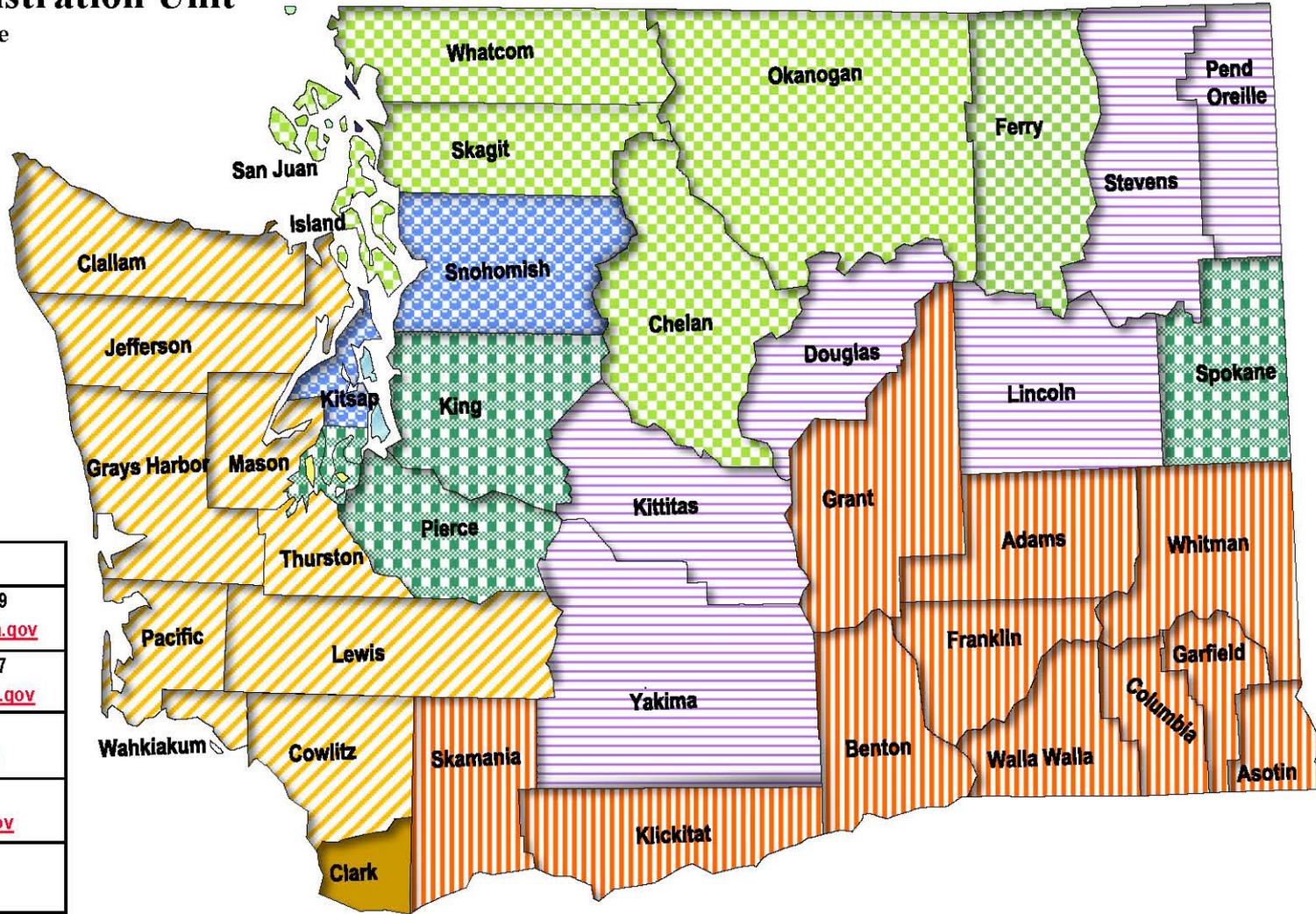
# Contracts Administration Unit (CAU)



# Contracts Administration Unit

WA State Dept. of Commerce

9/2013



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# CAU - Federal Infrastructure Programs

## Drinking Water State Revolving Fund (DWSRF)

- The DWSRF loan program is a federal and state partnership program to provide low-interest loans to finance projects (water systems) that increase public health protection
- This program is jointly managed by the Department of Health (DOH) Office of Drinking Water, the Public Works Board, and the Department of Commerce (Commerce) CAU

## Community Development Block Grant (CDBG)

- The purpose of the State CDBG Program improves the economic, social and physical environment of eligible, rural cities and counties to enhance the quality of life for low- and moderate-income residents, and as a result, assists the entire community.
- CDBG has six grant programs: General Purpose, Planning-Only, Public Service, Housing Enhancement, Imminent Threat, and Economic Opportunity grants





# Before You Start

*Federally funded projects*



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# Training, Resources and Technical Assistance

- Workshops and webinars are provided for DWSRF and CDBG programs
- Handbooks: CDBG Management Handbook and DWSRF Borrower's Handbook
  - CDBG Grant Implementation Checklist
  - DWSRF Contract Implementation Checklist
- Additional resources available online on Commerce, DOH, U.S. Department of Labor (USDOL) and other agency websites
- Contact your CAU representative for additional resources





## **New to DWSRF – American Iron and Steel Requirement or “Buy American”**

*Section 436 of the Consolidated Appropriations Act requires water systems to use U.S. steel and iron products for projects funded part or in full by a DWSRF loan agreement executed after January 17, 2014.*



# Buy American Requirement

- Iron and steel products defined as, “...the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.”
- Bid specs and contract documents must include “Buy American” language
- A19 Reimbursement requests must include “Buy American” affidavit of certification
- Additional guidance:  
[http://water.epa.gov/grants\\_funding/aisrequirement.cfm](http://water.epa.gov/grants_funding/aisrequirement.cfm)



# Environmental Review (ER)

- For both DWSRF and CDBG the Environmental Review (ER) process must be complete BEFORE construction starts and before going out to bid
- For DWSRF the ER process is coordinated through the Department of Health
- For CDBG the ER is completed by the grantee (CDBG and CAU staff are available to provide guidance)
- For more information on the environmental review process for CDBG, please see the CDBG handbook or contact your CAU representative





# Procurement

*Professional Services and Construction*



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# Procuring a Contractor for Professional Services

- All clients must follow a competitive process
- For Professional Services, Municipalities who participate with MSRC may use their Consultant Roster
- Others must advertise for professional services two consecutive weeks in an area newspaper of general circulation
- Must have a documented process for reviewing proposals and statements
- Check SAM.GOV for federal exclusion, print out your finding and keep it in your records
- Submit procurement documents to CAU



# Procuring a Contractor for Construction

## Bidding Your Project

- Request federal wage decision to be placed in your bid specs
- CAU must review your bid specs (front end specs) to assure all federal requirements are included
- CAU must approve your bid advertisement before publishing in the newspaper
- Ad must run once a week for two weeks with there being 14 days between last publication and bid opening
- Check with CAU 10 days prior to your bid opening for modifications to the federal wage decision
- Contact CAU when less than two bids are received or if you exceed the 90 days to execute a contract

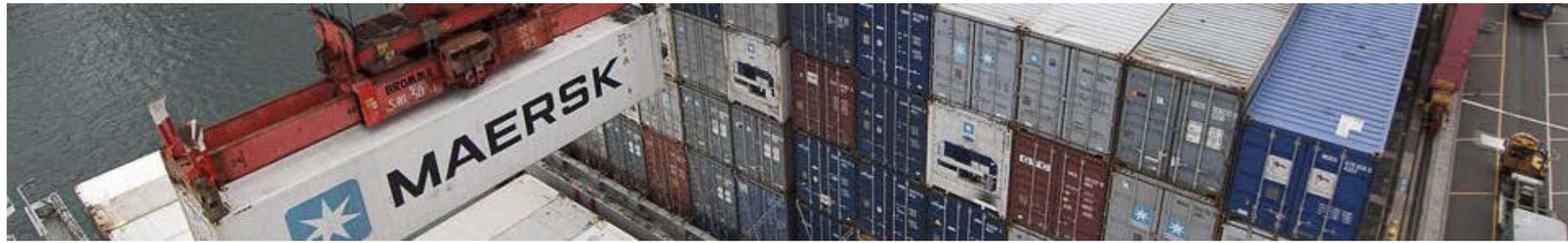


# Procuring a Contractor for Construction (cont.)

## After Bid Opening

- Check SAM.GOV for federal exclusion on contractor selected and any subcontractors performing work on this project
- Print out your finding for your records and submit a copy to CAU with your Notice to Proceed
- Conduct a preconstruction conference and retain minutes of this conference in your files (send copy of minutes to CAU)
- Issue a Notice to Proceed and provide Notification of Contract Award and Start of Construction (form available in handbook) and send a copy to your CAU project manager with an affidavit of publication of your bid advertisement





# Application of Davis Bacon and Related Acts (DBRA)



# Davis Bacon – Labor Standards

- Davis Bacon applies to construction contracts for more than \$2,000.
- You must insert the applicable federal and state wage decision in your bid specs
- Determining the appropriate wage decision
  - **Building** – sheltered enclosures with walk-in access for housing persons, machinery, equipment or supplies
  - **Highway** – roads, streets, highways, runways, etc.
  - **Residential** – construction, alteration, or repair (single family houses or apartments four stories or less)
  - **Heavy** – Other projects (typical of many DWSRF and CDBG projects)
  - More information: <http://www.wdol.gov/usrguide/sectionc.aspx>
- For DWSRF, Non-municipalities must request wage decision from CAU



# Wage Determinations OnLine.gov

Providing public access to federal wage determinations and related information.

WDOL.gov is part of the Integrated Acquisition Environment, one of the E-Government initiatives in the President's Management Agenda. It is a collaborative effort of the Office of Management and Budget, Department of Labor, Department of Defense, General Services Administration, Department of Energy, and Department of Commerce.

[HOME](#)

[FAQs](#)

[User Guide](#)

[Help](#)

## Service Contract Act

- [Selecting SCA WDs](#)
- [e98](#)
- [Archived WDs](#)
- [WDs due to be revised](#)
- [PACT \(Price Adjustment Calculation Tool\) NEW!](#)

## Davis-Bacon Act

- [Selecting DBA WDs](#)
- [Archived WDs](#)
- [WDs due to be revised](#)
- [Rollover Crosswalk NEW!](#)

## Related Information

- [Agency Labor Advisors](#)
- [Library](#)
- [DOL Wage and Hour Website](#)

**CAUTION:** Users should note that the only WDs applicable to a particular solicitation or contract are those that have been incorporated by the contracting officer in that contract action.

## Selecting DBA Wage Decisions

### Select DBA WD by number:

(Enter WD number in the following format: two letter abbreviation for the state and the number of the WD. For example, VA3, NOT VA030003 or MD150 NOT MD030150.)

OR

### By Selection criteria beginning with:

State:

County:

Construction Type:  (Types of Construction Under DBA)

WD Number:

[Back](#)

Browse by [state/territory](#).

View the latest [modifications and additions](#) to the Davis-Bacon Database.

View the [modifications or additions](#) to Davis-Bacon Wage Determinations due to be issued and published on WDOL.gov.

View [Archived Wage Determinations](#)

(Enter WD number in the following format: two letter abbreviation for the state and the number of the WD. For example, VA3, NOT VA030003 or MD150 NOT MD030150.)

Search

OR

**By Selection criteria beginning with:**

State:

County:

Construction Type:  (Types of Construction Under DBA)

WD Number:

Search

**Your search returned the following results:**

**Wage Determination**      **Construction Type**

- 'HEAVY'
- 'HEAVY'
- 'HEAVY'

[Back](#)

Browse by [state/territory](#).

View the latest [modifications and additions](#) to the Davis-Bacon Database.

View the [modifications or additions](#) to Davis-Bacon Wage Determinations due to be issued and published on WDOL.gov.

View [Archived Wage Determinations](#)

General Decision Number: WA120090 08/03/2012 WA90

Superseded General Decision Number: WA20100105

State: washington

Construction Type: Heavy including water and sewer line construction

County: chelan County in washington.

HEAVY CONSTRUCTION PROJECTS (including sewer/water construction).

Modification Number	Publication Date
0	01/06/2012
1	02/10/2012
2	07/06/2012
3	08/03/2012

CARP0770-002 06/01/2011

	Rates	Fringes
CARPENTER (Including Formwork)...	\$ 25.25	12.60
MILLWRIGHT.....	\$ 36.39	12.60

(HOURLY ZONE PAY: WESTERN AND CENTRAL WASHINGTON - ALL CLASSIFICATIONS EXCEPT MILLWRIGHTS AND PILEDRIVERS

Hourly Zone Pay shall be paid on jobs located outside of the free zone computed from the city center of the following listed cities:

Seattle	Olympia	Bellingham
Auburn	Bremerton	Anacortes
Renton	Shelton	Yakima
Aberdeen-Hoquiam	Tacoma	wenatchee
Ellensburg	Everett	Port Angeles
Centralia	Mount Vernon	Sunnyside
Chelan	Pt. Townsend	

Zone Pay:

0 -25 radius miles	Free
26-35 radius miles	\$1.00/hour
36-45 radius miles	\$1.15/hour

# Contractor Requirements

- Pay workers at least the prevailing wage (highest of the state and federal rate)
- Pay weekly
- Post wages at the job site
- Post information posters at the job site
- Submit certified payrolls to you (WHD-347)
- Document fringe benefits
- Review payrolls submitted by subcontractors
- Identify & request additional wage classifications
- CDBG: Signature authorization required



# Classifications Not on the Wage Decision

- Use existing classification (make sure it is not termed differently on the federal wage decision)
- Additional wage rate classification can be requested from DOL
  - Send request form (DWSRF:SF 1444 and CDBG: HUD-4230A to your CAU rep along with Contractors request and wage decisions
- Get agreement on the wage determination
- Determine what is “reasonable” compared to other wage rates already in the determination



PAYROLL

(For Contractor's Optional Use; See Instructions at [www.dol.gov/whd/forms/wh347instr.htm](http://www.dol.gov/whd/forms/wh347instr.htm))

Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.



NAME OF CONTRACTOR  OR SUBCONTRACTOR  ADDRESS <http://www.dol.gov/whd/forms/wh347instr.htm> 1215-0149  
2/31/2011

PAYROLL NO. [ ] FOR WEEK ENDING [ ] PROJECT AND LOCATION [ ] PROJECT OR CONTRACT NO. [ ]

(1) NAME AND INDIVIDUAL IDENTIFYING NUMBER (e.g., LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER) OF WORKER	(2) NO. OF WITHHOLDING EMPLOYERS	(3) WORK CLASSIFICATION	(4) DAY AND DATE	(5) TOTAL HOURS	(6) RATE OF PAY	(7) GROSS AMOUNT EARNED	(8) DEDUCTIONS				(9) NET WAGES PAID FOR WEEK
							FICA	WITH- HOLDING TAX	OTHER	TOTAL DEDUCTIONS	
			CT	HOURS WORKED EACH DAY							
			OR								
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While completion of Form WH-347 is optional, it is mandatory for covered contractors and subcontractors performing work on Federally financed or assisted construction contracts to respond to the information collection contained in 29 C.F.R. §§ 3.3, 5.5(k). The Copeland Act (40 U.S.C. § 3145) contractors and subcontractors performing work on Federally financed or assisted construction contracts to "furnish weekly a statement with respect to the wages paid each employee during the preceding week." U.S. Department of Labor (DOL) regulations at 29 C.F.R. § 5.5(k)(3)(i) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed. DOL and federal contracting agencies receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

Public Burden Statement

We estimate that it will take an average of 55 minutes to complete this collection, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding these estimates or any other aspect of this collection, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, U.S. Department of Labor, Room S3502, 200 Constitution Avenue, N.W., Washington, D.C. 20210



# Monitor for Labor Standards Requirements

- Review Certified Payrolls
  - Weekly Submission (including Subcontractors)
  - Contractor is responsible for review of sub's payrolls
  - Signed by authorized person
  - Fringe Benefits/Zone Pay
  - Verify apprentices
- Conduct onsite review
  - Davis Bacon Poster
  - Wage Decisions



# Labor Standards Requirements (cont.)

- Conduct Employee Interviews
  - One per contractor per trade
  - Use Interview form (DWSRF: SF1445 or CDBG HUD-11)
- Submit 21-day Labor Package to CAU for Approval
  - Statement of Intent (for all contractors and subs)
  - First 2 weeks of certified payroll (one week for CDBG)
  - Employee interviews



# Closeout Process

- CDBG
  - Monitoring must be complete and all items resolved
  - Schedule final public hearing (send affidavit & minutes to CAU)
  - Complete & submit Grantee Closeout Performance Report with final reimbursement request
- DWSRF
  - Submit Construction Completion Report to DOH
  - Send copy of DOH approved report/approval letter to CAU
  - Submit DWSRF closeout request through PWeB online forms
  - Execute completion amendment (includes final voucher)
- **A-133 – Contractors expending \$500,000 or more in federal funds requires an A-133 audit**





# Question & Answer



# Additional Resources

## Websites:

- **CDBG:** <http://www.commerce.wa.gov/CDBG>
- **DWSRF:** <http://www.pwb.wa.gov/financial-assistance/Drinking-Water/Pages/default.aspx>
- Department of Health (DOH):  
<http://www.doh.wa.gov/CommunityandEnvironment/DrinkingWater/WaterSystemAssistance/DrinkingWaterStateRevolvingFundDWSRF>
- Labor & Industries: <http://lni.wa.gov/>
- Municipal Research and Services Center (MRSC): <https://www.mrsc.org/>
- Local Government Performance Center: <http://www.sao.wa.gov/local/Pages/LGPC.aspx#.U-JgzE3Qfcs>
- OMWBE: <http://omwbe.wa.gov/>
- SAM.GOV: <https://www.sam.gov/portal/SAM/#1>
- Federal Wage Determinations: <http://www.wdol.gov/>
- US Dept of Labor Wage and Hour Division: <http://www.dol.gov/WHD/foremployers.htm#reglibrary>

## Handbooks/Guides:

- Davis Bacon Contractor's Guide: <http://portal.hud.gov/hudportal/documents/huddoc?id=4812-LRguide.pdf>





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October 2014