

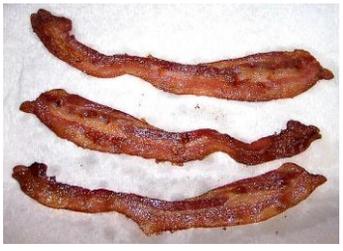
mmmm Davis-Bacon



Complying with Davis-Bacon Requirements

David Dunn – Ecology
Cathy Brockmann– Commerce

Bacon!



Not Kevin Bacon



Or a bacon statue of Kevin Bacon



Davis-Bacon

- Davis-Bacon Act of 1931 passed in response to the great depression.
 - Senator James Davis
 - Representative Robert Bacon



Davis-Bacon applies to:

- Contracts with the federal government.
Or
- Certain federally assisted contracts.
- For construction, alteration, or repair projects.
- For public buildings or public works projects.
- For contracts for \$2,000 or more.

Davis-Bacon only applies to construction contracts for more than \$2,000

- Not consulting engineers.
- Not municipal staff.
- Not construction management.
- Not materials testing.
- Not supplies or equipment purchase.

Davis-Bacon requirements apply to:

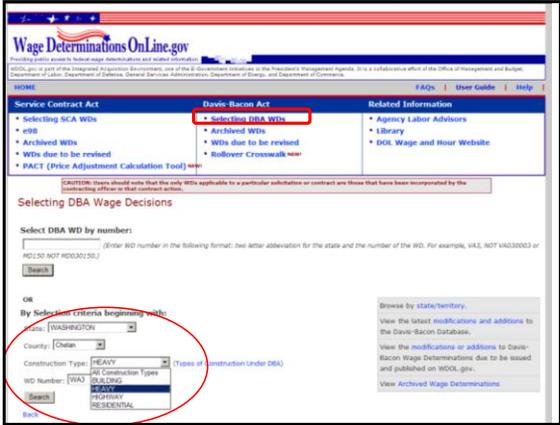
- Clean Water and Drinking Water SRF funded projects since 2010.
- CDBG grants (All HUD programs).
- Separate state prevailing wage laws apply to all public works projects Statewide.

Bid phase requirements for recipients

- Include required **Federal** language in bid package, advertisement and the contract.
- Include the most recent Wage Determination (or Decision) for your area **and project type** in the bid package and the contract.
- Check for changes to wage determination 10 days prior to **bid opening**.
- **Follow the six good faith efforts**
- **Buy American (if applicable)**

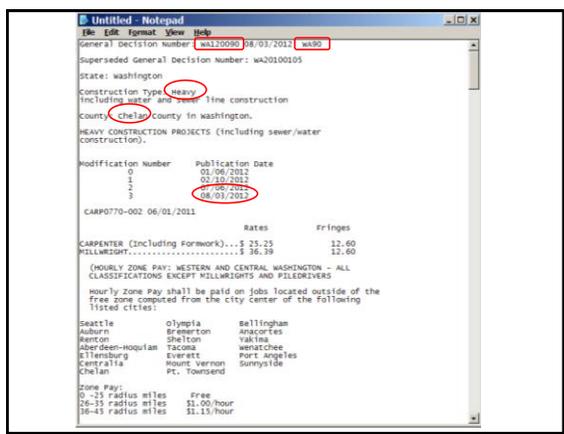
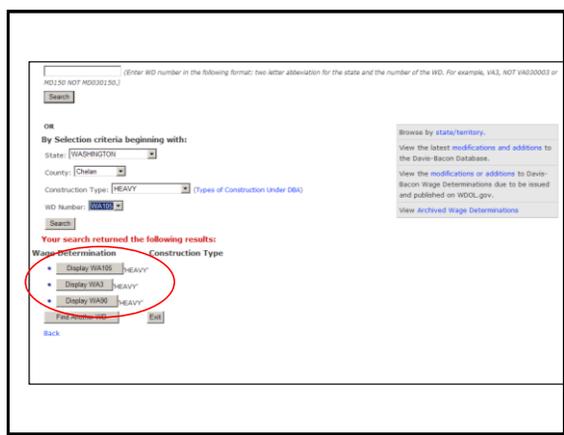
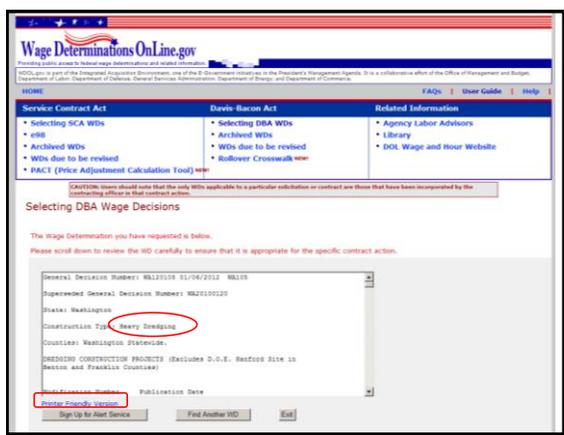
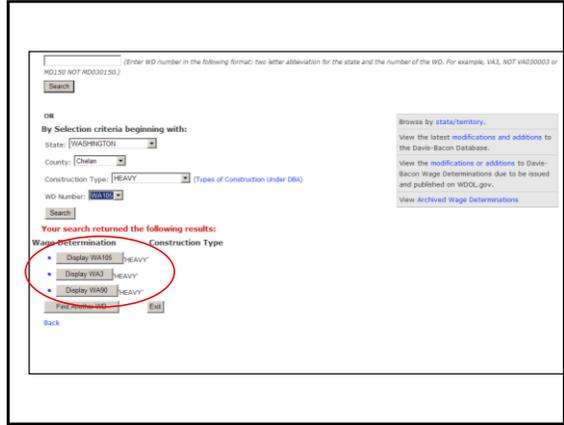
What is a **Federal Wage Determination?**

- List of the prevailing wages for similar construction in your area of the state.
- Divided into 4 “schedules”.
 - Heavy, Highway, Residential, and Building
- Each schedule contains wage rates for specific job classifications.
- Can be found at www.wdol.gov



Which Wage Determination Schedule is the “Right one”?

- Residential – Single Family Houses and apartment complexes.
- Building – Other enclosed structures.
- Highway – Almost anything paved.
- Heavy – Everything Else (including Water and Wastewater projects)
- Some projects require multiple schedules – 20% rule for incidental components



What if DOL issues a new wage determination?

- The wage determination must be updated if:
 - The wage determination changes more than 10 days before bid opening.
 - OR -
 - The contract is not awarded within 90 days of bids closing.
- Check wdol.gov 10 days before bid opening.
- **BEST PRACTICE:**



General Decision Number: WA120090 08/03/2012
 Superseded General Decision Number: WA20100305
 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: 0
 Publication Date: 01/06/2012
 1
 01/06/2012
 2
 01/06/2012
 3
 01/06/2012

CARP0770-002 06/01/2011

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

(HOURLY ZONE PAY: WESTERN AND CENTRAL WAGON CLASSIFICATIONS EXCEPT MILLWRIGHTS AND PILES)

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	Vakima
Aberdeen-Hoquiam	Tacoma	Wenatchee
Ellensburg	Everett	Port Angeles
Centralia	Mount Vernon	House
Chelan	PT. Townsend	Sunnyside

Zone Pay:
 0 -25 radius miles Free
 26-35 radius miles \$1.00/hour
 36-45 radius miles \$1.15/hour
 46-55 radius miles \$1.35/hour
 56-65 radius miles \$1.55/hour

Annotations:
 - "If preparing bid specs in May, we would have used mod-1." points to the first modification.
 - "If bid will be opened after July 16, update to mod-2." points to the second modification.
 - "If the bid opened July 15, but the contract is not awarded before October 13 (90 days) update to mod-3." points to the third modification.
 - "Or mod-4, if mod-4 is issued between now and October 13." points to the modification table.

What if a classification is not on my determination?

- Generally try to use the existing classifications.
 - Can an existing classification perform the work?
- Additional wage rate classifications can be requested from DOL.
 - Use Form SF-1444
 - Give the request to your funding agency
- Try to get agreement on the wage determination before hand.
 - Contractor
 - Laborer
 - Funding recipient
- "Reasonable" compared to other wage rates already in the determination.
- Identify additional classifications early
- Coordinate with the contractor at the pre-con meeting.

Wages and Fringe benefits

- The prevailing wage is the base rate + fringe shown.

	Rates	Fringes	
CEMENT MASON/CONCRETE FINISHER...	\$ 24.50	6.30	= \$30.80
LABORER: Common or General (Water and Sewer Lines).....	\$ 20.79	4.63	
LABORER: Landscape and Irrigation.....	\$ 12.27	2.73	
OPERATOR: Asphalt Plant.....	\$ 34.14	0.68	

- Contractor can pay any combination of base rate and bona fide benefit
 - \$30.80 Base Rate + \$0.00 Fringe
 - \$24.50 Base Rate + \$6.30 Fringe
 - \$15.00 Base Rate + \$15.80 Fringe
 - \$8.67 Base Rate + \$22.13 Fringe

What are fringe benefits?

- Health Insurance
- Paid vacation or sick leave
- Paid holidays
- Pension plans
- 401k contributions

What about overtime pay?

- Federal overtime standards are based on 40 hours per week
- Workers are paid 1.5 times their base rate for every hour of overtime.
- Fringe benefits do not increase for overtime pay.
- Zone pay is an increase in the base rate, so zone pay is increased for overtime pay.
- State Prevailing overtime may be different.

What is "Zone Pay"?

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

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Auburn	Bremerton	Anacortes
Renton	Shelton	Vakima
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
 46-55 radius miles \$1.35/hour
 56-65 radius miles \$1.55/hour

- Zone pay applies if the job is located outside of listed cities.
- Zone pay is added to the base rate.
- This can affect overtime calculations
- A resource to assist you in determining if zone pay is applicable is a point to point calculator located at: <http://tjpeiffer.com/crowflies.html>

State Involvement

- Provides standard Specification language for your contracts.
- Always available to answer questions.
- Ecology site inspections include a bookkeeping checklist. We will review your paperwork onsite.
- Commerce reviews your 21-day labor packet.
- Coordinate request for additional classifications.
- Assist in obtaining the Federal Wage Decision.

Any Final Questions?

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Additional information

- david.dunn@ecy.wa.gov 360/407-6503
 - cathy.brockmann@commerce.wa.gov 360/725-3087
- Commerce:
- CDBG site:
<http://www.commerce.wa.gov/Programs/Infrastructure/CDBG-Program-Overview/Pages/default.aspx>
 - Drinking Water SRF:
<http://www.doh.wa.gov/CommunityandEnvironment/DrinkingWater/WaterSystemAssistance/DrinkingWaterStateRevolvingFundDWSRF.aspx>
- Ecology
- Clean Water Funding:
<http://www.ecy.wa.gov/programs/wq/funding/funding.html>
 - Grant and Loan listserv: <http://www.ecy.wa.gov/maillist.html>

Thank You

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