



# **Prevailing and COA Minimum Wage Compliance Program on Construction Contracts**

# ***Wage Compliance Team - Capital Contracting Office:***

- **Beatriz Güereca, Contract Compliance Specialist**
- **Sam Hernandez, Contract Compliance Specialist**
- **David Prado, Contract Compliance Specialist Senior**
- **Baldemar Maldonado, Contract Compliance Specialist Senior**
- **Russell Kyle, Contract Compliance Specialist Senior**
- **Rick Wilson, Wage Compliance Supervisor**
- **Cynthia Gonzales, Contract Development and Administration Division Manager**

# ***This Meeting will cover:***

- **Regulations**
- **Applicability**
- **Contract Requirements**

# ***What's Prevailing Wage?***

The wage determined by the U.S. Secretary of Labor to be prevailing for the corresponding classes of laborers and mechanics employed on projects similar to the contract work in local areas where such work is to be performed.

# ***What's COA Minimum Wage?***

The wage determined by Austin City Council to be the minimum to be paid to workers on City construction contracts.

# *Where do the City's requirements for Prevailing/ COA Minimum Wage come from?*

## **Federal**

- ✓ Davis-Bacon and Related Acts (DBRA) requires construction workers are paid a prevailing wage as established by U.S. DOL.
- ✓ Code of Federal Regulations (29CFR) applies to Federally-funded construction contracts and sets forth the procedures for applying the DBRA.

## **State**

- ✓ Government Code 2258 allows for the adoption of U.S. DOL Prevailing Wage rates and applies to municipal construction contracts.

## **Municipal**

- ✓ City Ordinance No. 030508-31 adopts U.S. DOL Prevailing Wage rates.
- ✓ City Ordinance No. 20160324-015 establishes a COA Minimum Wage.

# ***Prevailing or COA Minimum Wage Which one applies?***

- ▶ Workers on Construction Projects shall be paid not less than wage rates, including fringe benefits, as published by the Department of Labor (DOL), or the \$13.03 COA Minimum Wage required by City of Austin Ordinance, whichever is higher.
- ▶ The Total Minimum Wage required can be met using any combination of cash and non-cash qualified fringe benefits provided the cash component meets or exceeds the \$13.03 COA Minimum Wage required.

# *When do the regulations apply?*

- Prevailing Wage applies to construction contracts equal to or greater than \$2,000.
- COA Minimum Wage applies to *all* construction contracts.

# *Contract Requirements*

- Section 00830, Wage Rates and Payroll Reporting, requires:
  - ✓ Workers on Projects be paid not less than the contract wage rates (Sections 00830HH, 00830BC, and/or others) pertaining to the type of work being performed.
  - ✓ Wage rates shall be posted at site of work in prominent, easily accessible places.
  - ✓ Compensation of one and one-half times basic rate of pay for all hours in excess of forty hours each workweek.
  - ✓ Overtime wages must be calculated using the Adjusted Wage Rate specified in the Wage Rate Determination or the actual basic rate of pay, whichever is higher.

# *Contract Requirements, continued*

- ✓ Apprentices must be registered under a bona fide Apprenticeship or Trainee program approved by the U. S. DOL.
- ✓ Payments may be withheld from the Contractor:
  - ❖ to pay workers employed by the Contractor, or Subcontractors in the amount required to comply with the contract
  - OR
  - ❖ if Contractor fails to maintain weekly payroll reports or to provide them in a timely manner.
- ✓ Payroll records must be kept and provided to the City upon request.
- ✓ Employee Certification for all workers employed by Contractors and Subcontractors signed by the employee and a witness
- ✓ Payroll Deduction Authorization Form
- ✓ Statement of Compliance attesting that the payroll is complete and accurate, signed by a responsible party of the Contractor

**WAGE RATES AND PAYROLL REPORTING**  
Section 00830HH

**WAGE RATE DETERMINATION**  
**HEAVY AND HIGHWAY CONSTRUCTION**  
COUNTY NAME: TRAVIS

Wages based on DOL General Decision:TX160016 1/8/2016 TX16 and Clif of Austin Ordinance #20160324-016

*DOL Rate column is for information only. The Total Minimum Wage Rate is derived from the Adjusted Wage Rate Required pursuant to City Ordinance, and can be met using any combination of cash and non-cash qualified fringe benefits, provided the cash component is at least \$13.03/hour.*

CLASSIFICATION	DOL RATE for Info only	ADJUSTED WAGE RATE REQUIRED pursuant to City Ordinance	TOTAL MINIMUM WAGE RATE REQUIRED
Agricultural Tractor Operator	\$ 12.69	\$ 13.03	\$ 13.03
Asphalt Distributor Operator	\$ 15.55	\$ 15.55	\$ 15.55
Asphalt Paving Machine Operator	\$ 14.36	\$ 14.36	\$ 14.36
Asphalt Raker	\$ 12.12	\$ 13.03	\$ 13.03
Boom Truck Operator	\$ 18.36	\$ 18.36	\$ 18.36
Broom or Sweeper Operator	\$ 11.04	\$ 13.03	\$ 13.03
Cement Mason/Concrete Finisher	\$ 12.56	\$ 13.03	\$ 13.03
Concrete Pavement Finishing Machine Operator	\$ 15.48	\$ 15.48	\$ 15.48
Crane, Hydraulic, 80 tons or less	\$ 18.36	\$ 18.36	\$ 18.36
Crane, Lattice Boom, 80 tons or less	\$ 15.87	\$ 15.87	\$ 15.87
Crane, Lattice Boom, over 80 tons	\$ 19.38	\$ 19.38	\$ 19.38
Crawler Tractor	\$ 15.67	\$ 15.67	\$ 15.67
Directional Drilling Locator	\$ 11.67	\$ 13.03	\$ 13.03
Directional Drilling Operator	\$ 17.24	\$ 17.24	\$ 17.24
Electrician	\$ 26.35	\$ 26.35	\$ 26.35
Excavator 50,000 lbs. or less	\$ 12.88	\$ 13.03	\$ 13.03
Excavator, over 50,000 lbs.	\$ 17.71	\$ 17.71	\$ 17.71
Flagger	\$ 10.15	\$ 13.03	\$ 13.03
Form Builder/Form Setter - Paving & Curb	\$ 12.94	\$ 13.03	\$ 13.03
Form Builder/Form Setter - Structures	\$ 12.87	\$ 13.03	\$ 13.03
Foundation Drill Operator, Truck Mounted	\$ 16.93	\$ 16.93	\$ 16.93
Front End Loader Operator, 3CY or less	\$ 13.04	\$ 13.04	\$ 13.04
Front End Loader, over 3CY	\$ 13.21	\$ 13.21	\$ 13.21
Laborer, Common	\$ 10.50	\$ 13.03	\$ 13.03
Laborer, Utility	\$ 12.27	\$ 13.03	\$ 13.03
Loader/Backhoe Operator	\$ 14.12	\$ 14.12	\$ 14.12
Mechanic	\$ 17.10	\$ 17.10	\$ 17.10
Milling Machine	\$ 14.18	\$ 14.18	\$ 14.18
Motor Grader Operator - Fine Grade	\$ 18.51	\$ 18.51	\$ 18.51
Motor Grader Operator, Rough	\$ 14.63	\$ 14.63	\$ 14.63

Painter - Structures	\$ 18.34	\$ 18.34	\$ 18.34
Pavement Marking Machine Operator	\$ 19.17	\$ 19.17	\$ 19.17
Pipelayer	\$ 12.79	\$ 13.03	\$ 13.03
Reclaimer/Pulverizer	\$ 12.88	\$ 13.03	\$ 13.03
Reinforcing Steel Setter	\$ 14.00	\$ 14.00	\$ 14.00
Roller Operator, Asphalt	\$ 12.78	\$ 13.03	\$ 13.03
Roller Operator, Other	\$ 10.50	\$ 13.03	\$ 13.03
Scraper Operator	\$ 12.27	\$ 13.03	\$ 13.03
Servicer	\$ 14.51	\$ 14.51	\$ 14.51
Spreader Box Operator	\$ 14.04	\$ 14.04	\$ 14.04
Structural Steel Worker	\$ 19.29	\$ 19.29	\$ 19.29
Traffic Signal Installer/Light Pole Worker	\$ 16.00	\$ 16.00	\$ 16.00
Trenching Machine Operator, Heavy	\$ 18.48	\$ 18.48	\$ 18.48
Truck Driek Tandem Axle Semi-Trailer	\$ 12.81	\$ 13.03	\$ 13.03
Truck Driver, Lowboy/Float	\$ 15.66	\$ 15.66	\$ 15.66
Truck Driver, Single Axle	\$ 11.79	\$ 13.03	\$ 13.03
Truck Driver, Off Road Hauler	\$ 11.88	\$ 13.03	\$ 13.03
Truck Driver, Single or Tandem Axle Dump Truck	\$ 11.60	\$ 13.03	\$ 13.03
Welder	\$ 15.97	\$ 15.97	\$ 15.97
Work Zone Barricade Servicer	\$ 11.85	\$ 13.03	\$ 13.03

<http://www.wdol.gov/wdol/scaffiles/davisbacon/bx.html>

The Wage Compliance information detailed below was excerpted from DOL General Decision TX160016 or other sources.

**1. Additional Trade information:**

Unlisted classifications needed for work not listed within the scope of the classifications listed may be added upon the advance approval of Contract Procurement. CONTRACTOR shall submit to City of Austin Contract Procurement the following: classification, a bona fide definition of work to be performed and a proposed wage with sample payrolls conforming to area practice prior to the start of the job for that type of work. Proposed trade may not be performed by any trade already listed.

**2. Wages**

The Total Minimum Wage Rate may be met by any combination of cash wages and credible "bona fide" fringe benefits paid for by the employer. Overtime must be used in computing overtime pay. wages must be calculated using the Total Minimum Wage Rate specified in the Wage Rate Determination or the actual basic rate of pay, whichever is higher.

City of Austin Ordinance No. 2016324-015 requires that construction workers are paid a minimum Wage of at least \$13.03/hour. The cash portion of their compensation must meet or exceed this amount.

**3. Proper Designation of Trade**

A work classification from the Prevailing Wage Poster for each worker must be made based on the actual type of work he/she performed on the job. In summary the work performed, not the "title" determines the correct worker classification and wage. Each worker must be paid no less than the adjusted wage rate on the wage decision for that classification regardless of his/her level of skill (exclusive of a bona fide apprentice currently registered in a DOL approved apprentice program - proof of individual registration must be supplied in advance to the City of Austin).

**Bidding Requirements, Contract Forms Conditions of the Contract  
WAGE RATES AND PAYROLL REPORTING  
Section 00830BC**

**WAGE RATE DETERMINATION**

BUILDING CONSTRUCTION TYPE

COUNTY NAME : TRAVIS

Wages based on DOL Prevailing Wage Rate General Decision:TX160323 3/18/2016 TX323 and City of Austin Ordinance #20160324-016

*DOL Rate column is for information only. The Total Minimum Wage Rate is derived from the Adjusted Wage Rate Required pursuant to City Ordinance plus the DOL Fringes and can be met using any combination of cash and non-cash qualified fringe benefits, provided the cash component is at least \$13.03/hour.*

CLASSIFICATION	DOL RATE for info only	ADJUSTED WAGE RATE REQUIRED pursuant to City Ordinance	DOL FRINGES	TOTAL MINIMUM WAGE RATE REQUIRED
Asbestos Worker/Heat & Frost Insulator (Duct, Pipe, and Mechanical System Insulation)	\$ 21.17	\$ 21.17	\$ 8.77	\$ 29.94
Boilermaker	\$ 23.14	\$ 23.14	\$ 21.55	\$ 44.69
Bricklayer	\$ 20.07	\$ 20.07	-	\$ 20.07
Carpenter	\$ 20.75	\$ 20.75	\$ 7.30	\$ 28.05
Carpenter (Acoustical Ceiling Installation only)	\$ 14.00	\$ 14.00	-	\$ 14.00
Carpenter (Form Work Only)	\$ 15.62	\$ 15.62	\$ 0.05	\$ 15.67
Cement Mason/Concrete Finisher	\$ 15.71	\$ 15.71	-	\$ 15.71
Drywall Finisher/Taper	\$ 17.06	\$ 17.06	\$ 4.43	\$ 21.49
Drywall Hanger and Metal Stud Installer	\$ 17.47	\$ 17.47	\$ 3.45	\$ 20.92
Electrical Installer (Sound and Communication Systems, Excluding Wiring)	\$ 18.00	\$ 18.00	\$ 2.30	\$ 20.30
Electrician (Excludes Installation of Sound and Communication Systems)	\$ 27.15	\$ 27.15	\$ 7.88	\$ 35.03
Elevator Mechanic <5 years experience	\$ 37.76	\$ 37.76	\$ 32.25	\$ 70.01
Elevator Mechanic >5 years experience	\$ 37.76	\$ 37.76	\$ 33.01	\$ 70.77
Floor Layer (Carpet)	\$ 21.88	\$ 21.88	-	\$ 21.88
Glazier	\$ 12.83	\$ 13.03	-	\$ 13.03
HVAC Mechanic (HVAC Unit Installation Only)	\$ 23.78	\$ 23.78	\$ 6.89	\$ 30.67
Ironworker, Ornamental	\$ 23.02	\$ 23.02	\$ 6.35	\$ 29.37
Ironworker, Reinforcing	\$ 12.27	\$ 13.03	-	\$ 13.03
Ironworker, Structural	\$ 20.73	\$ 20.73	\$ 5.24	\$ 25.97
*Lead Paint or Asbestos Abatement Worker	*	\$ 13.03	-	\$ 13.03
Laborer, Common or General	\$ 11.44	\$ 13.03	-	\$ 13.03
Laborer, Mason Tender - Brick	\$ 12.22	\$ 13.03	-	\$ 13.03
Laborer, Mason Tender - Cement/Concrete	\$ 11.85	\$ 13.03	-	\$ 13.03
Laborer, Pipelayer	\$ 12.45	\$ 13.03	-	\$ 13.03
Laborer, Roof Tearoff	\$ 11.28	\$ 13.03	-	\$ 13.03

Rev. Date 05/03/16

Wage Rates Payroll Reporting  
Building Construction Trades

Page 1 of 4

Operator, Backhoe/Excavator/Trackhoe	\$ 19.43	\$ 19.43	\$ 3.49	\$ 22.92
Operator, Bobcat/Skid Steer/Skid Loader	\$ 13.00	\$ 13.03	-	\$ 13.03
Operator, Bulldozer	\$ 14.00	\$ 14.00	-	\$ 14.00
Operator, Crane	\$ 34.85	\$ 34.85	\$ 9.85	\$ 44.70
Operator, Drill	\$ 14.50	\$ 14.50	-	\$ 14.50
Operator, Forklift	\$ 16.64	\$ 16.64	\$ 6.26	\$ 22.90
Operator, Grader/Blade	\$ 19.30	\$ 19.30	-	\$ 19.30
Operator, Loader	\$ 14.00	\$ 14.00	-	\$ 14.00
Operator, Mechanic	\$ 18.75	\$ 18.75	\$ 5.12	\$ 23.87
Operator, Paver (Asphalt, Aggregate, and Concrete)	\$ 16.03	\$ 16.03	-	\$ 16.03
Operator, Roller	\$ 11.25	\$ 13.03	-	\$ 13.03
Painter (Brush, Roller, and Spray, Excludes Drywall Finishing/Taping)	\$ 18.76	\$ 18.76	\$ 6.35	\$ 25.11
Pipefitter (Including HVAC Pipe Installation)	\$ 28.00	\$ 28.00	\$ 11.41	\$ 39.41
Plumber, Excludes HVAC Pipe Installation	\$ 23.57	\$ 23.57	\$ 6.37	\$ 29.94
Roofer	\$ 12.00	\$ 13.03	-	\$ 13.03
*Roofer, Metal	\$ 14.05	\$ 14.05	-	\$ 14.05
Sheet Metal Worker (Including HVAC Duct Installation)	\$ 24.38	\$ 24.38	\$ 13.74	\$ 38.12
Sprinkler Fitter (Fire Sprinklers)	\$ 27.43	\$ 27.43	\$ 22.52	\$ 49.95
Tile Finisher	\$ 11.32	\$ 13.03	-	\$ 13.03
Tile Setter	\$ 16.35	\$ 16.35	-	\$ 16.35
Truck Driver, Dump Truck	\$ 12.39	\$ 13.03	\$ 1.18	\$ 14.21
Truck Driver, Flatbed Truck	\$ 19.65	\$ 19.65	\$ 8.57	\$ 28.22
Truck Driver, Semi-Trailer Truck	\$ 12.50	\$ 13.03	-	\$ 13.03
Truck Driver, Water Truck	\$ 12.00	\$ 13.03	\$ 4.11	\$ 17.14
Waterproof	\$ 16.30	\$ 16.30	\$ 0.06	\$ 16.36

<http://www.wdol.gov/wdol/scaffiles/davisbacon/tx.html>

See below for Additional Wage Information.

Note: \*Lead Paint & Asbestos Abatement and Roofer, Metal Classifications have been added to this Prevailing Wage Rate Determination pursuant to a City of Austin Prevailing Wage Survey (trades absent from DOL).

The Wage Compliance information detailed below was excerpted from DOL General Decision TX160323 or other sources.

**1. Additional Trade information:**

Electricians\*\* - Including low voltage wiring for computers, fire/smoke alarms.  
Elevator Mechanics\*\*\* - also must be paid for 7 holidays - New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the Friday after Thanksgiving Day, Christmas Day, and Veterans Day.  
Welders - Receive rate prescribed for craft performing operation to which welding is incidental.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added upon the advance approval of City of Austin Contract Administration. CONTRACTOR shall submit to City of Austin Contract Administration for review the classification, a bona fide definition of work to be performed and a proposed wage with sample payrolls conforming to area practice prior to the start of the job for that type of work.

**2. Wages**

The Total Wage may be met by any combination of cash wages and credible "bona fide" fringe benefits paid for by the employer. Overtime wages must be calculated using the Adjusted Wage Rate specified in the Wage Rate Determination or the actual basic rate of pay, whichever is higher.

City of Austin Ordinance No. 20160324-016 requires that construction workers are paid a Minimum Wage of at least \$13.03/hour. The cash portion of their compensation must meet or exceed this amount.

**3. Crediting fringe benefit contributions to meet DBA/DBRA and City of Austin requirements:**

Rev. Date 05/03/16

Wage Rates Payroll Reporting  
Building Construction Trades

Page 2 of 4

# ***Contracting Requirements***

## ***Federal Contracts***

*If any federal funds are used for payment or reimbursement on a contract,* federal regulations apply to the entire contract.

- Prevailing Wage requirements must be included in the solicitation.
- Federal Prevailing Wage regulations require the employer to pay Prevailing Wages, *maintain and submit certified payroll reports weekly, and to pay their workers not less often than once per week.*
- Standard Form 1413, Statement and Acknowledgement from each subcontractor prior to performing work on the project

# *Wage Complaints*

CCO Wage Compliance will investigate any Prevailing Wage or COA Minimum Wage complaints on COA construction contracts.

# Issues of Non-Compliance

- ▶ Prevailing Wage under a federal contract is resolved according to Davis-Bacon and Related Acts.
- ▶ Prevailing Wage under a non-federal contract is resolved according to State Statute 2258.
- ▶ Any “gap” between Prevailing Wage and COA Minimum Wage on construction contracts is to be resolved through the contract provisions.

# *Questions??*



# ***Wage Compliance Issues/Concerns***

Contact Rick Wilson:

512-974-7261

Rick.Wilson@austintexas.gov