

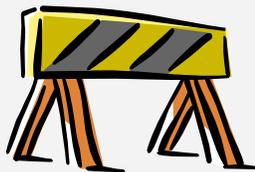
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Index: Davis-Bacon Labor  
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## Prevailing Wage Classifications

This Construction Advisory clarifies MDOT's policy regarding federal prevailing wage classifications for: Multiple Wage Decisions, Open Cut Laborers, Video Taping, and Pavement Sweeping. This policy is based upon guidance from the United States Department of Labor (USDOL).

Federal general wage decision MI7 provides prevailing wage rates for Michigan airport, bridge, and highway construction, and sewer work that is incidental to highway projects. This general wage decision is used in most MDOT contracts with federal funds. There are some exceptions, which are detailed in each contract.

### Multiple Federal Davis-Bacon Wage Decisions

The USDOL requires multiple wage decisions to be placed in contracts in which a second category of work is substantial in relation to project cost. Substantial is defined as more than approximately 20 percent (or \$1,000,000). The following are the most common types of work that may require an alternate decision:

- Sewer and watermain

- Landscaping
- Rest area buildings

When one or more of the above types of work is more than 20 percent of the project cost or \$1,000,000 (based upon the engineer's estimate), the alternate wage decision will be included in the contract along with the MI7 decision. The wages in the alternate decision can only be used for the work that it is placed into the contract to cover. All other work performed on the project will be subject to the wages in the MI7 decision.

Sewer and watermain work (MDOT prequalification classification K) is considered to fall under the Heavy Construction work classification; therefore, when that work type is more than 20 percent of the engineer's estimate or \$1,000,000, the wage decision with the construction type "HEAVY" will also be included in the contract and is to be used for the work related to the sewer and watermain work. All other work performed on the project will be covered by the "AIRPORT & BRIDGE, HIGHWAY, SEWER/INCID. TO HWY" (MI7) wage decision. An area of confusion is

when the "HEAVY" decision is placed in the contract for the sewer and watermain work, and the contract also has landscaping work (independent of restoration directly related to the sewer and water main work). If the landscaping work is not more than 20 percent of the contract or \$1,000,000, the "HEAVY" decision cannot be used for that work. The landscaping work would be covered by the MI7 wage decision. However, any restoration of areas disturbed by the sewer and water main work would be covered under the "HEAVY" decision.

When landscape work (MDOT prequalification classification H) is more than 20 percent of the contract cost or \$1,000,000, the "HEAVY" wage decision will be included in the contract to cover all landscape work. All other work performed on the project will be covered by the MI7 wage decision. If the project is a total landscape project, only the "HEAVY" wage decision will be in the contract.

Rest area building contracts will include the construction type "BUILDING" wage decision when the

Building portion of the work is more than 20 percent of the contract cost or \$1,000,000. The other work performed on the contract will be covered by the MI7 wage decision and/or the "HEAVY" wage decision (landscape and/or sewer and watermain work) if either or both are greater than 20 percent or \$1,000,000.

**Laborer - Open Cut as listed in the Highway, Airport & Bridge and Sewer/Incidental to Highway**

The majority of landscaping and restoration work is not covered by the open cut laborer classifications. These laborer classifications are incorporated into the federal general wage decisions only for open cut work that is incidental to highway work. For the purposes of prevailing wage laborer classification, incidental is defined as equal to or less than 20 percent of the engineer's estimate for the contract work. If the work is more than that amount, the contract will have multiple wage decisions. Open cut

construction is work that requires the excavation of earth. Examples of MDOT open cut work are sewer, watermain, and wetland mitigation. When landscape and/or restoration is required as a result of work associated with an incidental amount of open cut work (i.e. 20 percent or less), then Group 7 would apply only to that portion of landscaping or restoration associated with the open cut activities. If the landscaping and/or restoration work is not related to the open cut work, then the Group 7 rates listed in the open cut classification are not appropriate. The correct classification would be the Group 1 Laborer classification for miscellaneous or unskilled labor under the classifications for Laborers. This does not include hazardous waste abatement, tunnel, shaft and caisson, or open cut construction.

**Video Taping**

If the work is internal sewer inspection by video taping only, the requirement to

pay prevailing wage would not apply. However, when the internal inspection of sewer lines for leakage and damage through the use of video inspection and simultaneous repair and/or cleaning is involved, the operation of the video equipment is covered.

**Pavement Sweeping**

When pavement sweeping is a requirement of the contract, it is covered by prevailing wages. Group 2 under the power equipment operators for airport, bridge and highway construction classifications is appropriate for the operator of the sweeper truck.

When determining which classification applies to the work being performed on the project, it is always acceptable for the contractor to pay workers the highest rate.

Please share this advisory with the consultants and local agencies in your area.