

Prevailing Wage Compliance 2016

Prevailing Wage Components

Contract Documents

Wage Decisions

Wage Rate Interviews

Overtime

Certified Payrolls

Truck Drivers

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What and Where to Look for PW Compliance

- Bureau of Highway Instructional Memorandum (BOHIM)
 - PW Oversight Procedures (BOHIM 2009-07)

The BOHIM 2009-07 provides the oversight for the following:

- FHWA – 1273
- Notice to Bidders
- Wage Determinations

eProposal

<http://mdotcf.state.mi.us/public/bids/>

MDOT - BIDS Information Page 1 of 1

MDOT Department of Transportation

MDOT Bid Letting - February 10, 2016

Lettings

- February 10, 2016
- February 5, 2016
- January 8, 2016
- December 4, 2015
- November 6, 2015
- October 7, 2015
- October 2, 2015
- September 4, 2015
- August 7, 2015
- July 10, 2015
- June 10, 2015
- June 5, 2015
- May 20, 2015
- May 13, 2015

Bid Information

- Advertisements: PDF
- Download Project Plans/Proposals: Adobe
- Registered Print Vendors: CDC
- Warranty Information: N/A
- Antidumping Invoiced Listing: N/A
- Schedule of Pay Items: CDC
- Eligible Bidders: CDC
- Plan Issues: CDC
- Expedite Bid File: N/A

Lettings

- January 08, 2016
- December 04, 2015
- November 06, 2015
- October 07, 2015
- October 02, 2015
- September 04, 2015
- August 07, 2015
- July 10, 2015
- June 10, 2015
- June 05, 2015
- May 20, 2015
- May 13, 2015

MDOT eProposal - 02/05/2016 - 62 Items

Item: 001

Item No	Contract ID	Control Sec	Job No	Federal No	Federal Item
1602 001	29011-110485	TA 29011	128738A	TAP 1629(008)	HK0704
		NH 29011	110485A	NH 1629(007)	HK0690

12.51 mi of hot mix asphalt overlay, pavement repairs, shoulder reconstruction, drainage, guardrail, bridge clearance, and shared-use path on US-127 from US-127BR (Washington Road) to US-127BR (Lincoln Road) in the city of Ithaca, Grafton County. This project includes two 5 year materials and workmanship pavement warranties. This project contains an Alternate Technical Concept. See the Special Provision for Maintaining Traffic, Permanent Signing and Pavement Marking in the proposal for more info

5% DBE PARTICIPATION REQUIRED

Net classification required for this project is 15947 Cb

In addition to the above minimum prequalification requirement for prime contractors this project includes a subclassification of Ea. If the prime contractor is not prequalified in this subclassification it must use a prequalified subcontractor. This subcontractor must be designated prior to award of the contract to the confirmed low bidder.

Plans and proposal: Estimated pages for plans -
 *The proposal for this project includes all documents shown in PDF format below.

- Download 110485_Road1.pdf - 40.62 MB
- Download 110485_Proposal.pdf - 6.5 MB
- Download 110485_Road2.pdf - 21.92 MB
- Download 110485_Addend1.pdf - 177 KB
- Download 110485_Addend2.pdf - 3.76 MB
- Download Addendum A-M11 Wage Decision Update.pdf - 400 KB
- Download Addendum F-Federal Aid Construction Contract replacement off_#31 KB

<http://mdotcf.state.mi.us/public/bids/> 1/29/2016

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eProposal

<http://mdotcf.state.mi.us/public/bids/>

110485_Proposal.pdf - Adobe Acrobat

1602 001

MDOT Michigan Department of Transportation

2012 Standard Specifications for Construction

ITEM NUMBER: 1602 001

STATE OF MICHIGAN DEPARTMENT OF TRANSPORTATION

PROPOSAL

12.51 mi of hot mix asphalt overlay, pavement repairs, shoulder reconstruction, drainage, guardrail, bridge clearance, and shared-use path on US-127 from US-127BR (Washington Road) to US-127BR (Lincoln Road) in the city of Ithaca, Grafton County. This project includes two 5 year materials and workmanship pavement warranties. This project contains an Alternate Technical Concept. See the Special Provision for Maintaining Traffic, Permanent Signing and Pavement Marking in the proposal for more information.

BIDS WILL BE ELECTRONICALLY DOWNLOADED AT 10:30 AM LOCAL TIME, ON 2/5/16

CONTRACT ID	CONTROL SECTION	PROJECT	FEDERAL NO.	FED. ITEM
29011-110485	NH	29011	110485A	NH 1629(007)
	TA	29011	128738A	TAP 1629(008)

The bidder has downloaded and examined the plans, specifications, special provisions, and related materials in the proposal, as well as the location of the work described in the proposal for this project, and has obtained all addenda issued for this project, and is fully informed as to the nature of the work and the conditions relating to its performance and understands that the quantities shown are approximate only and are subject to either increase or decrease.

The bidder hereby proposes to furnish all necessary machinery, tools, apparatus, and other means of construction, do all the work, furnish all the materials except as otherwise specified and, for each unit price, lump sum, or one each named in the itemized bid, to complete the work in strict conformity with the plans therefore and the entire proposal which is incorporated by reference in these pages, and in strict conformity with the requirements of the 2012 Standard Specifications for Construction, Michigan Department of Transportation and such other special provisions and supplemental specifications as may be a part of the proposal for this project.

eProposal <http://mdotcf.state.mi.us/public/bids/>

General Decision Number: M2300001 11/07/2018 MT1

Superseded General Decision Number: M220140001

State: Michigan

Construction Types: Highway (Highway, Airport & Bridge, Sewer/Drain, etc.)

Counties: Michigan Statewide.

Note: Executive Order (EO) 13438 establishes an hourly minimum wage of \$10.10 for 2018 that applies to all contracts subject to the Davis-Bacon Act for which the solicitation is issued on or after January 1, 2018. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.10 (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract. The EO minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

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Form FHWA – 1273

- A convenient collection of contract provisions and proposal notices required by regulations of various federal agencies including the FHWA
 - Required by FHWA to be physically incorporated into Federal-aid construction contracts
 - Required subcontract attachment (form 1302)
 - Must be incorporated by reference for work done under purchase order or rental agreement
 - Located at the end of every Federal-aid proposal

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FHWA – 1273

Revised May 1, 2012

Required Contract Provisions Federal-Aid Construction Contracts

- I. General
- II. Nondiscrimination
- III. Nonsegregated Facilities
- **IV. Davis-Bacon and Related Act Provisions**
- **V. Contract Work Hours and Safety Standards Act Provisions**
- VI. Subletting or Assigning the Contract
- VII. Safety: Accident Prevention
- VIII. False Statements Concerning Highway Projects
- IX. Implementation of Clean Air Act and Federal Water Pollution Control Act
- X. Compliance with Governmentwide Suspension and Debarment Requirements
- XI. Certification Regarding Use of Contract Funds for Lobbying

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BOHIM 2009-07

- Certified Payrolls must be received by the Engineer with in three weeks from the time the work is performed.
 - **Must be date stamped**
- If they are not received in three weeks they are considered to be:
 - **Delinquent**
- When reviewed if information is missing or the certified payroll is inaccurate they are considered to be:
 - **Deficient**

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BOHIM 2009-07

Delinquent Notice Procedure

The notification sequence previously described would be as follows:

Initiate Notice	Notice Sequence	Contractor Notice of Action	Allotted Time For Response / Resolution	If No Response / Resolution
First payroll has not been received within 3 weeks.	First Notice (See Note 1)	Payment is being withheld for offending contractor's work items. Non-payment will continue until complete and accurate payrolls are received. Intent to assess non-compliance damages until all payrolls are complete, accurate and current. (See Notes 2 and 3)	30 days from receipt of first notice by the prime contractor	Implement actions from the first notice. Send second notice.
Payroll remains delinquent 30 days after first notice received by prime contractor	Second Notice (See Note 1)	Intent to rescind all prior payment for the offending contractor's work items. Intent to submit interim Contractor Performance Evaluation(s) for the offending contractor(s). (See Note 2)	30 days from receipt of second notice by the prime contractor	Implement actions from the second notice

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Delinquent Notification Example

Date

(Company President's Name)
(Prime Contractor Name)
(Address)

Re: (Contract ID), Certified Payrolls, Delinquent Notice 1

Dear _____:

Your (company/subcontractor) performed work on (Contract ID) during the week(s) ending (____). As of (3 weeks from the date work was started) certified weekly payrolls have not been received for the work performed by your (company/subcontractor name) and are classified as delinquent. Payment has been suspended for the work items performed by your (company/subcontractor, name). If certified weekly payrolls remain delinquent after 30 calendar days from the receipt of this notice, non-compliance damages will be assessed retroactive to the date this notice was received. Payment for work items performed by your (company/subcontractor, name) will continue to be suspended until complete and accurate certified payrolls are current and received by this office.

Sincerely,

Name
Construction Engineer
(Name of company, agency or TSC)

Sent by certified mail receipt requested or other method which establishes the date received by the prime contractor

cc: Subcontractor (by regular mail if needed)
cc: Region coordinator for prevailing wage

BOHIM 2009-07

Deficient Notification Example

Date _____

(Company President's Name)
 (Prime Contractor Name)
 (Address)

Re: (Contract ID), Certified Payrolls, Deficient Notice 1

Dear _____:

The certified payroll(s) for week(s) ending (enter date) submitted by your (company/subcontractor, name) are deficient as noted below. The above dated certified payrolls must be corrected and resubmitted with signature certifications. Corrected certified payrolls of subcontractors must be resubmitted through your company. The following items shall be addressed. (Delete all items that do not apply).

- Name and address with the prime or subcontractor(s) identified
- State contract ID numbers (contract identification)
- Payroll No., week ending, project location
- Employee full name and last four digits of social security number
- Identification of minority and female employees
- Employee's full work classification, including group or class
- Identification of O/Ts, apprentices and program levels (%) on payrolls
- Daily and weekly employee hours worked in each job classification
- Daily and weekly employee overtime (or premium) hours worked in each job classification
- Total weekly hours worked on all jobs (prevailing and non-prevailing wage)
- Base rate shown for each employee, overtime (or premium) rate shown when worked
- Fringe benefit package information in file and updated as needed
- Project gross weekly wages
- Week's gross wages for all jobs
- Week's itemized deductions
- Week's Net wages paid for all jobs
- Compliance statement attached
- Explanation of itemized deductions if needed
- Method of fringe benefit payment described by checking either box (4)(a) or (4)(b)
- Exceptions explanation for fringe benefit (4)(c)
- Original signed signature
- Other (give detailed explanation)

BOHIM 2009-07

Non-Compliance Damages

Table 1 Schedule of Non-Compliance Damages

Contract/Subcontract/P.O./Invoice Amount ^a	Non-compliance damages per calendar day
\$0 to 49,999	\$200
50,000 to 99,999	400
100,000 to 499,999	600
500,000 to 999,999	900
1,000,000 to 1,999,999	1,300
2,000,000 to 4,999,999	1,550
5,000,000 to 9,999,999	2,650
10,000,000 and above	3,000
Trucker	\$200

^a "Contract" amount if offending contractor is the prime contractor. "Subcontract/P.O./Invoice" amount if offending contractor is a subcontractor/vendor.

MDOT Form 1954

[Instructions](#) [Clear Form](#)

Michigan Department of Transportation
 1954 (07/09)

CERTIFIED PAYROLL STATUS RECORD

File 111
Page 1 of 3

Contract ID: _____ Project Engineer: _____ Subcontractor: _____
 Location: _____ Prime Contractor: _____ Contact Information: _____

	W	R	A	W	R	A	W	R	A	W	R	A	W	R	A	W	R	A	W	R	A	
Week Ending																						
Week Ending																						
Week Ending																						
Week Ending																						

Wage Rate Interview? Date: _____

NOTICE OF DELINQUENT CERTIFIED PAYROLL			
Date of Notice	Date CPR Due	Date CPR Received	Follow Up Action Taken / Comments

NOTICE OF DEFICIENT CERTIFIED PAYROLL			
Date of Notice	Date Revised CPR Due	Date Revised CPR Received	Follow Up Action Taken / Comments

KEY: W = Contractor Worked R = Certified Payroll Received A = Certified Payroll Accepted CPR = Certified Payroll
 Note: A date stable excel spreadsheet version is available on the MDOT website under [Maps and Publications - Manual & Guides](#).

BOHIM 2009-07

Restitution Notice Procedure

- If restitution is required in a PW violation, the Construction Field Services Division, PW Compliance Specialist is to be notified.
- The Prime Contractor will be notified along with any involved subcontractor of the violation and restitution amount:
 - Let them know what the noncompliance is for.
 - What needs to occur to correct the noncompliance.
 - What will happen if they do not comply within the time frames issued in the notification.

BOHIM 2009-07

Restitution Notice Procedure

- Intent of the first notice of violation and restitution:
 - Immediately withholding the amount of the violation, if known.
 - 60 days to resolve the violation or the intent will be to withhold payment for the offending contractor's items.
 - This may be extended if Engineer and Contractor agree in writing.

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BOHIM 2009-07

Restitution Notice Procedure

Intent of the second notice of violation and restitution:

- Begin to withhold payment for the offending contractor's items.
- If not resolved within 30 days of the second notice, NON-COMPLIANCE damages will be assessed back to the date of the first notice. The damages will continue until the violation is resolved.
- The contractor is also responsible for any and all costs associated with the investigation and audit procedures.

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Contract Provisions for PW

- Notice to Bidders
 - Fraud and Abuse Hotline (NB17)
 - Multiple Wage Decisions(NB13)
 - Clarifies the proper use of wage decisions (Highway vs. Heavy)
- Special Provisions
 - Labor Compliance
 - Jobsite Poster Deficiencies
 - PW and Labor Compliance System

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Notice to Bidders Multiple Wage Decisions

12NB-13-02

MICHIGAN
DEPARTMENT OF TRANSPORTATION

NOTICE TO BIDDERS
FOR
MULTIPLE DAVIS-BACON WAGE DECISIONS

CSD:JDM 1 of 1 APPR:MAS:09-24-14

This proposal may contain multiple Davis-Bacon Wage Decisions. In order to clarify the work covered by each decision, the following explanations are offered:

General Decision MI120001 covers all airport construction, bridge construction, highway construction, and sewer and watermain work that are incidental to highway projects. **The construction type indicated on this decision is "HIGHWAY (HIGHWAY, AIRPORT & BRIDGE xxxxx and SEWER/INCID. TO HWY.)".** This wage decision is the most commonly used wage decision in MDOT's federally funded projects.

In accordance with the U.S. Department of Labor's All Agency Memorandums No. 130 and No. 131, multiple wage decisions will be included in those projects in which a second category of work is substantial in relation to project cost – more than approximately 20% or \$1,000,000. Sewer and watermain work is considered to fall under the Heavy Construction work classification by the DOL, therefore when that work type is more than 20% of the engineer's estimate or \$1,000,000, the wage decision with the construction type "HEAVY CONSTRUCTION PROJECTS" will also be included in the proposal and is to be used for the sewer and watermain work in the proposal. All other work performed on the project will be covered by the "HIGHWAY (HIGHWAY, AIRPORT & BRIDGE xxxxx and SEWER/INCID. TO HWY.)" wage decision.

Also, when the landscape work is more than 20% of the project cost or \$1,000,000, the "HEAVY CONSTRUCTION PROJECTS" wage decision will be included in the proposal to cover all landscape work. All other work performed on the project will be covered by the "HIGHWAY (HIGHWAY, AIRPORT & BRIDGE xxxxx and SEWER/INCID. TO HWY.)" wage decision. If the project is a total landscape project, only the "HEAVY CONSTRUCTION PROJECTS" wage decision will be in the proposal.

Rest area building projects will include the construction type "BUILDING" wage decision when the building portion of the work is more than 20% of the project cost or \$1,000,000. The other work performed on the project will be covered by the "HIGHWAY (HIGHWAY, AIRPORT & BRIDGE xxxxx and SEWER/INCID. TO HWY.)" wage decision and/or the "HEAVY CONSTRUCTION PROJECTS" wage decision (landscape and/or sewer and watermain work) if either or both are greater than 20% or \$1,000,000.

Although there is only one wage decision for "HIGHWAY (HIGHWAY, AIRPORT & BRIDGE xxxxx and SEWER/INCID. TO HWY.)" work (MI120001), the "HEAVY CONSTRUCTION PROJECTS" and "BUILDING" wage decisions vary from county to county.

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Special Provision
Labor Compliance
pg. 1

12SP-107G-01

MICHIGAN
DEPARTMENT OF TRANSPORTATION
SPECIAL PROVISION
FOR
LABOR COMPLIANCE

CFS:AS 1 of 2 APPR:JG:RJC:07-01-14
FHWA:APPR:07-09-14

a. Description. This special provision details the requirements for labor compliance. Ensure all levels of contracting (prime, sub, sub-sub, etc.) comply with all labor compliance requirements in this contract as well as with the current MDOT procedure for prevailing wage oversight. All contractors must insert this special provision in each subcontract and further require its inclusion in all lower tier subcontracts. **The Contractor must advise all subcontractors of the requirement to pay the prevailing wage rates prior to commencement of work and that all employees must cooperate during wage rate interviews. The Contractor is responsible for all subcontractors and lower tier subcontractor labor compliance. Ensure labor compliance posters and the project specific prevailing wage rates are posted on the construction site, in a conspicuous place, prior to the commencement of work. Resolve all labor compliance issues within 60 days of receiving the Department's first documented notice. The 60 day requirement may be extended based on documented mutual agreement between the Department and the Contractor. A violation of state and/or federal prevailing wage rates or laws may result in the debarment of a Contractor from being awarded a contract or subcontract for a period of up to 8 years. Other actions, including but not limited to the reconciliation of records and restitution for employees, included in state and federal laws, may be required of the Contractor or subcontractor.**

1. Record Keeping. Maintain payrolls and basic records relating thereto (i.e. W2, canceled checks, bank statements, payroll software etc.) by all levels of contractors during the course of work and preserved for a period of 3 years thereafter for all employees working on the site of work as outlined in 29 Code of Federal Regulations part 5.5 (29 CFR 5.5). **Make these records available for inspection, copying, or transcription by the Department or its representative.**

2. Certified Payroll Submittal Requirements. **Subcontractors (all tiers) must submit their certified payrolls to the prime Contractor. The submitted payrolls must set out accurately and completely all of the information required on MDOT Form CP-347, Certified Payroll. The required weekly payroll information may be submitted on any contractor generated form, but must contain all information required on Form CP-347. Review all lower tier subcontractor certified payrolls prior to submission to the Engineer. The review must ensure the certified payroll complies with the submittal requirements as set forth in the current MDOT procedure for prevailing wage oversight. Complete Form 1955, Contractor's Certified Payroll Report, and submit to the Engineer along with the certified payrolls on a weekly basis. Forms 1955 and CP-347 are available on the MDOT forms webpage.**

A. Federal Prevailing Wage Projects. The Davis-Bacon Related Acts apply to all contractors, and subcontractors (all tiers) performing work on federally funded or assisted construction contracts in excess of \$2,000. All contractors and subcontractors are required to comply with 29 Code of Federal Regulations Parts 1, 3, and 5.

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Special Provision
Labor Compliance
pg. 2

12SP-107G-01
07-01-14

CFS:AS 2 of 2

B. State Prevailing Wage Projects. 1965 PA 166 applies to all contractors, and subcontractors (all tiers) performing work on contracts which are sponsored or financed in whole by the State of Michigan. On contracts involving two or more job numbers where the type of funding is mixed, and where one source of funding is federal, the Department inserts only the wage rates issued by the U.S. Department of Labor in the proposal and the federal requirements apply.

3. Short Duration Projects. The following modifications apply to the prevailing wage oversight procedure if the project is less than 75 calendar days in duration.

A. Submittal Requirements. **The first certified payroll is to be received by the Engineer within 2 weeks from the end of the work week in which the work is started by the Contractor and/or subcontractors. The 2 week period is to allow for the processing and review of the certified payrolls by the Contractor. The first pay estimate can be made prior to the submission of the first certified payroll. The 2 week grace period allows the first estimate to be paid assuming the Contractor and subcontractor submit certified payrolls in a timely manner. Ensure subsequent certified payroll submissions are made weekly. Payroll submissions failing to meet the above requirements will be considered delinquent.**

B. Contractor Notices. When certified payrolls are determined to be deficient or delinquent as defined in the current MDOT procedures for prevailing wage oversight the Engineer is to provide the prime Contractor with documented notice.

All labor compliance issues are to be resolved within 30 days after receiving the Department's first documented notice. **The notification timeframe will be modified from 30 calendar days per notification to 15 calendar days per notification for short duration projects.**

b. Materials. None specified.

c. Construction. None specified.

d. Measurement and Payment. Payment for compliance with this special provision will not be made separately. Payment will be considered as part of all other contract pay items.

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Jobsite Posters

<p>01 - MIOSHA</p>	<p>02 - OFCCP 1420</p>	<p>03 - WH 1420 FMLA</p>
<p>04 - WH 1321 Davis Bacon (English)</p>	<p>05 - Michigan DOT Prevailing Wage Compliance Officer (313) 636-0627</p> <p>06 - FHWA 1022 Fed Aid Projects</p>	<p>06 - FHWA 1022 Fed Aid Projects</p>
<p>07 - WH 1462 Employee Polygraph Protection Act</p>	<p>08 - WHD 1088 Federal Min. Wage</p>	<p>09 - WH 1284 Disab. Paid Min. Wage</p>
<p>11 - Michigan Civil Rights</p>	<p>12 - Michigan Title VI Compliance</p>	<p>13 - Michigan Fraud and Abuse Hotline</p>

Special Provision

Prevailing Wage Compliance System

12DS104(I595)

MICHIGAN
DEPARTMENT OF TRANSPORTATION

SPECIAL PROVISION
FOR
PREVAILING WAGE AND LABOR COMPLIANCE SYSTEM

BRI:LK 1 of 2 APPR:CR:JIG-02-27-15

a. **Description.** This work requires the use of a prevailing wage and labor compliance (PWLC) system for all prevailing wage documentation as directed by the Engineer. Input all required certified payroll documentation into the PWLC system (LCPtracker) and update this documentation throughout the execution of the contract. Certified payroll information is to be submitted in the system per the time requirements in the Special Provision for Labor Compliance.

b. **Contractor Responsibility.** Coordinate all electronic document submittals including documentation supplied by other companies (e.g. subcontractors, suppliers, fabricators, etc.) as detailed in this special provision. All companies will directly submit their certified payroll information into the system.

c. **General Requirements.** Submit all certified payroll information as required in this special provision and the Special Provision for Labor Compliance. **Provide employee zip codes as part of the certified payroll submission.** This information will be redacted from any certified payroll reports to protect worker anonymity. Zip code information will be anonymized and used for federal, state, and legislative prevailing wage and labor reporting.

All data entry will be submitted through the following program and website:

Program: **LCPtracker**
 Login Website: **http://www.lcptracker.net**
 General Information website: **www.lcptracker.com**

A tutorial for this system can be found through the website provided.

d. **Condition of Payment.** Post all documents electronically into the PWLC system. Electronic posting and submittal of documents is a condition of payment for this contract. Documents submitted in any other manner, unless required otherwise in this special provision or directed by the Engineer, will not be accepted and will delay payment.

e. **Digitally Encrypted Electronic Signatures.** Ensure all documents that require signature authorizations are signed using a digitally encrypted electronic signature. Further information on digital electronic signatures is available in the Bureau of Highway Instructional Memorandum, 2012-02, Digitally Encrypted Electronic Signatures (or as superseded) which can be reviewed at the following website:

http://www.michigan.gov/documents/mdot/MDOT_IM12-02_378066_7.pdf

f. **Contractor Preparation for Tracking Software:**