

Wage Rates

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By: **Joe Nye, PE**
Helena ADO

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**Federal Aviation
Administration**



Procurement Requirements (Tip of the Iceberg)

Procurements made under the Airport Improvement Program must adhere to provisions outlined in [Title 49 CFR Part 18.36](#)

All construction contracts over \$2,000 need to include a provision for compliance with prevailing wage rate requirements of the Davis-Bacon Act

http://www.faa.gov/airports/aip/procurement/federal_contract_provisions/

All construction contracts over \$2,000 must comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations 29 CFR Part 5

- Addresses compensation for hours in excess of 40 hours per work week.
- Prohibits unsanitary, hazardous, or dangerous working conditions.



Labor Interviews

AIP Handbook 922(f):

- All construction contracts over \$2,000 need to include a provision for compliance with prevailing wage rate requirements of the Davis-Bacon Act
- Wage rate not less than the minimum wages specified in the wage determination made by the Secretary of Labor
- In addition, contractors shall be required to pay wages not less often than once a week

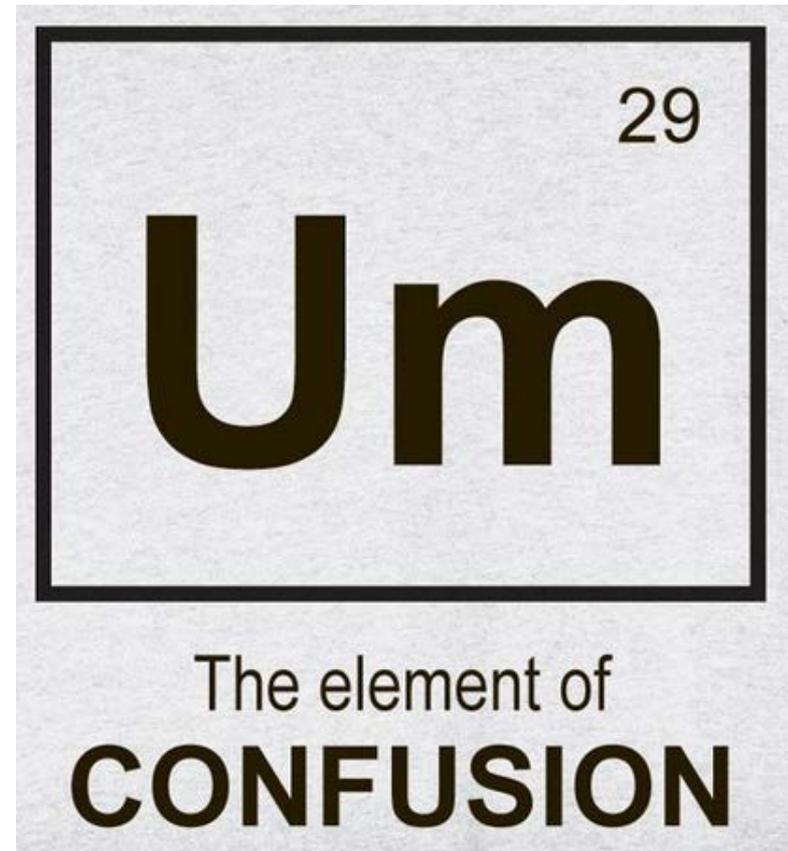
Labor Standards Interviews shall be conducted periodically

- [Sponsor Guide, AIP Handbook, Appendix 12](#)



Wage Rates

How do we address State Prevailing Wage Rates as well as Davis Bacon (Federal) Wage Rates??



Idaho

Prevailing wage is the federal prevailing wage.

Apply Davis Bacon



Montana

Get a legal interpretation....

MCA TITLE 18 PUBLIC CONTRACTS

18-2-402. Standard prevailing rate of wages.

- (1) The commissioner may determine the standard prevailing rate of wages, including fringe benefits, applicable to public works contracts under this part. The commissioner shall keep and maintain copies of collective bargaining agreements and other information on which the rates are based.
- (2) **The provisions of this part do not apply in those instances in which the standard prevailing rate of wages is determined by federal law.**
- (3) Whenever this part is applicable, the standard prevailing rate of wages, including fringe benefits, is the greater of the highest applicable rate of wages in the area for the particular work in question as negotiated under existing and current collective bargaining agreements or the rate determined by the applicable survey under this part.



Montana

Items to keep in mind...

- Sponsors must follow the laws (State and Federal).
 - State recommends multi wage rate.
- Davis Bacon establishes a minimum wage rate.
- Anticipated that any enforcement of a State Prevailing Wage Rate would be handled by the State Department of Labor.

Process

1. Know the law.
2. Know MT DLI recommendation.
3. Get legal council.
4. Proceed in defendable manner.



Discussion

