# NECA Labor Relations Conference



New Orleans, Louisiana Tuesday, April 16, 2019



Presented by:

### **Torres Consulting & Law Group, LLC**

Leslie Peaslee, Senior Compliance Specialist Anna Clark, Senior Compliance Specialist

# **Today's Topics**

- TCLG overview
- Wage determinations
- CBA updates
- Conformances
- Surveys
- U.S. Department of Labor investigations
- State vs. federal prevailing wage

# What We Do

- Federal (Davis-Bacon) compliance monitoring
- State prevailing wage compliance monitoring
- Notify contractors that someone is watching
- Aggressively monitor work awarded to non-signatory contractors
- Report wage theft to the U.S. Department of Labor
- Publicize back wages paid to employees as a result of cheating contractors

# Wage Determinations and CBA Updates

# **Wage Determinations**

- www.wdol.gov
- Locked in for the duration of the project

General Decision Number: LA190041 01/11/2019 LA41

Superseded General Decision Number: LA20180045

State: Louisiana

Construction Type: Building

County: Orleans County in Louisiana.

BUILDING CONSTRUCTION PROJECTS (does not include single family homes or apartments up to and including 4 stories).

Modification Number Publication Date 0 01/04/2019 1 01/11/2019

ELEC0130-010 12/03/2018

Ka	tes Fr	inges
ELECTRICIAN (Including Communication Technician and Low Voltage Wiring)\$ 3	0.93	11.78
SULA2012-026 09/22/2014		
Rate	es Frin	ges
BRICKLAYER\$ 18	.66	0.00
CARPENTER (Form Work Only)\$ 15	.00	0.00
CARPENTER, Excludes Drywall Hanging and Metal Stud Installation, and Form Work\$ 19	.37	2.46
DRYWALL FINISHER/TAPER 16	.55	0.00
DRYWALL HANGER AND METAL STUD INSTALLER\$ 18	.21	4.90
LABORER: Common or General\$ 13	.09	0.00
LABORER: Mason Tender - Brick\$ 12	.38	0.00

Rates

Fringes



# **CBA Updates**

- Importance
  - Update your wages once new CBA's go into effect
  - Failure to do so can cause issues

General Decision Number: AZ190031 03/08/2019 AZ31

Superseded General Decision Number: AZ20180032

State: Arizona

Construction Type: Building

County: Maricopa County in Arizona.

PLUM0469-002 07/01/2016		
	Rates	Fringes
PLUMBER/PIPEFITTER Cononino, Maricopa, and Yuma	\$ 36.35	17.00 17.00

BUILDING CONSTRUCTION PROJECTS (does not include single family homes or apartments up to and including 4 stories).



# **CBA Updates**

- https://www.dol.gov/whd/govcontracts/stateassign ments.htm
- WHD\_CBA\_UPDATES@dol.gov

BRANCH OF CONSTRUCTION WAGE DETERMINATIONS
200 Constitution Avenue, NW, Washington, DC 20210

RhonTia Thomas-Johnson,-(202) 693-0806, Branch Chief

Timothy Holmes, Acting Section Chief (202)-693-0838 Jamie Conyers, Acting Section Chief - (202) 693-0400

Administrative Support:

Dorothy Fulcher - (202) 693-0557 Johnie Smith - (202) 693-0424



ADDITION	ST FOR AUTHORIZATION AN	ND RATE	SEF	RVICE CONTRACT	Ex	MB Number: 9000-008 piration Date: 9/30/201
<sup>2</sup> APERWORK REDUCTION ACT STATEMENT: Public reporting burden for this collection of information is estimated to average .5 hours per response, notuding the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the officetion of information. Send comments regarding this burden estimate or any other aspects of this collection of information, including suggestions for educing this burden, to U.S. General Services Administration, Regulatory Secretariat (MVCB)/IC 9000-0089, Office of Governmentwide Acquisition Policy, 1800 F Street, NW, Washington, DC 20405.						
	ONTRACTOR SHALL COMPLETE THE CONTRACTING OFFICER.	ITEMS 3 THROU	3H 16, KEEP	A PENDING COPY, AN	ID SUBM	IT THE REQUEST, IN
. TO: ADMINISTRATOR, WAGE AND HOUR DIVISION U.S. DEPARTMENT OF LABOR WASHINGTON, DC 20210						
CONTRACTOR		<u> </u>		4	4. DATE O	FREQUEST
i. CONTRACT NUMBER	6. DATE BID OPENED (SEALED BIDDING)	7. DATE OF AWAR	D	8. DATE CONTRACT WO	ORK	DATE OPTION EXERCISED (If APPLICABLE) (SERVICE CONTRACT ONLY)
0. SUBCONTRACTOR (IF	ANY)	1				I
1. PROJECT AND DESCRIPTION OF WORK (ATTACH ADDITIONAL SHEET IF NEEDED)						
2. LOCATION (CITY, COUNTY AND STATE)						
3. IN ORDER TO COMPLETE THE WORK PROVIDED FOR UNDER THE ABOVE CONTRACT, IT IS NECESSARY TO ESTABLISH THE FOLLOWING RATE(S) FOR THE INDICATED CLASSIFICATION(S) NOT INCLUDED IN THE DEPARTMENT OF LABOR DETERMINATION						
NUMBER:			DATED:			
LIST IN ORDER: PROPOSED CLASSIFICATION TITLE(S); JOB DESCRIPTION(S); DUTIES; AND RATIONALE FOR PROPOSED CLASSIFICATIONS (Service contracts only)		b. WAGE RATE(S	S)	c. FRINGE BENEFITS PAYMENTS		
	(Use reverse or attach additional sheets, if ne	**				

- Submit an SF-1444
  - When your craft does not appear on the wage determination
  - ➤ After the general contractor is awarded the contract and/or with your bid for work
- Conformance challenges
  - ➤ Sub-classifications for classifications already covered in the wage determination
- DOL All Agency Memorandum (AAM) 213
  - Reasonable relationship test
    - □ https://www.dol.gov/whd/programs/dbra/Survey/AA M213.pdf

WHD-CBACONFORMANCE\_INCOMING@dol.gov

### BRANCH OF CONSTRUCTION WAGE DETERMINATIONS

200 Constitution Avenue, NW, Washington, DC 20210

Davis-Bacon conformance submission public email box address. WHD-CBACONFORMANCE INCOMING@dol.gov

Davis-Bacon CBA update submission public email box address: WHD CBA UPDATES@dol.gov

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### Example of a conformance issue in Oklahoma

NUMBER: UN120014	DATED: UZIZ4IZUTZ
<ul> <li>a. LIST IN ORDER: PROPOSED CLASSIFICATION TITLE(S); JOB DESCRIPTION(S); DUTIE</li> <li>AND RATIONALE FOR PROPOSED CLASSIFICATIONS (SCA ONLY)</li> </ul>	b. WAGE RATE(S)
(Use reverse or attach additional sheets, if necessary) Pipelayer- Lays underground electrical duct. To include smoothing	10.50
bottom of trench to proper elevation by scooping with a shovel; receipipe lowered from top of trench; inserts spigot end of pipe into bell clast laid pipe; adjusts pipe to line and grade, caulks and seals joints cement of other sealing compound and performs other related duties	end of with

NOWDEN. OTT 2002 I	7170072012	
a. LIST IN ORDER: PROPOSED CLASSIFICATION TITLE(S); JOB DESCRIPTION(S); DUTIES; AND RATIONALE FOR PROPOSED CLASSIFICATIONS (SCA ONLY)	b. WAGE RATE(S)	c. FRINGE BENEFITS PAYMENTS
(Use reverse or attach additional sheets, if necessary)  Electrican - Plans and supervises the layout of metal electrical conduit, installs wiring systems, switch-panels, buss bars, works on overhead distribution systems and underground distribution systems. Performs other related duties.	27.15	\$4.70 + 17.25%

This letter serves to withdraw our previous conformance decision dated January 11, 2013 and Branch Review decision dated September 24, 2014 in response to an letter requesting reconsideration of a request proposing the addition of a classification and wage rate to the above wage decision in accordance with 29 CFR 5.5(a)(1)(ii).

The proposed additional classification and wage rate is:

Proposed Classification	Proposed Hourly Rate	Fringe Benefits
Pipelayer	\$10.50	\$0.00

This decision is predicated on the information contained in the appeal letter and based upon our internal review. We have elected to modify the decision as follows:

The request for Pipelayer cannot be approved because the work to be performed by this classification may be performed by a classification already included in the wage decision [see 29 C.F.R, section 5.5(a)(1)(ii)(A)(1)]. The appropriate classification is <u>Electrician</u> for the laying of underground electrical duct at a rate of \$27.15 per hour plus \$4.70+17.25% in fringe benefits and <u>Laborer</u> for the smoothing bottom of trenches to proper elevation by scooping with a shovel; receiving pipe lowered from top of trench; inserting spigot end of pipe into bell end of last laid pipe; adjusting pipe to line and grade, caulking and sealing joints with cement of other sealing compound and performs other related duties at a rate of \$7.50 per hour plus \$1.31 in fringe benefits. These rates shall be paid to all workers performing work in these classifications under this contract from the first day on which work is performed. As these are minimum wage rates, higher wage rates may be paid.

## https://www.wdol.gov/aam/AAM228.pdf

ALL AGENCY MEMORANDUM NUMBER 228

TO: ALL CONTRACTING AGENCIES OF THE FEDERAL

GOVERNMENT AND THE DISTRICT OF COLUMBIA

FROM: Keith E. Sonderling, Acting Administrator/

SUBJECT: Fiscal Year 2019 Davis-Bacon Survey Plan

Fiscal Year 2020 Davis-Bacon Survey Plan under Co

### 2020 under consideration

### **DOL Midwest Region:**

- Nebraska Statewide Building
- Nebraska Statewide Residential

### **DOL Northeast Region:**

· West Virginia Statewide - Highway

### **DOL Southeast Region:**

- · Georgia (Metropolitan Counties) Residential
- South Carolina Statewide Highway

### **DOL Southwest Region:**

· Texas (Rural Counties) - Highway

Fiscal Year 2019

### **DOL Midwest Region:**

- Indiana Statewide Residential
- Missouri (Metropolitan Counties) Building

### **DOL Northeast Region:**

- New Hampshire Statewide Highway
- Virgin Islands & Puerto Rico Building, Heavy, Highway and Residential
- Delaware Statewide Highway

### **DOL Southeast Region:**

- Florida (Metropolitan Counties) Heavy
- South Carolina (Metropolitan Counties) Building
- South Carolina (Metropolitan Counties) Heavy

### **DOL Southwest Region:**

- · Texas (Metropolitan Counties) Highway
- Utah Statewide Highway

### **DOL Western Region:**

- Arizona Statewide Building
- Guam Building, Heavy, Highway and Residential Idaho Statewide – Building
   Jaho Statewide – Heavy

### **Current surveys**

- North Carolina (metro counties) Building
  - $\rightarrow$  Timeframe: 6/1/2017 5/31/2018
  - > Cut-off date: 5/31/2019
- Indiana (statewide) Residential
  - $\rightarrow$  Timeframe: 8/1/2017 7/31/2018
  - Cut-off date: 7/12/2019

### **Current surveys**

- New Hampshire (statewide) Highway
  - > Timeframe: 11/1/2017 10/31/2018
  - > Cut-off date: 9/6/2019
- Utah (statewide) Highway
  - $\rightarrow$  Timeframe: 1/1/2018 12/31/2018
  - Cut-off date: 9/27/2019
- Arizona (statewide) Building
  - > Timeframe: 12/1/2017 11/30/2018
  - > Cut-off date: 10/31/2019

### 2019 ARIZONA SURVEY FACT SHEET

TYPES OF CONSTRUCTION: STATEWIDE BUILDING

PROJECT TIMEFRAME: 12/01/2017 to 11/30/2018

THE OVERALL PROJECT MUST HAVE BEEN ACTIVE OR ONGOING WITHIN THE SURVEY TIMEFRAME

FORM WD-10s MUST BE POSTMARKED OR ELECTRONICALLY SUBMITTED BY CUT-OFF DATE 10/31/2019 TO BE USED IN THE SURVEY

### POINT OF CONTACT:

Helen Thach
Wage Analyst
Wage and Hour Division
90 7<sup>th</sup> Street, Suite 11-100
San Francisco, CA 94103
Telephone/ Fax: (415) 241- 3530

Email: thach.helen@dol.gov



### SURVEY BRIEFING RESERVATION FORM 2019 ARIZONA STATEWIDE SURVEY BUILDING CONSTRUCTION

### PHOENIX LOCATION

PHOENIX FEDERAL BUILDING 230 N. 1<sup>ST</sup> AVENUE, Rm: 205 PHOENIX. AZ 85003

Date/Time: Tuesday, April 16, 2019

1:30 p.m. to 4:00 p.m. OR

Date/Time: Wednesday, April 17, 2019

9:00 a.m. to 11:30 a.m.

### TUCSON LOCATION

TUCSON FEDERAL BUILDING 300 W. CONGRESS STREET, Rm: A TUCSON, AZ 85701

Date/Time: Tuesday, April 23, 2019

1:30 p.m. to 4:00 p.m. OR

Date/Time: Wednesday, April 24, 2019

9:00 a.m. to 11:30 a.m.

Please indicate below which session you will be attending and return the form by fax, email, or mail to the Wage and Hour Division on or before Friday, April 12, 2019.

Fax: (415) 241-3530 Mail: U.S. Department of Labor

Email: <u>thach.helen@dol.gov</u> Wage and Hour Division 90 7<sup>th</sup> Street, Suite 11-100

San Francisco, CA 94103-6714

# U.S. DOL Investigations

- Audits and investigations (federal or state)
  - ✓ Be thorough in completing paperwork
  - ✓ Be responsive
  - ✓ Be cooperative
  - ✓ Don't be afraid to ask questions
  - ✓ Don't be afraid to ask for assistance



# **U.S. DOL Investigations**

- U.S. DOL process
  - ➤ Gathers payroll information, timecards, interviews employees, reviews scope of work and contract
- CBA vs. Apprenticeship Standards
  - They don't always say the same thing, causing issues during the course of the investigation
  - Ensure that the U.S. DOL receives both a copy of the CBA and the Standards

# State Prevailing Wage vs. Federal Wage Determinations

# State vs. Federal

- State prevailing wage
  - Alaska, California, Connecticut, Delaware, Hawaii, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Vermont, Washington, Washington DC, and Wyoming
- https://www.dol.gov/whd/state/dollar.htm
- Coverage thresholds vary by state

# State vs. Federal

- When a state and federal wage determination are incorporated into the contract – use whichever wages are HIGHER
- Third Party Complaints
  - Federal: U.S. Department of Labor Regional Office
  - State: varies
- Challenges some U.S. DOL Regional Offices and state agencies refuse to accept Third Party Complaints
- Employee statements are key











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