



Guidance for Davis-Bacon Compliance

(for SRF loans through the Department of Ecology)

As the recipient of a State Revolving Fund loan you are required to comply with the Davis-Bacon Act prevailing wage requirements. Davis-Bacon Act requirements apply to construction projects. Laborers and mechanics employed by your construction contractors must be paid the federal prevailing wage.

Compliance with Davis Bacon requirements requires a coordinated effort between Ecology, the Funding Recipient, the Construction Contractor, the Design Engineer, and the EPA. This checklist will help you keep track of Davis-Bacon requirements and milestones throughout the life of your project.

	<u>Who</u>	<u>Action</u>
<u>Negotiation of the loan agreement</u>		
<input type="checkbox"/>	Ecology Staff	Ensure that Davis-Bacon Requirements are included in the loan agreement.
<input type="checkbox"/>	Ecology Staff	Explain the Davis-Bacon clauses in the loan agreement to the Funding Recipient. Direct Recipient to website for SRF specification insert.
<u>Project design</u>		
<input type="checkbox"/>	Design Engineer	Include the SRF specification insert in the project specifications.
<u>Advertisement and bidding</u>		
<input type="checkbox"/>	Design Engineer	Include the correct Davis-Bacon Wage Determination in the bid package.
<input type="checkbox"/>	Design Engineer	Include the required Davis-Bacon language in the advertisement for bids.
<input type="checkbox"/>	Design Engineer	Ten days before bid opening, check for an updated wage determination.
<input type="checkbox"/>	Design Engineer	If an updated wage determination is published ten days prior to bid opening, the bid package must be updated by addendum to include the updated wage determination.
<input type="checkbox"/>	Design Engineer	If bid opening is postponed, recheck to see if an updated wage determination has been published.
<u>Award of contract</u>		
<input type="checkbox"/>	Funding Recipient	If the contract is not awarded within 90 days of the bid opening, update the wage determination in the awarded contract with the most current one.
<input type="checkbox"/>	Funding Recipient	Provide a copy of the executed construction contract that includes the correct wage determination to Ecology.

	<u>Who</u>	<u>Action</u>
<u>Construction</u>		
<input type="checkbox"/>	Funding Recipient	Invite Ecology staff to the pre-construction meeting.
<input type="checkbox"/>	Ecology Staff	Explain the Davis-Bacon requirements at the pre-construction meeting and answer any questions.
<input type="checkbox"/>	Construction contractor	Pay all laborers and mechanics on the job the Davis-Bacon prevailing wage rate, or the state prevailing wage rate, whichever is higher.
<input type="checkbox"/>	Construction contractor	Document the value of any fringe benefits if the fringe benefits represent part of the prevailing wage.
<input type="checkbox"/>	Construction contractor	Submit weekly certified payrolls to the Funding Recipient. The certification statement on the payrolls must be signed.
<input type="checkbox"/>	Construction contractor	Post the wage determination and Davis-Bacon information posters on the job site.
<input type="checkbox"/>	Funding Recipient	Spot check the certified payrolls against the wage determination. See Questions and Answers section for more guidance.
<input type="checkbox"/>	Funding Recipient	Conduct wage rate interviews to ensure that the correct wages are being paid to the laborers and mechanics on the project. See Questions and Answers section for more guidance.
<input type="checkbox"/>	Construction contractor	The construction contractor is responsible for ensuring that all sub contractors are aware of the Davis Bacon requirements, that the subcontracts include the wage determination and required Davis-Bacon language, that they pay weekly, and submit certified payrolls.
<input type="checkbox"/>	Funding Recipient	Spot check sub-contractor payrolls and conducts wage rate interviews. See Questions and Answers section for more guidance.
<input type="checkbox"/>	Funding Recipient	Certify that Davis-Bacon requirements are being met as part of the progress report.
<input type="checkbox"/>	Ecology Staff	Spot check the funding recipient's work during their project inspections. Ecology staff will look for documentation that the funding recipient is doing their part and that systems are in place for verifying payrolls and conducting interviews.
<u>Project audit</u>		
<input type="checkbox"/>	EPA	EPA audits several of Ecology's loans every year. For loans that the EPA audits, the EPA may request certified payrolls and documentation of interviews. EPA will review the wage determination included in the executed contract.

Question and Answers

What if I advertised for bids without the required language in the bid advertisement?

If you have not yet awarded the contract, you can include the required language in the bid package through an addendum.

What if I awarded my contract without the required specification insert or wage determination?

If, for example, you advertised your project before securing SRF funding, you can add the required language to the contract by change order. Prevailing wages must be paid to laborers and mechanics for the entire project. This may require the construction contractor to adjust his

payroll going back to the start of the project.

Do Davis-Bacon wages apply to my Engineering consultant? What about the staff of my utility?

Davis Bacon wages only apply to laborers and mechanics employed by the construction contractor. Utility staff and engineering consultants are not covered by Davis-Bacon Act prevailing wage requirements.

What if I have other financing in the project? Can I require that prevailing wages on part of my project?

No, prevailing wages must be paid to laborers and mechanics for the entire project. A “project” is considered to be all the work performed under a contract for construction. If you are managing multiple construction contracts and multiple funding sources, be very careful to ensure that the correct funding requirements are applied to the correct contracts.

How do I know which wage determination is the correct one?

There are four types of wage determinations: Heavy, Highway, Residential, and Building. Wastewater and stormwater construction is generally “Heavy.” If the project includes significant amounts of pavement, or an enclosed building, the “Highway” or “Building” schedules may be necessary.

The Department of Labor publishes a different wage determination for every county in the state. Be sure to include the wage determination for the county where the work is taking place.

What is “Zone Pay”?

“Zone Pay” is an adjustment to the base rate for the wage determinations where the job is located outside of a large city. The distance from the city center is calculated as a straight line, not by traveled distance along roads. Zone Pay is an increase to the base wage rate, and will therefore affect overtime calculations.

What do the interviews consist of and how many do I have to do?

Funding recipients conduct interviews in order to ensure that their construction contractor is complying with the Davis-Bacon Act prevailing wage requirements. The interview schedule should be established to ensure yourself that the contractor is complying. The interview should use Standard Form 1445 which includes all the required questions. You can get SF-1445 from the US General Services Administration or on Ecology’s website. Ecology staff can work with you to determine an interview schedule that provides reasonable assurance that you are exercising due diligence. At a minimum, one interview must be conducted per construction project. EPA suggests that interviewing 10% of the employed laborers and mechanics is a good guideline for larger projects.