

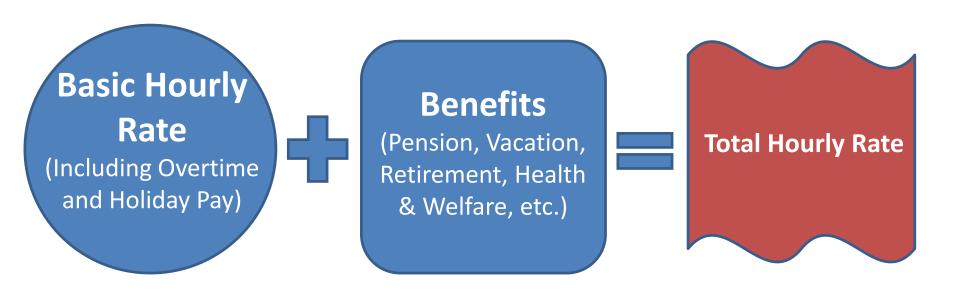
### Office of Labor Standards Enforcement

## **Prevailing Wage Training**

## What is prevailing wage?



Traditional prevailing wage is the total hourly wages and benefits paid on public works projects for a particular craft, classification, or type of construction work



## What is public works?



## Public works refers to construction projects paid for wholly or partly from public funds

Federally-funded (Davis Bacon)



Federal Building at 7<sup>th</sup> & Market

State-funded (DIR's Wage Determinations)



Bay Bridge Rebuild

San Francisco-funded (Chapter 6)



Bus Rapid Transit (BRT)

Other Government Agency-funded



Golden Gate Bridge Suicide Deterrent Net System

## **Apprentices**



- Must register in a state-approved apprenticeship program and make apprenticeship training contributions to CAC (LC 1777.5)
  - https://www.dir.ca.gov/das/publicworks.html
- Apprenticeable crafts (#):
  - On the wage determination, if the title of the craft has a # before it, the craft is apprenticeable. If there is no notation or ##, then the craft is NOT apprenticeable

## **Certified Payroll Records**



- All contractors must maintain and provide payroll records on a weekly basis for all workers employed on public works. These records must be certified under penalty of perjury. (LC 1776)
- Submit certified payroll records and fringe benefit statements into the City's electronic payroll reporting system (LCPtracker). [Chapter 6.22(e)(7)(c)]
- Failure to provide CPRs to OLSE within 10 days after receipt of written request is subject to a \$100 penalty per worker per day. [Chapter 6.22(e)(6)] [LC 1776.(h)]

## Who must be reported in CPRs?



- All workers <u>performing covered work</u> must be reported, regardless of status or title
  - Partner, Owner, Owner-operator, Independent Contractor, Sole Proprietor, etc.
  - President, Vice-President, Superintendent, Foreman, etc.

# What happens if prevailing wages are not paid?



- Assessment of back wages
- Penalties of \$50 (up to \$200) per worker per day
- Proof of payment, i.e. canceled checks, evidence of fringe benefit payments, pay stubs, etc.

## **General Prevailing Wage Determination**



- Bid Advertisement Date determines which wage determination applies
- Effective Date of Determination
  - DIR issues wage determinations twice a year: February 22 and August 22
  - Prevailing wage determinations become effective 10 days after issuance (March 4<sup>th</sup> (or 3<sup>rd</sup> if Leap Year) & September 1<sup>st</sup>)
  - Pay close attention to the footnotes

#### Single Asterisk \*

Wage rates in effect on bid advertisement date apply to the life of the project

#### **Double Asterisk \*\***

Increases to the pay rates have been predetermined, and the employer must pay the increases as the project progresses

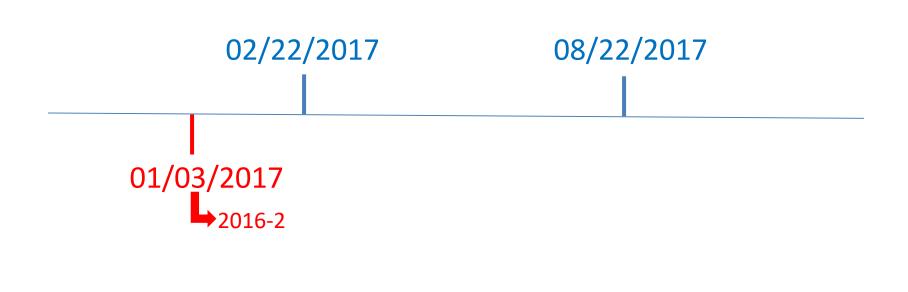
## **Prevailing Wage Determination Example**



#### Which wage determination applies?

Bid Advertisement Date: 01/03/2017

**Bid Advertisement Date** 



Wage Determination Issuance Date

February 22 & August 22

## How To Access Prevailing Wage Determinations



https://www.dir.ca.gov/oprl/DPreWageDetermination.htm



Office of Policy, Research and Legislation : Director's General Prevailing Wage Determinations

#### Director's General Prevailing Wage Determinations

- 2017-2 General prevailing wage determinations menu (journeyman)
- · 2017-2 General prevailing wage apprentice determinations menu
- · Superseded prevailing wage determinations
- · Residential prevailing wage determinations
- Important notices (index 2006-1 to present)
- · Important notice: off-site fabrication decisions on appeal
- · Frequently asked questions Prevailing Wage
- Frequently asked questions Off-Site Hauling
- Still have questions on prevailing wage?

## **Example: 1/3/17 Bid Advertisement Date**2016-2

#### https://www.dir.ca.gov/oprl/DPreWageDetermination.htm



Office of Policy, Research and Legislation : Director's General Prevailing Wage Determinations

#### Director's General Prevailing Wage Determinations

- 2017-2 General prevailing wage determinations menu (journeyman)
- · 2017-2 General prevailing wage apprentice determinations menu
- Superseded prevailing wage determinations
   Click "Superseded" for all Prior Wage Determinations
- Residential prevailing wage determinations
- Important notices (index 2006-1 to present)
- · Important notice: off-site fabrication decisions on appeal
- Frequently asked questions Prevailing Wage
- · Frequently asked questions Off-Site Hauling
- Still have questions on prevailing wage?

## **Example: 1/3/17 Bid Advertisement Date**

2016-2



#### https://www.dir.ca.gov/oprl/DPreWageDetermination.htm



Office of Policy, Research and Legislation | Superseded prevailing wage determinations

#### Superseded prevailing wage determinations

General prevailing wage determinations made by the Director of Industrial Relations

Pursuant to California Labor Code Part 7, Chapter 1, Article 2, Sections 1770, 1773, and 1773.1

Index: 2017-1 (Superseded)

General prevailing wage determinations General prevailing apprentice schedules

Index: 2016-2 (Superseded)

General prevailing wage determinations General prevailing apprentice schedules

Journeyperson Rates

**Apprentice Rates** 

Index: 2016-1 (Superseded)

General prevailing wage determinations General prevailing apprentice schedules

Index: 2015-2 (Superseded)

General prevailing wage determinations General prevailing apprentice schedules

### **Example: 1/3/17 Bid Advertisement Date**

2016-2



#### https://www.dir.ca.gov/oprl/DPreWageDetermination.htm

Step one	Statewide	First examine if your craft's determination is among the basic trades that apply to most counties in California.  If you have not found your craft in step one, check this area to see if your craft's determination is one of Northern California's basic trades.  If you have not found your craft in step one, check this area to see if your craft's determination is one of Southern California's basic trades.					
Step two (A)	Northern California						
Step two (B)	Southern California						
Step three	San Diego	After following steps one and two (B), examine this area your project is in San Diego County.					
Step four	Choose a county ▼  County determinations (subtrades) - excel format	If you have not found your craft in steps 1, 2, or 3, choose the county where work is being performed to examine the subtrades. <b>HTML</b> format.  Examine the county (if shown) where work is being performed to see if your classification has a shift differential pay determination. <b>HTML</b> format.  Check the important notices to see if any corrections, interims, or modifications have been issued that may apply to your determination.					
Step five	Choose a County   County determinations (subtrades)  Shift differential pay - excel format						
Step six	Important notices						

Return to main menu

## Example: 1/3/17 Bid Advertisement Date 2016-2

#### https://www.dir.ca.gov/oprl/DPreWageDetermination.htm

#### Download all Northern California basic trade determinations (pages 33-59)

Page	Determination	Holidays, scope of work, travel & subsistence	Predetermined increase		
33	Asbestos Worker, Heat and Frost Insulator (h)	Select One ▼	Increase		
52B	Asbestos Removal Worker (Laborer)	Select One ▼	No increase *		
54	Building/Construction Inspector and Field Soils and Material Tester+	Select One	Increase		
34	Carpenter +	Select One ▼	Increase		
53	Cement Mason +	Select One ▼	Increase		
43	Dredger (Operating Engineer) +	Select One	No increase *		
35	Drywall Installer/Lather (Carpenter)	Holidays	Increase		
38	Elevator Constructor	Scope Travel	Increase		
49	Laborer +	Shift	Increase		
57	Landscape Maintenance Laborer	School Cine v	No increase *		
34F	Modular Furniture Installer (Carpenter)	Select One ▼	Increase		
39	Operating Engineer (Heavy and Highway Work) +	Select One ▼	Increase		
40A	Operating Engineer (Building Construction) +	Select One ▼	Increase		
42	Operating Engineer (Landscape Construction) +	Select One ▼	No increase *		
52	Parking and Highway Improvement Painter	Select One ▼	No increase *		
36	Pile Driver (Carpenter)	Select One ▼	Increase		
47	Pile Driver (Operating Engineer - Heavy and Highway Work) +	Select One ▼	Increase		
47A	Pile Driver (Operating Engineer - Building Construction) +	Select One ▼	Increase		
52A	Slurry Seal Worker (i)	Select One ▼	No increase *		
45	Steel Erector and Fabricator (Operating Engineer - Heavy and Highway Work) +	Select One ▼	Increase		
40B	Steel Erector and Fabricator (Operating Engineer - Building Construction) +	Select One ▼	Increase		
55	Teamster +	Select One ▼	No increase *		
44-44A	Traffic Control/Lane Closure (Laborer) and Parking and Highway Improvement Painter (Laborer)	Select One ▼	Increase		
59	Tree Maintenance (Laborer)	Select One ▼	Increase		
51	Tunnel Worker (Laborer) +	Select One ▼	Increase		
58	Tunnel/Underground (Operating Engineer) +	Select One ▼	Increase		

#### Return to main table

### **Sample Wage Determination**

GENERAL PREVAILING WAGE DETERMINATION MADE BY THE DIRECTOR OF INDUSTRIAL RELATIONS PURSUANT TO CALIFORNIA LABOR CODE PART 7, CHAPTER 1, ARTICLE 2, SECTIONS 1770, 1773 AND 1773.1

FOR COMMERCIAL BUILDING, HIGHWAY, HEAVY CONSTRUCTION AND DREDGING PROJECTS

Predetermined

CRAFT: # CEMENT MASON

increases

DETERMINATION: NC-23-203-1-2016-2

ISSUE DATE: August 22, 2016

Craft is apprenticeable

**EXPIRATION DATE OF DETERMINATION:** June 30, 201 The rate to be paid for work performed after this date has been determined. If work will extend past this date, the new rate must be paid and should be incorporated in contracts entered into now. Contact the Office of the Director - Research Unit for specific rates at (415) 703-4774.

LOCALITY: All localities within Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Yolo, and Yuba counties.

		Employer Payments				Straight-Time		Overtime Hourly Rate			
CLASSIFICATION	Basic	Health	Pension	Vacation	Training	Other	Hours <sup>b</sup>	Total	Daily	Saturday <sup>c</sup>	Sunday
(JOURNEYPERSON)	Hourly	and		and				Hourly			and
	Rate	Welfare		Holiday				Rate	1 1/2X	1 1/2X	Holiday
Cement Mason	\$32.15	8.28	10.55	5.59 <sup>a</sup>	0.54	0.10	8	57.21	73.285	73.285 <sup>d</sup>	89.36
Mastic Magnesite Gypsum, Epoxy,											
Polyester, Resin and all composition											
masons, swing or slip f											
scaffolds	\$33.15	8.28	10.55	5.59 <sup>b</sup>	0.54	0.10	8	58.21	74.785	74.785 <sup>d</sup>	91.36

## Sample Predetermined Increases



Classification

PREDETERMINED INCREASES FOR

CEMENT MASON (NC-23-203-1-2016-2)

CEMENT MASON (SPECIAL SINGLE SHIFT) (NC-23-203-1A-2016-2)

IN ALAMEDA, ALPINE, AMADOR, BUTTE, CALAVERAS, COLUSA, CONTRA COSTA, DEL NORTE, EL DORADO, FRESNO, GLENN, HUMBOLDT, KINGS, LAKE, LASSEN, MADERA, MARIN, MARIPOSA, MENDOCINO, MERCED, MODOC, MONTEREY, NAPA, NEVADA, PLACER, PLUMAS, SACRAMENTO, SAN BENITO, SAN FRANCISCO, SAN JOAQUIN, SAN MATEO, SANTA CLARA, SANTA CRUZ, SHASTA, SIERRA, SISKIYOU, SOLANO, SONOMA, STANISLAUS, SUTTER, TEHAMA, TRINITY, TULARE, TUOLUMNE, YOLO, AND YUBA COUNTIES

This predetermined increase for the above named craft applies only to the current determination for work being performed on public works projects with bid advertisement dates on or after September 1, 2016, until this determination is superseded by a new determination or a predetermined increase modification notice becomes effective.

When referencing our prevailing wage determinations, please note that if the prevailing wage rate determination which was in effect on the bid advertisement date of a project has a single asterisk (\*) after the expiration date, the rate will be good for the life of the project. However, if a prevailing wage rate determination has double asterisks (\*\*) after the expiration date, the rate must be updated on the following date to reflect the predetermined rate change(s).

#### CEMENT MASON: All Classifications

Determination NC-23-203-1-2016-2 and NC-23-203-1A-2016-2 are currently in effect and expire on June 30, 2017\*\*.

**Predetermined** Increase Details

Effective July 1, 2017, the increase of \$1.80 is allocated as follows: \$1.34 to Basic Hourly Rate, \$0.07 to Health & Welfare, \$0.25 to Pension, \$0.12 to Vacation and Holiday, and \$0.02 to Training.

Effective July 1, 2018, there will be an increase of \$1.95 to be allocated to wages and or employer payments.

There will be no further increases applicable to this determination.

Issued 8/22/2016, Effective 9/1/2016 until superseded.

This page will be updated when wage rate breakdown information becomes available.

Last Updated: March 29, 2017

### **Cement Mason Wage Rate**



#### Regular Rate

Basic Hourly
Rate
\$32.15

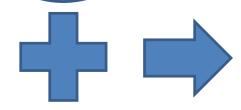
Total Hourly
Rate
\$57.21

payment

\$25.06

#### **Overtime Rate**

Overtime Basic Hourly Rate \$48.23



Total Hourly Rate \$73.29

Employer payment \$25.06

## No Reduction of the Basic Hourly Rate



## OK

Basic Hourly Wage \$35.00



Employer
Payments
(Fringe Benefits)
\$22.21

Total Hourly Rate \$57.21

## **NOT OK**

Basic Hourly Wage \$30.00



Total Hourly Rate \$57.21

Employer
Payments
(Fringe Benefits)
\$27.21

### REMINDERS



- Pay workers according to the wage determination for the type of work performed
- Keep accurate payroll records
- Submit CPRs to LCPtracker
- Inform your subs and tiers of prevailing wage requirements

### Office of Labor Standards Enforcement

#### **Questions?**

Call: (415) 554-OLSE (6573)

Visit: www.sfgov.org/olse/prevailingwage

**THANK YOU!**