

## **Minutes from Teleconference**

DCCM Teleconference

Prevailing Wage Issues

July 23, 2009; 2:00 PM

*(Agenda items followed by discussion notes.)*

### **Schedule for Process Reviews; Scope of Process Reviews**

Reviews will begin next month and continue through the year. Reviews will be joint reviews with Erica Miller, Carey Shepherd and myself (Dean Perkins might also be along to review ADA issues). Districts 1 & 7 are scheduled for next month. 5 & Turnpike will be scheduled in the Fall, 4 & 6 during the Winter and 2 & 3 in the Spring. The Review Program is still being finalized but it is anticipated that the focus will be basic project-level compliance including LAP projects.

*A question was asked about the FHWA role in the review. (Follow-up with Carey Shepherd indicated that he is interested in observing and evaluating the Department's processes, both in the District and Central Office reviews, and the level of compliance assurance. Of specific interest are LAP contracts and the matter of Commercially Useful Function for DBEs.*

*The Districts asked for 2 week's notice of the projects to be reviewed to assure proper coordination with the affected RCS and others. Due to a scheduling conflict, it was requested that we change the planned visit to Districts 1 & 7 from Aug. 24-28. (After checking calendars, the review dates were changed to Aug. 31-Sept. 4.)*

### **LAP Issues (Monitoring, Training, Violations)**

Payroll violations seem to be one of the biggest problems. If necessary, submit the hard copy to the Central Office and I will find a solution (or move my retirement date up).

*To clarify, the submittal to the Central Office was proposed as an accommodation to District 6 where there was expected to be a large number of violations. The intent is to better understand the process of violation entry into CARS and to devise a more efficient means of entry – hopefully a method that local agencies can use.*

### **Review of Wage Tables Referenced in Contracts**

When using multiple tables in the Special Provision, there should be a brief description or guidance as to the application of the "alternate table."

*There was some brief discussion – this relates to the USDOL All Agency Memorandum 130 which requires that, "The advertised and contract specifications should identify as specifically as possible the segments of work to which the schedules will apply."*

### **Status of Wage Survey**

Any difficulties? Any comments or questions?

*There were no questions or comments.*

### **Dealing with post 1/18/09 payrolls that include SS# and address**

We cannot return noncompliant payrolls (once submitted, they are a public record). There's no point in demanding that they resubmit the payroll – we have the information to perform our function and resubmittal does not cure the violation of having submitted “prohibited” information. In discussions, it was decided that we should not hold any estimates for this type of noncompliance. Continued submission of noncompliant payrolls should be a factor considered in the CPPR, and contractors/subcontractors should be so noticed.

*It was suggested that a firm time frame be established for the correction of the noncompliance, after which time the CPPR will be impacted. The group agreed upon 30 days. (Follow-on: To successfully integrate this issue with the CPPR process, close coordination with the Project Administrator is required. This would be considered to be in category “8”, Conformance with Contract Documents.)*

### **Electronic Payrolls**

Management direction is that we should seek to increase the use of electronic payrolls. A developmental spec is available for use, but requires approval. Consider this on appropriate jobs.

*The Tampa Crosstown Connector was mentioned as a candidate project.*

### **Wage Rate Decision versus Collective Bargaining Agreement (which dictates with regard to Apprentices and Journeymen?)**

The Davis-Bacon rules allow an apprentice or trainee to be paid less than the prescribed prevailing rate only in the circumstances described in the FHWA-1273, Section IV 4) and IV 5). This basically requires that apprentices be registered in an apprenticeship program registered with the USDOL or State Dept. of Education. Such apprentices may then be paid in accordance with that program. Trainees enrolled in apprenticeship and skill training programs certified by the Secretary of Transportation as promoting EEO (i.e., our OJT program) are not required to be registered in accordance with Section IV 4) and may be paid in accordance with the requirements of that OJT program.

*There was little discussion.*

### **Payments sent directly to USGAO by contractors for missing employees (how can we input that the payment has been reconciled?)**

*Stan indicated that there was a problem in validating employer's payments to the USGAO when the employer cannot locate a prior employee due additional compensation. The current rules state that the employer is to remit the payment to the USGAO. Without any process of acknowledgement by the USGAO, there is no way to affirm that the employer did, in fact, make such a remittance. Stan suggested a possible solution where the remittance would be passed through the District Contract Compliance Office. Such a process would result in greater assurance that payment has been made and allow the matter to be resolved by the DCCM.*

*Kim agreed to research the issue.*

### **Purchases of Vehicles from Employer and Payroll Deductions for Payment**

Please forward to me (Kim in Central Office) copies of any such agreements you encounter.

## **Working Foremen**

*The newsletter will include an article on Working Foreman. The rules and guidance leave a lot of room for interpretation. The newsletter will address some of these issues.*

## **Other Items**

*Agreed to include in the newsletter guidance on the use of payroll deduction to repay purchases on company credit card (requires USDOL approval).*

*A question was raised on the matter of payrolls relating to warranty work and the archiving of those payrolls. The matter is complicated because in some districts, the Construction Office is not involved in the warranty work. It was agreed that the same archiving standards apply and that the payrolls should be filed with others from the same contract. It was also recognized that this would be difficult in those districts where construction is not involved in the warranty work.*