Women Building Success Event

More than 150 people crowded into the hall at IBEW Local 110 in St. Paul on November 15 for the Women Building Success group’s National Apprenticeship Week photo contest. As part of the State of Minnesota’s “Women in Apprenticeship Day,” the group announced its photo contest winners at the event, which featured former Minnesota Gophers Women’s Basketball Coach Pam Borton. Winning photographers were awarded more than $500 in prizes for photos in three categories: tradespeople at work, pictures of the jobsite, and tools or craftsmanship.

Women Building Success is a multitrade women’s group whose mission is to recognize, celebrate and promote women in the building trades. The group has yearly events centered on four themes — competition, leadership, recognition and service. The November 15 event highlighted competition and leadership. In addition to the photo contest, Borton, who coached at Minnesota for 12 seasons which included the Gophers Final Four appearance, spoke about performance and leadership.

Jenny Winkelaar, director of Marketing and Public Relations at the Minneapolis Building Trades, believes part of the success of the event was reflected by the amount of male support in the audience. “Based on the feedback we received, some of the men there felt this was one of the first women’s events they’d been to where they felt part of the celebration, not looked at as an enemy.”

The next Women Building Success function will be its awards ceremony on March 6, 2019, at the Surly Brewing Co. in St. Paul.

Major Construction Beginning Across Minnesota

Major construction is not limited to the metro. There are several large construction projects currently underway or soon to start across Minnesota:

- In Duluth, Essenta Health and St. Luke’s will spend $1 billion on construction during the next two years.
- In Moorhead, union contractor Ames Construction began work on the 20th/21st street underpass, which at $73 million will be the largest transportation project in Moorhead’s history.

Southwest Light Rail

On November 30, the Met Council held a ceremonial groundbreaking on the 14.5-mile Southwest Light Rail Transit expansion from Minneapolis to Eden Prairie. The $2 billion construction contract was awarded to Lunda Construction and C.S. McCrossan. It will be the largest public infrastructure project in Minnesota’s history. Construction will begin early this year and is expected to result in 7,500 construction jobs between 2019 and 2022 with passenger service beginning in 2023. The project is jointly funded by local, state, and federal sources.

Labor Gives Back

Organized labor has a long history of helping people in its cities and communities. It’s not just a slogan; it’s a way of life. Workers DO give back.

Two great examples from this past year are the International Brotherhood of Electrical Workers (IBEW) Minority Caucus and the Central Minnesota Building Trades. In November, as part of the IBEW’s International Day of Service 2018, a group of electricians in the Twin Cities took time to fix the lighting and overall building maintenance at two venues. Local 110 of St. Paul worked the Conway Recreation Center and Local 292 of Minneapolis helped the Little Earth Housing Development. Jolene Jones, president of the Little Earth Residents Association, exclaimed, “It’s like ‘Wow! Nobody does stuff like this ever for this community and we appreciate it’.”

Education and Outreach Update

In addition to monetary recoveries, FCF spent much of the year on outreach efforts, which included speaking to nearly 6,000 union construction workers. Taskforce meetings were conducted monthly in all six regions throughout the year and a project mapping application was included speaking to nearly 6,000 union construction workers. Taskforce meetings were conducted monthly in all six regions throughout the year and a project mapping application was distributed, the FCF website was revamped, and four videos were produced and shared with affiliates.

AGC of Minnesota Centennial

Former Governor Mark Dayton declared Dec. 11, 2018, Associated General Contractors (AGC) of Minnesota Day, in recognition of the organization’s centennial anniversary. Congratulations to AGC and its members for their commitment to excellence in the construction industry!
**Federal ‘Building’ Prevailing Wages Were Certified in 2018**

The Davis-Bacon Act (DBA) governs federal prevailing wages. Rates are set for Highway, Heavy, Building, and Residential construction. On Sept. 28, 2018, the U.S. Department of Labor certified new Building prevailing wage rates. Rates were based on a survey of projects active between May 1, 2014, and April 30, 2015. This was Minnesota’s first ‘Building’ survey since 2002.

The federal survey bases each wage rate on the ‘type of work’ reported and not on a labor code as is used by Minnesota DLI. Similar to Minnesota rates, the federal rates are determined by county. Rates can be checked at: https://www.wdol.gov/dba.aspx. Click on ‘Selecting DBA WDs’ to search for a county.

FCAF analyzed the initial rates that were set and 82 percent were either union or union average. A union average rate occurs when all rates reported in a county for a ‘type of work’ are union but were from multiple unions; varying rates and no single rate satisfied the conditions defining it as a majority rate.

A union rate is a rate certified when it satisfies a set of conditions defining it as the majority rate. Both union rates and union averages will escalate automatically year-to-year based on changes to the applicable CBA. These escalations should occur automatically if the CBAs are submitted to DOL. So it is important that CBAs are submitted in a timely manner in order to update rates.

CBAs may be emailed to: WHD_CBA_UPDATES@DOL.GOV or mailed to:
Branch of Construction Wage Determination
200 Constitution Avenue NW, Washington, DC 20210

For more info, visit fctmn.org/resources.

**Industry Enforcement at a Glance**

In 2018, FCAF has been able to obtain prevailing wage enforcement through construction managers on multiple school district projects.

- FCAF was able to obtain prevailing wage enforcement through construction managers on multiple school district projects.
- Mortenson Masonry Inc. was assessed $44,752.15 in wages owed and penalties for underpaying bricklayers and laborers at the Northland Community and Technical College Aviation campus in Thief River Falls.
- A.J. Moore Electric was assessed $10,711.39 in wages owed and penalties for work it performed at Dakota County Technical College.
- Valley Wall, Inc., was found to have owed employees $14,274 in wages resulting from work on the Owatonna National Guard Armory.
- Total Fire Protection was assessed more than $68,000 in wages owed and penalties as a result of work it performed at MSU-Mankato.

**Federal ‘Building’ Prevailing Wage Rates Certified September 28, 2018**

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**Labor Trafficking in Minnesota’s Construction Industry**

In September 2018 the Hennepin County Attorney’s Office charged Ricardo Batres of American Contractors and Associates LLC with labor trafficking. The case marks the first time that a person has been charged under the Minnesota statute criminalizing labor trafficking.

Yet, this is only the tip of the iceberg of labor trafficking on jobsites. Labor trafficking is a crime that benefits nobody except those who profit by exploitation. Sadly it fuels an underground economy here in Minnesota.

In 2018, FCAF filed numerous additional complaints that are still under investigation, including some that FCAF believes will result in significant recoveries.

**Minnesota State Prevailing Wage Certifications 2018-19**

Highway and Heavy Wage Rates 2018-19

On Nov. 14, 2018, new Highway and Heavy rates were certified. Two things unique about Highway and Heavy rates are:

1. Rates are set by region and Minnesota has 10 regions.
2. The minimum project size is $25,000.

There were 19,656 employees reported for the 2018 survey as compared to 19,009 the previous year. The certified rates are based on the most frequently reported wage rates by region. These rates are usually published in late October or November and are in effect until the next survey is analyzed and new rates are certified the following year.

**Commercial Wage Rates 2018-19**

New commercial wage rates were certified on Dec. 17, 2018. Rates are certified by county and project size must be at least $2,500. Rates are generally certified in December and are in effect until the next annual certification.

This year there were 60,274 employees reported state wide as compared to 56,023 the year before.

**Summary**

- It’s important to submit surveys to get an accurate picture of what is paid in each county or region for each labor code.
- All interested parties should be familiar with the current wage rates and how to find them.
- Visit fctmn.org and click on “Resources” to find many useful Minnesota construction related websites, including those related to prevailing wage.
- Call Gary or Adam at 651-797-2726 if you have questions.

**Federal Building Wage Rates**

- Highway/Heavy
- Building
- Residential

**Useful Links**

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- Yet, this is only the tip of the iceberg of labor trafficking on jobsites. Labor trafficking is a crime that benefits nobody except those who profit by exploitation. Sadly it fuels an underground economy here in Minnesota.

**Our Mission**

The Fair Contracting Foundation promotes prevailing wage law education, compliance and enforcement. It advocates for practices, policies and laws that ensure fair government contracts, a strong local industry and protection of the public interest. We’re here to help. Give us a call at 651-797-2726 or toll-free at 1-844-777-0606.