RESOLUTION # 01-17-22 AMENDING RESOLUTION #8-09-08 of the City of Hastings Establishing a Prevailing Wage Policy

WHEREAS, the City Council adopted Resolution 8-09-08 on August 4, 2008, that implemented a Prevailing Wage Policy on all contracts involving City facilities or City property, if the project exceeded \$100,000; and

WHEREAS, The City Council recognizes that some special projects may need to be given an exception to the requirements of Resolution 8-09-08 if there are unique circumstances involved such as specialized labor, or there will be no substantial benefit to the City if Resolution 8-09-08 were applied to the project; and

WHEREAS, the City Council also recognizes that Minn. Stat. Section 471.345 has a requirement for publicly bidding projects over \$175,000, while Resolution 8-09-08 applies to projects over \$100,000; and

WHEREAS, the City Council desires to amend Resolution 8-09-08 to allow the Council to approve special exceptions to Resolution 8-09-08 and to increase the threshold of its applicability from \$100,000 to \$175,000.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HASTINGS, that it hereby adopts the following policy concerning contracts involving City facilities of City improvements in an amount greater than \$175,000, unless excepted by the City Council:

- a.) The language included in this policy shall be incorporated in all plans, specifications, bids and contracts, and that this same language shall operate as the ongoing policy of the City of Hastings with respect to any such plans, specifications, bids and contracts.
- b.) The Prevailing wage is the rate of wages and benefits certified as prevailing by the Minnesota Department of Labor and Industry under Minnesota Rules Section 5200.1010 and Minnesota Statutes Section 177.42, Subdivision 6 for the area where the project is located. Prior to entering into any contract expecting to be in an amount greater than \$100,000\$175,000 the City shall request and obtain from the Minnesota Department of Labor and Industry as provided in Minnesota rules 5200.1018 the certified prevailing wage rates for each classification of employees expected to work on the Project. Copies of certified prevailing wage rates shall be kept on file with the City for the life of the Project.
- c.) <u>Unless a project is excepted from this Resolution by the City Council, Aall invitations for bids and all contracts entered into for construction, alteration or repair of public buildings, bikeways, trails, roads and bridges in amounts over \$100,000\$175,000 shall include a statement indicating that the City expects the current prevailing wage rate, as of the date of the issuance of the initial plans and specifications shall apply to the contract for construction as if fully set forth therein and all contractors and subcontractors shall be expected to full comply with the prevailing wage during the entire contract term.</u>
- d.) After bid opening and prior to contract award, the apparent low bidder shall submit to the City a list of all anticipated subcontractors and the various classes of laborers to be employed on the contract work by the contractor or any subcontractor, together with a schedule of wage rates and fringe benefits to be provided such employees. It is required that such wage rates and fringe benefits shall be at least the required prevailing wage rate.

- e.) Only those contractors who have submitted bids that clearly indicate that they will comply completely with the City's prevailing wage policy will be given consideration for award of the contract. Failure to indicated compliance with the City's prevailing wage policy shall result in the contractor being disqualified from further consideration and characterized as a non-responsible bidder, and thus ineligible for consideration of contract award.
- f.) Each contractor and subcontractor performing any work subject to the provisions of this policy shall furnish to the City copies of all Project payroll records not later than 14 days after the end of each pay period. The City shall examine and retain copies of said payroll records for a period of at least three years to ensure compliance with the Prevailing Wage obligation. Upon request, the City shall make copies of payroll records available to members of the public, subject to the requirements of the Minnesota Government Date Practices Act, Minnesota Statutes Section 13.01, et seq.
- g.) A contractor who or subcontractor working on a Project who is subject to the provisions of this policy will be considered to have materially breached its contract or subcontract if it: (1.) fails to pay the Prevailing Wage Rate as defined herein and set forth in the contract or subcontract; (2.) misclassifies employees to avoid paying the appropriate rate certified by the Department of Labor and Industry; or (3.) fails to furnish payroll records to the City.
- h.) The City shall ensure compliance with this Policy and shall designate an individual to hear and investigate any complaints and ensure that appropriate action is taken. The City may take any action necessary to enforce compliance, including but not limited to, withholding contract payments until such time as the contractor and/or subcontractor makes aggrieved employees whole for all lost wages of benefits and/or instituting a civil action for liquidated damages, rescission of the contract or subcontract or an injunction or specific performance of the contract or subcontract.
- i.) The City shall prepare and maintain a list of all persons, firms and contractors who have failed to comply with the prevailing wage policy of the City of Hastings or otherwise indicated they have no interest or intention of complying with the prevailing wage policy of the City of Hastings. No further contracts shall be awarded to any person, firms or contractors who fail to comply or refuse to comply with the Prevailing Wage Policy of the City of Hastings.

Adopted by the Hastings City Council on <u>Jan 18</u> 2022, by the following vote:

Ayes: Fasbender, Braucks, Folch, Fox, Leifeld, Lund, Vaughan

Nays: None Absent: None

Mary Fashender Mayor

ATTEST:

Kelly Murtaugh, City Clerk

(City Seal)