

**Standard Operating Policy  
City of Oakdale**

**Policy Number:** FR-016  
**Pages:** 2  
**Subject:** Prevailing Wage Provision  
**Approved:** 2008

**1.0 Purpose**

- 1.1 It is in the public interest that public building and construction projects be constructed and maintained in the highest quality and that the men and women be compensated to the full and just value of the services they perform. It is therefore declared to be the policy of the City of Oakdale that, where practicable, efforts should be made to ensure that the wages paid to the trades, occupations and laborers on these projects financed by city funds should be comparable to wages paid for similar work in the Community.

**2.0 Scope**

- 2.1 The City Council shall have the sole authority and discretion to determine at the onset of a City Project to insert a Prevailing Wage Provision into the bidding information. This determination shall be made when the project does not include state or federal sources of funds.

**3.0 Definitions**

- 3.1 City Project means the erection, construction, demolition, or remodeling of a building or city- initiated public improvement project where all the following conditions are present:

- (1) The project cost is \$50,000.00 or greater and is required to be competitively bid pursuant to Minn. Stat. § 471.345, as amended from time to time; and
- (2) The work is to be let by the city under contract; and
- (3) The project is financed by city funds.

A City Project is not a contract for the purchase, rental or repair of motor vehicles or other equipment or personal property, or maintenance contracts, or redevelopment related demolition, or contamination remediation, or any work performed pursuant thereto.

- 3.2 Community means Washington County.

- 3.3 Hourly Basic Rate means the hourly wage paid to any employee.

- 3.4 Prevailing Hours of Labor means hours per week worked in the Community by workers of the same class. The prevailing hours of labor may not be more than 40 hours per week.

- 3.5 Prevailing Wage Rate has the same meaning as contained in Minn. Stat. § 177.42, subd. 6, and shall be determined for the Community by the Minnesota Department of Labor and Industry in accordance with Minn. Stat. §§ 177.41 – 177.44 and the applicable rules, all as amended from time to time.

#### **4.0 Contract Requirements**

4.1 The bid specifications and contract for any City Project deemed by the City Council to fall under the Prevailing Wage Provision shall contain requirements as to the following:

- (a) The contractor and any subcontractor, agent or other person doing or contracting to do all or a part of the City Project must pay at least the Prevailing Wage Rate to all trades and occupation workers employed directly on the project work site.
- (b) No worker shall be permitted or required to work more than the Prevailing Hours of Labor unless all hours in excess of the Prevailing Hours of Labor are paid at least at the rate of one and one-half the Hourly Basic Rate of pay.
- (c) Upon request of the city, the contractor and any subcontractor, agent and other person doing or contracting to do all or a part of the work of a project shall within five (5) working days supply the city with a copy of payrolls showing wages paid, and a wage compliance statement with respect to wages paid each of its laborers, workers, and mechanics employed directly on the City Project work site.
- (d) In the event that the statements requested in this section are not provided or in the event that such statements disclose that the required Prevailing Wage is not being paid, then the city shall have the right to withhold payments to the contractor for such periods of noncompliance until the contractor remedies the noncompliance. During the course of and upon the completion of the work, the city shall have the right to require an audit of the contractor's books to determine compliance or noncompliance.
- (e) Each contractor and subcontractor shall retain copies of the weekly payrolls for a period not less than one year after the completion of work.

#### **5.0 Exceptions**

5.1 The requirements set forth in section 4.0 of this policy do not apply to wage rates of laborers, workers, or mechanics who process or manufacture materials or products or to the delivery of materials or products by or for commercial establishments that have a fixed place of business from which they regularly supply processed or manufactured materials or products. However, the requirements do apply to laborers, workers, or mechanics who work under the contract by delivering material substantially in place, directly or through spreaders, from the transporting vehicle.