SECTION 00 73 46

MINNESOTA STATE COLLEGES AND UNIVERSITIES

PREVAILING WAGE RATE REQUIREMENTS
AND PROJECT SPECIFIC WAGE RATES

This project is subject to Minnesota Labor Standards and Wages requirements of Minnesota Statutes Chapter 177.

1. Pursuant to Minnesota Statutes 177.41 to 177.44 and corresponding Rules 5200.1000 to 5200.1120, this project contract is subject to the prevailing wages as established by the Minnesota Department of Labor and Industry. Specifically, all contractors and subcontractors must pay all laborers and mechanics the established prevailing wages for work performed under the contract. Failure to comply with the aforementioned may result in civil or criminal penalties.

For more information regarding prevailing wage and its application, contact:

Minnesota Department of Labor and Industry
Prevailing Wage unit
443 Lafayette Road N.
St. Paul, MN 55155
Phone: (651) 284-5091
E-mail: dli.prevwage@state.mn.us
Web: www.dli.mn.gov

2. The Bidder shall review Specifications Section 00 73 46, Prevailing Wage Rate Requirements, to determine the applicable prevailing wage rates, prevailing hours of labor, and hourly basic rates of pay that are applicable to this project contract. A copy of the applicable Prevailing Wage Rate Determination Schedule, as published by Minnesota Department of Labor and Industry, is attached as an appendix following this Section 00 73 46 for reference purposes.

Hours of labor
Pursuant to Minnesota Statutes 177.43:
(1) no laborer or mechanic employed directly on the project work site by the contractor or any subcontractor, agent, or other person doing or contracting to do all or a part of the work of the project, is permitted or required to work more hours than the prevailing hours of labor unless paid for all hours in excess of the prevailing hours at a rate of at least 1-1/2 times the hourly basic rate of pay; and
(2) a laborer or mechanic may not be paid a lesser rate of wages than the prevailing wage rate in the same or most similar trade or occupation in the area.

Exceptions
This requirement does not apply to wage rates and hours of employment of laborers or mechanics who process or manufacture materials or products or to the delivery of materials or products by or for commercial establishments which have a fixed place of business from which they regularly supply processed or manufactured materials or products. This section applies to laborers or mechanics who
deliver mineral aggregate such as sand, gravel, or stone which is incorporated into the work under the contract by depositing the material substantially in place, directly or through spreaders, from the transporting vehicle.

Posting
The prevailing wage rates, prevailing hours of labor, and hourly basic rates of pay for all trades and occupations required in any project must be ascertained before the state asks for bids. Each contractor and subcontractor performing work on a public project shall keep the information posted on the project in at least one conspicuous place for the information of the employees working on the project.

Penalty
It is a misdemeanor for an officer or employee of the state to execute a contract for a project without complying with this section, or for a contractor, subcontractor, or agent to pay any laborer, worker, or mechanic employed directly on the project site a lesser wage for work done under the contract than the prevailing wage rate as stated in the contract. This misdemeanor is punishable by a fine of not more than $700, or imprisonment for not more than 90 days, or both. Each agent or subcontractor shall furnish to the contractor evidence of compliance with this section. Each day a violation of this section continues is a separate offense.

Examination of records; investigation
The Department of Labor and Industry shall enforce this section. The department may demand, and the contractor and subcontractor shall furnish to the department, copies of any or all payrolls. The department may examine all records relating to wages paid laborers or mechanics on work to which sections 177.41 to 177.44 apply.

The Contractor and subcontractors shall comply with Minnesota Statutes 177.41-.44. To facilitate compliance pursuant to the Statute, wage determinations (prevailing wages) were prepared for different trades for each county from which labor for said project would be secured and are included and published in the Contract Specifications. Any wage determinations that are found not to be so promulgated do not relieve the Contractor from any responsibility for paying the prevailing wage rate of the trade in question. Additional classifications may develop between certifications by the Minnesota Department of Labor and Industry. Therefore, no inference may be drawn from the omission of a classification which has local usage.

Prevailing wage violations
Upon issuing a compliance order to an employer pursuant to section 177.27, subdivision 4, for violation of sections 177.41 to 177.44, the commissioner shall issue a withholding order to the contracting authority ordering the contracting authority to withhold payment of sufficient sum to the prime or general contractor on the project to satisfy the back wages assessed or otherwise cure the violation, and the contracting authority must withhold the sum ordered until the compliance order has become a final order of the commissioner and has been fully paid or otherwise resolved by the employer.

During an investigation of a violation of sections 177.41 to 177.44 which the commissioner reasonably determines is likely to result in the finding of a violation of sections 177.41 to 177.44 and the issuance of
a compliance order pursuant to section 177.27, subdivision 4, the commissioner may notify the contracting authority of the determination and the amount expected to be assessed and the contracting authority shall give the commissioner 90 days' prior notice of the date the contracting authority intends to make final payment.

3. Pursuant to Minnesota Statutes Section 177.43, Subd. 3, all contractors and subcontractors shall submit to the Owner’s contracting entity copies of payrolls that contain all the data required by Minnesota Statutes §177.30. Contractors and subcontractors shall use Form MnSCU073 for this purpose.

4. Keeping Records; Penalty:
   (a) Every employer subject to Minnesota Statutes Section 177.21 to 177.44 must make and keep a record of:
       (1) the name, address, and occupation of each employee;
       (2) the rate of pay, and the amount paid each pay period to each employee;
       (3) the hours worked each day and each workweek by the employee;
       (4) for each employer subject to sections 177.41 to 177.44, and while performing work on public works projects funded in whole or in part with state funds, the employer shall furnish under oath signed by an owner or officer of an employer to the contracting authority and the project owner every two weeks, a certified payroll report with respect to the wages and benefits paid each employee during the preceding weeks specifying for each employee: name; identifying number; prevailing wage master job classification; hours worked each day; total hours; rate of pay; gross amount earned; each deduction for taxes; total deductions; net pay for week; dollars contributed per hour for each benefit, including name and address of administrator; benefit account number; and telephone number for health and welfare, vacation or holiday, apprenticeship training, pension, and other benefit programs; and
       (5) other information the commissioner finds necessary and appropriate to enforce sections 177.21 to 177.435. The records must be kept for three years in or near the premises where an employee works except each employer subject to sections 177.41 to 177.44, and while performing work on public works projects funded in whole or in part with state funds, the records must be kept for three years after the contracting authority has made final payment on the public works project.

   (b) The commissioner may fine an employer up to $1,000 for each failure to maintain records as required by this section. This penalty is in addition to any penalties provided under section 177.32, subdivision 1. In determining the amount of a civil penalty under this subdivision, the appropriateness of such penalty to the size of the employer’s business and the gravity of the violation shall be considered.