

Labor Compliance Requirements

(Prevailing Wage, SB 854, SB 96 Etc.)

Contractor/Vendor must comply with applicable labor compliance requirements including but not limited to prevailing wage requirements, SB 854, Labor Code sections 1771.1(a) & 1725.5, Public Works Contractor Registration Program, Electronic Certified Payroll Records to Labor Commissioner, and other requirements described on the direct links provided below as applicable.

Prevailing Wage Requirements

Contractor acknowledges and agrees that if all or part of the work will constitute construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds under Labor Code Section 1720, and to the extent federally funded or assisted in excess of **\$2,000**, are subject to Davis Bacon and Related Acts (DBRA). Pursuant to Section 1773.2 of the Labor Code, Contractor is responsible for determining the correct prevailing wage rates for the project; provided, however, if federal projects require that the City identify applicable prevailing wage rates, the City will provide that information. The general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work for each craft, classification, or type of worker needed to execute the contract is available from the Director of Industrial Relations at <http://www.dir.ca.gov/oprl/PWD/index.htm>. Pursuant to Labor Code Section 1773.2, a copy of the prevailing rate of per diem wages to be paid by Contractor is on file at 1950 Parkside Drive, and is available at the City of Concord's principal office at 1950 Parkside Drive, Concord CA and is upon request during normal business hours from the City Clerk's Office and/or City Engineer. Contractor shall post a copy of the determination of the Director of the prevailing rate of per diem wages at each job site and provide City with proof of posting.

Prevailing wages must be paid to all workers employed on a public works project when the public works project is over **\$1,000**. Accordingly, Contractor shall comply with applicable prevailing wage policies as set forth in the City of Concord Municipal Code, if applicable, as well as all State Labor Code requirements pertaining to "public works," including the payment of prevailing wages in connection construction, alteration, demolition, installation, or repair work components of the work, and the DBRA (collectively, "Prevailing Wage Policies"). Contractor shall submit, upon request by the City, certified copies of payroll records to City and to maintain and make records available to City and its designees for inspection and copying to ensure compliance with Prevailing Wage Policies.

Contractors must comply with Labor Code Sections 1774-1775 (the payment of prevailing wages and documentation of such), Section 1776 (the keeping and submission of accurate certified payrolls) and Section 1777.5 in the employment of apprentices on public works projects. Further, overtime must be paid for work in excess of 8 hours per day or 40 hours per week pursuant to Labor Code Sections 1811-1813.

The City shall withhold any portion of a payment; including the entire payment amount, until certified payroll forms and related documentation are properly submitted, reviewed and found to be in full compliance. In the event that certified payroll forms do not comply with the requirements of Labor Code Section 1720 et seq., the City may continue to hold sufficient funds to cover estimated wages and penalties under the contract pursuant to Prevailing Wage Policies.

For more details, please refer to the applicable statutes and regulations regarding the payment of prevailing wages and General Prevailing Wage Determination(s) including the footnotes. Such information is available on the Department of Industrial Relations' website at <http://www.dir.ca.gov/>. Frequently asked questions can be found on the following link at http://www.dir.ca.gov/OPRL/FAQ_PrevailingWage.html.

SB 854 & SB 96 – Important Information for Contractors

SB 854 (Stat. 2014, chapter 28) made several changes to the laws governing how the Department of Industrial Relations (DIR) monitors compliance with prevailing wage requirements on public works projects & SB 96 established amount thresholds as follows:

- No contractor or subcontractor may be listed on a bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5 [with limited exceptions from this requirement for bid purposes only under Labor Code section 1771.1(a)] No contractor or subcontractor may be awarded a contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the Department of Industrial Relations pursuant to Labor Code section 1725.5. The direct link to register is as follows: (Please go to the public works website shown below at the end of this page for further details.) <https://efiling.dir.ca.gov/PWCR/ActionServlet?action=displayPWCRRegistrationForm>.
- This project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.
- The prime contractor must post job site notices prescribed by regulation. (See 8 Calif. Code Reg. §16451(d) for the notice that previously was required for projects monitored by the CMU (Compliance Monitoring Unit).)
- Those who fail to register and maintain their status as a public works contractor shall not be permitted to perform work on the project.

Additionally, all contractors and subcontractors must furnish electronic certified payroll records directly to the Labor Commissioner (aka Division of Labor Standards Enforcement). The phase-in timetable for this requirement can be found on the following link at <http://www.dir.ca.gov/Public-Works/SB854.html> (also for all SB854 related information).

- Small Project Exemption: Effective July 1, 2017, Contractors who work exclusively on small public works projects are not required to register with DIR. The small project exemption applies for all public works projects that do not exceed:
 - **\$25,000 for new construction, alteration, installation, demolition or repair and /\$15,000 for maintenance**

(See DIR Newsline No.: 2017-52 dated June 28, 2017 for full details at the following link <https://www.dir.ca.gov/DIRNews/2017/2017-52.pdf>.)

These new requirements will apply to all public works that are subject to the prevailing wage requirements of the Labor Code, without regard to funding source.

Please refer to <http://www.dir.ca.gov/> for general requirements by DIR (Department of Industrial Relations in the State of California).

For additional information about public works requirements including contractor registration, please visit the public works section at

<http://www.dir.ca.gov/Public-Works/PublicWorks.html>.