

Proposed changes to Prevailing Wage Ordinance

October 2016

- Clarifies the applicability of the ordinance. Current language suggests the ordinance shall apply to any project that receives funding from, or through, the City. Language change will add the qualifier that the ordinance applies to any City-owned or leased properties.
- Adds a due process / dispute resolution process for classification, wage and penalty disputes. Current ordinance has no such process, requiring a lawsuit to resolve disagreements.
- Changes the violation penalty fine amounts to align with the federal Davis-Bacon statute and increase compliance. After a 30-day “cure” period, fines would increase from \$20 per worker per week to \$50 per worker per week (Davis-Bacon is \$25 per day). Fines escalate for contractors who have previously been assessed penalties. Additional violations also lead to flat fines in addition to per worker per week rates, starting at \$2,500 and increasing to \$5,000 per violation. As currently, penalty fines are paid to the City’s General Fund, so the Auditor’s Office doesn’t personally benefit from levying penalties.
- Adds penalty fines for failure to furnish certified payrolls or false reporting, after a 30-day opportunity to correct errors. Currently there is no language allowing penalties to be assessed in these circumstances.
- Changes the debarment process by increasing the size of the debarment panel from 4 to 5 members and allows all members to vote, regardless of whether the member has brought the debarment action forward. The Debarment Board would consist of the Executive Directors of Public Works, Aviation and General Services, as well as the Manager of the Division of Small Business Opportunities and the Auditor. Under the current 4-member board, with the bringer of the action prevented from voting, the board has never achieved a majority vote to debar.
- Clarifies prevailing wage anniversary date as the bid date, thereby triggering contractual prevailing wage adjustments earlier and diminishing risk of wage unpredictability.
- Removes references to obsolete departments and practices.

To implement the ordinance:

The Auditor will establish a Prevailing Wage Advisory Committee composed of stakeholders like those listed below to work through issues and challenges that arise. The Advisory Committee will serve as a platform to discuss and resolve wage determinations and classifications, among other issues.

Members of the Working Group:

Rick Allen, Rocky Mtn. District Council 5, Union
Howard Arnold, Pipefitters Local 208, Union
Craig Clark, NECA and Dynalectric, Employer
Dave Davia, CAMPC, Employer
Deanne Durfee, Assistant City Attorney
Rusty Gonzales, Hispanic Contractors, Employer
Dale Heter, Mortenson, Employer
Robert Kibler, ISS, Employer

Antonio Ledezma, Jalisco, Employer
Jim Mantele, IBEW Local 68, Union
John Marlow, U.S. Engineering, Employer
Karen Niparko, Career Service Authority, OHR
Ron Ruggiero, SEIU Local 105, Union
Taryn Edwards, Saunders, Employer
RD Sewald, Sewald-Hanfling, Lobbyist
Kurt Steenhoek, Plumbers Local 3, Union
Dwayne Stephens, Sheet Metal Workers Local 9, Union