



PREVAILING WAGE POLICY

CITY OF MEMPHIS

I. POLICY STATEMENT

It is in the interest of the City of Memphis to award contracts for the construction, alteration and/or repair of buildings or public works to responsible bidders. The City of Memphis has determined that responsible bidders are those who, among other things, pay responsible wages and benefits to their employees. It is the policy of the City of Memphis, that a responsible bidder, awarded a contract by the City of Memphis, that falls within the guidelines of the most current Prevailing Wage Ordinance, must comply with the most current Prevailing Wage Rates at the time of bid. The Prevailing Wage Rates shall be the most current rate schedule, established for Region 1, by the Tennessee Department of Labor, which includes Memphis and Shelby County and will include fringe benefits as described in the published schedule issued by the Tennessee Department of Labor Wage & Hour Division. Furthermore, the recipient will classify their employees according to the State of Tennessee, Department of Labor and Workforce Development, Classification of Workers, and if applicable, adhere to the guidelines for apprentice and apprenticeship programs.

A. Scope

Pursuant to current Code of Ordinances, Prevailing Wage and the Davis-Bacon and Related Acts, the City of Memphis has the authority to monitor contractor's compliance with local, state, and/or federal prevailing wage laws on publicly-funded construction projects in Memphis.

Any firm, individual, partnership, corporation, contractor, or subcontractor (hereinafter referred to as "recipient") that is awarded a contract in excess of \$50,000.00 by the city shall be required by the City of Memphis to pay local Prevailing Wages for laborers, workmen, mechanics or others, as listed by the Tennessee Department of Labor, Classification of Workers, established for Region 1, at the time the project is bid and continue until the completion of such project.

Contracts for the construction of, demolition, improvement, enlargement, alteration or replacement of a public work or project shall not be deliberately divided into multiple contracts for the sole purpose of circumventing the prevailing wage ordinance.

For compliance purposes, all bidders will have the opportunity to request clarification of this policy during the standard pre-bid conference. By way of bid submission, it is understood that all bidders will strictly adhere to this policy.

B. Award Recipient

For the Prevailing Wage Office to operate more efficiently and communicate more effectively, it is the responsibility of the award recipient to notify the Prevailing Wage Office of the contract(s) they've been awarded and list of subcontractors including the amount of those contracts. Award recipients shall submit all expected classifications of laborers/mechanics, including apprentices, to ensure all worker classifications have prevailing wages for them. If classifications are not listed the Prevailing Wage Office will determine the wages to be used for such classifications.

C. Certified Payroll Reports

The award recipient and sub-contractors shall maintain a weekly payroll report, beginning with the first week of work on the project and for every week thereafter until the project is complete. Payroll reports shall be maintained in numerical order with the first report marked as #1 and the final payroll marked as "FINAL".

1. Payroll Report Submission - Weekly payroll reports shall be submitted on a weekly basis to the Prevailing Wage Office using LCP Tracker Pro Compliance Program. Each weekly certified payroll report must be submitted by the awarded recipient within **7 DAYS** after the regular payment date period. It is the responsibility of the award recipient to review **ALL** payroll reports for proper compliance prior to submitting such reports to the Prevailing Wage Office. The recipient is responsible for the full compliance of all sub-contractors and will be held accountable for any wage restitution.

2. "No Work" Payroll - "No Work" payrolls must be submitted whenever there is a temporary break during work on a project. The "No Work" week should be numbered in succession with the weeks that work was performed.

3. Payroll Review - In addition to submitting weekly payroll reports on a weekly basis to the Prevailing Wage Office, each recipient and their sub-contractors must make their payroll records available for review to authorized representatives from the Prevailing Wage Office. The award recipient is required to retain certified payroll reports for all sub-contractors who worked on the project for a period of one year after the project is complete.

4. Apprentice or Trainee - The first payroll on which an apprentice or trainee appears must be accompanied by a Schedule of Wages and a copy of their apprentice or trainee registration in an approved Bureau of Apprenticeship Training (BAT) program. The payroll record must also identify the level in which the apprentice is working during the applicable pay period (Ex. 1st period, 2nd period, 1st year, 2nd year, etc.). Note: Anytime the apprentice has a change in status during the project an updated registration shall be submitted to the Prevailing Wage Office.

D. Payroll Inspection

Payroll records are a matter of public record and are, therefore, open to the public pursuant to the Tennessee Open Records Act. Upon written request to the City Attorney's Office, such records shall be made available for public inspection. However, prior to inspection all confidential information will be redacted.

II. ADMINISTRATIVE REVIEW

A. Compliance Review

Compliance reviews and other investigations may result in findings of non-compliance. If non-compliance violations are found, the primary goal, in every case and at every step in the process, is to reach an agreement concerning how the violation can be corrected. A Prevailing Wage Representative will work informally with the recipient to reach an agreement for compliance. The award recipient will have an opportunity to provide additional information to the representative that will explain inconsistencies and/or resolve the discrepancies. If an agreement cannot be met, the Prevailing Wage Representative will complete a written report of non-compliance and submit it to the award recipient. The award recipient will be permitted thirty (30) calendar days from the date the report is received to correct the non-compliance violation. If after thirty (30) calendar days, the award recipient does not respond to the written report, the matter will be brought before the Prevailing Wage Commission for further review.

B. Prevailing Wage Commission Review

The Prevailing Wage Commission will review the report and the arguments against the findings, presented in the hearing request. The award recipient may present its case before the Commission. The Prevailing Wage Commission may affirm or modify the findings based upon the materials presented. The Prevailing Wage Commission will notify the award recipient in writing the results of its decision. The recipient will have ten (10) calendar days, from the date of receipt, to correct any decisions made by the Prevailing Wage Commission.

C. Violations, Penalties and Sanctions

An award recipient who knowingly or willfully fails to comply with the provisions of the Prevailing Wage Ordinance as determined by the Prevailing Wage Commission shall be fined not less than the maximum amount allowable under T.C.A. 6-54-306 for each violation. The award recipient who is found to have knowingly or willingly committed two (2) violations of this Ordinance in any twenty-four (24) month period shall be prohibited from being awarded a contract by the City of Memphis for a period of twenty-four (24) months from adjudication of the second violation. No construction company shall retaliate against an employee who reports a potential violation.