



Legislation Text

File #: DIS 17-098, **Version:** 1

Discussion of issues relating to adopting minimum prevailing wage rates for various construction crafts and trades for public works construction performed under contract with the City of Deer Park pursuant to Chapter 2258 of the Texas Government Code.

Summary:

State law (Chapter 2258 of the Texas Government Code) requires that a worker on a contract for a public work awarded by the state or political subdivision of the state (i.e. county, municipality, county and municipality, or district) shall be paid:

- (1) not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed; and
- (2) not less than the general prevailing rate of per diem wages for legal holiday and overtime work.

Chapter 2258 applies to the construction of a public work, including a building, highway, road, excavation, and repair work or other project development or improvement, paid for in whole or in part from public funds, without regard to whether the work is done under public supervision or direction.

For a contract for a public work awarded by a political subdivision of the state, the public body shall determine the general prevailing rate of per diem wages in the locality in which the public work is to be performed for each craft or type of worker needed to execute the contract and the prevailing rate for legal holiday and overtime work by:

- (1) conducting a survey of the wages received by classes of workers employed on projects of a character similar to the contract work in the political subdivision of the state in which the public work is to be performed; or
- (2) using the prevailing wage rate as determined by the United States Department of Labor in accordance with the Davis-Bacon Act (40 U.S.C. Section 276a et seq.), and its subsequent amendments.

The City last adopted the prevailing wage scale by adopting Ordinance No. 1845 many years ago but this scale is significantly out of date.

It is recommended that the City utilize option 2 above, which will mean that the City will use the prevailing wage rate as determined by the United States Department of Labor in accordance with the Davis-Bacon Act (40 U.S.C. Section 276a et seq.), and its subsequent amendments. The US Department of Labor periodically publishes the general prevailing wage rates for various types of public works construction in Harris County. The City would include the Davis-Bacon wage determination applicable to the type of construction project that is being bid. For example, attached is the Davis-Bacon wage determination for Building construction.

NOTE: this is not related to the pay scales for City, CCPD or FCPEMSD employees.

Fiscal/Budgetary Impact:

Adopting any minimum prevailing wage rates on construction contracts awarded by the City impacts the cost of the projects, but is required by State statute.

Discussion only during workshop. An item for consideration and possible action is included on the August 1, 2017 Regular meeting Agenda.