

H B

G S

COMMITTEE REPORT  
HOUSE

2/8  
Judiciary

( 7 )

FURTHER: Finance

1/16/85

Date: \_\_\_\_\_

The Committee on Labor and Commerce has had HB 62

"An Act relating to the payment of prevailing wages and the payment of overtime under public construction contracts."

under consideration and recommends:

[ ] do pass [ ] do not pass

[ ] do pass with attached amendments( )

[X] replace with CS for HR 62 (L+C) [X] same title [ ] new title

and recommends do pass

[ ] AND attaches a "Letter of Intent" [ ] New Fiscal Note

[ ] reports it back without recommendation [ ] Zero Fiscal Note Attached

[ ] referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

Mike Davis  
BOUCHER St. C. Paul  
Mike Davis

do not pass  
do not pass  
5 amendments

Mike Davis  
CHAIRMAN

A M E N D M E N T

OFFERED IN THE HOUSE:

BY: HOUSE LABOR & COMMERCE

To: \_\_\_\_\_ HOUSE BILL No. 62 \_\_\_\_\_

SENATE BILL No. \_\_\_\_\_

PAGE: 1 \_\_\_\_\_

LINE: 12 \_\_\_\_\_

After "060" insert "(1)" so that line 12 will read;

"Provisions of AS 23.10.060(1), (17) and (18), a  
contractor or subcontractor"

A M E N D M E N T

OFFERED IN THE HOUSE:

By: HOUSE LABOR & COMMERCE

To: \_\_\_\_\_ HOUSE BILL No. 62 \_\_\_\_\_

SENATE BILL No. \_\_\_\_\_

PAGE: 1 \_\_\_\_\_

LINE: 12 \_\_\_\_\_

After "060" insert "(1)" so that line 12 will read;

"Provisions of AS 13.10.060(1), (17) and (18), a  
contractor or subcontractor"

To: Mike  
From: Roger

February 4, 1985 Monday

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Confirmation Hearings: Carried over from Thursday. Members have the files on their desk to confirm these appointments. (Incidentally, there is another batch coming down from Carol Derfner, some additional 10 that we should get around February 15, and those will be the last ones).

HB 62: There is a fair amount of supplemental materials in the folder that just came in at the last minute. The Municipal League is opposed to the bill, primarily because it gets into the whole issue of forced accounting, which allows the bush to "get around" the requirements of the Little Bacon Davis Act and use local hire. I obtained a briefing paper on this issue in case the members decide they want to get into it, but at first glance, I am not sure that this bill affects that particular problem one way or the other. The Municipal League's objection is to the whole thrust of Title 36, and not to the particulars of this bill.

Scott Burgess of the Municipal League is sick, so he will not be able to attend.

Resa King of Associated General Contractors will be here to testify.

Bob Bacolas from the Dept. of Labor will also be here to respond to any questions the committee has.

For your reference, I attached a copy of the proposed amendment referred to in the Dept. of Labor's Jan. 31 letter, but it is not in the other members' files, and Labor will not bring it up. I asked for it in case they got into the issue at all.

HB 79 In your file only are the various copies of this bill in its form from last year as HB 116. The basic difference in this year's bill is that it gives discretionary power to the Commissioner to make examinations. It is sort of a trade-off; the banks will accept an increase in fees in exchange for this clause being inserted.

Watch out for any attempt to raise the fees above \$12,000; that will effectively kill the bill, as the banks will then start digging in and oppose it even more. They already "won" one point from last year, so they may try to "win" now on the issue of opposing higher fees. If you want my frank opinion, the real reason the Dept. doesn't want to raise the fees higher than \$12,000 is not to protect the little institutions, but to keep the bill from getting killed by the banks if it goes any higher.

Wes Coyner, lobbyist for the Alaska Banker's Association, will be here to perhaps testify, along with at least one bank member, according to him. He said he is getting mixed reaction on this from the Bankers Assoc. Some of them, the larger ones, seem to be willing to accept the fee increases; but the smaller banks don't appear to like it very much. He was non-committal about whether to hold the bill over and was going to wait to see how the testimony went. Frankly, I got the impression that he perhaps did not have complete or good enough feedback, and so probably wouldn't have heartburn if it was held over; or if it was, he can always head it off in House Finance, the next committee of referral.

Willis Kirkpatrick will be here to testify from the Division of Banking in the Dept. of Commerce.

TO: Mike  
FROM: Roger

February 6, 1985

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HB 62: In response to Koponen's motion, the Committee now has before it a CS for HB 62 instead of an amendment.

Also, the Associated General Contractors, in response to questions raised by Collins, supplied her and Pearce and ourselves (I didnt copy it for the committee because it was too long), a complete listing of all Title 36 Enforcement Actions for 1) wage violations and 2) resident hire violations from June 1, 1982 to November 30, 1982, which is in your file for reference.

Resa King of AGC also gave us a copy of pages from Alaska Economic Trends for January of 1985 which gives a breakdown of the total labor force in Alaska by region and census division, and by selected industries, including construction. Please note that these figures are misleading, as they show the total labor force, and not the construction labor force working on public construction contracts, which is a totally different thing, and a much smaller percentage number in relation to claims cases. The letter from the Department which should be forthcoming and in your file by this afternoon should cover this point. Also, Jim Wakefield of the Laborers Local noted Monday that those claims only cover a small percent of actual violations, so it is not as small a deal as Collins makes it out to be.

I did tell the Department about the AGC material so they would have time to respond to it as well in their letter they are submitting in response to the questions of Hanley, Collins, and Pearce.

I think you may have to move the bill out of Committee without any support from the minority--they seem to be nit-picking just to flex their muscles this time, without a great deal of substance to their criticisms.

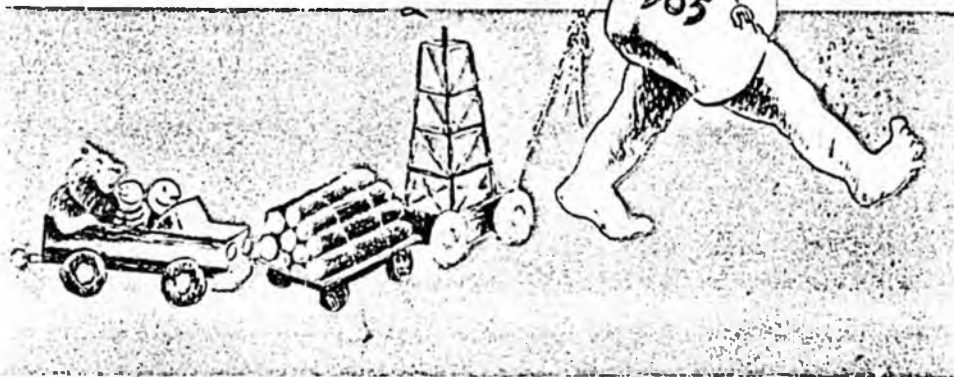
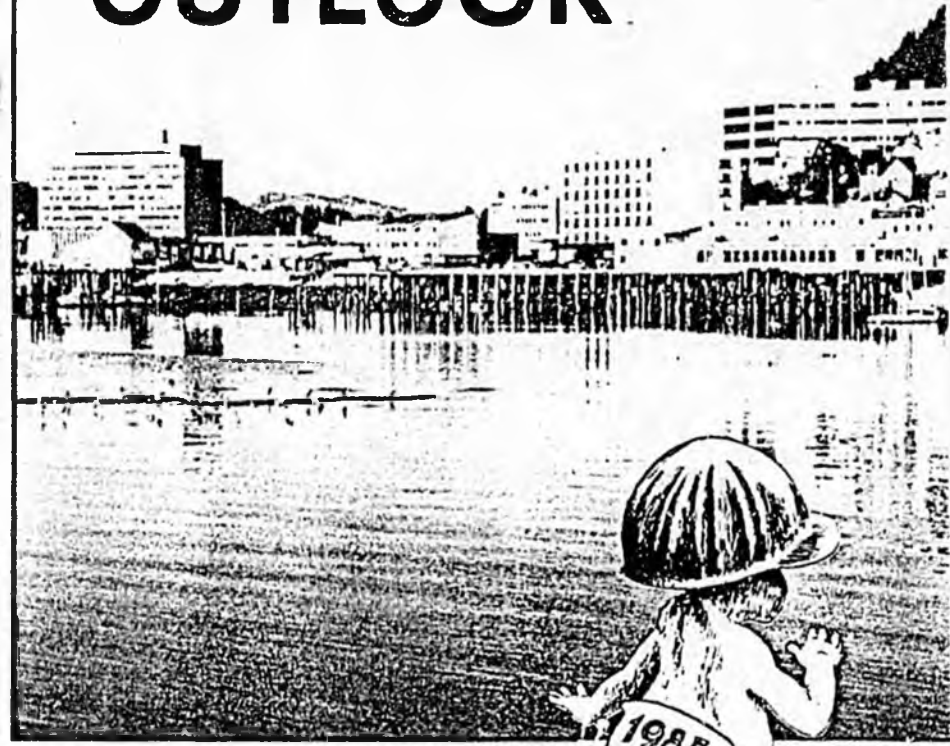
HB 62 ADDITIONAL FILE CONTENTS Feb. 6, 1985

- 1) Draft CS for HB 62 (same as amendment, pg. 1, line 12, insert (1) after .06C.
- 2) Additional information from Alaska Economic Trends, supplied by Associated General Contractors
- 3) Written response to additional Committee questions by the Department of Commerce

JANUARY 1985  
**ALASKA ECONOMIC TRENDS**

Alaska Department of Labor      Bill Sheffield, Governor, State of Alaska

# ECONOMIC OUTLOOK



### LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 11/84	R 10/84	11/83	P 11/84	R 10/84	11/83	P 11/84	R 10/84	11/83	P 11/84	R 10/84	11/83
Alaska Statewide .....	240992	243698	228543	25288	23284	23130	10.5	9.6	10.1	215704	220414	205413
Anchorage/MatSu Region ...	128354	128622	118958	11122	9858	9304	8.7	7.7	7.8	117232	118764	109654
Anchorage .....	115475	116107	106979	9107	8349	7487	7.9	7.2	7.0	106368	107758	99492
Matanuska-Susitna .....	12879	12515	11979	2015	1509	1817	15.6	12.1	15.2	10864	11006	10162
Gulf Coast Region .....	25763	27066	25016	3182	3352	3315	12.4	12.4	13.3	22581	23714	21701
Cordova .....	1350	1399	1300	141	130	138	10.4	9.3	10.6	1209	1269	1162
Kenai .....	13217	13851	12875	1711	1768	1818	12.9	12.8	14.1	11506	12083	11657
Kodiak .....	5866	6270	5637	710	855	682	12.1	13.6	12.1	5156	5415	4955
Seward .....	1886	1933	1846	276	242	298	14.6	12.5	16.1	1610	1691	1548
Valdez .....	3444	3613	3358	344	357	379	10.0	9.9	11.3	3100	3256	2979
Interior Region .....	32613	32621	30876	4969	4167	4529	15.2	12.8	14.7	27644	28454	26347
Fairbanks .....	26608	26704	25227	4076	3512	3752	15.3	13.2	14.9	22532	23192	21475
Southeast Fairbanks .....	2648	2617	2481	388	291	327	14.7	11.1	13.2	2260	2326	2154
Upper Yukon .....	813	780	769	139	86	127	17.1	11.0	16.5	674	694	642
Yukon-Koyukuk .....	2544	2520	2399	366	278	323	14.4	11.0	13.5	2178	2242	2076
Northern Region .....	10895	10965	11163	775	735	985	7.1	6.7	8.8	10120	10230	10178
Barrow-North Slope .....	2888	2911	2989	158	152	244	5.5	5.2	8.2	2730	2759	2745
Kobuk .....	3431	3440	3503	290	265	344	8.5	7.7	9.8	3141	3175	3159
Nome .....	4576	4614	4671	327	318	397	7.1	6.9	8.5	4249	4296	4274
Southeast Region .....	32066	32736	31339	4324	4177	3920	13.5	12.8	12.5	27742	28559	27419
Angoon .....	418	458	398	51	80	35	12.2	17.5	8.8	367	378	363
Haines .....	1142	1096	1088	206	132	163	18.0	12.0	15.0	936	964	921
Juneau .....	11301	11624	11042	1230	1257	1089	10.9	10.8	9.9	10071	10367	9953
Ketchikan .....	6983	7358	6564	1147	1350	796	16.4	18.3	12.1	5836	6008	5768
Outer Ketchikan .....	890	860	847	203	152	168	22.8	17.7	19.8	687	708	679
Prince of Wales .....	1552	1567	1524	268	246	255	17.3	15.7	16.7	1284	1321	1269
Sitka .....	4494	4535	4511	426	347	490	9.5	7.7	10.9	4068	4188	4021
Skagway .....	1648	1597	1758	291	200	417	17.7	12.5	23.7	1357	1397	1341
Wrangell-Petersburg .....	3638	3641	3607	502	413	507	13.8	11.3	14.1	3136	3228	3100
Southwest Region .....	11301	11688	11191	916	995	1077	8.1	8.5	9.6	10385	10693	10114
Aleutian Islands .....	2921	3036	2924	97	128	174	3.3	4.2	6.0	2824	2908	2750
Bethel .....	3678	3824	3618	374	422	400	10.2	11.0	11.1	3304	3402	3218
Bristol Bay Borough .....	409	437	408	36	53	45	8.8	12.1	11.0	373	384	363
Bristol Bay .....	1519	1547	1500	124	111	142	8.2	7.2	9.5	1395	1436	1358
Kookwim .....	1011	1021	993	110	94	116	10.9	9.2	11.7	901	927	877
Wade Hampton .....	1763	1823	1748	175	187	200	9.9	10.3	11.4	1588	1636	1548

P/=Preliminary      1983 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

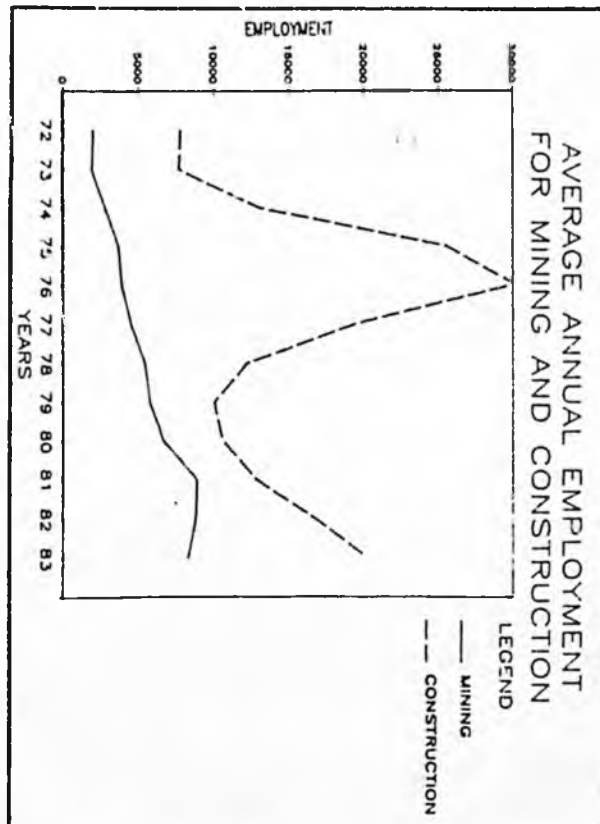
**ALASKA  
HOURS AND EARNINGS  
FOR  
SELECTED INDUSTRIES 1/2**

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/	r/	10 83	p/	r/	10 83	p/	r/	10 83
	10 84	9 84		10 84	9 84		10 84	9 84	
Mining .....	\$24.21	\$23.64	\$23.94	49.8	50.4	50.3	\$1205.66	\$1191.46	\$1204.18
Contract Construction .....	24.53	24.87	24.98	43.4	45.6	41.5	1064.60	1134.67	1036.67
Manufacturing .....	15.19	12.13	15.01	31.2	36.5	31.4	473.93	442.75	471.31
Food & Kindred Products .....	9.31	8.36	8.72	22.8	34.6	21.5	212.27	289.26	187.48
Lumber & Paper Products .....	17.69	16.89	18.52	34.3	36.0	40.1	606.77	608.04	742.65
Trans. Comm. & Utilities .....	15.77	15.85	16.37	37.3	38.7	37.1	588.22	613.39	607.33
Trade .....	10.71	10.82	10.11	34.8	35.3	35.7	372.71	381.95	360.93
Wholesale .....	12.99	13.58	12.08	38.1	39.6	39.4	494.92	537.77	475.95
Retail .....	9.79	9.63	9.28	33.7	33.7	34.3	329.92	324.53	318.30
Fin.-Insurance & Real Estate .....	—	—	—	—	—	—	400.81	388.72	359.56

1 Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2 Excludes eating and drinking establishments

**AVERAGE HOURS AND EARNINGS SERIES:** Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

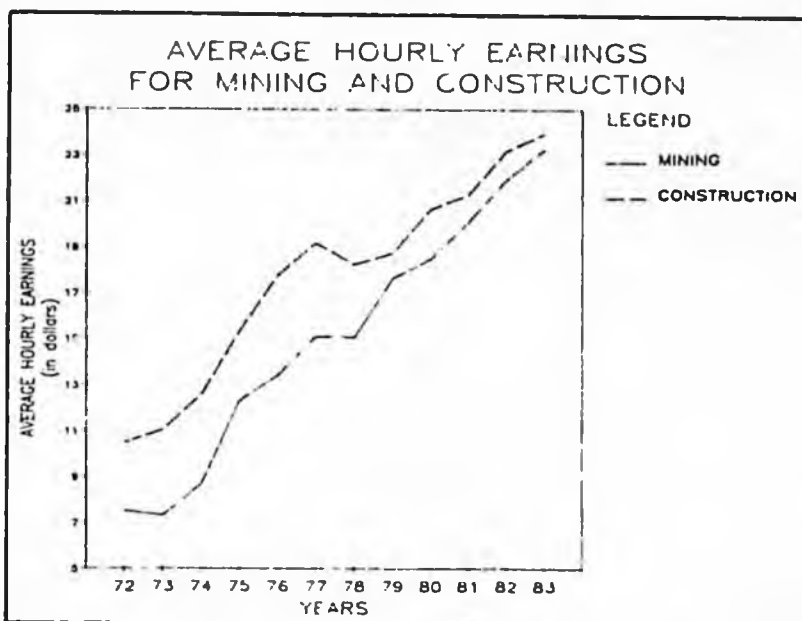


Average Annual Employment in Mining and Construction

Year	Mining	Construction
1972	21,000	7,900
1973	20,000	7,800
1974	23,900	13,100
1975	3,800	25,700
1976	4,000	30,300
1977	4,600	19,500
1978	5,500	12,300
1979	5,800	10,100
1980	6,700	10,700
1981	8,900	12,900
1982	8,800	16,800
1983	8,300	20,300

**Average Weekly Hours and Average Hourly Earnings for Mining and Construction**

	Mining		Construction	
	Avg. Weekly Hours	Avg. Hourly Earnings	Avg. Weekly Hours	Avg. Hourly Earnings
1972	45.8	7.50	40.3	10.48
1973	46.6	7.31	39.7	11.04
1974	48.5	8.69	45.9	12.56
1975	49.7	12.28	59.1	15.32
1976	50.8	13.41	60.1	17.76
1977	52.2	15.09	54.1	19.16
1978	47.5	15.05	44.6	18.23
1979	51.8	17.61	41.3	18.73
1980	50.9	18.49	43.9	20.65
1981	51.0	20.10	46.3	21.28
1982	51.5	21.94	43.8	23.19
1983	50.0	23.27	42.9	23.94



# STATE OF ALASKA

## DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

NAVARRE  
BILL SHEFFIELD, GOVERNOR

P.O. BOX 1149  
JUNEAU, ALASKA 99802  
PHONE: (907) 465-2700

February 6, 1985

The Honorable Mike Navarre  
Chairman  
Labor and Commerce Committee  
House of Representatives  
Pouch V  
Juneau, AK 99811

Dear Representative Navarre:

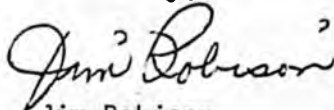
This is in response to the question posed at the February 4 hearing on House Bill 62, concerning the proportion of the work force affected by the provisions of AS 36.05.

In 1984, total nonagricultural wage and salary employment in Alaska averaged 223,600 ; construction employment averaged 20,100 (9.0% of total employment); and estimated public construction employment averaged 6,600 (3 percent of total employment and one third of construction employment).

In 1984, the Department initiated 480 enforcement actions on public construction projects to remedy wage deficiencies on behalf of 1072 employees. These employees represented 16% of the estimated number of workers employed on public construction projects. It should also be pointed out that these numbers do not reflect the Department's involvement on projects where contractors voluntarily complied when we advised them of wage deficiencies.

Thank you.

Sincerely,



Jim Robison  
Commissioner

Bill No. House Bill No. 62

Date January 18, 1985

Title "An Act relating to the payment of prevailing wages and the payment of overtime under public construction contracts."


Contact: Robert Landau  
465-2700  
Robert Bacolas  
465-4870

In addition to making a number of minor statutory changes, House Bill 62 establishes or clarifies several important provisions concerning wages and hours of work on public construction contracts, as follows:

1. Section 1 of the bill requires payment of time-and-a-half compensation to a worker for work in excess of eight hours a day or forty hours a week, thus eliminating any question that employees on public construction contracts have the same overtime protections afforded all employees in the state under AS 23.10.060.
2. Section 2 allows the Department of Labor to accept assignment of wage claims under the chapter and to pursue claims on behalf of a class of employees, whether or not a wage assignment has been filed. The Department often uncovers violations of AS 36.05 but, under existing law, is arguably precluded from collecting wages due on behalf of employees who have not requested its assistance. The amendment to AS 36.05.030(a) remedies that problem.
3. Section 6 provides that, even if a public construction contract does not set out conditions that AS 36.05.070(c) requires to be included, these conditions are considered included in the contract. This precludes an employer from avoiding compliance with the chapter when a government agency fails to incorporate AS 36.05.070(c) in the public construction contract.
4. Section 8 authorizes the Department of Labor to bar persons who have failed to comply with the overtime and prevailing wage requirements of the chapter from being awarded public construction contracts for up to three years. These persons would, of course, be entitled to the full protection of the Administrative Procedure Act.
5. Sections 3 and 9 authorize the Attorney General to seek injunctive relief and civil penalties in the Superior Court for failure to comply with AS 36.05. Under existing AS 36.05.060, violation of the chapter is a misdemeanor but this enforcement mechanism has not been effective because of the nature of the penalty and the higher standard of proof required in criminal cases.

The Department of Labor supports passage of House Bill 62. It will not have a fiscal impact on the Department.

APPROVED:

  
Jim Robison, Commissioner  
Department of Labor

POSITION PALMER / Department of Labor

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

REQUEST

Bill/Resolution No.: HB 62  
 Title: "An Act relating to payment of prevailing wages...."  
 Sponsor: Rules Committee  
 Requestor: House Labor & Commerce  
 Date of Request: 1/17/85

FISCAL DETAIL

Agency Affected: Labor  
 Program Category Affected: Public Protection  
 DRU, Program or Subprogram(s) Affected: Labor Standards & Safety-Wage and Hour Administration

EXPENDITURES/REVENUES: (Thousands of Dollars)

	Ft 83	Ft 84	Ft 85	Ft 86	Ft 89	Ft 90
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0	0	0	0	0	0
<b>CAPITAL</b>						
<b>REVENUE</b>						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: Robert J. Sacolis, Sr.

Division: Labor Standards & Safety

Phone: 465-4270

Date: 1/13/85

Approved by Commissioner: Jim Johnson

Agency: Labor

Date: 1/18/85

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

7/1/84

SECTIONAL ANALYSIS - HB 62: An Act relating to the payment of prevailing wages and the payment of overtime under public construction contracts," by House Rules at the Request of the Governor; analysis by House L & C Staff.

Section 1 Clarifies current law that employees on public construction contracts have the same overtime protections afforded all other employees in the State; by requiring payment of time and a half compensation to a worker for any work over 8 hours a day or 40 hours a week. It does not allow for any of the exceptions listed under 23.10.060, such as an employer employing fewer than 4 employees; and thus allows for equal and fair competition where public construction bids are concerned.

All public construction contracts are thus considered to have these provisions included, whether actually stated or not. This requirement is already found elsewhere in this Chapter, under AS 36.10.080 relating to employment preference.

Section 2 Continues the authority of the Department of Labor to determine the prevailing wage, and expands the Department's ability to pursue claims on behalf of employees, even if a wage assignment has not been filed.

Currently, an employee must file a claim within 90 days or else sue the contractor; with a wage assessment, the Department can pursue claims for 2 years on behalf of a claimant or a class of claimants. Further, under this section, they will have the power to pursue claims against subcontractors outside of the State of Alaska and into any other state we have reciprocal agreements with on this issue (some 20 states in all, mostly the western States).

Section 3 Penalty for violation of the Wages and Hours of Labor Chapter of Title 36 (Public Contracts) is changed from a misdemeanor of \$100min to \$1,000max and 10 to 90 days; to a civil penalty of \$25,000 for certain violations and for up to \$5,000 per day for other violations.

Currently, violators have to be charged and investigated under criminal procedures, where the standard of proof is higher; with this change, the matter becomes easier to pursue as a civil penalty, with the process going through the Attorney General's Office, and the procedures for this are set out in further detail in Section 9.

Section 4 The word "must" in legal terms is used to give direction to inanimate objects; "shall" is used to direct people to do things, so the change is technical only.

The minimum wage for the state is \$3.85; for the feds; \$3.35. However, the minimum prevailing wage is set by the State

Dept. of Labor according to region of the State & craft, in accordance with procedures spelled out in administrative regulations.

Section 5 Requires that the Dept. of Labor notifies the state or political subdivision to withhold payments to a contractor up to whatever is needed to pay to workers any difference between their actual wages and the wages they are required by law to receive.

Since the Dept. of Labor already requires that a contractor submit a certified weekly payroll to the Dept. which then gets surveyed and monitored, the Department is in a much better position to detect violations than a state or political subdivision, as well as initial subsequent action. This section formally recognizes what is common current practice.

Section 6 Requires that when a state or political subdivision withholds payment to the contractor in accordance with Section 5, the amount withheld shall be paid to the Dept. of Labor for disbursement to the workers; and further states that this payment process is considered to be in the language of all public construction contracts, whether it is explicitly stated or not.

Section 7 Apprentices registered in an approved program must be paid at the federal minimum wage rate for apprentices. If the apprentice is not in an approved program, the contractor must pay the apprentice at the minimum prevailing wage.

This section discourages contractors from listing all of their workers as apprentices in order to pay them lower wages.

Section 8 Gives the power to the Dept. of Labor to initiate proceedings to debar a person from bidding on construction contracts for up to three years.

Currently, any violators are referred to the Attorney General's office and the case has to be pursued in the courts. This change gives the Dept. of Labor authority to actively investigate a case through an administrative hearing process, under the Administrative Procedures Act, which still protects violators through a detailed due process procedure.

Section 9 Adds a new section to current law, which spells out the procedure by which violators under Section 3 are referred by the Department of Labor to the Attorney General's office, and the subsequent procedures followed by the A. G.'s office in pursuing a statute violation through the courts.

Section 10 Provides definitions; basically clarifying that this bill applies to public construction contracts, not regular maintenance activities.

February 4, 1985 Monday 1:15 pm

LABOR AND COMMERCE AGENDA

- 1) CALL MEETING TO ORDER
- 2) NOTE HOUR/DAY/YEAR (1:15 pm? February 4, 1985 Monday)
- 3) NOTE MEMBERS PRESENT AND MEMBERS ABSENT  
(also note late arrivals as they arrive)
- 4) RECOGNIZE ANY VIP'S OR GUESTS PRESENT
- 5) REMIND EVERYONE PRESENT TO SIGN IN AS EITHER A WITNESS OR AS AN OBSERVOR
- 6) EXPLAIN THE AGENDA ORDER:
  - a. Confirmations of Governor's Appointees:  
Board of Psychologists and Board of Dental Examiners
  - b. HB 62 An Act relating to the payment of prevailing wages  
and the payment of overtime under public construction contracts.
  - c. HB 79 An Act relating to financial institution examinations.
- 7) ANNOUNCE FIRST ITEM BEFORE THE COMMITTEE, THEN WHEN DONE, THE SECOND, ETC.
- 8) MAKE SURE ALL MEMBERS SIGN ANY BILL THAT IS PASSED OUT OF COMMITTEE
- 9) ANNOUNCE TIME OF ADJOURNMENT

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Note: AS each witness comes forth, please request that they state their name and who they are representing, for the record, and to speak loudly enough to be heard.

## BRIEFING PAPER ON FORCE ACCOUNTING

"Force Accounting" is the term commonly used to describe the performance of public construction or repair work by a government agency using its regular employees or hiring additional employees rather than contracting out the work to a private contractor. In essence, a government agency or political subdivision using the force account method is acting as its own general contractor, although on some projects it may subcontract certain parts of the work or hire a project management contractor to supervise the work.

Force account construction work has been interpreted as being exempt from both State and Federal prevailing wage laws. Accordingly, the Department of Labor does not conduct any enforcement acting on Force Account projects.

Because of the large number of public works projects in Alaska and the variety of government agencies and political subdivisions administering these projects, it has been very difficult to determine exactly how much public construction work in the state is being done on a force account basis.

The use of Force Accounting by government agencies, political subdivisions, and non-governmental recipients of State grant funds has become a controversial issue in recent years. Because Force Accounting does not involve the hiring of a private contractor to perform the actual construction work, State and Federal prevailing wage laws normally do not apply to Force Account projects. In Alaska, municipalities, cities, villages, unincorporated communities, and even nonprofit corporations receiving State grants have used Force Accounting on public construction projects as a way of reducing labor costs,

promoting local hire, and generally attaining greater control and responsibility over a public works project. The use of Force Accounting has been criticized by contractors, labor unions, and others who have argued that "contracting out" public construction work to the private sector is usually the most efficient, economical, and risk-free method of performing public works construction.

As a result of the controversy surrounding the use of Force Accounting, particularly on construction projects financed in part or whole by State grants, an informal task force was organized in November 1984 to address the issue. The task force included representatives from various State agencies, local governments, contractor groups, organized labor, and other interested parties. At the outset, there was considerable support for the proposition that on pass-through grants for construction, the State agency passing through the grant funds should exercise greater approval and oversight authority over the use of Force Accounting by grant recipients. It was disclosed that new procedures for the controlling and monitoring of State grant funds are being prepared by an interdepartmental grant management review committee coordinated by the Office of Management and Budget.

On the central question of Force Accounting vs. contracting out public construction work, the task force participants were unable to reach a consensus solution. Local governments and political subdivisions that have used Force Accounting successfully to reduce construction costs and promote local hire desire to continue doing so (and, in some cases, expand the size of their force account projects), whereas contractors and labor unions contend

that competitive bidding continues to be the best way to prevent favoritism and assure timely completion of public works construction at the lowest price and highest quality.

Alaska Department of Labor

February 1, 1985

Sec. 36.05.070(f) and (g)

(f) A local government or school district covered by the provisions of this chapter which is found to be in violation of these provisions may be required to forfeit all or part of the state aid made available for the project in which the violation occurs and in addition may be denied up to 12 months of state revenue sharing or public school foundation money. A state department or agency head found to be in violation of this chapter may be required to forfeit the position of department or agency head.

(g) A person or governmental entity covered by the provisions of (f) of this section who is not satisfied by a decision of the Department of Labor may, as the final administrative process, appeal the decision to a committee consisting of the commissioners of transportation and public facilities, labor and administration. The commissioner of transportation and public facilities is the chairman of the committee. A quorum for conducting business is three members and any decision made must be supported by a majority of the committee members. The committee may, upon a showing of hardship, waive all or any part of the penalty provisions of this chapter.

SUPPLEMENTAL OUTLINE HB 62

- 1) Position Paper in response to AGC -- Dept. of Labor  
(also includes requested statistics on number of cases, etc.)
- 2) Summary of Dept. of Labor Enforcement Actions for AS 36.05  
(supplied by Associated General Contractors)
- 3) Position Paper -- Municipal League
- 4) Briefing Paper on Force Accounting -Dept. of Labor, Feb. 1, 85
- 5) Amendment to HB 62 passed in Committee on January 25, 1985
- 6) Bill summary -- Legislative Reporting Service

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 15, 1985

The Honorable Ben Grussendorf  
Speaker of the House  
Alaska State Legislature  
Pouch V  
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that clarifies the applicability of overtime compensation statutes to work performed on public contracts, and that imposes sanctions for a contractor's failure to comply with those statutes.

The bill requires payment of time-and-a-half compensation to a worker for work in excess of eight hours a day or 40 hours a week, thus eliminating any question that employees on public construction contracts have the same overtime protections afforded all employees in the state under AS 23.10.060.

In addition to making several minor statutory changes, the bill also establishes or clarifies four other important provisions relating to the enforcement of the provisions of AS 36.05, concerning wages and hours of labor on public contracts. First, sec. 2 of the bill allows the Department of Labor to accept assignment of wage claims under the chapter and to pursue claims on behalf of a class of employees whether or not a wage assignment has been filed. The department often uncovers violations of AS 36.05, but, under existing law, is arguably precluded from collecting wages due on behalf of employees who have not requested its assistance. The amendment to AS 36.05.030(a) avoids that problem.

Second, sec. 6 of the bill provides that even if a public construction contract does not set out conditions that AS 36.05.070(c) requires to be included, these conditions are considered included in the contract. This precludes an employer from avoiding compliance with the chapter when a government agency fails to incorporate AS 36.05.070(c) in the public construction contract.

Third, sec. 8 of the bill authorizes the Department of Labor to bar persons who have failed to comply with the overtime and prevailing-wage requirements of the chapter from being awarded public construction contracts for up to three years. These persons would be entitled to the full protection of the Administrative Procedure Act (AS 44.62).

Fourth, secs. 3 and 9 of the bill authorize the attorney general to seek injunctive relief and civil penalties in the superior court for failure to comply with AS 36.05. Under existing AS 36.05.060, violation of the chapter is a misdemeanor. This enforcement mechanism has not been effective because of the nature of the penalty and the standard of proof required in criminal cases.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sheffield".

Bill Sheffield  
Governor

**REQUEST**

Bill/Resolution No.: \_\_\_\_\_  
Title: "An Act relating to payment of prevailing wages....."  
Sponsor: Rules Committee  
Requestor: Rules Committee  
Date of Request: \_\_\_\_\_

**FISCAL DETAIL**

Agency Affected: Labor  
Program Category Affected: Public Protection  
BRIJ, Program or Subprogram(s) Affected: Labor Standards & Safety-Wage and Hour Administration

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

**FUNDING: (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

Prepared By: Robert J. Bacolas, Sr.  
Division: Labor Standards & Safety  
Approved by Commissioner: Jim Robinson  
Agency: Labor

Phone: 465-4870  
Date: 1/10/85  
Date: 1/10/85

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)


7/1/84

# Alaska MUNICIPAL League

TELEPHONES  
(907) 586-1325  
(907) 586-6526

105 MUNICIPAL WAY, SUITE 301  
JUNEAU, ALASKA 99801

TO: House Labor and Commerce Committee

FROM: Scott A. Burgess   
Executive Director

DATE: February 4, 1985

SUBJECT: HB 62 - Prevailing Wages and Overtime

On behalf of the Alaska Municipal League it is difficult to comment in favor or in opposition to the bill; however, by request of the Committee and because of testimony provided by the Associated General Contractors (AGC) I feel I must.

"Local Construction: Local governments should have autonomy to administer local construction projects. Title 36, the Public Contracts Code, should be amended to permit local governments to establish their own notice, reporting, and prevailing wage requirements for local construction." (AML 1985 Policy Statement, p.4)

It is difficult to comment then on the amendment to Title 36 proposed in Title 36 when the League opposes the basic premise of the Statute or "Little Davis-Bacon". This opposition is founded not only on the League's philosophy of local government option but, in this case, more specifically, on the reality that the requirements of Title 36 prevent putting local people to work and training them on projects in their community. Because the prevailing rates are set on "Anchorage or urban wages", a contractor has no incentive to hire or train locally. The only alternative is for a community to carry out the project by "force account" which has also been under attack by the AGC. A Mini-Cabinet on Little Davis-Bacon was formed last year to investigate the problems local governments are having but the group headed by the Department of Labor has been inactive.

With Title 36 objections stated, HB 62 seems straight-forward except for two issues: (1) interest on retainage [AS 36.90.001]; and (2) contractor liability opposed by AGC. AS 36.90.001, which the League also opposes, requires the local government to pay interest on any fees they retain. Under Section 5 of HB 62, does or would the local government be required to pay interest on the amount withheld? The League hopes not.

Secondly, the Department of Labor's intent of HE 62 is to make sure the employee is paid for work performed without waiting for a wage claim and legal action; therefore, the bill would make it clear in the law that overtime is to be paid at the prevailing rate (not a legal issue but a clarification, presumably) by the contractor regardless of individual contract specifications. The law imposes that responsibility for an employee's wages directly on the direct employer, the contractor who bids

House Labor and Commerce Committee  
February 4, 1985  
Page 2

and is awarded the contract, not the client, the State or a local government. The law is to close a loophole and the amendments proposed by AGC would leave that loophole open. The Department of Labor puts the immediate liability on the contractor so an employee gets paid rather than the contracting agency because the latter (1) may not be responsible and (2) may not have the funds without a subsequent legislative appropriation. My understanding is that the liability language does not absolve the contracting agency ultimately but, as is the case now, that is a private contractual issue to be resolved in the courts between the contractor and the contracting agency. In the meantime, the employee is paid.

Whether prevailing wage rates apply on a project; e.g., not maintenance is subject to interpretation. Clarification can be requested by the contractor or the contracting agency; however, making the contracting agency/local government liable because of oversights of not quoting voluminous State statutory requirements does not seem fair, nor will it meet the intent of the proposed bill. The League also opposes any substitute of the penalty language of AS 36.10.090 of "Resident Hire".

Therefore, the requirements of HB 62 and overtime at the prevailing wage is properly the responsibility of the contractor, regardless of whether it is stated in the contract. The League opposes any responsibility, shared or otherwise, being shifted to local governments as suggested by the AGC.

Thank you for the opportunity to comment and the League urges the Committee to look into the deterrents to local hire and training of Title 36, and offers its willingness to assist the Committee to seek solutions. In the meantime, any more onerous amendments to Title 36 or restrictions to force accounts should be opposed.

INTRODUCTION OF BILLS (House), (cont'd)

Youth Hostel  
Loan Fund  
(establishing)

HOUSE BILL NO. 61, by Reps. M. M. Miller, Duncan and Jenkins. Establishes the Youth Hostel Loan Fund in the Dept. of Natural Resources to be administered by the Director of the Division of Parks. The Director may make loans to fund qualified organizations for the purchase, construction, or renovation of youth hostels if the organization agrees to maintain the specific guidelines established by the American Youth Hostel Association. Loans not to exceed \$100,000, at an interest rate of 2.5% to be repaid within a 25 year period. During the first five years of the loan payments would be for interest only. Does not provide for an effective date (takes effect 90 days after Governor signs bill).

Introduced January 16 and referred to the House Special Committee on State Loans, Resources, then Finance.

Payment of  
Wages and  
Overtime  
(public  
contracts)

HOUSE BILL NO. 62, by the Rules Committee by Request of the Governor. Relates to the payment of prevailing wages and the payment of overtime under public construction contracts. See letter from Governor. Does not provide for an effective date (takes effect 90 days after Governor signs bill).

Introduced January 16 and referred to Labor & Commerce, Judiciary, then to Finance.

In his message transmitting the bill to the House, Governor Sheffield stated:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill that clarifies the applicability of overtime compensation statutes to work performed on public contracts, and that imposes sanctions for a contractor's failure to comply with those statutes.

The bill requires payment of time-and-a-half compensation to a worker for work in excess of eight hours a day or 40 hours a week, thus eliminating any question that employees on public construction contracts have the same overtime protections afforded all employees in the state under AS 23.10.060.

In addition to making several minor statutory changes, the bill also establishes or clarifies four other important provisions relating to the enforcement of the provisions of AS 36.05, concerning wages and hours of labor on public contracts. First, sec. 2 of the bill allows the Department of Labor to accept assignment of wage claims under the chapter and to pursue claims on behalf of a class of employees whether or not a wage assignment has been filed. The department often uncovers violations of AS 36.05, but, under existing law, is arguably precluded from collecting wages due on behalf of employees who have not requested its assistance. The amendment to AS 36.05.030(a) avoids that problem.

Second, sec. 6 of the bill provides that even if a public construction contract does not set out conditions that AS 36.05.070(c) requires to be included, these conditions are considered included in the contract. This precludes an employer from avoiding compliance with the chapter when a government agency fails to incorporate AS 36.05.070(c) in the public construction contract.

Third, sec. 8 of the bill authorizes the Department of Labor to bar persons who have failed to comply with the overtime and prevailing-wage requirements of the chapter from being awarded public construction contracts for up to three years. These persons would be entitled to the full protection of the Administrative Procedure Act (AS 44.62).

Fourth, secs. 3 and 9 of the bill authorize the attorney general to seek injunctive relief and civil penalties in

INTRODUCTION OF BILLS (House), (cont'd)

HB 62, (cont'd)

the superior court for failure to comply with AS 36.05. Under existing AS 36.05.060, violation of the chapter is a misdemeanor. This enforcement mechanism has not been effective because of the nature of the penalty and the standard of proof required in criminal cases.

Plumbing Code  
(revising)

HOUSE BILL NO. 63, by the Rules Committee by Request of the Governor. Revises current plumbing code. See accompanying letter. Does not provide effective date (takes effect 90 days after Governor signs bill).

Introduced January 16 and referred to Labor & Commerce.

In his message transmitting the bill to the House, Governor Sheffield stated:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the plumbing code. The International Association of Plumbing and Mechanical Officials revises its minimum standards for the installation of plumbing every three years to incorporate technological advances. The 1985 edition contains the most recent revisions. The standards for the installation of solar energy are new, and the spa and hot tub standards have not previously been adopted in Alaska (the minimum standards for swimming pools were formerly included in the Uniform Plumbing Code). The 1979 code currently in effect in Alaska is outdated, and adoption of the 1985 version would bring Alaska's minimum standards into conformity with those adopted and used by the industry nationwide.

This bill also removes an anomolous provision that commands the Department of Labor to adopt the specific publications that constitute the plumbing code. The current statute leaves no discretion in the department as to whether to adopt or as to what to adopt. Thus the current adoption language is useless and the actions of the department in going through the formal adoption procedures are unnecessary. Under the amendment in the bill, the statute will simply declare what constitutes the plumbing code. This is the approach already employed for the electrical code, for example; see AS 18.60.580. Any publicity value that department adoption might have could be achieved through simpler means.

Elevator Safety  
Standards  
(revising)

HOUSE BILL NO. 64, by the Rules Committee by Request of the Governor. Revises elevator safety standards (see accompanying letter). Does not provide effective date (takes effect 90 days after Governor signs bill).

Introduced January 16 and referred to State Affairs.

In his letter transmitting the bill to the House Governor Sheffield stated:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to elevator safety standards. The American Society of Mechanical Engineers revises the safety code for installation and operation of elevators and escalators every three years to incorporate technical advances, and in 1984 it revised the 1981 code. Current state law, which adopts the 1981 version, is therefore outdated, and should be amended to bring Alaska's minimum standards into conformity with those accepted and used by the industry nationwide.

# STATE OF ALASKA

## DEPARTMENT OF LABOR

OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

P.O. BOX 1149  
JUNEAU, ALASKA 99802  
PHONE: (907) 465-2700

January 30, 1985

The Honorable Mike Navarre  
Chairman  
Labor and Commerce Committee  
House of Representatives  
Pouch V  
Juneau, AK 99811

Dear Representative Navarre:

Following are the Department's comments on the Associated General Contractors' (AGC) proposed amendments to House Bill 62.

While it appears that, for the most part, the AGC supports House Bill 62, it proposes to delete AS 36.05.015(b) and 36.05.070(e) on the grounds that contractors should be relieved of having to pay prevailing wage rate deficiencies where the contracting agency has neglected to include the prevailing wage provisions in the specifications for bidding or in the contract. In place of these two subsections, the AGC proposes an amendment that would hold the contracting agency exclusively liable for prevailing wage rate deficiencies if the required provisions have not been included in the contract.

Although the Department of Labor would support an amendment expressly requiring the contracting agency to include the prevailing wage provisions in all public construction contracts, we would strongly oppose any legislation that would allow a contractor to be relieved of liability under the chapter where the required provisions have been omitted from the contract. Exempting contractors from prevailing wage liability in such situations would be inequitable to Alaskan workers, since their only remedy for prevailing wage violations would be against the contracting agency which might be unable or unwilling to pay the wage deficiencies. We believe that contractors and contracting agencies share a joint responsibility for ensuring that workers are properly paid on public works projects, and that both entities should remain legally liable for the payment of wage deficiencies. In cases where the contracting agency has negligently failed to include the required prevailing wage stipulations, we also believe that the contractor would have legal recourse against the agency or political subdivision.

It is also important to note that the proposed language objected to by AGC is not new. Similar language is already contained in AS 36.10.080 and 23.10.060. In fact, most of House Bill 62 merely codifies existing Department interpretations.

January 30, 1985

The Department further submits that the majority of contractors doing business in Alaska are well aware that prevailing wage requirements apply to public works projects. However, not all contracting agencies and political subdivisions have recognized that this language must be included in bid specifications and in contracts. This has been particularly true of the small community, village, unincorporated community, or non-profit organization that receives a pass-through grant. To allow contractors to escape liability just because a contracting agency or grantee has inadvertently omitted the prevailing wage requirements would be inconsistent with the intent of the prevailing wage law.

Finally, to clarify a question raised at the committee hearing, during calendar year 1984, the Department initiated 480 enforcement actions for violations of AS 36.05, involving 1,072 workers, and collected \$1,157,666 in prevailing wage rate deficiencies for these employees.

Sincerely,

*Robert W. Jordan*  
for Jim Robison  
Commissioner

JR:cm  
02901

11064

Summary of AS 36 Activity  
June 1, - November 30, 1983

Total enforcement: 200  
Resident Hire: 76  
Wage related: 124

Total workers assisted: 866  
Resident Hire: 319  
Wage related: 547

Total dollars recovered: \$535,340.30

The information included in this report was gathered from the audits of 12,040 payrolls for the projects covered. These projects employed an average of 12,361 laborers, mechanics and field surveyors each month.

(The department is approximately 4-6 months behind in their work).

From  
Rear King

HB 62 FILE CONTENTS

- i) Sectional Analysis -- Committee Staff *All attached memo*
- 2) Transmittal Letter from Governor
- 3) Fiscal Note -- Dept. of Labor
- 4) Position Paper -- Dept. of Labor
- 5) Position Paper -- Associated General Contractors
- 6) Proposed Committee Substitute

To: Mike

From: Roger

HB 66 should not be a problem. There is a case overload for workmen's compensation board hearings in Southcentral Alaska; this bill would allow for the expansion of the number of its members. It was submitted by the Governor at the request of the Dept. of Labor, with major input from both the Worker's Compensation Board and also with the approval of Carol Derfner of the Boards and Commissions Office, even though it goes against the general trend she has to cut down the number of boards and board members. There doesn't appear to be any opposition, so it should be ready to pass out today.

Note: We are the

ONLY committee of referral, so it will go from us directly to Rules for floor scheduling, so if there are problems, it should be held over, as no one else gets a shot at it.

Testimony: Jacquelyn L. McClintock, Director, Worker's Compensation Division of the Dept. of Labor, will be here to testify in support of the bill.

You might want to ask Jacquelyn how many hours or days the current lay members of the Southcentral Board are giving to these hearings--(you may recall that Carol Derfner yesterday in her presentation said something about this being the Board where members put in 125 days of volunteer time a year or something incredible like that.)

There is no companion legislation on this in the Senate.

HB 62 has some complications. The Associated General Contractors oppose it and have a position paper in the bill file explaining their reasons, basically it refers to contractors being held liable for the provisions of this bill, even if they do not appear in the public contracts let out by state or political subdivisions.

Also, the Department of Labor inadvertently left out a section of the law they want this bill to apply to, so they will be proposing that we write up a Committee Substitute,, which I have typed up and its in the bill file.

Testimony: For: Robert J. Bacolas, Sr, Director of the Labor Standards and Safety Division, of the Dept. of Labor, who will walk the Committee thru the bill section by section to explain in detail the needs being met in each section (see also the sectional analysis for an overview)

Against: Resa King, lobbyist for the Associated General Contractors will be testifying against the bill in accordance with the AGC position paper in your folder.

Basically, this bill is a housecleaning bill for the Department, and most of the points and issues raised are new ones rather than carry-overs from last year. There is no companion legislation in the Senate.

The bill is similar to HB 280, which died in House L & C Comm last year; the bill should be held over for a CS and maybe for some other work.

January 25, 1985 Friday 1:15 pm

LABOR AND COMMERCE AGENDA

- 1) CALL MEETING TO ORDER
- 2) NOTE HOUR/DAY/YEAR (1:15 pm? January 25, 1985, Friday)
- 3) NOTE MEMBERS PRESENT AND MEMBERS ABSENT  
(also note late arrivals as they arrive)
- 4) RECOGNIZE ANY VIP'S OR GUESTS PRESENT
- 5) REMIND EVERYONE PRESENT TO SIGN IN AS EITHER A WITNESS OR  
AS AN OBSERVOR
- 6) EXPLAIN THE ORDER OF BILLS BEFORE THE COMMITTEE

HB 66: An Act relating to worker's compensation (changes  
the size of the Worker's Compensation Board)

HB 62: An Act relating to the payment of prevailing wages and the  
payment of overtime under public construction contracts.

- 7) ANNOUNCE FIRST BILL BEFORE COMMITTEE, THEN WHEN DONE, THE SECOND

---Procession of Meeting---

- 8) MAKE SURE ALL MEMBERS SIGN ANY BILL THAT IS PASSED OUT OF COMMITTEE
- 9) ANNOUNCE TIME OF ADJOURNMENT

---

Note: As each witness comes forth, please request that they state their  
name and who they are representing, for the record, and to speak loudly  
enough to be heard.

DRAFT

PROPOSED COMMITTEE SUBSTITUTE FOR HB 62, "An Act Relating to the payment of prevailing wages and the payment of overtime under public construction contracts," requested by the Department of Labor

- 1) Section 1 of HB 62 is amended to include AS 23.10.060 (1) as follows:

Section 36:05.015. OVERTIME REQUIREMENTS. (a) Notwithstanding the provisions of AS 23.10.060 (1), (17), and (18), etc.

The affected subsection (1) reads as follows:

This section does not apply with respect to:  
(1) an employee employed by an employer employing less than four employees in the regular course of business, as regular course of business is defined by regulations of the commissioner.

The effect of the amendment would be that in regards to public construction bids only, employers would not be exempted just because they had fewer than 4 employees; otherwise, for certain types of contracts, "mom and pop" operations would have a competitive bid advantage.

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 15, 1985

The Honorable Ben Grussendorf  
Speaker of the House  
Alaska State Legislature  
Pouch V  
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 19, of the Alaska Constitution, I am transmitting a bill that clarifies the applicability of overtime compensation statutes to work performed on public contracts, and that imposes sanctions for a contractor's failure to comply with those statutes.

The bill requires payment of time-and-a-half compensation to a worker for work in excess of eight hours a day or 40 hours a week, thus eliminating any question that employees on public construction contracts have the same overtime protections afforded all employees in the state under AS 23.10.060.

In addition to making several minor statutory changes, the bill also establishes or clarifies four other important provisions relating to the enforcement of the provisions of AS 36.05, concerning wages and hours of labor on public contracts. First, sec. 2 of the bill allows the Department of Labor to accept assignment of wage claims under the chapter and to pursue claims on behalf of a class of employees whether or not a wage assignment has been filed. The department often uncovers violations of AS 36.05, but, under existing law, is arguably precluded from collecting wages due on behalf of employees who have not requested its assistance. The amendment to AS 36.05.030(a) avoids that problem.

Second, sec. 6 of the bill provides that even if a public construction contract does not set out conditions that AS 36.05.070(c) requires to be included, these conditions are considered included in the contract. This precludes an employer from avoiding compliance with the chapter when a government agency fails to incorporate AS 36.05.070(c) in the public construction contract.

Third, sec. 8 of the bill authorizes the Department of Labor to bar persons who have failed to comply with the overtime and prevailing-wage requirements of the chapter from being awarded public construction contracts for up to three years. These persons would be entitled to the full protection of the Administrative Procedure Act (AS 44.62).

Fourth, secs. 3 and 9 of the bill authorize the attorney general to seek injunctive relief and civil penalties in the superior court for failure to comply with AS 36.05. Under existing AS 36.05.060, violation of the chapter is a misdemeanor. This enforcement mechanism has not been effective because of the nature of the penalty and the standard of proof required in criminal cases.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill Sheffield".

Bill Sheffield  
Governor

Analysis supplied by:  
Associated General  
Contractors.

## ANALYSIS OF HB-62

### MAJOR CHANGES

- \*\* Section 1 (pg. 1, ln 11) - Adds a new section which requires overtime of 1-1/2 for over 8 hours per day or 40 hours per week.
- \*\* Section 2 (pg.2, ln. 3) - Adds new subsections which allow DOL to take wage assignment and to seek recovery for wages regardless of whether a wage claim has been filed.
- \*\* Section 3 (pg. 2. ln. 9) - Changes nature of penalty from criminal misdemeanor to civil penalty.
- \*\* Section 9 (pg. 4, ln. 11) - Establishes a procedure from barring a person who violates this chapter from working as a contractor or subcontractor for the State or a political subdivision for up to three years.

### APPROACH

- (1) AGC has not had time to assess and discuss all of the proposed changes in HB62.
- (2) AGC is opposed to new language which purports to include the provisions of Title 36 in all contracts for public construction in the state regardless of whether the contract agency includes the provisions in the job specifications. Existing law requires that the advertised specifications for public construction include various provisions for Title 36 (36.05.070(a)). If the specifications fail to include the required provisions, a contractor should not be held liable for the consequences. Accordingly, we suggest the following:
  - (a) Delete 36.05.015(b) proposed in HB 62 Section 1, pg.1, ln. 21.
  - (b) Delete 36.05.070(e) proposed in HB 62 Section 6, pg.3, ln. 26
  - (c) Add the following new section:

AS 36.05.085. Failure of a State or political subdivision of the State to include the provisions required by this chapter within a contract shall relieve the contractor or subcontractor of any liability for violation of this chapter. The State or political subdivision of the State which fails to include the provisions required by this chapter within a contract for public construction, results in prevailing wages not being paid to laborers mechanics; or field surveyors is responsible to those laborers, mechanics or surveyors for payment of wages in accordance with this chapter.

2 trips Eagle Air	\$400.00	Travel & PD	500.00
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
TOTAL	\$500.00	GRAND TOTAL	\$1,900.00

<u>Fred Lipton</u>	<u>October 17, 1977</u>
FRED LIPTON	DATE

**SAMPLE CONTRACT FOR SERVICES**

This contract, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by and between the city of \_\_\_\_\_, a municipal corporation of the state of \_\_\_\_\_, hereinafter referred to as City, and \_\_\_\_\_ of \_\_\_\_\_, hereinafter referred to as Contractor, witnesseth:

Whereas, commencing on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, and continuing for \_\_\_\_\_ (\_\_\_\_\_) days thereafter City advertised that sealed proposals would be received for furnishing all labor, tools, supplies, equipment, materials and everything necessary and required for the following:

Whereas, proposals pursuant to said advertisement have been received by the City Clerk have been certified by the Mayor with a recommendation that a contract for said work be awarded to the above-named Contractor who was the lowest reliable and responsible bidder therefor; and

Whereas, pursuant to said recommendation the contract has been awarded to the above-named contractor by the mayor and said contractor is now willing and able to perform all of said work in accordance with said advertisement and his proposal;

Now, Therefore, in consideration of the compensation to be paid the Contractor, the mutual agreements hereinafter contained and subject to the terms hereinafter stated:

1. Contract Documents. It is agreed by the parties hereto that the following list of documents which are attached hereto, bound herewith or incorporated herein by reference constitute and shall be referred to either as the contract documents or the contract and all of said documents taken together as a whole constitute the contract between the parties hereto, and they are as fully a part of this agreement as if they were set out verbatim and in full herein:

- |                                       |                               |
|---------------------------------------|-------------------------------|
| Advertisement of Notice for Proposals | Detail Specifications         |
| Instructions to Bidders               | Performance Bond              |
| Statement of Quantities               | Notice of Award               |
| Proposal                              | Notice to Proceed             |
| Special Contract Conditions           | Form of Final Receipt         |
| General Contract Conditions           | Prevailing Wage Rate Schedule |

500.00
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17, 1977

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Rate Schedule

2. Scope of Work. Contractor agrees to and shall furnish all labor, tools, supplies, equipment, materials and everything necessary for and required to do, perform and complete all of the work described, drawn, set forth, shown and included in said contract documents.

3. Terms of Performance. Contractor agrees to undertake the performance of the work under this contract within \_\_\_\_\_ (. \_\_\_\_\_) days after being notified to commence work by said mayor and agrees to fully complete said work within \_\_\_\_\_ from the date of said notice, plus such extension or extensions of time as may be granted by said mayor in accordance with the provisions of the general condition.

4. For the performance of all of the work required under this contract, and contractor agrees to accept as his full and only compensation therefor, such sum or sums of money as may be proper in accordance with the price or prices set forth in the contractor's proposal hereto attached and made a part hereof for Items Numbers \_\_\_\_\_, \_\_\_\_\_, [etc.], the total estimated cost thereof being \_\_\_\_\_ dollars (\$ \_\_\_\_\_).

5. Contract Binding. It is agreed that this contract shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, assigns and successors.

In witness whereof the parties have caused these presents to be signed personally or by their duly authorized officers or agents and their seals affixed and duly attested the day and year first above written.

City of \_\_\_\_\_

[Seal]

Attest: \_\_\_\_\_, Mayor

\_\_\_\_\_, Clerk of the City of \_\_\_\_\_

Contractor \_\_\_\_\_ Approved as to Form:  
\_\_\_\_\_, Attorney for  
the City of \_\_\_\_\_

**Other Specific Contract Provisions**

Sometimes, the City needs very specific provisions in a contract that is designed to cover a multitude of details. In order to accomplish this, municipal officials should spend more time on the first step in the legal agreements process, determining local needs, and always consult their attorneys before calling for bids or entering into negotiation with a contractor.

Shown below is an example of a provision that might be added to a contract in order to afford the City specific control over the work completed, in this case a line for completion of contract work with delay-penalty provisions.

The *Local Government Encyclopedia* was written and published through the cooperative efforts of:

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*Betty Barton*  
*Juneau Fire Department*

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1979: Second Edition  
1st Printing

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subcommittee, authority, council,  
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Alaska  
Local Government

# Encyclopedia

2nd Edition

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# Alaska Statutes

## Title 36. Public Contracts.

### Chapter

- 05. Wages and Hours of Labor (§§ 36.05.010 — 36.05.120)
- 10. Employment Preference (§§ 36.10.010 — 36.10.125)
- 15. Forest Products Preference (§§ 36.15.010 — 36.15.020)
- 20. Purchases and Supplies (§ 36.20.010)
- 25. Contractors' Bonds (§§ 36.25.010 — 36.25.025)
- 90. Miscellaneous Provisions (§ 36.90.001)
- 95. General Provisions (§ 36.95.010)
- 98. Professional Services Contracts (§§ 36.98.010 — 36.98.080)

### Chapter 05. Wages and Hours of Labor.

#### Section

- 10. Wage rates on public construction
- 20. Basis for determining wage
- 30. Authority
- 35. Notification of contract awards
- 40. Filing schedule of employees, wages paid and other information
- 50. [Repealed]
- 60. Penalty for violation of this chapter
- 70. Wage rates for laborers and mechanics on public contracts

#### Section

- 80. Failure to pay agreed wages
- 90. Payment of wages from withheld payments and listing contractors who violate contracts
- 100. Effect of AS 36.05.070 — 36.05.110 on other laws
- 110. Contracts entered into without advertising
- 120. [Repealed]

### NOTES TO DECISIONS

This chapter was modeled after the federal Davis-Bacon Act, 40 U.S.C. § 276a et seq. *Fowler v. City of Anchorage*, Sup. Ct. Op. No. 1699 (File No. 3586), 583 P.2d 817 (1978).

The fundamental purpose of Little Davis-Bacon is to assure that employees

engaged in public construction receive at least the prevailing wage; the focus of the act is to the benefit of the employees, not to the contracting principals. *City of Sitka v. Construction & Gen. Laborers Local 942*, Sup. Ct. Op. No. 2495 (File Nos. 5774, 5811), 644 P.2d 227 (1982).

Collateral references. — 64 Am. Jur. 2d, Public Works and Contracts, §§ 99-104; 65 Am. Jur. 2d, Public Works and Contracts, §§ 204-215, 225-229, 232, 233.

72 C.J.S., Supplement, Public Contracts, §§ 31-39; 81A C.J.S., States, §§ 177-183.

Constitutionality of statute or ordinance relating to rate of wages of persons employed on public work. 50 ALR 1480; 132 ALR 1297.

Power of municipality to fix specific scale of wages or hours for employees of contractors or subcontractors for munic-

ipal contracts. 81 ALR 349; 129 ALR 763.

Applicability of state statutes or municipal regulations to contracts for performance of work on land owned or leased by the federal government. 91 ALR 779; 115 ALR 371; 127 ALR 827.

Construction and application of statute or ordinance relating to wages of persons employed on public work. 93 ALR 1249.

Civil service laws, rules, or regulations as applicable to persons employed by one under contract with municipal corporation or other governmental body to do certain work for it or its residents. 134 ALR 1149.

Right of employee of public contractor to maintain action against latter based upon statutory obligation as to rate of wages or upon provisions in that regard in the contract between contractor and the public. 144 ALR 1035.

Validity of statute, ordinance, or charter provision requiring that workmen on pub-

lic works be paid the prevailing or current rate of wages. 18 ALR3d 944.

Construction and operation of "equal opportunities clause" requiring pledge against racial discrimination in hiring under construction contract. 44 ALR3d 1283.

**Sec. 36.05.010. Wage rates on public construction.** A contractor or subcontractor who performs work on public construction in the state, as defined by AS 36.95.010(3), shall pay not less than the current prevailing rate of wages for work of a similar nature in the region in which the work is done. The current prevailing rate of wages for each pay period is that contained in the latest determination of prevailing rate of wages issued by the Department of Labor before the end of the pay period. (§ 14-2-1 ACLA 1949; am § 1 ch 142 SLA 1972; am § 1 ch 89 SLA 1976)

**Cross references.** — As to wage rates for laborers and mechanics on public contracts, see AS 36.05.070.

NOTES TO DECISIONS

City's duty to publish applicable minimum wage schedules as part of bid specifications. — See notes under heading "Duty to publish minimum wage schedules," Fowler v. City of Anchorage, Sup. Ct. Op. No. 1699 (File No. 3586), 583 P.2d 817 (1978), AS 36.05.070.

Quoted in City of Sitka v. Construction & Gen. Laborers Local 942, Sup. Ct. Op. No. 2495 (File Nos. 5774, 5811), 644 P.2d 227 (1982).

**Sec. 36.05.020. Basis for determining wage.** A subcontract which is performed on public construction may be reduced to a basis of day labor for the purpose of determining whether or not the subcontractor or contractors have paid at not less than the prevailing scale of wage. (§ 14-2-2 ACLA 1949)

**Sec. 36.05.030. Authority.** (a) The Department of Labor has the authority to determine the prevailing wage, and whether or not this chapter is being violated. The department may when necessary for the enforcement of this chapter

- (1) conduct investigations and hold hearings concerning wages;
- (2) compel the attendance of witnesses and the production of books, papers and documents;
- (3) promulgate regulations.

(b) If a person violates this chapter the attorney general shall, when requested by the Department of Labor, enforce these provisions. (§ 14-2-3 ACLA 1949; am § 2 ch 142 SLA 1972)

## NOTES TO DECISIONS

Applied in *Fowler v. City of Anchorage*,  
Sup. Ct. Op. No. 1699 (File No. 3586), 583  
P.2d 817 (1978).

& *Gen. Laborers Local 942*, Sup. Ct. Op. No.  
2495 (File Nos. 5774, 5811), 644 P.2d 227  
(1982).

Quoted in *City of Sitka v. Construction*

**Sec. 36.05.035. Notification of contract awards.** Upon awarding a public construction contract, the state or a political subdivision of the state shall

(1) immediately notify the commissioner of labor of the amount of the contract, the effective date of the contract, the identity of the contractor and all subcontractors, the site or sites of construction and provide a project description; and

(2) verify that the bonding requirements of AS 36.25 have been met and that the requirements of AS 08.18 have been met. (§ 3 ch 142 SLA 1972)

## NOTES TO DECISIONS

Since 1972 state has burden of verifying public construction contract bonds. — For cases arising after 1972, there is no doubt about who has the duty to check the validity of public construction contract bonds, since in 1972 this section was enacted, placing the burden of verifying such bonds on the state or its political subdivision. *Arctic Contractors v.*

*State*, Sup. Ct. Op. No. 1420 (File Nos. 2595, 2657), 564 P.2d 30 (1977).

For case involving a dispute arising out of a 1962 construction project holding that the state had the burden of verifying payment and performance bonds, see *Arctic Contractors v. State*, Sup. Ct. Op. No. 1420 (File Nos. 2595, 2657), 564 P.2d 30 (1977).

**Sec. 36.05.040. Filing schedule of employees, wages paid and other information.** All contractors or subcontractors who perform work on a public construction contract for the state or for a political subdivision of the state shall, before the Friday of each week, file with the Department of Labor a sworn affidavit for the previous week, setting out in detail the number of men employed, wages paid, job classification of each employee, hours worked each day and week, and other information which the Department of Labor requires. (§ 14-2-4 ACIA 1949; am § 4 ch 142 SLA 1972)

**Sec. 36.05.050. Hours to constitute day's work.**

Repealed by § 1 ch 3 SLA 1973.

Editor's notes. — The repealed section derived from § 14-2-5 ACIA 1949; § 5, ch. 142, SLA 1972.

**Sec. 36.05.060. Penalty for violation of this chapter.** A contractor who violates this chapter, is guilty of a misdemeanor, and upon conviction is punishable by a fine of not less than \$100 nor more

than \$1,000, or by imprisonment for not less than 10 days nor more than 90 days, or by both. Each day a violation exists constitutes a separate offense. (§ 14-2-6 ACLA 1949; am § 6 ch 142 SLA 1972)

**Sec. 36.05.070. Wage rates for laborers and mechanics on public contracts.** (a) The advertised specifications for a public construction contract exceeding \$2,000 to which the state or a political subdivision of the state is a party which requires or involves the employment of mechanics, laborers, or field surveyors shall contain a provision stating the minimum wages to be paid various classes of laborers, mechanics, or field surveyors and that the rate of wages shall be adjusted to the wage rate for each pay period applicable under AS 36.05.010.

(b) Repealed by § 17 ch 142 SLA 1972.

(c) A contract for public works in the state or a political subdivision shall contain provisions that

(1) the contractor or his subcontractors shall pay all employees unconditionally and not less than once a week;

(2) wages may not be less than those stated in the advertised specifications, regardless of the contractual relationship between the contractor or subcontractors and laborers, mechanics, or field surveyors;

(3) the scale of wages to be paid shall be posted by the contractor in a prominent and easily accessible place at the site of the work;

(4) the state or a political subdivision shall withhold so much of the accrued payments as is necessary to pay to laborers, mechanics, or field surveyors employed by the contractor or subcontractors the difference between

(A) the rates of wages required by the contract to be paid laborers, mechanics, or field surveyors on the work, and

(B) the rates of wages in fact received by laborers, mechanics or field surveyors. (§ 1 ch 52 SLA 1959; am §§ 7, 8, 17 ch 142 SLA 1972; am § 2 ch 89 SLA 1976)

**Cross references.** — As to wage rates on public construction, see AS 36.05.010.

**Opinions of attorney general.** — This section, AS 36.05.080 — 36.05.110, and former AS 36.05.120 were copied almost word for word from the federal act on the same subject, the Davis-Bacon Act (40 USC 276a et seq.), 1961 Op. Att'y Gen., No. 17.

"Construction" has no reference to a contract for professional architectural or

engineering services. 1961 Op. Att'y Gen., No. 17.

Contracts between the state or any of its political subdivisions for professional architectural services or preliminary engineering services for work preliminary to the actual construction of public works projects do not come within the scope of this section, AS 36.05.080 — 36.05.110, and former AS 36.05.120. 1961 Op. Att'y Gen., No. 17.

## NOTES TO DECISIONS

**Similarity to Davis-Bacon Act.** — The wording of this section is based upon the federal Davis-Bacon Act, 40 U.S.C. § 276a(a). *Fowler v. City of Anchorage*, Sup. Ct. Op. No. 1699 (File No. 3586), 583 P.2d 817 (1978).

**Construction of section involves balancing of hardships.** — At least part of the intent of this section is to inform bidders of the minimum wage rates. On the other hand, the proper construction of this section, as it relates to the duties of the government entity, involves a balancing of hardships. There does not seem to be any special expertise needed or difficulty involved in requiring the contractor to determine the applicable minimum wage schedules. *Fowler v. City of Anchorage*, Sup. Ct. Op. No. 1699 (File No. 3586), 583 P.2d 817 (1978).

The city has a statutory duty to publish as part of its bid specifications the applicable minimum wage schedules. *Fowler v. City of Anchorage*, Sup. Ct. Op. No. 1699 (File No. 3586), 583 P.2d 817 (1978).

The language of subsection (a) that "the advertised specifications . . . shall contain a provision" stating the minimum wages to be paid is mandatory, not directory. *Fowler v. City of Anchorage*, Sup. Ct. Op. No. 1699 (File No. 3586), 583 P.2d 817 (1978).

When such duty is met. — A city as the

contracting government entity meets the requirement of subsection (a) by appending to its invitation to bid the most recent schedule of prevailing wages as published by the Department of Labor. *Fowler v. City of Anchorage*, Sup. Ct. Op. No. 1699 (File No. 3586), 583 P.2d 817 (1978).

Where neither the city or the contractor had knowledge of a change in the wage rates prior to the bidding on the contract and the wage rates attached to the invitation to bid were correct when the invitation was published, even though three days after publication the rate schedule was revised, the city was not negligent in failing to amend its specifications when it discovered the change, after the contract was let but before the work had commenced and reliance by the contractor on any wage representations in the contract was unreasonable. *Fowler v. City of Anchorage*, Sup. Ct. Op. No. 1699 (File No. 3586), 583 P.2d 817 (1978).

**Minimum wages are prevailing wages.** — The minimum wages to be paid, although not specified in this section, are the prevailing wages. *Fowler v. City of Anchorage*, Sup. Ct. Op. No. 1699 (File No. 3586), 583 P.2d 817 (1978).

Quoted in *City of Sitka v. Construction & Gen. Laborers Local 942*, Sup. Ct. Op. No. 2495 (File Nos. 5774, 5811), 644 P.2d 227 (1982).

**Sec. 36.05.080. Failure to pay agreed wages.** Every contract within the scope of AS 36.05.070 shall contain a provision that if it is found that a laborer, mechanic, or field surveyor employed by the contractor or subcontractor has been or is being paid a rate of wages less than the rate of wages required by the contract to be paid, the state or its political subdivision may, by written notice to the contractor, terminate the contractor's right to proceed with the work or the part of the work for which there is a failure to pay the required wages and to prosecute the work to completion by contract or otherwise, and the contractor and his sureties are liable to the state or its political subdivision for excess costs for completing the work. (§ 2 ch 52 SLA 1959)

**Editor's notes.** — This section was redrafted by the revisor of statutes to remove personal pronouns in conformity

with AS 01.05.031(c) and § 4, Chapter 58, SLA 1982.

**Sec. 36.05.090. Payment of wages from withheld payments and listing contractors who violate contracts.** (a) The state disbursing officer in the case of a state contract and the local fiscal

officer in the case of a political subdivision contract shall pay directly to laborers, mechanics or field surveyors from accrued payments withheld under the terms of the contract the wages due laborers, mechanics or field surveyors under AS 36.05.070.

(b) The state disbursing officer or the local fiscal officer shall distribute to all departments of the state government and to all political subdivisions of the state a list giving the names of persons who have disregarded their obligations to employees. No person appearing on this list and no firm, corporation, partnership or association in which the person has an interest may work as a contractor or subcontractor on a public construction contract for the state or a political subdivision of the state until three years after the date of publication of the list. If the accrued payments withheld under the contract are insufficient to reimburse all the laborers, mechanics, or field surveyors with respect to whom there has been a failure to pay the wages required under AS 36.05.070, the laborers, mechanics or field surveyors have the right of action or intervention or both against the contractor and his sureties conferred by law upon persons furnishing labor or materials, and in the proceedings it is not a defense that the laborers, mechanics or field surveyors accepted or agreed to accept less than the required rate of wages or voluntarily made refunds. (§ 3 ch 52 SLA 1959; am § 9 ch 142 SLA 1972)

NOTES TO DECISIONS

Quoted in *City of Sitka v. Construction* 2495 (File Nos. 5774, 5811). 644 P.2d 227 & Gen. Laborers Local 942, Sup. Ct. Op. No. (1982).

**Sec. 36.05.100. Effect of AS 36.05.070 — 36.05.110 on other laws.** AS 36.05.070 — 36.05.110 do not supersede or impair authority granted by state law to provide for the establishment of specific wage rates. (§ 4 ch 52 SLA 1959; am § 10 ch 142 SLA 1972)

**Sec. 36.05.110. Contracts entered into without advertising.** The fact that a public contract authorized by law is entered into upon a cost-plus-a-fixed-fee basis or otherwise, without advertising for proposals, does not make AS 36.05.070 — 36.05.110 inapplicable if they are otherwise applicable to the contract. (§ 5 ch 52 SLA 1959)

**Sec. 36.05.120. Regulations governing contractors.**

Repealed by § 17 ch 142 SLA 1972.

Editor's notes. — The repealed section derived from § 6, ch. 52, SLA 1959.

**Chapter 10. Employment Preference.**

<p><b>Section</b></p> <p>10. Employment preference</p> <p>20. Apprentices</p> <p>30. Reduction of work force</p>	<p><b>Section</b></p> <p>40. Application to contracts involving federal funds</p> <p>50. [Repealed]</p>
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CONTRACT DOCUMENTS

For The

Construction

of

NOME PORT FACILITY

CITY OF NOME

ALASKA

PROJECT NO. K-20000

CONTRACT NO. 1

December, 1984

Copy No. 0039

*Rec. 12/17/84*

*A-16*

NOME PORT FACILITY  
 CITY OF NOME, ALASKA  
 PROJ. NO. K-20000  
 CONTRACT NO. 1

INDEX  
 SEQUENTIAL LIST OF CONTRACT DOCUMENTS

<u>Section</u>	<u>Description</u>	<u>Pages</u>
DIVISION 0 - BIDDING & CONTRACT REQUIREMENTS		
00010	Pre-Bid Information.....	1
00020	Invitation to Bid.....	3
00030	Media Advertisement.....	1
00040	Pre-Bid/Post Bid Conferences.....	1
00050	Sequential List of Bidding, Award, & Startup Events....	1
00100	Instruction to Bidders.....	4
00130	Specifications/Documents Included by Reference.....	1
00150	Documents Required with Bid.....	1
00180	Documents Required for Contract Execution.....	1
00200	Information Available to Bidders.....	4
00220	Soil Investigation Data.....	29
00370	Bid Proposal.....	6
00410	Bid Security/Bid Bond (with Power of Attorney).....	2
00480	Non-Collusion Affidavit.....	1
00510	Contract.....	5
00610	Performance Bond (with Power of Attorney).....	3
00620	Payment Bond (with Power of Attorney).....	3
00674	Reference to DOT/PF in Standard EEO, MBE, & F/MBE FORMS	1
00675	DBE and WBE Program Contract Specifications.....	4
00677	State EEO Bid Conditions.....	4
00680	State EEO Goals and Timetables.....	1
00682	EEO-1 Certification.....	1
00685	Contact Report.....	2
00687	DBE Utilization Report.....	1
00688	WBE Utilization Report.....	1
00690	DBE and WBE Declaration.....	1
00695	Summary of Good Faith Effort Documentation.....	2
00700	General Conditions.....	46
00800	Supplemental Conditions.....	6
00820	Laborer's and Mechanic's Minimum Rates of Pay.....	6
00850	Drawing Index.....	1
00900	Addenda.....	1
DIVISION 1 - GENERAL REQUIREMENTS		
01010	Summary of Work.....	3
01045	Cutting and Patching.....	3
01050	Field Engineering.....	4
01060	Regulatory Requirements.....	2
01080	Identification of Systems.....	3
01300	Submittals.....	3

**LABORERS' & MECHANICS'  
MINIMUM RATES OF PAY**

Labor Standards & Safety Division  
1111 West Eighth Avenue  
PO Box 630  
Juneau, Alaska 99811  
Phone: 465-4870

Labor Standards & Safety Division  
3301 Eagle Street, Suite 301  
Pouch 7-021  
Anchorage, AK 99510  
Phone: 264-2435

Labor Standards & Safety Division  
575 - 7th Avenue, Station J  
Fairbanks, Alaska 99701  
Phone: 452-3060

**WAGE & HOUR ADMINISTRATION  
ALASKA DEPARTMENT OF LABOR  
3301 Eagle Street, Suite 301  
Pouch 7-021  
Anchorage, Alaska 99510**

IMPORTANT NOTICE TO CONTRACTORS  
ALASKA LAW STATES, IN PART:

Sec. 36.05.010. Wage rates on public construction. A contractor or subcontractor who performs work on public construction in the state, as defined by AS 36.95.010(3), shall pay not less than the current prevailing rate of wages for work of a similar nature in the region in which the work is done. The current prevailing rate of wages for each pay period is that contained in the latest determination of prevailing rate of wages issued by the Department of Labor before the end of the pay period.

Sec. 36.05.060. Penalty for violation of this chapter. A contractor who violates this chapter is guilty of a misdemeanor, and upon conviction is punishable by a fine of not less than \$100 nor more than \$1,000, or by imprisonment for not less than 10 days nor more than 90 days, or by both. Each day a violation exists constitutes a separate offense.

Sec. 36.05.070. Wage rates for laborers and mechanics on public contracts. (a) The advertised specifications for a public construction contract exceeding \$2,000 to which the state or a political subdivision of the state is a party which requires or involves the employment of mechanics, laborers, or field surveyors shall contain a provision stating the minimum wages to be paid various classes of laborers, mechanics, or field surveyors and that the rate of wages shall be adjusted to the wage rate for each pay period applicable under AS 36.05.010.

(b) Repealed by Section 17, Chapter 142 SLA 1972.

(c) A contract for public works in the state or a political subdivision shall contain provisions that:

(1) the contractor or his subcontractors shall pay all employees unconditionally and not less than once a week;

(2) wages may not be less than those stated in the advertised specifications, regardless of the contractual relationship between the contractor or subcontractors and laborers, mechanics, or field surveyors;

(3) the scale of wages to be paid shall be posted by the contractor in a prominent and easily accessible place at the site of the work;

(4) the state or political subdivision shall withhold so much of the accrued payments as is necessary to pay to laborers, mechanics, or field surveyors employed by the contractor or subcontractors the difference between

(A) the rates of wages required by the contract to be paid laborers, mechanics, or field surveyors on the work, and

(B) the rates or wages in fact received by laborers, mechanics, or field surveyors.

Sec. 36.05.080. Failure to pay agreed wages. Every contract within the scope of AS 36.05.070 shall contain a provision that if it is found that a laborer, mechanic, or field surveyor employed by the contractor or subcontractor has been or is being paid a rate of wages less than the rate of wages required by the contract to be paid, the state or its political subdivision may, by written notice to the contractor, terminate the contractor's right to proceed with the work or the part of the work for which there is a failure to pay the required wages and to prosecute the work to completion by contract or otherwise, and the contractor and his sureties are liable to the state or its political subdivision for excess costs for completing the work.

Sec. 36.05.090. Payment of wages from withheld payments and listing contractors who violate contracts. (a) The state disbursing officer in the case of a state contract and the local fiscal officer in the case of a political subdivision contract shall pay directly to laborers, mechanics, or field surveyors from accrued payments withheld under the terms of the contract the wages due laborers, mechanics, or field surveyors under AS 36.05.070.

(b) The state disbursing officer or the local fiscal officer shall distribute to all departments of the state government and to all political subdivision of the state a list giving the names of persons who have disregarded their obligations to employees. No person appearing on this list and no firm, corporation, partnership or association in which the person has an interest may work as a contractor or subcontractor on a public construction contract for the state or a political subdivision of the state until three years after the date of publication of the list. If the accrued payments withheld under the contract are insufficient to reimburse all the laborers, mechanics, or field surveyors with respect to whom there has been a failure to pay the wages required under AS 36.05.070, the laborers, mechanics, or field surveyors have the right of action or intervention or both against the contractor and his sureties conferred by law upon persons furnishing labor or materials, and in the proceedings it is not a defense that the laborers, mechanics, or field surveyors accepted or agreed to accept less than the required rate of wages or voluntarily made refunds.

#### APPRENTICE RATES

Apprentice rates at less than the above minimum prevailing rates may be paid apprentices according to an apprentice program which has been registered and approved by the Commissioner of Labor in writing, or according to a bona fide apprenticeship program registered with the Bureau of Apprenticeship and Training, United States Department of Labor. Any employee listed on a payroll at an apprentice wage rate who is not registered as at he shall be paid the journeyman prevailing minimum wage in that work classification.

Wage rates are based on prevailing crew makeup practices in Alaska and apply to work performed regardless of titles or classifications which may be assigned to individual employees.

#### EFFECTIVE DATE OF MINIMUM WAGE RATES

In accordance with provisions of AS 36.05.030, the Department of Labor has established minimum wage rates to be paid mechanics, laborers, and field surveyors employed on public contracts as wages are defined in 8 AAC 30.900(4). Rates published herein are determined to be the minimum hourly rates in effect as of November 1, 1984.

Any class of laborers, mechanics or field surveyors who are employed on public contracts shall be classified or reclassified conformably to the schedule established by the Commissioner of Labor. In the event that the interested parties cannot agree on the proper classification or reclassification of a particular class of laborers and mechanics to be used the question shall be referred to the Commissioner of Labor.

#### SPECIAL PREVAILING WAGE RATE DETERMINATIONS

Special prevailing wage rate determinations may be requested for special projects or special worker classifications if the work to be performed does not conform to traditional public construction for which a prevailing wage rate has been established under 8 AAC 30.030(a) of this section. Requests for special wage rate determinations must be in writing and filed with the commissioner at least 30 days before the award of the contract. An applicant for a special wage rate determination shall have the responsibility to support the necessity for the special rate. An application for special wage rate determination filed under this section must contain:

- (1) a specification of the contract or project on which the special rates will apply and a description of the work to be performed;
- (2) a brief narrative explaining why special wage rates are necessary;
- (3) the job class or classes involved;
- (4) the special wage rates the applicant is requesting, including survey or other relevant wage data to support the requested rates;
- (5) the approximate number of employees who will be affected; and
- (6) any other information which might be helpful in determining if special wage rates are appropriate.

Requests made pursuant to the above will be addressed to:

Department of Labor  
Labor Standards & Safety Division  
Wage & Hour Administration  
Pouch 7-021  
Anchorage, AK 99510

LABORERS' & MECHANICS  
MINIMUM RATES OF PAY

CLASSIFICATION OF LABORERS & MECHANICS	BASIC HOURLY RATE	HEALTH & WELFARE	PENSION	VAC	FRINGE BENEFITS PAYMENTS	
					APP TR	TOTAL
Insulation Workers - Installation	28.13	1.24	3.50	3.00	.10	35.97
Insulation Workers - Removal	20.34	2.10	4.00	L.S. .15	.20	26.79
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Plumbers, Journeyman	25.69	1.90	1.25	1.00	.10	29.94
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<u>PLASTERERS &amp; STUCCO LAYERS</u>						
Plasterer	22.54	2.01	5.00			29.55
Stucco Layer	22.54	2.01	5.00			29.55
Plaster, Tile & Terrazzo	19.41	2.01	5.00			26.42
Plaster, Stone & Marble	22.54	2.01	5.00			29.55
Tile Setter	21.81	2.01	5.00			28.82
Stucco Applicator	21.25	2.01	5.00			28.26
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<u>OPERATORS, AREA I (North of 63° Latitude)</u>						
Operator, Marble & Acoustic	26.54	1.40	4.00		TOOLS .15	32.24
Operator, Journeyman	26.00	1.40	4.00		.15	31.70
Operator	26.75	1.40	4.00		.15	32.55
Operator (includes powder-actuated tools & saws or similar saws)	26.54	1.40	4.00		.15	32.24
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<u>OPERATORS, AREA II (South of 63° Latitude)</u>						
Operator, Journeyman	23.95	1.40	3.00		.15	28.85
Operator	24.44	1.40	3.00		.15	29.34
Operator	24.65	1.40	3.00		.15	29.55
Operator (radial arm)	24.44	1.40	3.00		.15	29.34

-1-

CLASSIFICATION OF LABORERS & MECHANICS	BASIC HOURLY RATE	HEALTH & WELFARE	PENSION	LS	FRINGE BENEFITS PAYMENTS	
					APP TR	TOTAL
<u>SEALING MASONS, AREA I (North of 63° Latitude)</u>						
Group I, including:						
Cement Mason, Journeyman Building, General	22.05	2.10	4.10		.25	28.50
Concrete Paving						
Curb & Gutter, Sidewalks						
Screed Fin Setters						
Patching Concrete						
Spackling or Sealing Concrete						
Application of Sealing Compound						
Curing of All Concrete						
Application of Underlayment						
Grouting of All Plates						
Grouting & Caulking of Tilt-Up Panels						
Group II, including:						
Form Setters	22.24	2.10	4.10		.25	28.69
Group III, including:						
Floor Grinder	22.51	2.10	4.10		.25	28.96
Pneumatic Power Tools						
Curb & Gutter Machine						
Hover Chipping & Bushing						
Screed & Modding Machine						
Troweling Machine Operator						
Concrete Saw (Self-Powered)						
Sand Blasting Architectural Finish						
Group IV, including:						
Tunnel Workers	22.75	2.10	4.10		.25	29.20
Gunite Nozzleman						
Hand Powered Grinder						
Flush Concrete						
Application of all Plastic Material						
Application of all Epoxy Material						
Application of all Composition Mastic						
Group V, including:						
Plasterer	23.53	2.10	4.10		.25	29.98

-2-

00820-5

LABORERS & MECHANICS

MINIMUM RATES OF PAY

CLASSIFICATION OF LABORERS & MECHANICS

Group I, including:  
 Concrete Mason, Journeyman  
 Building, General  
 Concrete Paving  
 Form & Lutter, Sidewalks  
 Formed Flat Slabs  
 Finishing (concrete)  
 Finishing or Skin Coating Concrete  
 Application of Sealing Compound  
 Curing of All Concrete  
 Application of Underlayment  
 Laying of all Flats  
 Erecting & Lining of Tilt-Up panels

BASIC HOURLY RATE	HEALTH & WELFARE	PENSION	LS	APP TR	TOTAL
21.80	2.10	4.10		.25	28.25

Group II, including:  
 Form Setters

21.99	2.10	4.10		.25	28.44
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Group III, including:  
 Floor Grinder  
 Pneumatic Power Tools  
 Cut & Cutter Machine  
 Power Chipping & Bashing  
 Drum & Rodding Machine  
 Drivelling Machine Operator  
 Concrete Saw (Self-Powered)  
 Sand Blasting Architectural Finish

22.24	2.10	4.10		.25	28.71
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Group IV, including:  
 Tunnel Workers  
 Granite Masons  
 Semi Powered Grinder  
 Finish Colored Concrete  
 Application of all Plastic Material  
 Application of all Epoxy Material  
 Application of all Composition Mastic

22.50	2.10	4.10		.25	28.95
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Group V, including:  
 Plasterer

23.28	2.10	4.10		.25	29.73
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-3-

PRINCE BENEFITS PAYMENTS

CLASSIFICATION OF LABORERS & MECHANICS

COOKS (All remote work sites only)

BASIC HOURLY RATE	HEALTH & WELFARE	PENSION	LS	APP TR	TOTAL
20.89	1.88	4.00			
Cook	20.17	1.88	4.00	.04	26.81
General Helper	18.25	1.88	4.00	.04	26.09
Head Cook	21.55	1.88	4.00	.04	24.17
Head Kitchen Help, Head Bookkeeper	18.61	1.88	4.00	.04	27.28
Housekeeper	18.25	1.88	4.00	.04	24.53
Janitor	18.25	1.88	4.00	.04	24.17
Kitchen Helper	18.25	1.88	4.00	.04	24.17

PILES

Assistant Tender	23.08	1.40	4.50		
Drivers:				.20	29.18
standby	26.97	1.40	4.50		
working	53.94	1.40	4.50	.20	33.07
Skiff Operator	23.08	1.40	4.50	.20	60.04
Tender	25.97	1.40	4.50	.20	29.18
				.20	32.07

DRILLERS

Assistant Engineer, including:	23.80	2.35	4.00		
diesel				.15	30.30
electric					
electrical generator operator (primary pump/power barge/dredge)					
steam or booster pump					
Assistant Mate	21.78	2.35	4.00		
Craneman	23.80	2.35	4.00	.15	28.28
Engineer	23.80	2.35	4.00	.15	30.30
Fireman	23.17	2.35	4.00	.15	33.30
Leverman, Dipper	26.01	2.35	4.00	.15	29.67
Leverman, hydraulic	24.47	2.35	4.00	.15	32.51
Mate & Boatman	23.80	2.35	4.00	.15	30.97
Oilers	23.17	2.35	4.00	.15	30.30
				.15	29.67

MINIMUM RATES OF PAY

CLASSIFICATION OF LABORERS & MECHANICS	BASIC WEEKLY RATE	HEALTH & WELFARE	PENSION	LS	APP TR	TOTAL
<b>Electricians</b>						
Outside Cable Splicers	27.57	1.85	4.00	.10	.30	33.82
Outside Journeyman Wiremen, including: Telephonians & communications	25.82	1.85	4.00	.10	.30	32.07
Outside Cable Splicers	27.90	1.85	3.67	.10	.30	33.82
Journeyman Linemen, including: Outside communications	26.15	1.85	3.67	.10	.30	32.07
Telephone Operators	26.15	1.85	3.67	.10	.30	32.07
Telephonians	18.00	1.85	3.67	.10	.30	23.92
Industrial Handlers	16.30	1.85	3.00	.10	.15	21.40
E.E. Cable Installers	22.55	1.85	2.00		.10	26.50
<b>Construction Workers</b>						
Constructionary Elevator Constructor	13.56	1.80	1.41	.41	.09	17.67
Constructor	18.98	1.80	1.41	1.13	.09	23.41
Constructor Constructor Mechanic	27.12	1.80	1.41	2.16	.09	32.58
<b>Construction Workers</b>						
Construction Workers, including: Tower Operator Bridge & Structural Punch Erectors Reinforcing Rigger Shoer Signalman Welder Helicopter, Tower	24.25	2.20	3.25		.30	30.00
<b>Construction Workers</b>						
Group I, including: Tunnelmen (tunnels & shafts, brushcutter	20.34	2.10	4.00	.15	.20	26.79

-5-

PRIME BENEFITS PAYMENTS

CLASSIFICATION OF LABORERS & MECHANICS	BASIC WEEKLY RATE	HEALTH & WELFARE	PENSION	LS	APP TR	TOTAL
<b>LABORERS (continued)</b>						
Group I (continued)	20.34	2.10	4.00	.15	.20	26.79
building laborer						
camp maintenance laborer						
demolition laborer						
ditch diggers						
dryerman (bridges, dams, etc.)						
firewatch labor (non-certified)						
flagperson						
iron stripper						
GENERAL LABOR						
guardrail labor						
hook tender						
monolithic worker (sewers)						
pit man						
pot tender						
railroad track labor						
sandblaster						
sawtender						
signalperson						
topman & bulldozer (tunnels & shafts)						
utilidor, utilivalk labor						
watchman						
window cleaner						
Group II, including:	20.68	2.10	4.00	.15	.20	27.13
asphalt worker (includes tar & rubber)						
base & floor machineman						
buffing machine man						
chokesetter						
coater						
compactor						
concrete labor						
crusher plant labor						
dope pot fireman						
firewatch (certified)						
grinding (not welding preparation)						

CLASSIFICATION OF LABORERS & MECHANICS

LABORERS  
MINIMUM RATES OF PAY

	<u>BASIC HOURLY RATE</u>	<u>HEALTH &amp; WELFARE</u>	<u>PENSION</u>	<u>LS</u>	<u>APP. YR.</u>	<u>TOTAL</u>
<u>LABORERS (continued)</u>						
Group II (continued)	20.68	2.10	4.00	.15	.20	27.13
high-pressure water operator						
hydro-sealer nozzleman						
landscaper						
miner						
rockers (tunnels or shafts)						
slippers (tunnels or shafts)						
oil spill labor						
boom loader						
pipe cleaning						
planter						
pneumatic & power tools						
pre-heat (doping & cleaning)						
pumper						
rigger						
scaffold building & erecting						
slurry work						
stake hopper						
steam cleaner operator (includes steam point & water jet)						
sawyer (includes sidebooms, ginpole truck, winch truck, forklift, etc.)						
tank cleaners						
cameraman						
collet serviceman (portable or chemical)						
Group III, including:	21.08	2.10	4.00	.15	.20	27.53
cuttylic, epoxy						
choke splicer						
chuck tender (wagon & airtrac and hydraulic drills)						
concrete labor						
foam gun/foam machine operator						
insulator						
jackhammer						
mason tender (sewer)						
mud mixer (sewer)						

-7-

PRINCE BENEFITS PAYMENTS

<u>CLASSIFICATION OF LABORERS &amp; MECHANICS</u>	<u>BASIC HOURLY RATE</u>	<u>HEALTH &amp; WELFARE</u>	<u>PENSION</u>	<u>LS</u>	<u>APP. YR.</u>	<u>TOTAL</u>
<u>LABORERS (continued)</u>						
Group III (continued)	21.08	2.10	4.00	.15	.20	27.53
oil spill labor (marine)						
pavement breaker						
railroad switch layout labor						
thermal plastic applicator						
Group IV, including:	21.34	2.10	4.00	.15	.20	27.79
bricklayer tender						
burning & cutting torch						
cement dumper & handler (sack or bulk)						
cement finish tender						
chain & power saw operator						
concrete vibrator worker						
green cutter (dams)						
guardrail layout						
gunnite operator						
hod carriers						
incinerator man						
laser instrument operator						
lime dumper & handler (sack or bulk)						
maintenance man						
monolithic worker (tunnels)						
pipe builders (stave pipe crews)						
pipelayer						
plasterer tender						
powderman helper						
road crossing (casings)						
sandblaster						
sewer crawler						
sewer plant maintenance						
timberman						
water blaster (dams)						
Group V, including:	21.60	2.10	4.00	.15	.20	28.05
asphalt rezer						
bit grinder						

00820-8

**LABORERS & MECHANICS  
MINIMUM RATES OF PAY**

<u>CLASSIFICATION OF LABORERS &amp; MECHANICS</u>	<u>BASIC HOURLY RATE</u>	<u>HEALTH &amp; WELFARE</u>	<u>PENSION</u>	<u>LS</u>	<u>APP TR</u>	<u>TOTAL</u>
<u>PAINTERS (continued)</u>						
<u>Group V (continued)</u>	21.60	2.10	4.00	.15	.20	28.05
sculptor						
stucco finisher						
chain saw filer						
driller (airrac, wagon & hydraulic)						
drill doctor						
formbuilder (carpentry type)						
grader						
high sciler						
rotiller (tunnels & shafts)						
slurry seal squeegeman						
timber faller						
<u>Group VI, including:</u>	21.90	2.10	4.00	.15	.20	28.35
arc welding labor						
high rigger & tree top						
off-tugger drilling						
plowser drilling						
powderman						

<u>PAINTERS, AREA I (North of 63° Latitude)</u>	<u>BASIC HOURLY RATE</u>	<u>HEALTH &amp; WELFARE</u>	<u>PENSION</u>	<u>LS</u>	<u>APP TR</u>	<u>SUI</u>	<u>TOTAL</u>
brush, roller, paper, vinyl	23.75	1.70	2.00	.10	.21	.25	28.01
buffer operator	24.35	1.70	2.00	.10	.21	.25	28.61
hardwood finishers	24.35	1.70	2.00	.10	.21	.25	28.61
hazardous materials, finish metals	24.85	1.70	2.00	.10	.21	.25	29.11
hot tender-sandblast	24.35	1.70	2.00	.10	.21	.25	28.61
highway painter	24.35	1.70	2.00	.10	.21	.25	28.61
structural steel, steeplejack & tower	24.35	1.70	2.00	.10	.21	.25	28.61
taper, hand	24.50	1.70	2.00	.10	.21	.25	28.76
taper, machine	24.50	1.70	2.00	.10	.21	.25	28.76
tiltdor, swing, sign boom	24.35	1.70	2.00	.10	.21	.25	28.61
floorcoverers, including:	24.35	1.70	2.00	.10	.21	.25	28.61
carpet installers							
linoleum installers							
soft tile installers							
seamless floor applicators							
glaziers	22.66	1.70	1.50		.20	VAC 1.70	27.06

PLUMBERS BENEFITS PAYMENTS

<u>CLASSIFICATION OF LABORERS &amp; MECHANICS</u>	<u>BASIC HOURLY RATE</u>	<u>HEALTH &amp; WELFARE</u>	<u>PENSION</u>	<u>LS</u>	<u>APP TR</u>	<u>SUI</u>	<u>TOTAL</u>
<u>PLUMBERS, AREA II (South of 63° Latitude)</u>							
<u>AND AREA III (First Judicial District)</u>						<u>VAC</u>	
general painter, including	24.25	1.70	2.00	.10	.10		28.15
brush, roller & sign							
industrial painter, including	24.85	1.70	2.00	.10	.10		28.75
spray, sandblast, epoxy and							
tar applicator							
specialty painter, including	24.55	1.70	2.00	.10	.10		28.35
paper, vinyl, swing stage,							
drywall taper and structural steel							
steeplejack & tower	26.05	1.70	2.00	.10	.10		29.95
floorcoverers, including:	23.80	1.70	1.00	.10	.10	1.00	27.70
carpet installers							
linoleum installers							
soft tile installers							
seamless floor applicators							
glaziers	22.77	1.70	1.25		.25	.65	26.42

<u>PILEDRIVERS</u>							
piledriver, skiff operator	23.08	1.40	4.50		.20		29.18
piledriver-welders	24.69	1.40	4.50		.20		30.79

<u>PLUMBERS, AREA I (North of 63° Latitude)</u>							
plumber, journeyman	26.17	1.25	3.90	.20	.35	.25	32.12

<u>PLUMBERS, AREA II (South of 63° Latitude)</u>							
plumber, journeyman	25.20	1.40	3.50		.30		30.40

<u>PLUMBERS, AREA III (First Judicial District)</u>							
plumber, journeyman	22.65	1.60	4.90		.35		29.50

<u>POWER EQUIPMENT OPERATORS</u>							
Group I, including:	24.47	2.35	4.00		.15		30.97
asphalt roller, "A" frame trucks,							

CLASSIFICATION OF LABORERS & MECHANICS

POWER EQUIPMENT OPERATORS (continued)

Group I (continued)  
 Helicopters, Transporters, Deck  
 Winches; double power drum  
 Deck Riller, Hatch Plant Operator;  
 batch and mixer over 200 yds. per hour  
 delicate with power Pack and similar  
 conveyors  
 Bending Machine, Bulldozers, Cableways  
 and highlines, 3 yards and under  
 Cleaning Machine, Coating Machine, Cranes:  
 Shovels, Backhoes, Dragline, Claw Shells  
 (a) Crawler, Truck Type, rubber-tired,  
 crawler, floating; (locomotive, whirley,  
 either 3 yards or under 150' boom,  
 including jibs and under, or 45 tons  
 and under)  
 (b) Hydraulifts or transporters, all  
 track or truck type.  
 (c) Hyster Cat cranes and attachments  
 sidebooms under 45 tons.  
 Crushers, Derricks, Ditching or Treaching  
 machine (16" or over)  
 Drilling Machines, core, cable rotary and  
 exploration.  
 Finishing Machine operator, concrete paving,  
 sidewalk, curb and gutter machine  
 Hydro Ax and similar  
 Loaders; elevating belt type, Euclid and  
 similar types  
 Loaders:  
 (a) Forklifts with power boom and swing  
 attachment  
 (b) Overhead and front end, 2 1/2 yards  
 through 4 yards  
 (c) Loaders with forks or pipe clamps  
 Mechanics, Welders, Bodyman

HOURLY RATE	HEALTH & WELFARE	PENSION	LS	APP TR	SUI	TOTAL
24.47	2.35	4.00		.15		30.97

-11-

FRINGE BENEFITS PAYMENTS

CLASSIFICATION OF LABORERS & MECHANICS

POWER EQUIPMENT OPERATORS

Group I (Continued)  
 Mixers: Houille type with hoist combination  
 Motor Patrol Grader  
 Pucking Machines: Hole, Tunnel Drill and/or  
 Shield  
 McDowell Sno Cat  
 Operator on Dredges  
 Piledriver Engineers, L.B. Foster, Puller  
 or similar, Paving Breaser  
 Power Plant, turbine operator, 200 k.w.  
 and over (power plants or combination  
 of power units over 300 k.w. on highway  
 or airfield construction or quarry  
 operations)  
 Sauerman-Magley  
 Scrapers, Tournapulls, Caterpillar, Euclid  
 and similar type equipment through 40  
 yards  
 Shot Blast Machine  
 Spreaders: Blaw Knox, Cedarapids, Barber  
 Green, Screed, slurry machine  
 Sub Grader (Gurries, C.M.I. and C.M.I. Koto  
 Mills and similar types)  
 Tack Tractor  
 Truck Mounted Concrete Pump  
 Vate Kote Machine  
 Hover Craft, Flex Craft, Loadmaster, air  
 cushion, terrain vehicle, helicopter  
 transporters, cableways, rolligon,  
 drudge bargecable, highline or cable  
 car, camp maintenance engineer, boat  
 coxswain  
 Group II, including:  
 Cableways and highlines over 3 yards

BASIC HOURLY RATE	HEALTH & WELFARE	PENSION	LS	APP TR	TOTAL
24.47	2.35	4.00		.15	30.97
26.01	2.35	4.00		.15	32.51

00820-10

MINIMUM RATES OF PAY

<u>CLASSIFICATION OF LABORERS &amp; MECHANICS</u>	<u>BASIC HOURLY RATE</u>	<u>HEALTH &amp; WELFARE</u>	<u>PENSION</u>	<u>LS</u>	<u>APP TR</u>	<u>TOTAL</u>
<u>POWER EQUIPMENT OPERATORS</u> Group II (continued) Cranes: shovels, Backhoes, Draglines, Cais Shellis (a) Crawler, truck type, floating locomotive, whirley, either over 3 yards or over 150' boom, including jibe or over 45 tons. (b) Tower Cranes, Pecco, Rain, Bucyrus and similar type. (c) Dyster Cat Cranes and attachments, sidebooms 45 tons and over Loaders over 4 yards Hoxor Patrol Grader (finish: when finishing to final grade and/or to hubs, or for asphalt) Power Plants: 1000 h.p. and over Quad Slip Form Paver, C.M.I. and similar types Turnspulis, Caterpillar, Euclid Scrapers and similar type equipment over 40 yards	26.01	2.35	4.00		.15	32.51
Group III, including: Batch Plant Operator: batch and mixer 200 yards per hour and under soiler - Fireman Cement Hogs and concrete pump operators Compressors: Steel erection, including sand blasting, painting of same, pile driving Conveyors Hoists on steel erection, Towermobiles and Air Tuggers Loaders, elevating Grader, Dump and similar	23.80	2.35	4.00		.15	30.30

-13-

PRIME BENEFITS PAYMENTS

<u>CLASSIFICATION OF LABORERS &amp; MECHANICS</u>	<u>BASIC HOURLY RATE</u>	<u>HEALTH &amp; WELFARE</u>	<u>PENSION</u>	<u>LS</u>	<u>APP TR</u>	<u>TOTAL</u>
<u>POWER EQUIPMENT OPERATORS (continued)</u> Group III, including: Locomotives: rod and geared engines Mixers Screening, Washing Plant Service Oiler, Journeyman Sideboom (cradling rock drill regardless of size) Skidder Trenching machines under 16"	23.80	2.35	4.00		.15	30.30
Group IV, including: "A" Frame Trucks, Deck Winches: single power drum Bombardier (rack or tow rig) Boring Machine brooms, Power Wayne, Saginaw and similar types Bump Cutter (coccut, Christenson or similar types) Compressors: Excavating Drill Helper Para Tractor Forklift, industrial type Gin Truck or Winch Truck with Poles when used for hoisting Grade Checker and Stake Mopper Hoists, Air Tuggers, Elevators Loaders: (a) Elevating - Athey, Barber Greene and similar types (b) Forklifts or lumber carrier (on construction job sites) (c) Forklifts with tower (d) Overhead and front end, under 2 1/2 yards	23.17	2.35	4.00		.15	29.67

LABORERS' & MECHANICS  
MINIMUM RATES OF PAY

CLASSIFICATION OF LABORERS & MECHANICS	BASIC HOURLY RATE	FRINGE BENEFITS PAYMENTS				TOTAL
		HEALTH & WELFARE	PENSION	LS	APP TR	
<u>PUMPER EQUIPMENT OPERATORS (continued)</u>						
Group IV (continued)	23.17	2.35	4.00		.15	29.67
Locomotives: Muley (air, steam, gas and electric) spreaders						
Mechanics, light duty						
Mixers: concrete mixers and batch, 200 yards per hour and under						
Oil, slinger Distributors						
Pipeline Drums						
roadward Diggers, mechanical						
Pot Fitterman (power agitated)						
power Plant, turbine operator, under 300 k.w.						
Pumps:						
(a) Fuller Canyon						
(b) Water						
Rig Usher, over 45 ton, over 3 yards or over 1501 bums						
Roller, Tampers, Vibrators, all except asphalt						
Saws, concrete						
Straightening Machine						
Tow Tractor						
Group V, including:	21.78	2.35	4.00		.15	28.28
Rig Usher, under 45 ton						
Parts and Equipment Coordinator						
Swapper (on trenching machines or shovel type equipment)						
Sputter						
Steam Cleaner						
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<u>ROOFERS, AREA I (North of 63° Latitude)</u>						
Roofer & Waterproofer	22.90	1.70	3.85		.20	28.65
<u>ROOFERS, AREA II (South of 63° Latitude)</u>						
<u>AND AREA III (First Judicial District)</u>						
Roofer & Waterproofer	22.60	1.70	3.85		.20	28.35

-15-

CLASSIFICATION OF LABORERS & MECHANICS	BASIC HOURLY RATE	FRINGE BENEFITS PAYMENTS				TOTAL	
		HEALTH & WELFARE	PENSION	LS	APP TR		
<u>SHEET METAL WORKERS, AREA I (North of 63° Latitude)</u>							
Sheetmetal Journeyman	26.84	1.20	2.50		.19	30.73	
<u>SHEET METAL WORKERS, AREA II (South of 63° Latitude) and AREA III (First Judicial District)</u>							
Sheetmetal Journeyman	26.35	1.33	2.84		.28	30.80	
<hr/>							
<u>SPRINKLER FITTERS</u>							
Road Sprinkler Fitters	24.67	1.65	1.50		.08	27.90	
<hr/>							
<u>SURVEYORS</u>							
Chief of Parties	25.92	2.59	3.00	.20	.45	.30	32.46
Party Chief's	24.88	2.59	3.00	.20	.45	.30	31.42
Instrument Man	23.20	2.59	3.00	.20	.45	.30	29.74
Lead Chainman	22.43	2.59	3.00	.20	.45	.30	28.97
Rear Chainman	21.29	2.59	3.00	.20	.45	.30	27.83
Stakehop	22.43	2.59	3.00	.20	.45	.30	28.97
<hr/>							
<u>TRUCKDRIVERS</u>							
Air Cushion & Similar	22.32	2.59	4.00	.20	.45	.30	29.86
All Terrain Vehicle	22.32	2.59	4.00	.20	.45	.30	29.86
Ambulance	21.61	2.59	4.00	.20	.45	.30	29.15
Batch Trucks:							
3 yards or less	21.61	2.59	4.00	.20	.45	.30	29.15
over 3 yards	22.32	2.59	4.00	.20	.45	.30	29.86
Boat Coxswain	24.51	2.59	4.00	.20	.45	.30	32.05
Boom Trucks:							
5 tons or less	21.61	2.59	4.00	.20	.45	.30	29.15
over 5 tons	22.32	2.59	4.00	.20	.45	.30	29.86
suggyobile	22.32	2.59	4.00	.20	.45	.30	29.86

CLASSIFICATION OF LABORERS & MECHANICS	BASIC HOURLY RATE	HEALTH & WELFARE	PENSION	FRINGE BENEFITS PAYMENTS			TOTAL
				LS	MAINT. OF BENEFITS	TR. TRUST	
<b>TRUCK DRIVERS (continued)</b>							
Bus:							
up to 30 passengers	21.61	2.59	4.00	.20	.45	.30	29.15
over 30 passengers	22.32	2.59	4.00	.20	.45	.30	29.86
Combination Truck-Fuel & Grease	22.32	2.59	4.00	.20	.45	.30	29.86
Commanders, Delcos, Kollegons & Similar	23.46	2.59	4.00	.20	.45	.30	31.00
when pulling sleds & trailers	24.51	2.59	4.00	.20	.45	.30	32.05
Compactor	22.76	2.59	4.00	.20	.45	.30	30.30
Dumpster	22.32	2.59	4.00	.20	.45	.30	29.86
Dump Truck (including Rockbury & trucks w/pups):							
10 yards or less	22.32	2.59	4.00	.20	.45	.30	29.86
10 to 20 yards	22.76	2.59	4.00	.20	.45	.30	30.30
20 to 40 yards	23.46	2.59	4.00	.20	.45	.30	31.00
40 to 60 yards	24.51	2.59	4.00	.20	.45	.30	32.05
60 to 100 yards	25.56	2.59	4.00	.20	.45	.30	33.10
Fire Truck:							
single axle	21.61	2.59	4.00	.20	.45	.30	29.15
dual axle	22.32	2.59	4.00	.20	.45	.30	29.86
Flatbed:							
single rear axle	21.61	2.59	4.00	.20	.45	.30	29.15
dual rear axle	22.32	2.59	4.00	.20	.45	.30	29.86
Fono Distributor:							
single axle	21.61	2.59	4.00	.20	.45	.30	29.15
dual axle	22.32	2.59	4.00	.20	.45	.30	29.86
Forklifts & Bull lifts (w/power boom & wing attachments):							
5 tons or less	21.61	2.59	4.00	.20	.45	.30	29.15
over 5 tons	32.32	2.59	4.00	.20	.45	.30	29.86
Front End Loader with Forks	22.32	2.59	4.00	.20	.45	.30	29.86
Fuel tender	21.61	2.59	4.00	.20	.45	.30	29.15
Fuel Truck	22.32	2.59	4.00	.20	.45	.30	29.86
Gas Pole Driver	22.32	2.59	4.00	.20	.45	.30	29.86
Gravel Spreader	21.61	2.59	4.00	.20	.45	.30	29.15
Grossers, Grease Truck	22.32	2.59	4.00	.20	.45	.30	29.86
Helicopter Transporter	24.51	2.59	4.00	.20	.45	.30	32.05

CLASSIFICATION OF LABORERS & MECHANICS	BASIC HOURLY RATE	HEALTH & WELFARE	PENSION	FRINGE BENEFITS PAYMENTS			TOTAL
				LS	MAINT. OF BENEFITS	TR. TRUST	
<b>TRUCK DRIVERS (continued)</b>							
Hydro Seeder:							
single axle	21.61	2.59	4.00	.20	.45	.30	29.15
dual axle	22.32	2.59	4.00	.20	.45	.30	29.86
Hyster Operator	22.32	2.59	4.00	.20	.45	.30	29.86
Loadmaster	22.32	2.59	4.00	.20	.45	.30	29.86
Lowboy:							
11 axles or less	22.76	2.59	4.00	.20	.45	.30	30.30
12 axles	24.51	2.59	4.00	.20	.45	.30	32.05
Lumber Carrier	22.32	2.59	4.00	.20	.45	.30	29.86
Mechanic	23.46	2.59	4.00	.20	.45	.30	31.00
Oil Distributor	22.76	2.59	4.00	.20	.45	.30	30.30
Pickups, Light-Duty Vehicles	21.61	2.59	4.00	.20	.45	.30	29.15
Ready Mix:							
3 yards or less	21.61	2.59	4.00	.20	.45	.30	29.15
3 to 5 yards	22.32	2.59	4.00	.20	.45	.30	29.86
5 to 7 yards	22.76	2.59	4.00	.20	.45	.30	30.30
7 to 12 yards	23.46	2.59	4.00	.20	.45	.30	31.00
12 to 15 yards	24.51	2.59	4.00	.20	.45	.30	32.05
Signer:							
warehouse	21.61	2.59	4.00	.20	.45	.30	29.15
non-warehouse	22.32	2.59	4.00	.20	.45	.30	29.86
Semi Truck & Trailer	22.32	2.59	4.00	.20	.45	.30	29.86
with double box mixer	24.51	2.59	4.00	.20	.45	.30	32.05
Stringing Truck	22.32	2.59	4.00	.20	.45	.30	29.86
Swapper	21.61	2.59	4.00	.20	.45	.30	29.15
Team Driver	21.61	2.59	4.00	.20	.45	.30	29.15
Track Truck Equipment	22.32	2.59	4.00	.20	.45	.30	29.86
Tractor, Farm Type	21.61	2.59	4.00	.20	.45	.30	29.15
Turu-U-Wagon (not self-loading)	23.46	2.59	4.00	.20	.45	.30	31.00
Vacuum Trucks, Truck Sweepers:							
single axle	21.61	2.59	4.00	.20	.45	.30	29.15
dual axle	22.32	2.59	4.00	.20	.45	.30	29.86
Warehouseperson	21.61	2.59	4.00	.20	.45	.30	29.15
Water Wagon:							
single axle	21.61	2.59	4.00	.20	.45	.30	29.15
dual axle	22.32	2.59	4.00	.20	.45	.30	29.86
semi	22.32	2.59	4.00	.20	.45	.30	29.86

SECTION 00820  
LABORERS' & MECHANIC  
MINIMUM RATES OF PAY

CLASSIFICATION OF LABORERS & MECHANICS	BASIC HOURLY RATE	FRINGE BENEFITS PAYMENTS					TOTAL
		HEALTH & WELFARE	PENSION	LS	MAINT. OF BENEFITS	TR. TRUST	
<u>TRUCK DRIVERS (continued)</u>							
Winch Trucks, Wrecker (flat bed & "A" frame):							
3 tons or less	21.61	2.59	4.00	.20	.45	.30	29.15
over 3 tons	22.32	2.59	4.00	.20	.45	.30	29.86
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<u>TUGBOAT WORKERS</u>							
Deckhand	12.92	1.75	2.25	VACATION: .75			17.67
Engineers & Mates	15.83	1.75	2.25	.91			20.74
Master/Operator	19.58	1.75	2.25	1.13			24.71
<hr/>							
<u>TUNNEL WORKERS</u>							
Laborers						APP TR	
Group I	22.37	2.10	4.00	.15		.20	24.82
Group II	22.74	2.10	4.00	.15		.20	29.19
Group III	23.18	2.10	4.00	.15		.20	29.63
Group IV	23.47	2.10	4.00	.15		.20	29.92
Group V	23.76	2.10	4.00	.15		.20	30.21
Group VI	24.09	2.10	4.00	.15		.20	30.54
Operating Engineers Crawler Operator, Hole Operator, Heavy Duty Mechanic	24.47	2.35	4.00			.15	30.97

BILL SHEFFIELD, GOVERNOR

**DEPARTMENT OF LABOR**  
WAGE & HOUR ADMINISTRATION  
LABOR STANDARDS & SAFETY DIVISION

3301 EAGLE STREET  
POUCH 7-021  
ANCHORAGE, ALASKA 99510  
PHONE: (907) 264-2435

November 30, 1984

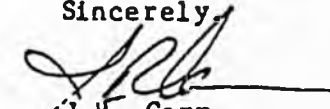
To Whom It May Concern:

The information below reflects corrections of the prevailing rates for some job classes effective immediately. All other rates in Pamphlet No. 600 dated November 1, 1984 will remain in effect until further notice.

If you have any questions, please contact the local regional office nearest you. The addresses are contained in Pamphlet NO. 600.

<u>WORKER CLASSIFICATION</u>	<u>BASIC HR Rate</u>	<u>H/W</u>	<u>PENSION</u>	<u>LS</u>	<u>VAC</u>	<u>APP</u>	<u>Total</u>
Page 1 ASBESTOS WORKER Insulation Installer	28.13	1.27	3.50			.10	33.00
Page 10 PLUMBER AREA II	25.20	1.40	3.90			.30	30.80
Page 15 POWER EQUIP. OPR. GROUP V	17.75	2.35	4.00			.15	24.25
Page 16 SURVEYORS				<u>LS.</u>	<u>MAINT. OF BENEFITS</u>	<u>TR. TRUST</u>	
Chief of Parties	25.92	2.59	3.00	.20	.45	.30	32.46
Party Chief	24.88	2.59	3.00	.20	.45	.30	31.42
Assoc. Party Chief	23.20	2.59	3.00	.20	.45	.30	29.74
Instrument person	22.43	2.59	3.00	.20	.45	.30	28.97
Office Survey Tech	22.43	2.59	3.00	.20	.45	.30	28.97
Stakehop	22.43	2.59	3.00	.20	.45	.30	28.97
Chainperson	18.85	2.59	3.00	.20	.45	.30	25.39
Page 16-19 TRUCK DRIVERS							
Increase pension amount by \$.10 to \$4.10 with a corresponding increase of \$.10 to the total for each listing of truck drivers on pages 16,17,18 & 19.							
Page 18 Swamper-change to Swamper helper							
	19.01	2.59	4.10	.20	.45	.30	26.65

Sincerely,



J.K. Carr  
Statewide Supervisor

SECTION 00820  
 LABORERS' & MECHANICS  
 MINIMUM RATES OF PAY

Copy for insertion into Pamphlet 600. Please staple in front cover.

<u>WORKER CLASSIFICATION</u>	<u>BASIC HR Rate</u>	<u>H/W</u>	<u>PENSION</u>	<u>LS</u>	<u>VAC</u>	<u>APP</u>	<u>Total</u>
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Page 18 Swamper-charge to Swamper helper							
	19.01	2.59	4.10	.20	.45	.30	26.65

END SECTION

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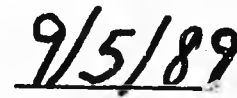


# RECORDS CERTIFICATION



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Signature of Camera Operator

  
Date