

**POLK COUNTY HIGHWAY DEPARTMENT
820 OLD HIGHWAY 75 SOUTH
CROOKSTON, MN 56716**

*******PROPOSAL*******

**FOR HIGHWAY CONSTRUCTION
AND MAINTENANCE PROJECTS WITH
BIDS RECEIVED UNTIL 9 O'CLOCK A.M. ON May 16th, 2025**

PROPOSAL

(NAME OF FIRM)

(ADDRESS)

(AREA CODE) TELEPHONE

TO FURNISH AND DELIVER ALL MATERIALS AND TO PERFORM ALL WORK IN ACCORDANCE WITH THE CONTRACT, THE PLANS AND THE APPROVED DEPARTMENT OF TRANSPORTATION "STANDARD SPECIFICATIONS FOR CONSTRUCTION, 2020 EDITION" ON FILE IN THE OFFICE OF THE COMMISSIONER OF TRANSPORTATION EXCEPT AS STATED OTHERWISE IN THE SPECIAL PROVISIONS, WHICH ARE PART OF THIS PROPOSAL, FOR:

STATE PROJECT NO. **S.A.P. 060-606-030** – 11.6 miles
S.A.P. 060-649-008 – 6.0 miles

LOCATION: On CSAH 6 from CSAH 3, 2.0 miles North of Fosston, MN to TH 92
On CSAH 49 from TH 32 to CSAH 12, 4.0 miles North of Mentor, MN

TYPE OF WORK: Bituminous Overlay and Aggregate Shouldering

STARTING DATE: See Special Provisions
COMPLETION DATE: See Special Provisions

NOTICE TO BIDDERS: Submit bids in accordance with MnDOT 1206 through 2110 except as stated otherwise in the Special Provisions.

I certify that this Proposal was prepared by me or under my direct supervision, and that I am a licensed professional engineer under the laws of the State of Minnesota.

Richard C. Sanders, PE

Digitally signed by Richard C. Sanders, PE
Date: 2025.04.14 16:34:07 -05'00'

License Number 23169 Date: 4/14/2025

BID RIGGING IS A SERIOUS CRIME. IF YOU HAVE ANY INFORMATION CONCERNING COLLUSIVE BIDDING, EVEN A REQUEST TO SUBMIT A COMPLIMENTARY BID, PLEASE CALL THE MINNESOTA ATTORNEY GENERAL'S OFFICE AT TELE. NO. 651-296-1796

To Polk County Board of Commissioners:

Sir: According to the advertisement of Polk County inviting proposals for the improvement of the section of highway hereinbefore named, and in conformity with the Contract, Plans, Specifications and Special Provisions pertaining thereto, all on file in the office of the Auditor of Polk County:

(I)(We) hereby certify that (I am)(we are) the only person(s) interested in this proposal as principal(s); that this proposal is made and submitted without fraud or collusion with any other person, firm or corporation at all; that an examination has been made of the site of the work and the Contract form, with the Plans, Specifications and Special Provisions for the improvement.

(I)(We) understand that the quantities of work shown herein are approximate only and are subject to increase or decrease; that all quantities of work, whether increased or decreased within the limits specified in Mn/DOT 1903 and 1402, are to be done at the unit prices shown on the attached schedule; that, at the time of opening bids, totals only will be read, but that comparison of bids will be based on the correct summation of item totals obtained from the unit prices bid, as provided in Mn/DOT 1301.

(I)(We) propose to furnish all necessary machinery, equipment, tools, labor and other means of construction and to furnish all materials specified, in the manner and at the time prescribed, all according to the terms of the Contract and Plans, Specifications, and the Special Provisions forming a part of this.

(I)(We) further propose to do all Extra Work that may be required to complete the contemplated improvement, at unit prices or lump sums to be agreed upon in writing before starting such work, or if such prices or sums cannot be agreed upon, to do such work on a Force Account basis, as provided in Mn/DOT 1904.

(I)(We) further propose to execute the form of Contract within 7 days after receiving written notice of award, as provided in Mn/DOT 1306.

(I)(We) further propose to furnish a Payment Bond and a Performance Bond each equal to the Contract Amount as required by MN Statute § 574.26, as security for the construction and completion of the improvement according to the Plans, Specifications and Special Provisions as provided in MnDOT 1305.

(I)(We) further propose to do all work according to the Plans, Specifications and Special Provisions, and to renew or repair any work that may be rejected due to defective materials or workmanship, before completion and acceptance of the Project by Polk County.

(I)(We) agree to all provisions of Minnesota Statutes, Section 181.59.

(I)(We) further propose to begin work and to prosecute and complete the same according to the time schedule set forth in the Special Provisions for the improvement.

(I)(We) assign to Polk County all claims for overcharges as to goods and materials purchased in connection with this Project resulting from antitrust violations that arise under the antitrust laws of the United States and the antitrust laws of the State of Minnesota. This clause also applies to subcontractors and first tier suppliers under this Contract.

**SPECIAL PROVISIONS FOR
SAP 060-606-030 & SAP 060-649-008
POLK COUNTY
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Notice to Bidders – Debarments

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NOTICE TO ALL BIDDERS

To report bid rigging activities call: 1-800-424-9071

The U.S. Department of Transportation (DOT) operates the above toll-free "hotline" Monday through Friday, 8:00 a.m. to 5:00 p.m., Eastern Time. Anyone with knowledge of possible bid rigging, bidder collusion, or other fraudulent activities should use the "hotline" to report such activities.

The "hotline" is part of the DOT's continuing effort to identify and investigate highway construction contract fraud and abuse and is operated under the direction of the DOT Inspector General. All information will be treated confidentially and caller anonymity will be respected.

NOTICE TO ALL BIDDERS

Minnesota Statutes require prompt payment to subcontractors:

Minn. Stat. § 471.425 PROMPT PAYMENT OF LOCAL GOVERNMENT BILLS.

Subdivision 1. **Definitions.** For the purposes of this section, the following terms have the meanings here given them.

. . . (d) "Municipality" means any home rule charter or statutory city, county, town, school district, political subdivision or agency of local government. "Municipality" means the Metropolitan Council or any board or agency created under chapter 473.

. . . Subd. 4a. **Prompt payment to subcontractors.** Each contract of a municipality must require the prime contractor to pay any subcontractor within ten days of the prime contractor's receipt of payment from the municipality for undisputed services provided by the subcontractor. The contract must require the prime contractor to pay interest of 1-1/2 percent per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, the prime contractor shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from a prime contractor must be awarded its costs and disbursements, including attorney's fees, incurred in bringing the action.

Minn. Stat. § 15.72 PROGRESS PAYMENTS ON PUBLIC CONTRACTS; RETAINAGE.

. . . Subd. 2. **Retainage.** . . . (c) A contractor on a public contract for a public improvement must pay all remaining retainage to its subcontractors no later than ten days after receiving payment of retainage from the public contracting agency, unless there is a dispute about the work under a subcontract. If there is a dispute about the work under a subcontract, the contractor must pay out retainage to any subcontractor whose work is not involved in the dispute, and must provide a written statement detailing the amount and reason for the withholding to the affected subcontractor.

**MINNESOTA DEPARTMENT OF TRANSPORTATION
NOTICE TO BIDDERS:
SUSPENSIONS/DEBARMENTS
THIS NOTICE APPLIES TO STATE-FUNDED AND FEDERALY-FUNDED PROJECTS**

Do not use suspended or debarred parties as subcontractors or material suppliers on this project!

Both the federal government and the State of Minnesota suspend and debar vendors. Review the list of suspended and debarred vendors before submitting a bid or a request to sublet. If your bid is based on using a suspended or debarred vendor, you will not be entitled to additional compensation for replacing the suspended or debarred vendor with a qualified vendor.

State Suspensions and Debarments

The State of Minnesota's list of suspended and debarred vendors is maintained by the Minnesota Department of Administration, Office of State Procurement, and can be found at this link: <https://mn.gov/admin/osp/government/suspended-debarred/index2.jsp> . This list includes parties suspended and debarred by the Minnesota Department of Transportation and the Minnesota Department of Administration.

Federal Suspensions and Debarments

The federal government maintains a searchable database of suspensions and debarments, called the System for Award Management (SAM), which is found at this link: <https://www.sam.gov/SAM/> . You can use the "Search Records" function without registering for an account.

September 29, 2023

MINNESOTA DEPARTMENT OF LABOR AND INDUSTRY PREVAILING WAGES FOR STATE FUNDED CONSTRUCTION PROJECTS



THIS NOTICE MUST BE POSTED ON THE JOBSITE IN A CONSPICUOUS PLACE

Construction Type: Highway and Heavy

Region Number: 02

Counties within region:

- BELTRAMI-04
- CLEARWATER-15
- HUBBARD-29
- KITTSON-35
- LAKE OF THE WOODS-39
- MARSHALL-44
- NORMAN-54
- PENNINGTON-57
- POLK-60
- RED LAKE-63
- ROSEAU-68

Effective: 2024-11-18

This project is covered by Minnesota prevailing wage statutes. Wage rates listed below are the minimum hourly rates to be paid on this project.

All hours worked in excess of eight (8) hours per day or forty (40) hours per week shall be paid at a rate of one and one half (1 1/2) times the basic hourly rate. *Note: Overtime pay after eight (8) hours on the project must be paid even if the worker does not exceed forty (40) hours in the work week.*

Violations on MnDOT highways and road projects should be reported to:

Department of Transportation
Office of Construction
Transportation Building MS650
John Ireland Blvd
St. Paul, MN 55155
(651) 366-4209

All other prevailing wage violations and questions should be sent to:

Department of Labor and Industry
Prevailing Wage Section
443 Lafayette Road N
St Paul, MN 55155
(651) 284-5091
DLI.PrevWage@state.mn.us

LABOR CODE AND CLASS		EFFECT DATE	BASIC RATE	FRINGE RATE	TOTAL RATE
LABORERS (101 - 112) (SPECIAL CRAFTS 701 - 730)					
101	LABORER, COMMON (GENERAL LABOR WORK)	2024-11-18	32.23	22.88	55.11
		2025-05-01	34.50	24.26	58.76
102		2024-11-18	32.23	22.88	55.11

LABOR CODE AND CLASS	EFFECT DATE	BASIC RATE	FRINGE RATE	TOTAL RATE
LABORER, SKILLED (ASSISTING SKILLED CRAFT JOURNEYMAN)	2025-05-01	34.50	24.26	58.76
103 LABORER, LANDSCAPING (GARDENER, SOD LAYER AND NURSERY OPERATOR)	2024-11-18	24.00	2.00	26.00
104 FLAG PERSON	2024-11-18	27.50	20.74	48.24
105 WATCH PERSON	2024-11-18	11.50	5.40	16.90
106 BLASTER	2024-11-18	17.98	5.92	23.90
107 PIPELAYER (WATER, SEWER AND GAS)	2024-11-18	35.73	22.88	58.61
	2025-05-01	38.00	24.26	62.26
108 TUNNEL MINER	FOR RATE CALL 651-284-5091 OR EMAIL DLI.PREVWAGE@STATE.MN.US			
109 UNDERGROUND AND OPEN DITCH LABORER (EIGHT FEET BELOW STARTING GRADE LEVEL)	2024-11-18	29.00	20.74	49.74
110 SURVEY FIELD TECHNICIAN (OPERATE TOTAL STATION, GPS RECEIVER, LEVEL, ROD OR RANGE POLES, STEEL TAPE MEASUREMENT; MARK AND DRIVE STAKES; HAND OR POWER DIGGING FOR AND IDENTIFICATION OF MARKERS OR MONUMENTS; PERFORM AND CHECK CALCULATIONS; REVIEW AND UNDERSTAND CONSTRUCTION PLANS AND LAND SURVEY MATERIALS). THIS CLASSIFICATION DOES NOT APPLY TO THE WORK PERFORMED ON A PREVAILING WAGE PROJECT BY A LAND SURVEYOR WHO IS LICENSED PURSUANT TO MINNESOTA STATUTES, SECTIONS 326.02 TO 326.15.	2024-11-18	20.33	3.17	23.50
111 TRAFFIC CONTROL PERSON (TEMPORARY SIGNAGE)	2024-11-18	21.39	14.90	36.29
112 QUALITY CONTROL TESTER (FIELD AND COVERED OFF-SITE FACILITIES; TESTING OF	2024-11-18	22.15	12.77	34.92

LABOR CODE AND CLASS		EFFECT DATE	BASIC RATE	FRINGE RATE	TOTAL RATE
AGGREGATE, ASPHALT, AND CONCRETE MATERIALS); LIMITED TO MN DOT HIGHWAY AND HEAVY CONSTRUCTION PROJECTS WHERE THE MN DOT HAS RETAINED QUALITY ASSURANCE PROFESSIONALS TO REVIEW AND INTERPRET THE RESULTS OF QUALITY CONTROL TESTERS. SERVICES PROVIDED BY THE CONTRACTOR.					
SPECIAL EQUIPMENT (201 - 204)					
201	ARTICULATED HAULER	2024-11-18	33.58	26.79	60.37
		2025-05-05	34.60	29.17	63.77
202	BOOM TRUCK	2024-11-18	36.58	26.79	63.37
		2025-05-05	37.75	29.17	66.92
203	LANDSCAPING EQUIPMENT, INCLUDES HYDRO SEEDER OR MULCHER, SOD ROLLER, FARM TRACTOR WITH ATTACHMENT SPECIFICALLY SEEDING, SODDING, OR PLANT, AND TWO-FRAMED FORKLIFT (EXCLUDING FRONT, POSIT-TRACK, AND SKID STEER LOADERS), NO EARTHWORK OR GRADING FOR ELEVATIONS	2024-11-18	26.00	0.00	26.00
204	OFF-ROAD TRUCK	2024-11-18	33.58	26.79	60.37
		2025-05-05	34.60	29.17	63.77
205	PAVEMENT MARKING OR MARKING REMOVAL EQUIPMENT (ONE OR TWO PERSON OPERATORS); SELF-PROPELLED TRUCK OR TRAILER MOUNTED UNITS.	2024-11-18	35.00	13.24	48.24
HIGHWAY/HEAVY POWER EQUIPMENT OPERATOR					
GROUP 2		2024-11-18	34.94	26.79	61.73
		2025-05-05	36.03	29.17	65.20
302	HELICOPTER PILOT (HIGHWAY AND HEAVY ONLY)				
303	CONCRETE PUMP (HIGHWAY AND HEAVY ONLY)				
304	ALL CRANES WITH OVER 135-FOOT BOOM, EXCLUDING JIB (HIGHWAY AND HEAVY ONLY)				

LABOR CODE AND CLASS	EFFECT DATE	BASIC RATE	FRINGE RATE	TOTAL RATE
305				
				DRAGLINE, CRAWLER, HYDRAULIC BACKHOE (TRACK OR WHEEL MOUNTED) AND/OR OTHER SIMILAR EQUIPMENT WITH SHOVEL-TYPE CONTROLS THREE CUBIC YARDS AND OVER MANUFACTURER.S RATED CAPACITY INCLUDING ALL ATTACHMENTS. (HIGHWAY AND HEAVY ONLY)
306				GRADER OR MOTOR PATROL
307				PILE DRIVING (HIGHWAY AND HEAVY ONLY)
308				TUGBOAT 100 H.P. AND OVER WHEN LICENSE REQUIRED (HIGHWAY AND HEAVY ONLY)
GROUP 3				
	2024-11-18	33.92	26.79	60.71
	2025-05-05	34.96	29.17	64.13
309				ASPHALT BITUMINOUS STABILIZER PLANT
310				CABLEWAY
311				CONCRETE MIXER, STATIONARY PLANT (HIGHWAY AND HEAVY ONLY)
312				DERRICK (GUY OR STIFFLEG)(POWER)(SKIDS OR STATIONARY) (HIGHWAY AND HEAVY ONLY)
313				DRAGLINE, CRAWLER, HYDRAULIC BACKHOE (TRACK OR WHEEL MOUNTED) AND/OR SIMILAR EQUIPMENT WITH SHOVEL-TYPE CONTROLS, UP TO THREE CUBIC YARDS MANUFACTURER.S RATED CAPACITY INCLUDING ALL ATTACHMENTS (HIGHWAY AND HEAVY ONLY)
314				DREDGE OR ENGINEERS, DREDGE (POWER) AND ENGINEER
315				FRONT END LOADER, FIVE CUBIC YARDS AND OVER INCLUDING ATTACHMENTS. (HIGHWAY AND HEAVY ONLY)
316				LOCOMOTIVE CRANE OPERATOR
317				MIXER (PAVING) CONCRETE PAVING, ROAD MOLE, INCLUDING MUCKING OPERATIONS, CONWAY OR SIMILAR TYPE
318				MECHANIC . WELDER ON POWER EQUIPMENT (HIGHWAY AND HEAVY ONLY)
319				TRACTOR . BOOM TYPE (HIGHWAY AND HEAVY ONLY)
320				TANDEM SCRAPER
321				TRUCK CRANE . CRAWLER CRANE (HIGHWAY AND HEAVY ONLY)
322				TUGBOAT 100 H.P AND OVER (HIGHWAY AND HEAVY ONLY)
GROUP 4				
	2024-11-18	33.58	26.79	60.37
	2025-05-05	34.60	29.17	63.77
323				AIR TRACK ROCK DRILL
324				AUTOMATIC ROAD MACHINE (CMI OR SIMILAR) (HIGHWAY AND HEAVY ONLY)
325				BACKFILLER OPERATOR
326				CONCRETE BATCH PLANT OPERATOR (HIGHWAY AND HEAVY ONLY)
327				BITUMINOUS ROLLERS, RUBBER TIED OR STEEL DRUMMED (EIGHT TONS AND OVER)
328				BITUMINOUS SPREADER AND FINISHING MACHINES (POWER), INCLUDING PAVERS, MACRO SURFACING AND MICRO SURFACING, OR SIMILAR TYPES (OPERATOR AND SCREED PERSON)
329				BROKK OR R.T.C. REMOTE CONTROL OR SIMILAR TYPE WITH ALL ATTACHMENTS
330				CAT CHALLENGER TRACTORS OR SIMILAR TYPES PULLING ROCK WAGONS, BULLDOZERS AND SCRAPERS
331				CHIP HARVESTER AND TREE CUTTER
332				CONCRETE DISTRIBUTOR AND SPREADER FINISHING MACHINE, LONGITUDINAL FLOAT, JOINT MACHINE, AND SPRAY MACHINE

LABOR CODE AND CLASS	EFFECT DATE	BASIC RATE	FRINGE RATE	TOTAL RATE
333	CONCRETE MIXER ON JOBSITE (HIGHWAY AND HEAVY ONLY)			
334	CONCRETE MOBIL (HIGHWAY AND HEAVY ONLY)			
335	CRUSHING PLANT (GRAVEL AND STONE) OR GRAVEL WASHING, CRUSHING AND SCREENING PLANT			
336	CURB MACHINE			
337	DIRECTIONAL BORING MACHINE			
338	DOPE MACHINE (PIPELINE)			
339	DRILL RIGS, HEAVY ROTARY OR CHURN OR CABLE DRILL (HIGHWAY AND HEAVY ONLY)			
340	DUAL TRACTOR			
341	ELEVATING GRADER			
342	FORK LIFT OR STRADDLE CARRIER (HIGHWAY AND HEAVY ONLY)			
343	FORK LIFT OR LUMBER STACKER (HIGHWAY AND HEAVY ONLY)			
344	FRONT END, SKID STEER OVER 1 TO 5 C YD			
345	GPS REMOTE OPERATING OF EQUIPMENT			
346	HOIST ENGINEER (POWER) (HIGHWAY AND HEAVY ONLY)			
347	HYDRAULIC TREE PLANTER			
348	LAUNCHER PERSON (TANKER PERSON OR PILOT LICENSE)			
349	LOCOMOTIVE (HIGHWAY AND HEAVY ONLY)			
350	MILLING, GRINDING, PLANNING, FINE GRADE, OR TRIMMER MACHINE			
351	MULTIPLE MACHINES, SUCH AS AIR COMPRESSORS, WELDING MACHINES, GENERATORS, PUMPS (HIGHWAY AND HEAVY ONLY)			
352	PAVEMENT BREAKER OR TAMPING MACHINE (POWER DRIVEN) MIGHTY MITE OR SIMILAR TYPE			
353	PICKUP SWEEPER, ONE CUBIC YARD AND OVER HOPPER CAPACITY(HIGHWAY AND HEAVY ONLY)			
354	PIPELINE WRAPPING, CLEANING OR BENDING MACHINE			
355	POWER PLANT ENGINEER, 100 KWH AND OVER (HIGHWAY AND HEAVY ONLY)			
356	POWER ACTUATED HORIZONTAL BORING MACHINE, OVER SIX INCHES			
357	PUGMILL			
358	PUMPCRETE (HIGHWAY AND HEAVY ONLY)			
359	RUBBER-TIRED FARM TRACTOR WITH BACKHOE INCLUDING ATTACHMENTS (HIGHWAY AND HEAVY ONLY)			
360	SCRAPER			
361	SELF-PROPELLED SOIL STABILIZER			
362	SLIP FORM (POWER DRIVEN) (PAVING)			
363	TIE TAMPER AND BALLAST MACHINE			
364	TRACTOR, BULLDOZER (HIGHWAY AND HEAVY ONLY)			
365	TRACTOR, WHEEL TYPE, OVER 50 H.P. WITH PTO UNRELATED TO LANDSCAPING (HIGHWAY AND HEAVY ONLY)			
366	TRENCHING MACHINE (SEWER, WATER, GAS) EXCLUDES WALK BEHIND TRENCHER (HIGHWAY AND HEAVY ONLY)			
367	TUB GRINDER, MORBARK, OR SIMILAR TYPE			
368	WELL POINT DISMANTLING OR INSTALLATION (HIGHWAY AND HEAVY ONLY)			
GROUP 5	2024-11-18	31.71	26.79	58.50

LABOR CODE AND CLASS		EFFECT DATE	BASIC RATE	FRINGE RATE	TOTAL RATE
		2025-05-05	32.64	29.17	61.81
369	AIR COMPRESSOR, 600 CFM OR OVER (HIGHWAY AND HEAVY ONLY)				
370	BITUMINOUS ROLLER (UNDER EIGHT TONS)				
371	CONCRETE SAW (MULTIPLE BLADE) (POWER OPERATED)				
372	FORM TRENCH DIGGER (POWER)				
373	FRONT END, SKID STEER UP TO 1C YD				
374	GUNITE GUNALL (HIGHWAY AND HEAVY ONLY)				
375	HYDRAULIC LOG SPLITTER				
376	LOADER (BARBER GREENE OR SIMILAR TYPE)				
377	POST HOLE DRIVING MACHINE/POST HOLE AUGER				
378	POWER ACTUATED AUGER AND BORING MACHINE				
379	POWER ACTUATED JACK				
380	PUMP (HIGHWAY AND HEAVY ONLY)				
381	SELF-PROPELLED CHIP SPREADER (FLAHERTY OR SIMILAR)				
382	SHEEP FOOT COMPACTOR WITH BLADE . 200 H.P. AND OVER				
383	SHOULDERING MACHINE (POWER) APSCO OR SIMILAR TYPE INCLUDING SELF-PROPELLED SAND AND CHIP SPREADER				
384	STUMP CHIPPER AND TREE CHIPPER				
385	TREE FARMER (MACHINE)				
GROUP 6		2024-11-18	31.06	26.79	57.85
		2025-05-05	31.95	29.17	61.12
387	CAT, CHALLENGER, OR SIMILAR TYPE OF TRACTORS, WHEN PULLING DISK OR ROLLER				
388	CONVEYOR (HIGHWAY AND HEAVY ONLY)				
389	DREDGE DECK HAND				
390	FIRE PERSON OR TANK CAR HEATER (HIGHWAY AND HEAVY ONLY)				
391	GRAVEL SCREENING PLANT (PORTABLE NOT CRUSHING OR WASHING)				
392	GREASER (TRACTOR) (HIGHWAY AND HEAVY ONLY)				
393	LEVER PERSON				
394	OILER (POWER SHOVEL, CRANE, TRUCK CRANE, DRAGLINE, CRUSHERS, AND MILLING MACHINES, OR OTHER SIMILAR HEAVY EQUIPMENT) (HIGHWAY AND HEAVY ONLY)				
395	POWER SWEEPER				
396	SHEEP FOOT ROLLER AND ROLLERS ON GRAVEL COMPACTION, INCLUDING VIBRATING ROLLERS				
397	TRACTOR, WHEEL TYPE, OVER 50 H.P., UNRELATED TO LANDSCAPING				
TRUCK DRIVERS					
GROUP 1		2024-11-18	31.59	23.70	55.29
		2025-04-28	33.55	24.70	58.25
601	MECHANIC . WELDER				

LABOR CODE AND CLASS		EFFECT DATE	BASIC RATE	FRINGE RATE	TOTAL RATE
602	TRACTOR TRAILER DRIVER				
603	TRUCK DRIVER (HAULING MACHINERY INCLUDING OPERATION OF HAND AND POWER OPERATED WINCHES)				
GROUP 2		2024-11-18	31.02	23.70	54.72
		2025-04-28	32.95	24.70	57.65
604	FOUR OR MORE AXLE UNIT, STRAIGHT BODY TRUCK				
GROUP 3		2024-11-18	30.87	23.70	54.57
		2025-04-28	32.79	24.70	57.49
605	BITUMINOUS DISTRIBUTOR DRIVER				
606	BITUMINOUS DISTRIBUTOR (ONE PERSON OPERATION)				
607	THREE AXLE UNITS				
GROUP 4		2024-11-18	30.87	23.70	54.57
		2025-04-28	32.79	24.70	57.49
608	BITUMINOUS DISTRIBUTOR SPRAY OPERATOR (REAR AND OILER)				
609	DUMP PERSON				
610	GREASER				
611	PILOT CAR DRIVER				
612	RUBBER-TIRED, SELF-PROPELLED PACKER UNDER 8 TONS				
613	TWO AXLE UNIT				
614	SLURRY OPERATOR				
615	TANK TRUCK HELPER (GAS, OIL, ROAD OIL, AND WATER)				
616	TRACTOR OPERATOR, UNDER 50 H.P.				
SPECIAL CRAFTS					
701	HEATING AND FROST INSULATORS	2024-11-18	19.50	1.30	20.80
702	BOILERMAKERS	2024-11-18	46.00	31.93	77.93
		2025-01-01	48.35	31.93	80.28
703	BRICKLAYERS	2024-11-18	29.89	14.40	44.29
704	CARPENTERS	2024-11-18	36.49	28.29	64.78
		2025-01-01	36.49	28.29	64.78
		2025-05-01	41.69	28.29	69.98
705	CARPET LAYERS (LINOLEUM)	FOR RATE CALL 651-284-5091 OR EMAIL DLI.PREVWAGE@STATE.MN.US			

LABOR CODE AND CLASS		EFFECT DATE	BASIC RATE	FRINGE RATE	TOTAL RATE
706	CEMENT MASONS	2024-11-18	38.28	20.75	59.03
		2025-05-01	41.40	21.17	62.57
707	ELECTRICIANS	2024-11-18	39.54	29.05	68.59
		2025-06-01	42.38	30.31	72.69
711	GROUND PERSON	2024-11-18	11.13	0.00	11.13
712	IRONWORKERS	2024-11-18	41.19	35.68	76.87
713	LINEMAN	2024-11-18	20.00	0.00	20.00
714	MILLWRIGHT	2024-11-18	44.38	28.92	73.30
		2025-01-01	44.38	28.92	73.30
		2025-05-01	48.13	29.41	77.54
715	PAINTERS (INCLUDING HAND BRUSHED, HAND SPRAYED, AND THE TAPING OF PAVEMENT MARKINGS)	2024-11-18	29.83	21.77	51.60
716	PILEDRIIVER (INCLUDING VIBRATORY DRIVER OR EXTRACTOR FOR PILING AND SHEETING OPERATIONS)	2024-11-18	45.71	29.73	75.44
		2025-01-01	45.71	29.73	75.44
		2025-05-01	49.46	30.23	79.69
717	PIPEFITTERS . STEAMFITTERS	2024-11-18	45.94	20.89	66.83
719	PLUMBERS	2024-11-18	30.00	0.00	30.00
721	SHEET METAL WORKERS	2024-11-18	34.84	20.97	55.81
		2025-06-02	37.09	20.97	58.06
723	TERRAZZO WORKERS	FOR RATE CALL 651-284-5091 OR EMAIL DLIPREVIEW@STATE.MN.US			
724	TILE SETTERS	FOR RATE CALL 651-284-5091 OR EMAIL DLIPREVIEW@STATE.MN.US			
725	TILE FINISHERS	FOR RATE CALL 651-284-5091 OR EMAIL DLIPREVIEW@STATE.MN.US			

LABOR CODE AND CLASS	EFFECT DATE	BASIC RATE	FRINGE RATE	TOTAL RATE
727	WIRING SYSTEM TECHNICIAN	FOR RATE CALL 651-284-5091 OR EMAIL <u>DLL.PREVWAGE@STATE.MN.US</u>		
728	WIRING SYSTEMS INSTALLER	FOR RATE CALL 651-284-5091 OR EMAIL <u>DLL.PREVWAGE@STATE.MN.US</u>		
729	ASBESTOS ABATEMENT WORKER	FOR RATE CALL 651-284-5091 OR EMAIL <u>DLL.PREVWAGE@STATE.MN.US</u>		
730	SIGN ERECTOR	FOR RATE CALL 651-284-5091 OR EMAIL <u>DLL.PREVWAGE@STATE.MN.US</u>		

Jan. 6, 2025

Notice of truck rental rate certification and effective date

The Department of Labor and Industry (DLI) commissioner has certified the minimum truck rental rates for state-funded highway projects effective Jan. 6, 2025. This certification follows the publication of the Notice of Truck Rental Rate Determination in the State Register on Dec. 16, 2024, and the informal conference held pursuant to Minnesota Rules, part 5200.1105 on Dec. 27, 2024.

According to Minnesota Rules, part 5200.1105, the purpose of the informal conference was for DLI to obtain further input regarding the determined rates prior to the certification. No written input regarding the determination was received by DLI prior to the informal conference.

The truck rental rate is determined for each equipment type by adding the average hourly cost of operating the vehicle to the certified prevailing-wage rate for the driver. The average hourly operating costs are determined by voluntary survey of truck owner operators, trucking contractors and trucking firms. Cost data used in DLI's analysis must be representative of five trucking firms of various size and five independent truck owner operators for each type of truck.

The determination of the minimum truck rental rates by region are as follows.

Three-axle units

Region	Effective date	607 driver rate	Operating cost	Truck rental rate
Region 1	Certification date	\$61.54	\$37.35	\$98.89
	Increase April 28, 2025	\$64.83	\$37.35	\$102.18
Region 2	Certification date	\$54.57	\$37.35	\$91.92
	Increase April 28, 2025	\$57.49	\$37.35	\$94.84
Region 3	Certification date	\$54.57	\$37.35	\$91.92
	Increase April 28, 2025	\$57.49	\$37.35	\$94.84

Region	Effective date	607 driver rate	Operating cost	Truck rental rate
Region 4	Certification date	\$56.93	\$37.35	\$94.28
Region 5	Certification date	\$39.50	\$37.35	\$76.85
Region 6	Certification date	\$45.00	\$37.35	\$82.35
Region 7	Certification date	\$46.65	\$37.35	\$84.00
Region 8	Certification date	\$42.50	\$37.35	\$79.85
Region 9	Certification date	\$56.36	\$37.35	\$93.71
Region 10	Certification date	\$42.50	\$37.35	\$79.85

Four or more axle units

Region	Effective date	604 driver rate	Operating cost	Truck rental rate
Region 1	Certification date	\$61.65	\$51.50	\$113.15
	Increase April 28, 2025	\$64.95	\$51.50	\$116.45
Region 2	Certification date	\$54.72	\$51.50	\$106.22
	Increase April 28, 2025	\$57.65	\$51.50	\$109.15
Region 3	Certification date	\$ 39.60	\$51.50	\$91.10
Region 4	Certification date	\$53.73	\$51.50	\$105.23
Region 5	Certification date	\$26.00	\$51.50	\$77.50
Region 6	Certification date	\$54.25	\$51.50	\$105.75

Region 7	Certification date	\$46.15	\$51.50	\$97.65
Region 8	Certification date	\$44.50	\$51.50	\$96.00
Region 9	Certification date	\$56.45	\$51.50	\$107.95
Region 10	Certification date	\$53.70	\$51.50	\$105.20

Tractor

Region	Effective date	602 driver rate	Operating cost	Tractor-only truck rental rate	Plus trailer operating cost	Tractor trailer rental rate
Region 1	Certification date	\$62.25	\$54.96	\$117.21	\$11.46	\$128.67
	Increase April 28, 2025	\$65.58	\$54.96	\$120.54	\$11.46	\$132.00
Region 2	Certification date	\$55.29	\$54.96	\$110.25	\$11.46	\$121.71
	Increase April 28, 2025	\$58.25	\$54.96	\$113.21	\$11.46	\$124.67
Region 3	Certification date	\$55.29	\$54.96	\$110.25	\$11.46	\$121.71
	Increase April 28, 2025	\$58.25	\$54.96	\$113.21	\$11.46	\$124.67
Region 4	Certification date	\$50.27	\$54.96	\$105.23	\$11.46	\$116.69
Region 5	Certification date	\$28.84	\$54.96	\$83.80	\$11.46	\$95.26
Region 6	Certification date	\$47.40	\$54.96	\$102.36	\$11.46	\$113.82
Region 7	Certification date	\$46.15	\$54.96	\$101.11	\$11.46	\$112.57
Region 8	Certification date	\$47.50	\$54.96	\$102.46	\$11.46	\$113.92

Region 9	Certification date	\$62.70	\$54.96	\$117.66	\$11.46	\$129.12
	Increase April 28, 2025	\$66.05	\$54.96	\$121.01	\$11.46	\$132.47
Region 10	Certification date	\$47.50	\$54.96	\$102.46	\$11.46	\$113.92

The current operating costs and truck rental rates may be reviewed by accessing DLI's website at <https://dli.mn.gov/business/employment-practices/prevaling-wage-minimum-truck-rental-rates>. Questions about the truck rental rates or the informal conference notice below can be answered by calling 651-284-5192.

The minimum truck rental rate for these four types of trucks in the State's 10 highway and heavy construction areas will be effective for all highway and heavy construction projects financed in whole or part with state funds advertised for bid on or after the day the notice of certification is published in the *State Register*.

Sincerely,

Nicole Blissenbach

DLI commissioner

STATE FUNDED ONLY CONSTRUCTION CONTRACTS

SPECIAL PROVISIONS DIVISION A - LABOR

I. INTRODUCTION

- A. **Policy Statement.** It is in the public interest that public buildings and other public works projects be constructed and maintained by the best means and the highest quality of labor reasonably available and that persons working on public works projects be compensated according to the real value of the services they perform.¹
- B. **State Regulations Govern.** This Contract is subject to the Minnesota Prevailing Wage Act², Minnesota Fair Labor Standards Act³, Minnesota Rules⁴, Minnesota Department of Labor and Industry (MnDLI) Wage Decision(s), and the MnDLI Truck Rental Rate Schedule.
- C. **Purpose.** These provisions: (1) outline your obligations under state and federal laws, rules and regulations; (2) explain the requirements necessary to demonstrate compliance; and (3) explain the processes that the Department will undertake to ensure compliance.
- D. **Questions or Resources.** Please visit the Minnesota Department of Transportation (MnDOT) Labor Compliance Unit (LCU) website at: www.dot.state.mn.us/const/labor.

II. DEFINITIONS

Many of the terms used in these provisions are defined in MnDOT's Standard Specifications for Construction,⁵ unless defined below.

- A. **Apprentice.** A Worker at least 16 years of age who is employed to learn an apprenticeable trade or occupation in a registered apprenticeship program.⁶
- B. **Bona Fide.** Made or carried out in good faith; authentic.⁷
- C. **Certified Payroll Report (CPR).** A report comprised of two components; (1) a payroll report, and (2) a statement of compliance report.⁸
- D. **Contractor.** An individual or business entity that is engaged in construction or construction service-related activities including trucking activities either directly or indirectly through a Contract, or by Subcontract with the Prime Contractor, or by a further Subcontract with any other person or business entity performing Work.⁹
- E. **Employer.** An individual, partnership, association, corporation, business trust, or other business entity that hires a Worker.¹⁰
- F. **Fringe Benefit.** An employment benefit given in addition to a Worker's wages or salary.¹¹
- G. **Independent Truck Owner/Operator (ITO).** An individual, partnership, or principal stockholder of a corporation who owns or holds a vehicle under lease and who contracts that vehicle and the owner's services to an entity which provides construction services to a public works project.¹²

¹ Minn. Stat. 177.41

² Minn. Stat. 177.41 to 177.44

³ Minn. Stat. 177.21 to 177.35

⁴ Minn. R. 5200.1000 to 5200.1120

⁵ MnDOT Standard Specifications for Construction, Section 1103

⁶ Minn. Stat. 178.011, Subdivision 2

⁷ The American Heritage College Dictionary, Third Edition, 2000

⁸ Minn. R. 5200.1106, Subpart 10

⁹ Minn. R. 5200.1106, Subpart 2(D)

¹⁰ Minn. Stat. 177.42, Subdivision 7

¹¹ The American Heritage College Dictionary, Third Edition, 2000

¹² Minn. R. 5200.1106, Subpart 7(A)

- H. **Journeyworker.** A person who has attained a level of skill, abilities, and competencies recognized within and industry as having mastered the skills and competencies required for the trade or occupation.¹³
- I. **Prime Contractor.** An individual or business entity that enters into a Contract with the Department.¹⁴
- J. **Subcontract.** A Contract that assigns some obligations of a prior Contract to another party.¹⁵
- K. **Substantially In Place.** Mineral aggregate is deposited on the project site directly or through spreaders where it can be spread from or compacted at the location where it was deposited.¹⁶
- L. **Total Prevailing Wage Rate.** The sum of the prevailing hourly “basic” and “fringe” rate that is established in a Wage Decision.
- M. **Trucking Broker (Broker).** An individual or business entity, the activities of which include, but are not limited to: contracting to provide trucking services in the construction industry to users of such services, contracting to obtain such services from providers of trucking services, dispatching the providers of the services to do Work as required by the users of the services, receiving payment from the users in consideration of the trucking services provided, and making payment to the providers for the services.¹⁷
- N. **Trucking Firm/Multiple Truck Owner (MTO).** Any legal business entity that owns more than one vehicle and hires the vehicles out for services to Trucking Brokers or Contractors on public works projects.¹⁸
- O. **Truck Rental Rate Schedule.** A document prepared by the MnDLI through a Contractor survey process that identifies the required hourly Total Prevailing Wage Rate and operating cost for various types of trucks that perform hauling activities (Work) under a Contract that is funded in whole or in part with state funds.¹⁹
- P. **Wage Decision.** A document prepared by the MnDLI through a Contractor survey process that identifies the required hourly basic rate of pay and hourly Fringe Benefits for various labor classifications that perform Work under a Contract that is funded in whole or in part with state funds.²⁰
- Q. **Work (Work).** All construction activities associated with a public works project, including any required hauling activities on-the-site-of or to-or-from a public works project and conducted pursuant to a Contract, regardless of whether the construction activity or Work is performed by the Prime Contractor, subcontractor, Trucking Broker, Trucking Firm (MTO), ITO, independent contractor, or employee or agent of any of the foregoing entities.²¹
- R. **Worker (Laborer or Mechanic).** A Worker in a construction industry labor class identified in or pursuant to Minnesota Rules 5200.1100, Master Job Classifications.²²

III. APPLICATION & UNDERSTANDING

- A. **Provisions & Prevailing Wage Rates Apply.** These provisions, along with the prevailing Wage Decision(s) that are incorporated into the Contract, apply to all Contractors contracting to do all or part of the Work.²³

¹³ Minn. Stat. 178.011, Subdivision 9

¹⁴ Minn. R. 5200.1106, Subpart 2(C)

¹⁵ The American Heritage College Dictionary, Third Edition, 2000

¹⁶ Minn. R. 5200.1106, Subpart 5(C)

¹⁷ Minn. R. 5200.1106, Subpart 7(C)

¹⁸ Minn. R. 5200.1106, Subpart 7(B)

¹⁹ Minn. R. 5200.1105

²⁰ Minn. R. 5200.1020 to 5200.1060

²¹ Minn. R. 5200.1106, Subpart 2(A)

²² Minn. R. 5200.1106, Subpart 5(A)

²³ Minn. Stat. 177.44, Subdivision 1

- B. **Truck Rental Rates Apply.** The Truck Rental Rate Schedule incorporated into the Contract applies to all hired trucking entities that perform covered hauling activities related to the project.²⁴
- C. **Prevailing Wage Terms Must Be Included in All Contracts.** The Prime Contractor is required to ensure that all subcontractors performing Work receive the Contract Wage Decision(s), Truck Rental Rate Schedule, and a copy of these provisions with their written Subcontracts, agreements and/or purchase orders.²⁵
- D. **Responsible for Understanding All Requirements.** Each Contractor is responsible for understanding all laws, rules, regulations, plans, and specifications that are incorporated physically, or by reference, into the Contract.²⁶
- E. **E-Verify.** For services valued in excess of \$50,000, the Contractor certifies that as of the date of services performed on behalf of State, the Contractor will have implemented or be in the process of implementing the federal E-Verify program for all newly hired employees in the United States who will perform work under the contract. The Prime Contractor is responsible to collect all subcontractor certifications and may do so utilizing the E-Verify Subcontractor Certification Form available at <http://www.mmd.admin.state.mn.us/doc/EveryfySubCertForm.doc>. All subcontractor certifications must be kept on file with the Prime Contractor and made available to the State upon request.

IV. **VENDOR REGISTRATION**

Vendor Registration Required. A Contractor that performs Work, supplies material, or product must be registered with MnDOT. The Contractor must complete and submit a vendor form²⁷ to the MnDOT LCU²⁸, along with all applicable documentation that is required. This registration process is separate and distinct from other state agency requirements.

V. **LABOR CLASSIFICATIONS**

- A. **Labor Classification Assignment.** A Worker must be paid at least the Total Prevailing Wage Rate in the same or most similar trade or occupation.²⁹ To determine the appropriate labor classification for a Worker, a Contractor must refer to the Wage Decision(s) incorporated into the Contract, the labor classification descriptions for laborers and special crafts established in Minnesota Rules or the United States Department of Labor's Dictionary of Occupational Titles.³⁰
- B. **Labor Classification Clarification & Disputes.** A Contractor needing assistance in determining a labor classification must submit a Classification Clarification Request³¹ to the MnDOT LCU for a written decision. If the Contractor chooses to contest the classification assignment, it must provide written notice to the MnDOT LCU. The MnDOT LCU will forward the matter to the MnDLI for a final ruling.
- C. **Performing Work in Multiple Labor Classifications.** For Workers performing Work in multiple labor classifications, the Contractor must compensate at a minimum the Total Prevailing Wage Rate, and report the hours worked, in each applicable labor classification.³²

VI. **WAGE DECISION(S) & WAGE RATE(S)**

- A. **Applicability of a Highway and Heavy Wage Decision.** A highway and heavy Wage Decision applies to a Worker that is engaged in a construction activity or performing Work to construct or maintain a highway or other public works project, such as a road, street, airport runway, bridge,

²⁴ Minn. Stat. 177.44, Subdivision 3

²⁵ MnDOT Standard Specifications for Construction, Section 1801

²⁶ MnDOT Standard Specifications for Construction, Section 1701

²⁷ www.dot.state.mn.us/const/labor/documents/forms/contractorform2016.pdf for www.dot.state.mn.us/const/labor/documents/forms/truckvendorform2016.pdf

²⁸ lcusupport.dot@state.mn.us

²⁹ Minn. Stat. 177.44, Subdivision 1

³⁰ Minn. R. 5200.1101 and 1102 and USDOL Dictionary of Occupational Titles

³¹ <http://www.dot.state.mn.us/const/labor/documents/forms/classification-clarification-request.pdf>

³² Minn. Stat. 177.44, Subdivision 1

power plant, dam or utility³³ that is external to a sheltered enclosure (structure). This includes, but is not limited to, the following Work: site clearing; grading; excavating backfilling; paving; curbs; gutters; sidewalks; culverts; bridges; lighting systems; traffic management systems; installing of utilities out from an exterior meter; fuel islands; communication towers; or other activities similar to highway and/or heavy Work.

- B. **Applicability of a Commercial Wage Decision.** A commercial Wage Decision applies to a Worker that is engaged in a construction activity or performing Work to construct a sheltered enclosure (structure) with walk-in access for the purpose of housing persons, machinery, equipment or supplies.³⁴ This includes, but is not limited to, the following Work: constructing foundations, aprons, stoops; framing walls; installing windows, doors, tiling, plumbing, electrical, HVAC systems; roofing; installing utilities into the building from an exterior meter.
- C. **Pay According to Wage Decision(s).**
1. **Contract with One Wage Decision.** If the Contract contains one Wage Decision, the Contractor must examine the Wage Decision and compensate the Worker at a minimum the Total Prevailing Wage Rate for the appropriate labor classification(s).
 2. **Contract with Multiple Highway/Heavy Wage Decisions.** If the Contract contains multiple Highway/Heavy Wage Decisions, the Contractor must examine each Wage Decision and compensate the Worker, at a minimum, the Total Prevailing Wage Rate that is the greatest³⁵ for the appropriate labor classification(s).
 3. **Contract with Highway/Heavy and Commercial Wage Decision(s).** If the Contract contains a Highway/Heavy and Commercial Wage Decision(s), the Contractor must first determine which Wage Decision is applicable to the Worker. The Contractor must then compensate the Worker, at a minimum, the Total Prevailing Wage Rate for the appropriate labor classification(s).
- D. **Must Pay Total Prevailing Wage Rate.** A Contractor must compensate each Worker, at a minimum, the Total Prevailing Wage Rate(s) for all hours worked on the project for the appropriate labor classification(s).³⁶
- E. **Missing Wage Rate.** If a Wage Decision fails to include a wage rate for a labor classification(s) that will be utilized on a project, the Contractor must obtain a wage rate prior to furnishing an estimate, quote or bid.³⁷
1. **Wage Rate Request.** A Contractor must complete a Request for Rate Assignment form³⁸ and submit it to the MnDOT LCU³⁹ for processing.
 2. **No Contract Price Adjustment for Missing Wage Rate.** If MnDLI determines that a higher wage rate applies, the Department will not reimburse the Contractor.
- F. **Salaried Worker.** A salaried Worker is not exempt from these Provisions. A Contractor must convert the Worker's salary to an average hourly rate of pay by dividing the Worker's salary by the total number of hours Worked (government and non-government) during the pay period.⁴⁰ A salaried Worker must be included on a CPR.
- G. **Reduction in Standard (Private) Contractual Regular Rate of Pay Prohibited.** A Contractor must not reduce a Worker's standard, contractual regular rate of pay when the prevailing wage rate(s) certified by the MnDLI is less.⁴¹

³³ Minn. R. 5200.1010, Subdivision 3

³⁴ United States Department of Labor All Agency Memorandum #130

³⁵ Minn. Stat. 177.44, Subdivision 4

³⁶ Minn. Stat. 177.44, Subdivision 1

³⁷ Minn. R. 5200.1030, Subpart 2a(C)

³⁸ <http://www.dot.state.mn.us/const/labor/documents/forms/request-for-rate-assignment.doc>

³⁹ lcusupport.dot@state.mn.us

⁴⁰ Refer to Appendix A

⁴¹ Minn. Stat. 181.03, Subdivision 1(2)

- H. **Prohibited Payment Practices.** A Contractor is prohibited from taking (accepting) a rebate for the purpose of reducing or otherwise decreasing the value of the compensation paid.
- I. **Prohibited Deductions.** No deductions, direct or indirect, may be made for the items listed below which when subtracted from wages would reduce the wages below Minnesota's minimum wage rate as established in section 177.24⁴²
1. **Uniforms.** Purchased or rented uniforms or specifically designed clothing that is required by the Employer, by the nature of employment, or by statute, or as a condition of employment, which is not generally appropriate for use except in that employment.
 2. **Equipment.** Purchased or rented equipment used in employment, except tools of a trade, a motor vehicle, or any other equipment which may be used outside the employment. The cost of the Worker's use of equipment used outside of employment, such as tools, a motor vehicle, cell phone, may be deducted only if an agreement between the Employer and employee existed prior to the deduction.
 3. **Supplies.** Consumable supplies required in the course of employment.
 4. **Travel Expenses.** Travel expenses in the course of employment except those incurred in traveling to and from the employee's residence and place of employment.

VII. HOURS OF WORK

- A. **Work Performed Under the Contract.** A Worker performing Work is subject to prevailing wage for all hours associated with the Contract⁴³, unless the Worker is exempt under state law.⁴⁴
- B. **Wait Time Subject to Prevailing Wage.** A Worker who is required to remain on the project and is waiting to Work because of the fault of the Contractor is considered "engaged to wait" and subject to prevailing wage for the time spent, unless the Worker is completely relieved of duty and free to leave the project for a defined period of time.

VIII. FRINGE BENEFITS

- A. **Funded Fringe Benefit Plan Criteria.** In order for a funded Fringe Benefit (e.g., health/medical insurance, disability insurance, life insurance, pension, etc.) to be considered and creditable towards the Total Prevailing Wage Rate it must be:⁴⁵
1. a contribution irrevocably made by a Contractor on behalf of an Worker to a financially responsible trustee, third person, fund, plan, or program;
 2. carried out under a financially responsible plan or program;
 3. legally enforceable;
 4. communicated in writing to the Worker; and
 5. made available to the Worker once he/she has met all eligibility requirements.
- B. **Unfunded Fringe Benefit Plan Criteria.** In order for a unfunded Fringe Benefit (e.g., vacation, holiday, sick leave, etc.) to be considered and creditable towards the Total Prevailing Wage Rate it must be:⁴⁶
1. reasonably anticipated to provide a benefit;
 2. a commitment that can be legally enforced;

⁴² Minn. Stat. 177.24, Subdivision 4(1-4)

⁴³ Minn. Stat. 177.44, Subdivision 1

⁴⁴ Minn. Stat. 177.44, Subdivision 2 or Minn. R. 5200.1106, Subpart 4

⁴⁵ Minn. Stat. 177.42, Subdivision 6

⁴⁶ Minn. Stat. 177.42, Subdivision 6

3. carried out under a financially responsible plan or program;
 4. communicated in writing to the Worker; and
 5. made available to the Worker once he/she has met all eligibility requirements.
- C. **Fringe Benefit Contributions for Hours Worked.** A Contractor that provides Fringe Benefits to a Worker must make contributions, not less than quarterly⁴⁷, for all hours worked,⁴⁸ including overtime hours, unless it's a defined benefit or contribution plan that provides for immediate participation and immediate or essentially immediate vesting (**see subpart D2 of this section**).
- D. **Hourly Fringe Benefit Credit.** An hourly Fringe Benefit credit toward the Total Prevailing Wage Rate must be determined separately for each Worker based on one or more of the following methods:
1. **Monthly, Quarterly or Annual Computation Methods.** A Contractor must compute its monthly, quarterly or annual cost of a particular Fringe Benefit and divide that amount by the estimated total number of hours worked (government and non-government) during the time frame used.⁴⁹ Typical plans that require monthly, quarterly or annual computations include but are not limited to: health/medical insurance, disability insurance, life insurance, vacation, holiday, sick leave and defined benefit or contribution pension plans that do not provide for immediate participation and immediate or essentially immediate vesting.
 2. **Fringe Benefit Credit not Requiring Monthly, Quarterly or Annual Computation Methods.** A defined benefit or contribution pension plan that allows for a higher hourly rate of contribution for government work (prevailing wage) than non-government (non-prevailing wage) will be fully credited only if the plan provides for immediate participation and immediate or essentially immediate vesting.
- E. **Wages In Lieu of Fringe Benefits.** A Contractor that does not provide full Fringe Benefits must compensate a Worker the difference between the Total Prevailing Wage Rate and the rate actually paid for the appropriate labor classification(s). The compensation paid is considered wages and subject to tax liabilities.
1. **Overtime.** The cash equivalent (wages paid) made in lieu of Fringe Benefits is excluded from the overtime calculation requirement, unless the cash equivalent (wages paid) is part of the Worker's standard straight time wage.
- F. **Administrative Costs Not Creditable.** Administrative expenses incurred by a Contractor in connection with the administration of a Bona Fide Fringe Benefit plan are not creditable towards the Total Prevailing Wage Rate.
- G. **Federal, State & Local Fringe Benefit Credit Prohibited.** No credit is allowed for benefits required by federal, state or local law, such as: worker's compensation, unemployment compensation, and social security contributions.⁵⁰

IX. OVERTIME

- A. **Overtime after 8 Hours per Day or 40 Hours per Week.** A Contractor must not permit or require a Worker to work longer than the prevailing hours of labor unless the Worker is paid for all hours in excess of the prevailing hours at a rate of at least 1.5 times the hourly basic rate of pay.⁵¹ The prevailing hours of labor is defined as not more than 8 hours per day and more than 40 hours per week.⁵²

⁴⁷ 29 CRF, Part 5.5(a)(1)(i)

⁴⁸ Government and non-government Work

⁴⁹ Refer to Appendix B

⁵⁰ Minn. Stat. 177.42, Subdivision 6

⁵¹ Minn. Stat. 177.44, Subdivision 1 and Refer to Appendix D

⁵² Minn. Stat. 177.42, Subdivision 4

- B. **Wages in Lieu of Fringe Benefits Overtime.** Wages paid in Lieu of Fringe Benefits must be paid for all hours worked under the contract.
- C. **Multiple Labor Classifications and Overtime.** A Worker employed in multiple labor classifications throughout a workweek must be compensated at the applicable labor classification overtime rate in effect during the hours worked in excess of 8 hours per day or 40 hours per week.
- D. **Federal Fair Labor Standards Act (FLSA) and Overtime.** A Contractor subject to the FLSA may be subject to additional overtime compensation requirements.

X. PAYROLLS AND STATEMENTS

- A. **Reporting.** Each Contractor that is performing Work must submit a CPR(s) to the Department.
 - 1. **Payroll Report (Paper).** Each Contractor performing Work must submit a paper (written) payroll report to the Department. The payroll report is available on the MnDOT LCU website.⁵³
 - 2. **Statement of Compliance (Paper).** Each Contractor's paper (written) payroll report must include a paper (written) "Statement of Compliance Form". The "Statement of Compliance Form" must: (1) state whether or not Fringe Benefits are provided to a Worker; (2) provide a description of each benefit, the hourly contribution made on behalf of each Worker, along with fund/plan information; and (3) a signature attesting that the payroll and Fringe Benefit information provided is truthful and accurate.⁵⁴
 - 3. **Electronic Reporting.** If the Contract is subject to electronic reporting, each Contractor performing Work must submit a CPR(s) using the AASHTOWare, Civil Rights Labor (CRL) system. Refer to the **Special Provisions Division S – "Electronic Submission of Payrolls and Statements"** which is incorporated into and found elsewhere in the Contract for detailed requirements.
- B. **Biweekly Payroll Reporting and Payment of Wages.** A CPR(s) must be submitted no later than 14 calendar days after the end of each Contractor's pay period⁵⁵ to the Department. A Contractor must pay its employees at least once every 14 calendar days.⁵⁶
- C. **Payroll Report Data.** Each payroll report must include all Workers that performed Work and provide at a minimum the following information:⁵⁷
 - 1. Contractor's name, address, and telephone number.
 - 2. State project number.
 - 3. Contract number (if applicable).
 - 4. Project number.
 - 5. Payroll report number.
 - 6. Project location.
 - 7. Workweek end date.
 - 8. Each Worker's name, home address, and social security number.⁵⁸
 - 9. Labor classification(s) title(s) and optional three-digit code for each Worker.

⁵³ www.dot.state.mn.us/const/labor/certifiedpayroll.html

⁵⁴ Minn. R. 5200.1106, Subpart 10

⁵⁵ Minn. Stat. 177.43, Subdivision 3

⁵⁶ Minn. Stat. 177.30 (a)(4)

⁵⁷ Minn. Stat. 177.30 (a)(1-4) and Minn. R. 5200.1106, Subpart 10

⁵⁸ Minn. R. 5200.1106, Subpart 10A & Minn. Stat. 13.355, Subdivision 1

10. Hours worked daily and weekly in each labor classification, including overtime hours, for each Worker.
 11. Wage rate paid to each Worker for straight time and overtime.
 12. Authorized legal deductions for each Worker.
 13. Project gross amount, weekly gross amount, and net wages paid to each Worker.
- D. **Prime Contractor to Ensure Compliance.** The Prime Contractor must review the CPR(s) submitted by each lower tier Contractor and sign the "Statement of Compliance Form".⁵⁹ The Prime Contractor must ensure that each lower tier Contractor's CPR(s) include all Workers that performed Work and accurately reflect labor classifications, hours worked, regular and overtime rates of pay, gross earnings for the project and Fringe Benefits.⁶⁰
- E. **Retention of CPR(s).** The Prime Contractor must keep its written CPR(s), including those of all lower tier Contractors, for three (3) years after the final payment is issued.⁶¹
- F. **Retention of Employment-Related Records.** Each Contractor must keep employee records, including, but not limited to: Fringe Benefit statements, time cards, payroll ledgers, check registers and canceled checks⁶² for at least three (3) years after the final payment is issued.⁶³ Other laws may have longer retention requirements.
- G. **Detailed Earning Statement.** At the end of each pay period, each Contractor must provide every Worker, in writing or by electronic means, an accurate, detailed earnings statement.⁶⁴
- H. **Reports and Records Request.** Upon a request from the Department, the Prime Contractor must promptly furnish copies of CPR(s) for its Workers and those of all lower tier Contractors, along with employment-related records, documents, and agreements that the Department considers necessary to determine compliance.⁶⁵

XI. APPRENTICES, TRAINEES AND HELPERS

- A. **Apprentice.** An Apprentice will be permitted to Work at less than the prevailing basic hourly rate only if the Apprentice is:
1. Registered with the U.S. Department of Labor (DOL), Bureau of Apprenticeship and Training or MnDLI Division of Voluntary Apprenticeship.⁶⁶
 2. Performing Work of the trade, as described in the apprenticeship agreement.
 3. Compensated according to the rate specified in the program for the level of progress.⁶⁷
 4. Supervised by a Journeyworker from the same company, in accordance with the program ratio requirements.⁶⁸
- B. **Ratio Requirement.** If an approved apprenticeship program fails to define a ratio allowance, the first Apprentice must be supervised by a Journeyworker within the same trade or occupation. Any subsequent Apprentice must be supervised by an additional three Journeyworkers.⁶⁹

⁵⁹ MnDOT Standard Specifications for Construction, Section 1701

⁶⁰ MnDOT Standard Specifications for Construction, Section 1801

⁶¹ Minn. Stat. 177.30 (a)(5)

⁶² Minn. R. 5200.1106, Subpart 10

⁶³ Minn. Stat. 177.30 (a)(5)

⁶⁴ Minn. Stat. 181.032

⁶⁵ Minn. Stat. 177.44, Subdivision 7; Minn. Stat. 177.33(a)(5)

⁶⁶ Minn. R. 5200.1070, Subpart 1

⁶⁷ Minn. R. 5200.1070, Subpart 1 and Refer to Appendix C

⁶⁸ Minn. Stat. 178.036, Subdivision 5

⁶⁹ Minn. Stat. 178.036, Subdivision 5

- C. **Failure to Comply with Apprenticeship Requirements.** If a Contractor fails to demonstrate compliance with the terms established in this section, the Contractor must compensate the Apprentice not less than the applicable Total Prevailing Wage Rate for the actual classification of labor performed.⁷⁰
- D. **Trainee and Helper.** A trainee or helper is not exempt from prevailing wage under state law. The Contractor must assign the trainee or helper a labor classification that is the "same or most similar"⁷¹ and compensate the trainee or helper for the actual Work performed regardless of the trainee's or helper's skill level.

XII. INDEPENDENT CONTRACTORS, OWNERS, SUPERVISORS, AND FOREMAN

- A. **Independent Contractor.** An independent contractor (IC) that is not an Independent Truck Owner/Operator (ITO), who is performing Work must be properly classified and compensated.⁷² The IC must submit a CPR(s) to the Department. If the IC does not receive an hourly wage, but instead a weekly, biweekly, monthly or quarterly distribution for performance, the IC must calculate its hourly rate of pay by dividing the weekly, biweekly, monthly, or quarterly company distribution by all hours worked during that time frame and report the information on a CPR. If necessary, the Department may request documentation from the IC to determine how the hourly wage rate was calculated.⁷³
- B. **Owners, Supervisors and Foreman.** An owner, supervisor, or foreman performing Work is subject to prevailing wage and must be properly classified, compensated and reported.⁷⁴

XIII. TRUCKING

- A. **Covered Hauling Activities.** A Contractor must ensure that all Workers, including hired Trucking Brokers, MTOs and ITOs are paid the applicable Total Prevailing Wage Rate or truck rental rate for the following Work:
1. The hauling of any or all stockpiled or excavated materials on the project work site to other locations on the same project even if the truck leaves the work site at some point.⁷⁵
 2. The delivery of materials from a non-commercial establishment to the project and the return haul to the starting location either empty or loaded.⁷⁶
 3. The delivery of materials from another construction project site to the public works project and the return haul, either empty or loaded. Construction projects are not considered commercial establishments.⁷⁷
 4. The hauling required to remove any materials from the project to a location off the project site and the return haul, either empty or loaded from other than a commercial establishment.⁷⁸
 5. The delivery of materials or products by trucks hired by a Contractor, subcontractor, or agent thereof, from a commercial establishment.⁷⁹
 6. The delivery of sand, gravel, or rock, by or for a commercial establishment, which is deposited "substantially in place," either directly or through spreaders from the transporting vehicles is work under the contract. In addition, the return haul to the off-site facility empty or loaded is also considered work under the contract.⁸⁰

⁷⁰ Minn. R. 5200.1070, Subpart 3

⁷¹ Minn. Stat. 177.44, Subdivision 1

⁷² Minn. Stat. 177.44, Subdivision 1

⁷³ Minn. Stat. 177.30(a)(5); Minn. Stat. 181.723

⁷⁴ Minn. Stat. 177.44, Subdivision 1

⁷⁵ Minn. R. 5200.1106, Subpart 3B(1)

⁷⁶ Minn. R. 5200.1106, Subpart 3B(2)

⁷⁷ Minn. R. 5200.1106, Subpart 3B(3)

⁷⁸ Minn. R. 5200.1106, Subpart 3B(4)

⁷⁹ Minn. R. 5200.1106, Subpart 3B(5)

⁸⁰ Minn. R. 5200.1106, Subpart 3B(6)

- B. **Hauling Activities Not Subject to Prevailing Wage or Truck Rental Rates.** A Contractor may exclude a Worker, including hired Trucking Brokers, MTOs and ITOs from prevailing wage or truck rental rates for the Work described in (1-2) of this section. However, this Work may be considered hours worked and subject to standard compensation pursuant to the Minnesota Fair Labor Standards Act.
1. The delivery of processed or manufactured goods to a public works project by the employees of a commercial establishment including truck owner-operators hired by and paid by the commercial establishment, unless it is the delivery of mineral aggregate that is incorporated into the work under the contract by depositing the material substantially in place.⁸¹
 2. The delivery of oil offsite, as an example, to a Prime Contractor's permanent (commercial) asphalt mixing facility that is not to, from, or on the project Work site.⁸²
- C. **Repair, Maintenance & Waiting to Load Time.** An ITO and MTO must be paid the truck rental rate for time spent repairing or maintaining the truck owner-operator's equipment, and for waiting to load or unload if the repair, maintenance, or wait time is the fault of the Trucking Broker, Contractor, its agent or employees.⁸³
- D. **Month End Trucking Report.** A Contractor that acquires the services of an ITO or MTO must submit a "MnDOT – MTO and/or ITO Month-End Trucking Report", and a "MnDOT – Month-End Trucking Statement of Compliance Form" to the Department for each month hauling activities are performed under the Contract.⁸⁴ The forms are available on the MnDOT LCU website.⁸⁵
- E. **Broker Fee.** A truck broker contracting to provide trucking services directly to a prime contractor or subcontractor is allowed to assess a broker fee.

XIV. OFF-SITE FACILITIES

- A. **Off-Site Facility Activities Subject to Prevailing Wage.** A Contractor must ensure that all Workers performing Work at a covered off-site facility are paid the applicable Total Prevailing Wage Rate for the following Work:
1. The processing or manufacturing of material at a Prime Contractor's off-site facility that is not a separately held commercial establishment.⁸⁶
 2. The processing or manufacturing of material at an off-site facility that is not considered a commercial establishment.⁸⁷
- B. **Off-Site Facility Activities Not Subject to Prevailing Wage.** A Contractor may exclude a Worker from prevailing wage for the following work:
1. The processing or manufacturing of material or products by or for a commercial establishment.⁸⁸
 2. The work performed by Workers employed by the owner or lessee of a gravel or borrow pit that is a commercial establishment, even if the screening, washing or crushing machines are portable.⁸⁹

XV. SUBCONTRACTING PART OF THE CONTRACT

⁸¹ Minn. R. 5200.1106, Subpart 4(C)

⁸² J.D. Donovan, Inc. vs. Minnesota Department of Transportation, 878 N.W.2d 1 (2016)

⁸³ Minn. R. 5200.1106, Subpart 8(A)(1)

⁸⁴ Minn. R. 5200.1106, Subpart 10

⁸⁵ <http://www.dot.state.mn.us/const/labor/forms.html>

⁸⁶ ALJ Findings of Fact, Conclusions of Law, and Recommendation, Conclusions (7), Case #12-3000-11993-2

⁸⁷ Minn. R. 5200.1106, Subpart 3(A)

⁸⁸ Minn. R. 5200.1106, Subpart 4(A)

⁸⁹ Minn. R. 5200.1106, Subpart 4(B)

The Prime Contractor must include the Contract Special Provisions, Wage Decision(s) and Truck Rental Rate Schedule in all Subcontracts, agreements and purchase orders with lower tier Contractors.⁹⁰ This requirement also applies to all lower tier subcontractors.

XVI. SITE OF WORK REQUIREMENTS

- A. **Poster Board.** The Prime Contractor must construct and display a poster board containing all required posters. The poster board must be accurate, legible, and accessible to all project Workers from the first day of Work until the project is one hundred percent (100%) complete.⁹¹ A poster board at an off-site location, or inside a construction trailer, does not meet this requirement.
- B. **How to Obtain a Poster Board.** The Prime Contractor may obtain the required posters and the necessary contact information that is required to be inserted on each poster by visiting the MnDOT LCU website.⁹²
- C. **Employee Interviews.** The Contractor must permit representatives from the Department or other governmental entities⁹³ to interview Workers at any time during working hours on the project.⁹⁴

XVII. CHILD LABOR

- A. **No Worker under the Age of 18.** No Worker under the age of 18 is allowed to perform Work on a Project Site, except pursuant to Section XVII B below.⁹⁵
- B. **Parental Supervision.** A Worker under the age of 18 may perform Work on a Project Site if all of the following criteria are met:
 - 1. The Contractor (Employer) is not subject to FLSA.
 - 2. The Worker is employed in a corporation owned solely by one or both parents.
 - 3. The Worker is supervised by the parent(s).
 - 4. The Worker is not working in a hazardous occupation.⁹⁶
- C. **Removal of Minor from Project.** The Engineer or inspector may remove a Worker that appears to be under the age of 18 from the Project Site until the Contractor or Worker can demonstrate proof of age and compliance with all applicable federal and state regulations.⁹⁷

XVIII. NON-COMPLIANCE AND ENFORCEMENT

- A. **Case-by-Case Enforcement.** The Department has the authority to enforce the prevailing wage law on a case-by-case.⁹⁸
- B. **Prime Contractor Responsible for Unpaid Wages.** The Prime Contractor will be held liable for any unpaid wages to its Workers or those of any lower tier Contractor.⁹⁹
- C. **Enforcement Options.** If evidence shows that a Contractor has violated prevailing wage requirements, or these Special Provisions, the Department may, after written notice, implement one or more of the following:

⁹⁰ MnDOT Standard Specifications for Construction, Section 1801

⁹¹ Minn. Stat. 177.44, Subdivision 5

⁹² www.dot.state.mn.us/const/labor/posterboards

⁹³ MnDOT, U.S. DOL, U.S. Department of Transportation, Federal Highways Administration

⁹⁴ MnDOT Standard Specifications for Construction, Section 1511

⁹⁵ Minn. R. 5200.0910, Subpart F; 29 CFR Part 570.2(a)(ii)

⁹⁶ Minn. R. 5200.0930, Subpart 4

⁹⁷ Minn. Stat. 181A.06, Subdivision 4; MnDOT Standard Specifications for Construction, Section 1701

⁹⁸ See International Union of Operating Engineers, Local 49 v. MnDOT, No. C6-97-1582, 1998 WL 74281, at *2 (Minn. App. Feb. 24, 1998)

⁹⁹ MnDOT Standard Specifications for Construction, Section 1801

1. **Withholding Payment.** The Department may withhold from the Prime Contractor payments relating to prevailing wage underpayments.¹⁰⁰
2. **Non-Responsible Contractor.** The Department may reject a bid from a Prime Contractor that has received two (2) or more Determination Letters within a three (3) year period from the Department finding an underpayment by the Contractor to its own employees.¹⁰¹
3. **Default.** The Department may take the prosecution of the Work out of the hands of the Prime Contractor, place the Contractor in default, and terminate the Contract for failure to comply.¹⁰²
4. **Suspension or Debarment.** The Department may refer violations and matters of non-compliance by a Contractor to the Minnesota Department of Administration for suspension or debarment proceedings.¹⁰³
5. **County Attorney.** The Department may refer suspected criminal violations by Contractor to the appropriate local county attorney for prosecution.¹⁰⁴
6. **Financial Penalties.** Any Contractor who violates the state prevailing wage law is guilty of a misdemeanor and may be fined not more than \$300 or imprisoned not more than 90 days or both. Each day that the violation continues is a separate offense.¹⁰⁵ A Contractor may be fined up to \$1,000 for each failure to maintain records.¹⁰⁶
7. **False Claims Act Violation.** All required payroll and certification reports are legal documents; knowing falsification of the documents by a Contractor may result in civil action and/or criminal prosecution¹⁰⁷ and may be grounds for debarment proceedings.¹⁰⁸
8. **Compliance Order.** The Department may request that MnDLI issue a compliance order to a Contractor for violations of the state prevailing wage law. If the Contractor is found to have committed a violation, liquidated damages and other costs may be assessed against the Employer.¹⁰⁹
9. **Private Right of Action.** The Department may direct an employee to pursue a civil action in district court against its Employer for failure to comply with the proper payment of wages.¹¹⁰ If the Employer is found to have committed a violation, liquidated damages and other costs may be assessed against the Employer.¹¹¹
10. **Fringe Benefits; Misdemeanor.** A Contractor that is obligated to deposit Fringe Benefit contributions on behalf of a Worker into a financially responsible trustee, third person, fund, plan, or program and fails to make timely contributions is guilty of a gross misdemeanor or other violations under federal law.¹¹²

¹⁰⁰ MnDOT Standard Specifications for Construction, Section 1906

¹⁰¹ Minn. Stat. 16C.285

¹⁰² MnDOT Standard Specifications for Construction, Section 1808

¹⁰³ Minn. R. 1230.1150, Subpart 2(A)(4)

¹⁰⁴ Minn. Stat. 177.44, Subdivision 7

¹⁰⁵ Minn. Stat. 177.44, Subdivision 6

¹⁰⁶ Minn. Stat. 177.30(b)

¹⁰⁷ Minn. Stat. 15C.02; , Minn. Stat. 161.315; Minn. Stat. 177.32; Minn. Stat. 177.43, Subdivision 5, Minn. Stat. 609.63

¹⁰⁸ Minn. Stat. 161.315 and Minn. Stat. 609.63

¹⁰⁹ Minn. Stat. 177.43, Subdivision 6a

¹¹⁰ Minn. Stat. 177.27, Subdivision 8

¹¹¹ Minn. Stat. 177.27, Subdivision 10

¹¹² Minn. Stat. 181.74, Subdivision 1

**THE FOLLOWING APPENDICES ARE FOR
EXPLANATORY PURPOSES ONLY.
FOR SPECIFIC QUESTIONS, PLEASE CONTACT LCU.¹¹³**

APPENDIX A**SALARIED WORKER WAGE COMPUTATION**

Salaried Workers. In order to convert the Worker's salary into an hourly rate of pay, divide the employee's weekly, bi-weekly or monthly earnings by the total number of hours Worked (government and non-government), including overtime hours for the time period used.¹¹⁴

$$\text{\$800.00 (weekly salary) / 40 (total weekly hours) = \$20.00}$$

$$\text{\$1,600.00 (bi-weekly salary) / 80 (total bi-weekly hours) = \$20.00}$$

$$\text{\$3,200.00 (monthly salary) / 160 (total monthly hours) = \$20.00}$$

APPENDIX B**FRINGE BENEFIT CREDIT**

Fringe Benefit Credit Calculation. The Employer contributes monthly (\$600.00) for medical insurance on behalf of a Worker. In order to calculate the projected hourly credit that the Employer can take, the Employer should: (1) add the monthly contributions for each Worker, (2) multiply by twelve (12) months, and (3) divide the total cost of the benefit by the total hours worked (government and non-government)¹¹⁵ (see annual example below). Quarterly and monthly examples are also provided.

Annual: $(\$600.00) \times (12 \text{ months}) = \$7,200.00$
 $(\$7,200.00) / (2080 \text{ hours}) = \underline{\$3.46 \text{ per hour credit}}$

Quarterly: $(\$600.00) \times (3 \text{ months}) = \$1,800.00$
 $(\$1,800.00) / (520 \text{ hours}) = \underline{\$3.46 \text{ per hour credit}}$

Monthly: $(\$600.00) \times (1 \text{ month}) = \600.00
 $(\$600.00) / (173 \text{ hours}) = \underline{\$3.47 \text{ per hour credit}}$

End of Year Self-Audit. At the end of the calendar year, the Contractor must conduct an audit to determine if the hourly fringe benefit credit taken for each Worker was accurate. The Contractor must calculate the total annual fringe benefits paid on behalf of each Worker and divide that amount by the total number of hours worked (government and non-government) by that Worker. If the hourly fringe benefit credit was less than what was reported on a CPR, the contractor must compensate the Worker the hourly difference, multiplied by the total hours worked under the Contract.

APPENDIX C**APPRENTICE RATE OF PAY**

State Requirements. The Apprentice must be compensated according his/her level of progress, which is expressed as a percentage of the Journeyworker wage that is established in the program.

$$\text{Journeyworker Wage Established in Program} = \$25.00$$

$$\underline{\text{Apprentice Level of Progress} = 60\%}$$

$$(\$25.00) \times (.60) = \$15.00$$

¹¹³ lcu.support.dot@state.mn.us or (651) 366-4238

¹¹⁴ United States Department of Labor Field Operation Handbook, Section 15f08

¹¹⁵ United States Department of Labor Field Operation Handbook, Section 15f12

APPENDIX D**PREVAILING WAGE OVERTIME CALCULATION**

Overtime Hourly Rate of Pay. Here is the formula to calculate the required minimum overtime.¹¹⁶

$$OT = (PW * .5) + (HW) + (RF) + (F)$$

Definition of OT Acronyms

OT: overtime.

PW: the basic hourly prevailing wage rate established in a federal and/or state prevailing Wage Decision.

HW: hourly wage rate paid to a Worker.

RF: remaining fringe, which means the difference between the Contract hourly Fringe Benefit rate and the actual hourly Fringe Benefit rate paid by the Contractor to a third party on behalf of a Worker.

F: Fringe Benefit contributions that are bona-fide and contributed by an Employer to a third party on behalf of a Worker.

The Total Prevailing Wage Rate for a Worker is \$30.00, which is comprised of an hourly basic rate of \$20.00 and an hourly fringe rate of \$10.00. The table below includes various hourly basic and Fringe Benefit payments that a Contractor could potentially make to a Worker.

OT CALCULATION FORMULA AND EXAMPLES				
$OT = (PW * .5) + (HW) + (RF) + (F)$				
Hourly Wage Paid	Fringe Benefits Paid	<u>Payment To Employee</u> $(PW * .5) + (HW) + (RF)$	<u>Fringe Payment</u> + (F)	<u>Total Payment</u> = OT
\$ 20.00	\$ 10.00	$(\$ 20.00 * .5) + (\$ 20.00) + (\$ 0.00) = \$ 30.00$	+ \$ 10.00	= \$ 40.00
\$ 18.00	\$ 12.00	$(\$ 20.00 * .5) + (\$ 18.00) + (\$ 0.00) = \$ 28.00$	+ \$ 12.00	= \$ 40.00
\$ 22.00	\$ 8.00	$(\$ 20.00 * .5) + (\$ 22.00) + (\$ 0.00) = \$ 32.00$	+ \$ 8.00	= \$ 40.00
\$ 30.00	\$ 0.00	$(\$ 20.00 * .5) + (\$ 30.00) + (\$ 0.00) = \$ 40.00$	+ \$ 0.00	= \$ 40.00
\$ 24.00	\$ 4.00	$(\$ 20.00 * .5) + (\$ 24.00) + (\$ 2.00) = \$ 36.00$	+ \$ 4.00	= \$ 40.00

Regarding the last example the Contractor would be required to pay an additional \$2.00 to the Worker, which is wages in lieu of fringe for a straight time hourly rate of \$26.00 not \$24.00.

A Contractor subject to the Fair Labor Standards Act (FLSA) may be subject to additional overtime compensation requirements.

¹¹⁶ United States Department of Labor Field Operation Handbook, Section 15k

SPECIAL PROVISIONS**DIVISION B****B-1 CONTACT INFORMATION**

Direct questions about this Project, including pre-bid questions, to the Polk County Engineer, Richard Sanders, or to the Construction Engineer, Darin Carlstrom, at 218-281-3952.

B-2 EQUAL EMPLOYMENT OPPORTUNITY (10/14/2022)

The Equal Employment Opportunity (EEO) Special Provisions contain the EEO rules and regulations for federal and/or state funded highway construction Projects in Minnesota.

The source of funding determines which EEO regulations and workforce participation goals apply to a specific Project:

- If the Project contains any federal funding, and has a total dollar value exceeding \$10,000, federal EEO regulations and workforce participation goals apply. The Minnesota Department of Transportation's Office of Civil Rights (MnDOT's Office of Civil Rights) monitors and reviews these Projects on behalf of the Federal Highway Administration (FHWA), under federal law (23 U.S.C. § 140) and its accompanying rules (23 C.F.R. § 230). The FHWA allows MnDOT's Office of Civil Rights to apply the state's workforce participation goals to federally funded construction Contracts.
- If the Project contains any state funding, and has a total dollar value exceeding \$100,000, state EEO regulations and workforce participation goals apply. MnDOT's Office of Civil Rights monitors and reviews these Projects in conjunction with the Minnesota Department of Human Rights under state law (Minn. Stat. § 363A.36) and its accompanying rules (Minn. R. 5000.3520 - .3530).
- If the Project contains any state and federal funding, and meets the total dollar value thresholds outlined above, both federal and state EEO regulations, and workforce participation goals apply. MnDOT's Office of Civil Rights monitors and reviews these Projects via a single review and monitoring process that meets federal and state requirements.

NOTICE OF REQUIREMENTS FOR AFFIRMATIVE ACTION TO ENSURE EQUAL EMPLOYMENT OPPORTUNITY

23 U.S.C. § 140, 23 C.F.R. § 230, 41 C.F.R. § 60, Minn. Stat. § 363A.36, Minn. R. 5000.3520 - .3530

A. The Contractor's attention is directed to the following:

1. Required Contract Provisions: Federal-Aid Construction Contracts Attachment (FHWA 1273) can be found here: https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=19624648

2. Equal Employment Opportunity (EEO) State and Federal Laws, Policies and Rules Attachment: Minnesota Affirmative Action Requirements (Pages 1-2); Violence-Free and Respectful Workplace (Pages 3-7); Specific Federal Equal Employment Opportunity Responsibilities (Pages 8-11); Standard Federal and State Equal Employment Construction Contract Specifications (Pages 12-15); Equal Opportunity Clause (Pages 16-17) can be found here: https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=19624471

- B. The Contractor's compliance with 41 C.F.R. § 60-4, and Minn. Stat. § 363A.36 and its accompanying rules shall be based on the following: implementation of the Equal Opportunity Clause (Pages 16-17); adherence to the specific affirmative action obligations of the state and federal authorities outlined in these EEO Special Provisions and the Equal Employment Opportunity (EEO) State and Federal Laws, Policies and Rules Attachment; and good faith efforts to meet the applicable workforce participation goals detailed below.

- C. Highway construction Contracts in excess of \$100,000 in state funds and/or \$10,000 in federal funds are subject to the workforce participation goals for minorities and women established by the Commissioner of the Minnesota Department of Human Rights (MDHR) under Minn. R. 5000.3520. The FHWA allows MnDOT's Office of Civil Rights to apply the state's workforce participation goals to federally funded construction Contracts. The Contractor's attention is directed to the following:
1. Workforce participation goals are percentages of total labor hours that minorities and women should perform in each trade on the Project. Compliance is measured against the total labor hours performed. The Contractor must ensure that labor hours for minorities and women remain substantially uniform in each trade for the duration of the Project.
 2. Workforce participation goals are applied on a county-by-county basis.
 3. For Projects spanning more than one county, the workforce participation goals of the assigned county apply. For statewide Projects, the highest workforce participation goals of any county located within the covered work area apply.
 4. If the applicable workforce participation goals will not be met, the Contractor and any Subcontractor with estimated labor hours on the Project (except independent trucking operators) must demonstrate that specific and significant actions to recruit, hire, and retain minorities and women are being taken. The Contractor is responsible for ensuring Subcontractors are making these requisite good faith efforts.
- D. The transfer of minorities and/or women, including employees and trainees, from different Projects or among Contractors for the sole purpose of meeting the workforce participation goals violates 41 C.F.R. § 60-4, and Minn. Stat. § 363A.36 and its accompanying rules. Such action is a breach of Contract.
- E. The Contractor is directed to the following written notification requirements concerning Subcontracts:
1. If the Project is federally funded: The Office of Federal Contract Compliance Programs must receive written notification of any construction Subcontract over \$10,000 executed at any tier within ten (10) working days of the Contract award.
 2. If the Project is state funded: The Office of Equity and Inclusion for Minnesota Businesses, a division of MDHR, must receive written notification of any construction Subcontracts over \$100,000 executed at any tier within ten (10) working days of the Contract award.

The written notification must provide the following information: Name, address, telephone number, and employee identification number of the Subcontractor; estimated amount of the Subcontract; Project location; and estimated start and end dates.

NOTICE TO CONTRACTOR AND SUBCONTRACTORS: REPORTING REQUIREMENTS

23 U.S.C. § 140, 23 C.F.R. § 230, Minn. Stat. § 363A.36, Minn. R. 5000.3520 - .3530

Workforce participation goals are applied on a county-by-county basis. For Projects spanning more than one county, the workforce participation goals of the assigned county apply. For statewide Projects, the highest workforce participation goals of any county located within the covered work area apply.

The workforce participation goals for this Project are:

Minority: 12%

Women: 9%

PRE-AWARD

- A. The Contractor must complete and submit a Workforce Plan if the low bid amount is \$5,000,000 or more.
- B. The Workforce Plan includes the following documents:
 - 1. Project Information Form: To be completed by the Contractor;
 - 2. Contractor Workforce Commitment Form: To be completed by the Contractor and any Subcontractors with estimated labor hours on the Project;
 - 3. Workforce Hours – Project Overview Form: To be completed by the Contractor; and
 - 4. Total Company Workforce Report: To be completed by the Contractor and any Subcontractors upon request.
 - a. The Total Company Workforce Report can be found here: mndot.gov/civilrights/forms.html.

The Contractor must select the regional Workforce Plan template that corresponds with Project location. The Workforce Plan templates can be found here: mndot.gov/civilrights/bid-results.html.
- C. Approval of the Workforce Plan by MnDOT's Office of Civil Rights (OCR) is a condition of Contract award.
- D. Approval is contingent upon the following:
 - 1. Completion and submission of the Workforce Plan within five (5) business days of the bid opening. The five-day (5) period begins the first full business day after the bid opening date;
 - 2. Completion and submission of all responses to specific Workforce Plan inquiries made by MnDOT's Office of Civil Rights of the Contractor or any of its Subcontractors with estimated labor hours on the Project; and
 - 3. Ability of the Contractor or any of its Subcontractors with estimated labor hours on the Project to demonstrate that specific and significant actions to recruit, hire, and retain minorities and/or women are being taken if the applicable workforce participation goals will not be met.
- E. Failure to complete and submit the Workforce Plan will result in the bid being rejected for failure to meet a condition precedent.
- F. The execution of a collective bargaining agreement granting a union exclusive referral rights does not preclude compliance with the requirements of this section. As such, the inability of a union to provide candidates for employment relieves neither the Contractor nor any of its Subcontractors with estimated labor hours on the Project of the requirement to demonstrate that specific and significant actions to recruit, hire, and retain minorities and/or women are being taken if the applicable workforce participation goals will not be met.

POST-AWARD

- A. The Contractor is directed to the following requirements concerning payroll submission:
 - 1. The Contractor and its Subcontractors must complete and submit payroll weekly via the Civil Rights Labor Management System (CRL). Workforce participation goals are percentages of total labor hours captured through Contractor payroll submission.
 - 2. All Contractors working on federal-aid highway construction Contracts of at least \$10,000 during the last week of July must report their workforce by job category, gender, and ethnicity. MnDOT's Office of Civil Rights compiles this data into a single report for the FHWA. Information on how to submit the required data can be found here: mndot.gov/civilrights/federal-aid-highway-construction-contractors-annual-eeo-report.html.

Failure to meet these post-award reporting requirements may result in the imposition of Contract sanctions, including withholding of progress payments.

- B. MnDOT's Office of Civil Rights determines whether Contractors on highway construction Projects are meeting state and federal laws, rules, and regulations relating to EEO by conducting annual compliance reviews. Accordingly, it reserves the right to audit the Contractor or any of its Subcontractors.
- C. Information concerning specific reporting requirements for On-the-Job Training and Tribal Employment is accessible via reference to the Index for Division S.

FINAL CLEARANCE

Pursuant to MnDOT Standard Specifications for Construction, Section 1516.3, "Completion of the Work, note (7), the Contractor must notify the Engineer and MnDOT Office of Civil Rights when work is complete. MnDOT's Office of Civil Rights will issue a Final Clearance letter under MnDOT Standard Specifications for Construction, Section 1516.3, "Completion of the Work, note (7).

B-3 PROTECTION OF FISH AND WILDLIFE RESOURCES (revised 06/28/24)

The Project is located in an area with protected fish & wildlife resources and/or threatened & endangered species. The Contractor must protect these resources in accordance with State and Federal regulations and must implement all applicable avoidance and minimization measures (AMMs).

•BAT PROTECTION

The Project is located in a County inhabited by protected bat species. The Contractor must ensure all operators, employees, and Contractors working in areas of known or presumed bat habitat are aware of environmental commitments and avoidance and minimization measures (AMMs) to protect both bats and their habitat. The Contractor must notify Project Subcontractors during the preconstruction meeting.

Contractor must direct temporary lighting, if used, away from wooded areas during the bat active season (April 1 to Nov 14, inclusive).

Contractor must immediately report (within 24 hours) all bat sightings, live or dead, to the Department's wildlife ecologist, <https://www.dot.state.mn.us/environment/wildlife.html>.

•BALD EAGLE PROTECTION

Bald Eagles are protected by the Bald and Golden Eagle Protection Act. No Bald Eagle nests are known within the project limits. However, if a Bald Eagle nest is discovered during Project activities, Contractor must stop Work and immediately report Bald Eagle nests to the Department's wildlife ecologist, <https://www.dot.state.mn.us/environment/wildlife.html>. Contractor must not Work within 300 feet of a Bald Eagle nest at any time. This includes foot traffic, vehicle parking, and/or equipment or material staging.

•MIGRATORY BIRD PROTECTION

Contractor must cover soil stockpiles when any surface of a stockpile is not in use for 48 hours or longer, Contractor must prevent bird nesting by either covering that surface with fabric or tarps or by grading that surface to a slope no steeper than 65 degrees.

Contractor must inspect Bridges, Culverts, and other Structures (buildings, sheds, garages, etc.), to determine if nesting birds are present before beginning work.

If a nest or nests are encountered that have eggs and/or live young, photograph the nest, avoid Work in that location and immediately contact the Department's wildlife ecologist, <https://www.dot.state.mn.us/environment/wildlife.html>.

B-4 RESPONSIBLE CONTRACTOR

The Department cannot award a construction contract in excess of \$50,000 unless the Bidder is a "responsible contractor" as defined in Minnesota Statutes §16C.285, subdivision 3. A Bidder submitting a Proposal for this Project must verify that it meets the minimum criteria specified in that statute by submitting the "Responsible Contractor Verification and Certification of Compliance" form. A company owner or officer must sign the "Responsible Contractor Verification and Certification of Compliance" form under oath verifying compliance with each of the minimum criteria. THE COMPLETED FORMS MUST BE SUBMITTED WITH THE BID PROPOSAL.

A bidder must obtain a verification from each subcontractor it will have a direct contractual relationship with. At the Department's request, a bidder must submit signed subcontractor verifications. A contractor or subcontractor must obtain an annual verification from each motor carrier it has a direct contractual relationship with. A motor carrier must give immediate written notice if it no longer meets the minimum responsible contractor criteria. The requirement for subcontractor verifications does not apply to:

- Design professionals licensed under Minnesota Statutes §326.06; and
- A business or person that supplies materials, equipment, or supplies to a subcontractor on the Project, including performing delivering and unloading services in connection with the supply of materials, equipment, and supplies. But, a business or person must submit a verification if it delivers mineral aggregate such as sand, gravel, or stone that will be incorporated into the Work by depositing the material substantially in place, directly or through spreaders, from the transporting vehicle.

A bidder or subcontractor who does not meet the minimum criteria specified in the statute, or who fails to verify compliance with the criteria, is not a "responsible contractor" and is ineligible to be awarded the Contract for this Project or to work on this Project. Submitting a false verification makes the bidder or subcontractor ineligible to be awarded a construction contract for this Project. Additionally, submitting a false statement may lead to contract termination. If only one bidder submits a bid, the Department may, but is not required to, award a contract even if that bidder does not meet the minimum criteria.

B-5 WORKFORCE CERTIFICATE

The local agency cannot execute a contract for goods or services in excess of \$250,000 with a business that has 40 or more full-time employees in this state or a state where the business has its primary place of business on a single day during the prior 12 months, unless the business has a workforce certificate from the commissioner of human rights or has certified in writing that it is exempt. Bidders may find more information on the Workforce Certificate Requirement at Minnesota Statutes Section 363A.36 or at this website:

<https://mn.gov/mdhr/certificates/workforce-certificate/>

B-6 (1906) PARTIAL PAYMENTS

Partial payments will be made in accordance with the provisions of 1906, except as modified below: From the amounts ascertained as payable on each partial estimate, five (5) per cent will be retained to protect the Department's interests.

B-7 RESERVATIONS

For the purpose of this Proposal, these projects (SAP 060-606-003 & SAP 060-649-008) are considered tied and will be let as one contract in this Proposal.