

## Management Committee

Meeting date: June 10, 2010

For the Metropolitan Council meeting of June 24, 2020

**Subject:** Prevailing Wage Policy for Construction Projects

**District(s), Member(s):** All Districts; All Members

**Policy/Legal Reference:** Minn. Stat. §§ 473.142, 471.345; Council Procurement Policy

**Staff Prepared/Presented:** Jody Jacoby, Procurement Director, 651-602-1359

**Division/Department:** Regional Administration/Procurement

### Proposed Action

That the Metropolitan Council approve Resolution No. 2020-8, resolving that the Council modify its procurement policies and procedures to require that laborers, workers, mechanics on all Council public works construction and maintenance projects that are let by sealed bids and on all design-build construction projects that are let by formal requests for proposals after public notice be paid wages comparable to wages paid for similar work in the community as a whole, effective August 2020.

### Background

Minnesota Statutes section 471.345 provides the Metropolitan Council authority to establish prevailing wage rates as a minimum standard for wages which must be agreed to by any contractor before the contractor may be awarded any contract for the furnishing of any labor, material, supplies, or service.

Metropolitan Council's procurement policies and procedures currently require that laborers, workers, and mechanics on Council public works construction projects, funded in whole or in part by either state or federal funds, be paid wages comparable to wages paid for similar work in the community as a whole.

Setting a prevailing wage policy requiring payment of prevailing wages regardless of whether state or federal funds are used on the project will provide the same assurance of the best means and highest quality of labor reasonably available and ensure that persons working on the Council's public works project are compensated according to the real value of the services they perform.

Sealed bids or formal requests for proposals are required for projects expected to exceed \$175,000.

This change will be effective August 2020.

### Thrive Lens Analysis

Establishing a prevailing wage policy is consistent with the Council's *Thrive* Equity Outcome and will promote equity by using the Council's influence and investment to build a more equitable region and ensure employees working on Council projects are paid a fair wage.

### Funding

No funding is tied to the proposed action. Funding for individual construction contracts are covered in the Council's budget.

### Known Support / Opposition

There is no known opposition to the proposed action.

METROPLITAN COUNCIL

390 Robert Street North, Saint Paul, Minnesota 55101-1805

**RESOLUTION NO. 2020-8**

**RESOLUTION EXPRESSING THE METROPOLITAN COUNCIL'S COMMITMENT THAT ITS PUBLIC WORKS BE CONSTRUCTED AND MAINTAINED BY THE BEST MEANS AND HIGHEST QUALITY OF LABOR REASONABLY AVAILABLE AND THAT PERSONS WORKING ON THE COUNCIL'S PUBLIC WORKS PROJECTS BE COMPENSATED ACCORDING TO THE REAL VALUE OF THE SERVICES THEY PERFORM.**

**WHEREAS**, Minnesota Statutes section 471.345 provides the Metropolitan Council authority to establish prevailing wage rates as a minimum standard for wages which must be agreed to by any contractor before the contractor may be awarded any contract for the furnishing of any labor, material, supplies, or service; and

**WHEREAS**, Metropolitan Council's procurement policies and procedures currently require that laborers, workers, and mechanics on Council public works construction projects, funded in whole or in part by either state or federal funds, be paid wages comparable to wages paid for similar work in the community as a whole; and

**WHEREAS**, the Metropolitan Council has public works projects that are funded by the Council without either state or federal funds; and

**WHEREAS**, requiring laborers, workers, and mechanics on all Metropolitan Council public works construction projects that are let by sealed bids be paid wages comparable to wages paid for similar work in the community as a whole, regardless of whether state or federal funds are used on the project, will provide the same assurance of the best means and highest quality of labor reasonably available.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the Metropolitan Council modify its procurement policies and procedures as follows:

Require that laborers, workers, mechanics on all Council public works construction and maintenance projects that are let by sealed bids and on all design-build construction projects that are let by formal requests for proposals after public notice be paid wages comparable to wages paid for similar work in the community as a whole.

Council staff are directed: where no state or federal funds are involved, administer this requirement in the same manner as if state funds were used to fund the project.