



# 3314 A

## Definitions and Required Notices

**Regulation 3314 A**

Original Adoption: 09/11/1990

Revision Dates: 05/26/2009; 06/13/2014

Review Dates:

Effective Date: 06/14/2014

### I. PURPOSE

The purpose of this regulation is to establish the definitions of terms used in Policy 3314 and this regulation, and to establish required bid specification or request for proposal language supporting Policy 3314 included in every project to which the policy applies.

### II. DEFINITIONS

- A. "Area" means Hennepin County or the county from which labor for any project is normally secured.
- B. "Employer" means an individual, partnership, association, corporation, business trust, or other business entity that hires a laborer, worker or mechanic.
- C. "Prevailing wage" means the hourly, reasonable and living wage paid to the largest number of workers engaged in the same class of labor within the area as established by the Minnesota Department of Labor:
  1. plus the contribution paid to or for the largest number of workers engaged in the same class of labor within the area for:
    - (a) medical or hospital care, or insurance to pay for these;
    - (b) Vacation and holiday pay;
    - (c) Compensation for injuries or illness resulting from occupational activity, or the insurance to pay for these;
    - (d) Pensions on retirement or death, or the insurance to pay for these;
    - (e) Unemployment benefits,
    - (f) Life Insurance,
    - (g) disability and sickness insurance;
    - (h) accident insurance;
    - (i) costs of defraying the costs of apprenticeship or similar programs
    - (j) Any other economic benefit paid to that class of labor.
  2. however, if the employer is not required by federal, state or local law to provide any of the benefits identified in ¶II.B.1, prevailing wage includes the amount of:
    - (a) the rate of contribution irrevocably made by a contractor or subcontractor to a trustee or to a third person under a fund, plan or program; and
    - (b) the rate of costs to the contractor or subcontractor that may be reasonably anticipated in providing benefits to laborers and mechanics pursuant to an enforceable commitment to carry out a financially responsible plan or program which was communicated in writing to the laborers and mechanics affected.



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- D. “Project” means erection, construction, remodeling, or repairing of a public building or other public work financed in whole or in part by school district funds.

### III. REQUIRED NOTICES

- A. Minneapolis Public Schools shall comply with all notifications required under Minnesota Law relative to prevailing wage when projects are completed by employees of the district.
- B. When projects will be done by non-employee workers and contractors, the following will be attached to all bid specifications or requests for proposals:

*“It is the policy of the Board of Education that the wages of laborers, workers, and mechanics on projects financed in whole or part by school district funds be at least the minimum wage rates and fringe benefits as determined by the Minnesota Department of Labor and Industry. In addition to the certificates and other evidences of compliance which are required under these specifications, it shall be required that the person or company representative submitting a bid or proposal for this contract shall certify in writing that she/he/it and their subcontractors shall comply with the prevailing wage provisions of the Department of Labor.”*

- C. All contractors must include in their bid or proposal documentation a Prevailing Wage Certificate in the form provided by the District.
- D. All contracts with third party vendors subject to this policy shall include the following language:

*“Pursuant to Minnesota Statutes 177.41 to 177.44 and corresponding Minnesota Rules 5200.1000 to 5200.1120, this contract is subject to the prevailing wages as established by the Minnesota Department of Labor and Industry. Specifically, all contractors and subcontractors must pay all laborers and mechanics the established prevailing wages for work performed under the contract. Failure to comply with the aforementioned may result in civil or criminal penalties.”*

#### **Legal References:**

- Minn. Stat. §177.41 (State Projects and State Highway Construction; Public Policy)  
Minn. Stat. §177.42 (Definitions)  
Minn. Stat. §177.43 (Contracts for State Projects; Penalty)

#### **Cross References**

- MPS Policy 3312 (Bidding Procedures)  
MPS Policy 3323 (Evaluation of Bids and Requests for Proposals)