

STATE OF WASHINGTON DEPARTMENT OF LABOR AND INDUSTRIES *Prevailing Wage* PO Box 44540 • Olympia, Washington 98504-4540 360/902-5335 Fax 360/902-5300

June 1, 2015

Dennis Ahl Contract Administrator, Kiewit Bridge and Marine Kiewit Infrastructure West Co. 33455 6th Avenue South Federal Way, WA 98003

Re: Request for Determination to Incorporate Multiple Classifications of the Stockman Series into the State Prevailing Wage Rates for Work on Public Works Projects

Dear Mr. Ahl:

Thank you for your March 23, 2015 letter requesting the recognition of additional Stockman job classifications under the Electricians – Inside Wireman trade for your project. Your letter notes that currently there is only a single journey-level job classification for the work of Construction Stock Person under that trade for King County.

This is a determination of the Industrial Statistician regarding coverage of the reference work under the Washington's prevailing wage laws and is made pursuant to <u>RCW 39.12.015</u>. See the enclosed documents, "*Prevailing Wage Determination Request and Review Process*." Copies of the WACs referenced in this letter are also enclosed.

In your letter you state that Kiewit/General/Manson utilizes IBEW Local 46 members as Stockmen for your SR520 Evergreen Point Floating Bridge & Landings public works project in King County. You further discuss that the published Washington State prevailing wage rate schedule does not have the following classifications that are included in the "Stockman Labor Agreement" as negotiated by IBEW Local 46: Stockman Level 1, Stockman Level II, Stockman Level III, and Stockman Level IV. Along with a copy of the labor agreement, you also provided dispatch slips for your current Stockman employees showing their dispatched rates for their respective Stockman classifications. It is your belief that the omission of the different levels of Stockmen from the published state prevailing wage rates is an oversight that should be corrected by L&I. Dennis Ahl June 1, 2015 Page 2

This determination is based on the information you provided. If the facts differ from those provided, the answers may be different. References to the Washington Administrative Code are included.

<u>Chapter 39.12 RCW</u> requires that the correct prevailing rate of wage be paid to all workers, laborers, and mechanics under all public works construction projects. <u>RCW 39.12.010</u> defines the "prevailing rate of wage" as the rate of hourly wage, usual benefits and overtime paid in the locality to the majority of workers, laborers, and mechanics in the same trade or occupation. Locality is defined as the largest city in the county wherein the physical work is performed.

The Stockman wage rate in question was set by the survey conducted during the period 01/01/2008 through 12/31/2008 and published on 08/02/2009. The prevailing rate of wage for Construction Stockmen within the trade of Inside Wireman Electricians in King County is found in the collective bargaining agreements between IBEW Local 46 and the Puget Sound Chapter of the National Electrical Contractors' Association. Therefore, where the collective bargaining agreement sets different rates for different work classifications within a trade or occupation, these distinctions may be incorporated into the prevailing rate of wage.

However, the types of classifications which may be incorporated into a published prevailing wage rate are limited by the text of the prevailing wage statute. In reviewing your request, we notice that the "Stockman Labor Agreement" appears to be a wage progression based in part on the number of hours worked rather than on the specific tasks performed. In effect, this creates lower-paid positions under the collective bargaining agreement for individuals who have not completed a requisite number of hours to receive the full journey-level rate. Such a provision may be valid under a private agreement. However, to incorporate them into the prevailing rate of wage is not consistent with Washington prevailing wage law, under which workers are entitled to journey level prevailing wage rates unless they are apprentices. (See <u>RCW 39.12.021</u>.) Prevailing wage law does not provide for "trainee" prevailing rates of wage.

As an additional matter, I note that you request for us to retroactively add the Stockman rates for projects already bid or completed. The request to retroactively recognize the Stockman wageprogression cannot be granted. According to <u>WAC 296-127-011(3)</u>, the prevailing rates of wage applicable to a public works contract are those in effect on the day bids are due to be received by the contract-awarding public agency. Such rates cannot be revised retroactively on an existing contract after this date.

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This answer is based on the information and facts you provided. If the facts change from those provided, the answer may be different.

If you need additional information or have questions, please contact my office.

Sincerely,

Jim P. Christensen Industrial Statistician/Program Manager Jim.Christensen@Lni.wa.gov (360) 902-5330

Enclosures

cc: Shawn Bagsby, IBEW Local 46



March 23, 2015

Washington State Department of Labor and Industries Attn: Mr. Jim Christensen, Industrial Statistician / Prevailing Wage Program Manager Post Office Box 44540 Olympia, WA. 98504

RE: SR520 Evergreen Point Floating Bridge & Landings Project (Contract 8066)

SUBJECT: STOCKMAN - MASTER LABOR AGREEMENT RATE DISCREPANCY

Dear Mr. Christensen

Kiewit/General/Manson, a Joint Venture (KGM JV) has utilized Local 46 members of the International Brotherhood of Electrical Workers (IBEW Local 46) as 'Stockmen' for its work on the above referenced project. KGM JV has paid these workers at their dispatched wage/fringe rates and under the terms of the 2012 -2015 Stockman Collective Bargaining Labor Agreement (CBA) between IBEW Local 46 and the Puget Sound Chapter of NECA (Copy enclosed).

We are attaching copies of IBEW Local 46 dispatch slips for our current Stockman employees showing their dispatched rates for their respective Stockman classifications. The majority of these workers have been dispatched as <u>Stockman-Level 1</u> who have 0 to 1500 Hours experience under this CBA. The dispatches show the current base wage for a Stockman Level 1 at the \$ 10.00 per hour rate and the CBA details the additional requirement for an hourly fringe benefit payment totaling \$ 3.38 per hour in fringe benefits. We have also attached a copy of the current <u>Construction Wage and Benefit Schedule for IBEW 46 Jurisdiction.</u>

KGM JV believes it is in compliance with the terms of the IBEW Local 46 CBA and has paid its Stockman at the prescribed hourly rate of pay for both wages and fringe benefits. However, the published State Prevailing Wage Rates do not have the following classifications that are included in the Stockman Labor Agreement as negotiated by the IBEW Local 46: Stockman Level I, Stockman Level II, Stockman Level III, Stockman Level IV, and Journeyman. Upon review of Washington State Prevailing Wage website for the Trade, "Electricians – Inside, there appears to be only a single classification in the Washington State Prevailing Wage listing for a Journey Level "Construction Stock Person" for our work in King County, Washington.

KGM JV hereby requests a review by the Washington State Department of Labor & Industries (L&I) for the purpose of adding back, retroactively, the additional Job Classifications for all the Stockman classes described in the CBA to include; Stockman Level I, Stockman Level II, Stockman Level IV, and their corresponding hourly wage and fringe rates that were collectively bargained. We believe the omission of the different levels of Stockmen from the published Prevailing Wage Rates is an oversight and needs to be expeditiously corrected by L&I.





KGM JV respectfully requests the State's Industrial Statistician to make a Prevailing Wage Determination to incorporate the multiple classifications of the Stockman Level I, Stockman Level II, Stockman Level III, and Stockman Level IV classifications in your published rates. We expect and consistently see that the State's Prevailing Wage rates match almost exactly with the all the wage and fringe rates shown in the respective Master Labor Agreements for all the basic trade unions in the Seattle area.

Please respond at your earliest convenience with your final Prevailing Wage determination and provide us with an expected time frame for your response so we can keep the representatives of the IBEW Local 46 informed about your final decision. If you have questions or further requirements, please contact the undersigned via email at: <u>dennis.ahl@kiewit.com</u> or direct phone at (253) 943-4070

Sincerely,

Kiewit/General/Manson, a Joint Venture

Dennis Ahl Contract Administrator

Cc- Shawn Bagsby - IBEW, Local 46

Enclosures: