



# The Davis-Bacon Act

For HUD Assisted and  
CDBG Funded Programs

This document is intended to inform bidders, contractors, and subcontractors of the Davis Bacon Act federal requirements for construction funded through the Department of Housing and Urban Development (HUD.)

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## City of Worcester

Executive Office of Economic Development  
Neighborhood Development Division



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## Introduction

Davis-Bacon and Related Acts (DBRA) or “Prevailing Wages” requires the payment of prevailing wages on construction projects receiving federal funding (in part or in entirety.) These requirements apply to all projects receiving federal assistance in which contracts exceed \$2000 dollars. Construction projects include any construction, alteration, or repair projects (including cosmetic alterations such as painting.)

According to DBRA, contractors and subcontractors must pay any laborers employed directly at the work site no less than the locally prevailing wages (including any fringe benefits.) These wages can be paid entirely as cash or as a combination of cash and fringe benefits. Laborers are to be paid weekly, and payroll records must be submitted to the assigned project monitor at the City. Project monitors will also conduct site visits and interviews with laborers to ensure compliance with DBRA.

## Basic Compliance Guidelines

Contractors responding to requests for bids are required to sign the City of Worcester DBRA compliance pledge (See Page 5) ensuring their understanding of Davis Bacon regulations and their commitment to compliance. In addition, contractors should submit a completed Wage Rate sheet based on the project description provided in the request for bids (See Page 6.) The selected contractor must incorporate applicable labor standards, definitions, and wage decisions into subsequent contract documents. The wage decision should include a schedule of the work.

Wage determinations are based on both job category and the type of construction project occurring. Federal determinations are based off four categories of construction



### Residential

Houses and apartments no more than 4 stories.



### Buildings

Enclosed structures, machinery, and buildings over 4 stories.



### Heavy Construction

Non-residential property that is neither a highway nor a building including: dams, bridges, sewer lines, etc.



### Highway

Construction, alteration, and repair of roads, sidewalks, highways, parking areas, and other paving work.

DBRA Construction Categories for Wage Determinations

### Enforcement on the Work Site

In addition to ensuring the preparation of bid and contract documents are in compliance with Davis Bacon, contractors are responsible for monitoring and enforcing compliance for the duration of the project.

Following formal notice of an approved start date and timeline, work can commence at the job site. Once construction is underway, contractors must complete weekly payroll reports and submit them to their assigned project monitor along with a statement of compliance. The City will review payroll documents to ensure compliance with DBRA and contact contractors and subrecipients if they come across discrepancies. Common errors include laborer misclassification and out of date wage determinations.

The City will conduct on-site interviews of laborers to ensure compliance with DBRA. Contractors should allow for employees to participate in on-site interviews privately and confidentially with the project monitor. Contractors should release any payroll records to the project monitor following interviews in the event necessary. Project monitors will record their findings and if discrepancies appear, explain necessary action to resolve the discrepancies.

Contractors should submit a final request for payment when all construction work is completed. The City will verify that all weekly payroll documents and statements of compliance have been submitted, any discrepancies identified in desktop monitoring or site visits have been resolved, and all files are completed before the final payment can be made.



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Check that laborers and mechanics on the job site are classified correctly.



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Check that prevailing wages are paid in full including fringe benefits and overtime pay.



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Keep complete records of hours worked. If a laborer works under 2 job categories, differentiate between hours worked in each role.



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Keep copies of any bona fide apprenticeship programs and individual registration forms.



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Submit payroll documents to the City weekly.



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Post Davis-Bacon posters and wage determinations on the work site somewhere visible to all laborers.



### Additional Resources

In addition to this guide, contractors can refer to the following resources regarding DBRA compliance:

- 'Making Davis-Bacon Work' A Contractor's Guide to Prevailing Wage Requirements for Federally Assisted Construction Projects
- HUD Davis-Bacon and Labor Standards Agency/ Contractor Guide
- The Commonwealth of Massachusetts Executive Office of Labor and Workforce Development Department of Labor Standards Prevailing Wage Rates
- Federal Prevailing Wage General Decision – Massachusetts, Worcester County
  - For Current Wage Determinations:  
<https://www.dol.gov/agencies/whd/government-contracts/prevailing-wage-resource-book/db-wage-determination>

# City of Worcester

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## **To Contractors performing Improvements, Renovations, Repairs, and Painting for a City sponsored incentive program.**

Dear Contractor:

The project which your company is completing is partially funded by funds provided by the U.S. Department of Housing and Urban Development. As such, contractors are required under Federal guidelines to pay prevailing wages to their employees and provide a written Statement of Compliance and payroll information. In addition, the City of Worcester is responsible to monitor those persons involved with the renovations and must be notified when these workers are on site to have an interview with these individuals to affirm they are being paid according to the prevailing wage act.

Upon commencement of the work, the selected contractor must send WEEKLY the attached U.S. Dept. of Labor forms as they pertain to the work being done and return these to:

City Manager's Executive Office of Economic Development  
Division of Neighborhood Development  
455 Main Street, 4<sup>th</sup> Floor  
Worcester, MA 01608

*I understand and will comply with the Davis-Bacon Wage Reporting Act.*

Contractor: \_\_\_\_\_  
Name (printed)

Signature: \_\_\_\_\_

Project Wage Rate Sheet			U.S. Department of Housing and Urban Development Office of Davis-Bacon and Labor Standards			
PROJECT NAME:			WAGE DECISION NUMBER/MODIFICATION NUMBER:			
PROJECT NUMBER:			PROJECT COUNTY:			
WORK CLASSIFICATION	BASIC HOURLY RATE (BHR)	FRINGE BENEFITS	TOTAL HOURLY WAGE RATE	LABORERS FRINGE BENEFITS:		\$
				GROUP #	BHR	TOTAL WAGE
Bricklayers			\$			
Carpenters			\$			\$
Cement Masons			\$			\$
Drywall Hangers			\$			\$
Electricians			\$			\$
Iron Workers			\$			\$
Painters			\$	OPERATORS FRINGE BENEFITS:		\$
Plumbers			\$	GROUP #	BHR	TOTAL WAGE
Roofers			\$			\$
Sheet Metal Workers			\$			\$
Soft Floor Layers			\$			\$
Tapers			\$			\$
Tile Setters			\$	TRUCK DRIVERS FRINGE BENEFITS:		\$
OTHER CLASSIFICATIONS				GROUP #	BHR	TOTAL WAGE
			\$			\$
			\$			\$
			\$			\$
ADDITIONAL CLASSIFICATIONS (HUD Form 4230-A)						
WORK CLASSIFICATION	BASIC HOURLY RATE	FRINGE BENEFITS	TOTAL HOURLY WAGE RATE	DATE OF HUD SUBMISSION TO DOL		DATE OF DOL APPROVAL
			\$			
			\$			
			\$			
			\$			

Wage and Hour Division

## PAYROLL

**For contractor's optional use; see instructions at [dol.gov/agencies/whd/forms/wh347](https://dol.gov/agencies/whd/forms/wh347)**

*Persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.*



WAGE AND HOUR DIVISION

Revised December 2008

OMB No. 1235-0008  
Expires 09/30/2026

[illegible]

While completion of Form WH-347 is optional, it is mandatory for covered contractors and subcontractors performing work on Federally financed or assisted construction contracts to respond to the information collection contained in 29 C.F.R. §§ 3.3, 5.5(a). The Copeland Act (40 U.S.C. § 3145) contractors and subcontractors performing work on Federally financed or assisted construction contracts to "furnish weekly a statement with respect to the wages paid each employee during the preceding week." U.S. Department of Labor (DOL) regulations at 29 C.F.R. § 5.5(a)(3)(ii) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by a signed "Statement of Compliance" indicating that the payrolls are correct and complete and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed. DOL and federal contracting agencies receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

### Public Burden Statement

We estimate that it will take an average of 55 minutes to complete this collection, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. If you have any comments regarding these estimates or any other aspect of this collection, including suggestions for reducing this burden, send them to the Administrator, Wage and Hour Division, U.S. Department of Labor, Room S3502, 200 Constitution Avenue, N.W. Washington, D.C. 20210

(over)

Date \_\_\_\_\_

I, \_\_\_\_\_  
(Name of Signatory Party) (Title)

do hereby state:

(1) That I pay or supervise the payment of the persons employed by \_\_\_\_\_ on the \_\_\_\_\_  
(Contractor or Subcontractor)  
\_\_\_\_\_ ; that during the payroll period commencing on the \_\_\_\_\_  
(Building or Work)  
\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and ending the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_,  
all persons employed on said project have been paid the full weekly wages earned, that no rebates have  
been or will be made either directly or indirectly to or on behalf of said  
\_\_\_\_\_ from the full  
(Contractor or Subcontractor)

weekly wages earned by any person and that no deductions have been made either directly or indirectly  
from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part  
3 (29 C.F.R. Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948,  
63 Stat. 108, 72 Stat. 967; 76 Stat. 357; 40 U.S.C. § 3145), and described below:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(2) That any payrolls otherwise under this contract required to be submitted for the above period are  
correct and complete; that the wage rates for laborers or mechanics contained therein are not less than the  
applicable wage rates contained in any wage determination incorporated into the contract; that the classifications  
set forth therein for each laborer or mechanic conform with the work he performed.

(3) That any apprentices employed in the above period are duly registered in a bona fide apprenticeship  
program registered with a State apprenticeship agency recognized by the Bureau of Apprenticeship and  
Training, United States Department of Labor, or if no such recognized agency exists in a State, are registered  
with the Bureau of Apprenticeship and Training, United States Department of Labor.

(4) That:  
(a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS

- in addition to the basic hourly wage rates paid to each laborer or mechanic listed in  
the above referenced payroll, payments of fringe benefits as listed in the contract  
have been or will be made to appropriate programs for the benefit of such employees,  
except as noted in section 4(c) below.

(b) WHERE FRINGE BENEFITS ARE PAID IN CASH

- Each laborer or mechanic listed in the above referenced payroll has been paid,  
as indicated on the payroll, an amount not less than the sum of the applicable  
basic hourly wage rate plus the amount of the required fringe benefits as listed  
in the contract, except as noted in section 4(c) below.

(c) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION

REMARKS:

NAME AND TITLE	SIGNATURE

THE WILLFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR  
SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION. SEE SECTION 1001 OF TITLE 18 AND SECTION 3729 OF  
TITLE 31 OF THE UNITED STATES CODE.



# Build America, Buy America (BABA)

For HUD Assisted and CDBG  
Funded Programs

This document is intended to inform bidders, contractors, and subcontractors of the Build America, Buy America (BABA) federal requirements construction funded through the Department of Housing and Urban Development (HUD)

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## **City of Worcester**

Executive Office of Economic Development  
Neighborhood Development Division



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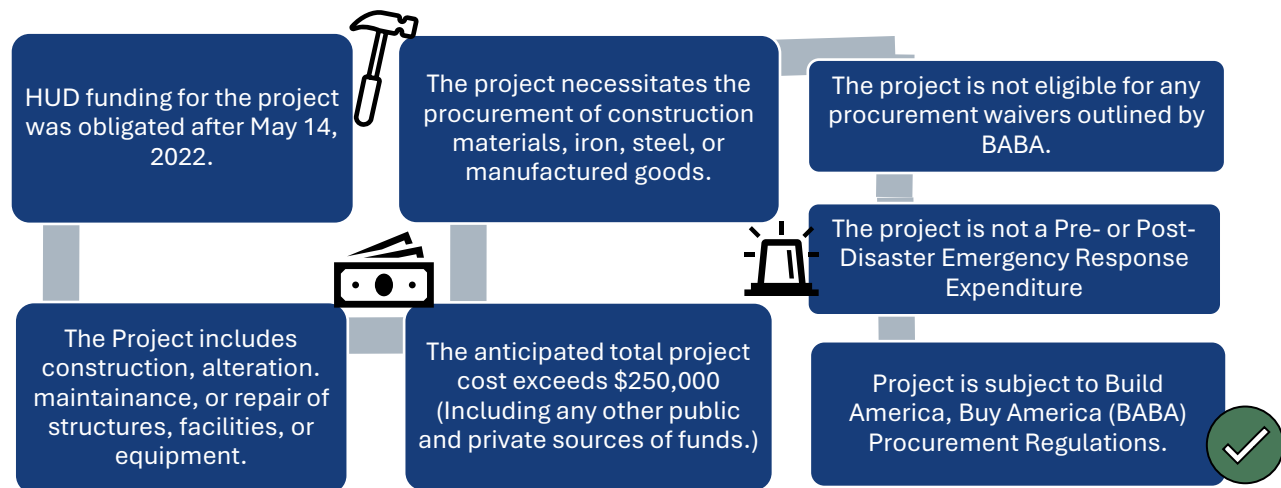
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## Introduction

This document is intended to inform contractors and subcontractors of the Build America, Buy America Act (BABA) federal requirements for construction projects funded through the Department of Housing and Urban Development (HUD). The Build America, Buy America Act (BABA) was enacted in 2021 as part of the Infrastructure Investment and Jobs Act (IIJA) (Pub. L. No. 117-58) and requires infrastructural projects funded by federal financial assistance (FFA) to procure construction materials, iron, steel, and manufactured products from domestic producers.

## Projects Subject to BABA



Infrastructural projects equal to or exceeding \$250,000 in total project costs receiving Federal Financial Assistance (FFA) are subject to BABA regulations. Infrastructural projects are defined as any construction, alteration, maintenance, or repair work of structures, facilities, or equipment including public infrastructure such as roads, bridges, public transportation, and waterway systems, as well as projects for buildings and real property.

Federal Financial Assistance (FFA) refers to grants, agreements, loans, non-cash contributions such as property donations, interest subsidies, or other forms of financial assistance administered through a non-federal entity.

## Exceptions

BABA regulations do not apply to infrastructural projects conducted using pre- or post-disaster emergency response expenditure or otherwise authorized as emergency assistance, or in response to a major disaster or emergency as declared by the President.



BABA regulations do not apply to infrastructural projects for which funds were allocated prior to May 14<sup>th</sup>, 2022.

### Materials subject to Buy America Preference

Materials for which Build America, Buy America (BABA) preferences apply fall under four categories: (1) steel and iron; (2) manufactured products; (3) construction materials; and (4) section 70917(C) materials.

Categorization of Project Materials and Supplies Subject to BABA	
<p>Iron and Steel</p> 	<p>For all iron and steel building materials, all manufacturing processes from melting to the application of coatings must occur in the United States.</p>
<p>Manufactured Products</p> 	<p>Materials that have been processed into a specific shape or combined to create a product with different properties than the materials themselves. Manufactured products include pumps, motors, generators, instrumentation/ control systems, gauges, treatment equipment, mechanical and electrical items, etc.</p>
<p>Construction Materials</p> 	<p>Construction materials include non-ferrous metals, plastic and polymer-based products, glass, fiberoptic cables, lumber, engineered wood, drywall, and optical fibers.</p>
<p>Section 70917(C) Materials</p> 	<p>Section 70917(C) Materials include cement, cementitious materials, aggregates such as stone, sand, and gravel, and aggregate bunding agents and additives.</p>

### 55 Percent Cost Component Test

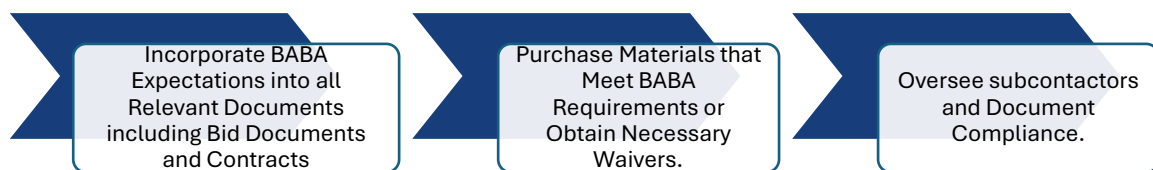
For Manufactured products, the product must be 1) manufactured in the United States and 2) the cost of components of the manufactured product mined, produced, or manufactured in the United States must exceed 55 percent of the total cost of components.



## Responsibilities under BABA

Contractors are responsible for complying with BABA regulations and documenting their compliance with the City. Contractors should communicate directly with the subrecipient overseeing the project and the City monitor assigned to their project regarding BABA stipulations including eligibility for waivers and questions regarding compliance.

Contractors must ensure compliance with BABA at all stages of the project rollout including incorporating BABA requirements into bid documents and contracts, taking into account any changes in project costs and timeline during the design phase, providing oversight for all subcontractors to ensure they are in compliance with BABA regulations, notifying the City when iron, steel, manufactured goods, and section 70917(C) materials have arrived at the project site, maintaining procurement records, and communicating BABA requirements to all relevant personnel on the job site.



## Bidding

All contracts must include BABA requirements. They should outline the expectations of BABA to potential subcontractors or other personnel who will engage with the procurement process.

The City will inform bidders when BABA requirements apply to a project and provide reference material. All bidders are responsible for submitting the BABA compliance pledge alongside submissions in order to be considered for such projects (See Page 6). The selected contractor is responsible for documenting compliance with BABA regulations such as requesting manufacturing certifications from domestic suppliers (See 'Documenting BABA-Compliant Products.')

## Purchasing

BABA regulations should be considered starting with the budgeting and design phase of the project in order to account for any time-sensitive project milestones that could be affected by procurement delays or other constraints (such as temporary shortages of domestically manufactured materials).

Before purchasing, ensure that the product or material meets the requirements of BABA, including determination of the percentage of components mined, produced, and




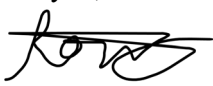
manufactured in the United States when necessary. Purchasing documents should specify compliance with the stipulations of BABA and contractors should request a manufacturing certification. When purchased materials arrive at the job site, contractors should notify the subrecipient or contact the City directly through their designated project monitor.

### Documenting BABA-Compliant Products

Contractors are responsible for documenting compliance with the Buy America Preference (BAP). This includes obtaining manufacturing certifications and compliance letters.

### Requesting Manufacturing Certifications

Manufacturing Certifications should be requested for any project materials with a BAP is applied. Manufacturing certifications should be on company letterhead, dated in accordance with the project timeline, and signed by a product manager.

 <b>ABC Manufacturing</b>	
July 1 <sup>st</sup> , 2023	
To Whom It May Concern,	
This letter is to certify that the following ABC Manufacturing products are manufactured in the United States of America.	
<ul style="list-style-type: none"><li>• ABC Galvanized Square Steel</li><li>• Stainless Steel</li></ul>	
These products are made at 455 Main Street, Worcester MA.	
For additional Information, please contact ABC Manufacturing's Customer Support Center.	
Thank you,	
	
Bruce Falkner	
Product Manager	
ABC Manufacturing - 455 Main Street, Worcester MA - FalknerB@ABC.com	



### Compliance Letters

In addition to manufacturing certifications, contractors and subcontractors responsible for sourcing materials should supply compliance letters. This should be on company letterhead, dated in accordance with the project timeline, and signed by an owner or staff member in a position of authority. This document should include a written statement certifying that the products used on the project are compliant with BABA regulations.

### Waivers

The Buy America Preference (BAP) is generally waived for infrastructural projects in the following circumstances.

### General Waivers

There are 2 categories of infrastructural projects for which BAP requirements are waived: (1) Exigent Circumstances; and (2) De Minimis, Small Grants, and Minor Components.

- **Exigent Circumstances waivers** apply to projects that must be completed urgently for safety reasons or for the prevention of the destruction of property or loss of life.
- **De Minimis, Small Grants, and Minor Components waivers** apply to projects receiving \$250,000 or less in Federal Financial Assistance (FFA) or for portions of projects less than or equal to 5 percent of the total costs of materials (not exceeding \$1 million).



### Project-Specific Waivers

Project-specific waivers may be granted for projects that apply for waivers in the following categories: (1) Unreasonable cost; (2) nonavailability; and (3) public interest.



#### Unreasonable Cost

Incorporating the necessary materials from a domestic producer would increase the total project cost by more than 25 percent.



#### Nonavailability

The materials needed are not produced in the United States or the materials produced in the United States are insufficient, unavailable in the quantity necessary to complete the project, or otherwise unsatisfactory in quality.



#### Public Interest

Applying a Buy America Preference (BAP) for the project is inconsistent with the public interest of the community in which the project is occurring.

# City of Worcester

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## **To Contractors performing Improvements, Renovations, Repairs, and Painting for a City sponsored incentive program.**

Dear Contractor,

The project which your company is completing is partially funded by funds provided by the U.S. Department of Housing and Urban Development. As such, contractors are required under federal guidelines to comply with the regulations of the Infrastructure Investment and Jobs Act (IIJA) (Pub. L. No. 117-58) Build America Buy America (BABA) act and must provide a written Statement of Compliance. In addition, the City of Worcester is responsible for monitoring contractors for compliance.

Before any procurement of relevant building materials and manufactured goods, contractors will provide the City with a list of the materials intended for purchase, which includes a manufacturers certification from the producer. Following completion of the project, contractors will supply a signed statement of compliance with the Buy America Preference (BAP.) Please read and affirm the following:

*I understand and will comply with the regulations of the Infrastructure Investment and Jobs Act (IIJA) (Pub. L. No. 117-58) Build America Buy America act ("BABA")*

Contractor Name: \_\_\_\_\_

*Print Name*

Signature: \_\_\_\_\_



# Section 3 Compliance

For HUD-Assisted &  
CDBG Funded  
Programs

This document is intended to inform bidders, contractors, and subcontractors of the Section 3 federal requirement for construction projects funded through the Department of Housing and Urban Development ("HUD").

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## **City of Worcester**

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## Introduction

This document is intended to inform contractors, and subcontractors of the Section 3 federal requirement for construction projects funded through the Department of Housing and Urban Development (HUD). The goal of 24 CFR 75 (Section 3) of the Housing and Urban Development Act of 1968 (12 USC 1701u) is to provide economic opportunities, such as employment or training, to low and very low-income persons.

## Basic Compliance Guidelines

Contractors submitting bids for projects subject to Section 3 are required to commit to compliance; this includes submission of a Section 3 Compliance Plan (See pg. 6)

### Projects Subject to Section 3

There are 3 categories of projects subject to Section 3: 1) public housing projects receiving federal entitlements 2), lead hazard projects awarded \$100,000 or more in HUD funding and 3), community development projects awarded \$200,000 or more in HUD funding.

### Eligible Businesses and Workers

HUD uses the following eligibility criteria for businesses and laborers:

#### Section 3 Worker

- A Low Income Individual;
- A YouthBuild Participant; or
- Employed by a Section 3 Business Concern.

#### Targeted Section 3 Worker

*(For Housing and Community Development Financial Assistance Projects)*

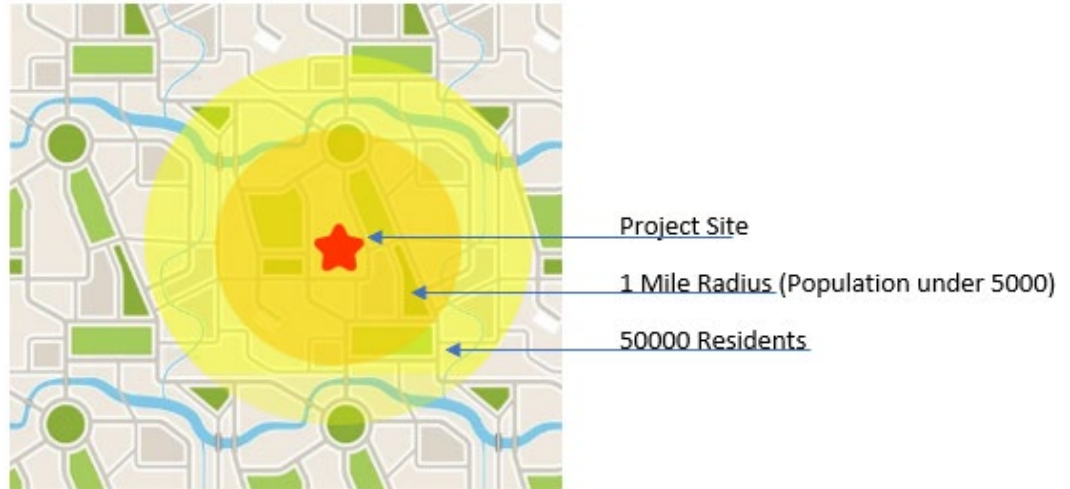
- Employed by a Section 3 Business Concern located within the *service area* of the project;
- Living within the *service area* of the project; or
- A Youthbuild Participant.

#### Section 3 Business Concern

- At least 51 percent owned and controlled by low- and very low-income persons;
- Over 75 percent of the labor hours are performed by Section 3 Workers; or
- At least 51 percent owned by and controlled by current public housing residents or residents who live in Section 8 assisted housing.



The service area of a project is defined as anywhere within a 1-mile radius of the project site or the area withing a radius centered around the project site that contains a population of 5000 people.



All Section 3 workers must be low-income workers. Section 3 eligibility is determined by the individual worker's income and does not consider household income. For updated income limits see <https://www.huduser.gov/portal/datasets/il.html>.

HUD Income Limits for Worcester, MA HUD Metro FMR Area

Low and very low income	Income Limit Category	2024 Income Limits
	30% of Area Median Income	to \$27,050
	50% of Area Median Income	\$27,051 - \$45,000
	80% of Area Median Income	\$45,001- \$68,500

The Section 3 labor hours required of a project are determined by the total project labor hours. For housing and community development projects receiving federal entitlements of \$200,000 or more, Section 3 labor should account for 25 percent or more of the total labor hours and targeted section 3 labor should account for 5 percent of total labor hours.

25% or more of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers

$$\frac{\text{Section 3 Labor hours}}{\text{Total Labor hours}} = 25\%$$

5% or more of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers

$$\frac{\text{Targeted Section 3 Labor hours}}{\text{Total Labor hours}} = 5\%$$



To verify eligibility of Section 3 laborers, Contractors should provide one or more of the following:

- Employer certification that the worker's income is below the income limit when based on an employer's calculation of what the worker's wage rate would translate to if annualized on a full-time basis;
- Employer certification that the worker is employed by a Section 3 business concern;
- Proof of enrollment in a YouthBuild program; and/or
- Confirmation from an employer that the worker's residence is within the service area.

#### Qualitative Efforts for Compliance

If section 3 labor hour benchmarks cannot be met, contractors must demonstrate qualitative efforts taken to give economic opportunities to low-income persons.

#### *Qualitative efforts include the following:*

- Outreach efforts to generate job applicants who are Targeted Section 3 workers.
- Direct, on the job training (e.g., apprenticeships).
- Indirect training such as arranging for contracting for or paying tuition for off-site training.
- Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance).
- Outreach efforts to identify and secure bids from Section 3 Business Concerns.
- Technical assistance to help Section 3 Business Concerns understand and bid on contracts.
- Division of contracts into smaller jobs to facilitate participation by Section 3 Business Concerns.
- Provided or connected residents with assistance in seeking employment including drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placements services.
- Held 1 or more job fairs.
- Provided or connected residents with supportive services that can provide direct services or referrals.
- Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.
- Assisted residents with finding childcare.
- Assisted residents to apply for, or attend, community college or a four-year institution.
- Assisted residents to obtain financial literacy training or coaching.
- Bonding assistance, guaranties, or other support for Section 3 Business Concern bids.
- Provided or connected residents with training on computer use or online technologies.
- Promoted the use of a business registry designed to create opportunities for disadvantaged and small businesses.
- Outreach, engagement, or referral with the state one-stop employment system.



Upon submitting a bid, contractors must acknowledge their understanding of section 3 regulations and indicate their commitment to Section 3 compliance by submitting the City of Worcester Compliance Pledge (See pg. 5)

#### Section 3 Compliance Plan





After a bid has been awarded, the awardee must submit a compliance plan (pg. 6-7) The compliance plan requires contractors to present a list of expected Section 3 labor hours and any available positions. Contractors should prioritize Section 3 workers when hiring additional employees.

#### Reporting

In order to monitor compliance, the City of Worcester will review records, reports, and other relevant documents. These documents must be maintained for a minimum of 3 years (See 2 CFR 200.334 and 24 CFR 75.31.)

Federal regulation mandates that subrecipient submit weekly payroll reports under the Davis Bacon Act (40 USC 3141 et. Seq). The City will monitor Section 3 hours using these payroll reports.

In addition, the City will correspond with the subrecipient to monitor qualitative efforts on a monthly basis. Once the project is completed, the City will review the project's overall compliance with Section 3 and report Section 3 data through the HUD reporting system.

Contractors Should:	
	Clearly advertise job opportunities available to Section 3 individuals and provide worker certification documents in the job posting.
	Include Section 3 language in any agreements with subcontractors.
	Provide all necessary documentation for Section 3 monitoring and reporting to the City.
	Notify the Neighborhood Development Division when training opportunities are available.

# City of Worcester

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development@worcesterma.gov

## **To Contractors performing Improvements, Renovations, Repairs, and Painting for a City sponsored incentive program.**

Dear Contractor,

The project which your company is completing is partially funded by funds provided by the U.S. Department of Housing and Urban Development. As such, contractors are required under federal guidelines to achieve, at the greatest extent feasible, Section 3 benchmarks and must provide a written Statement of Compliance. In addition, the City of Worcester is responsible for monitoring contractors for compliance.

Before work commences, contractors will provide the City with a plan for compliance, which includes estimates of Section 3 workforce for the project (forms attached). Please read and affirm the following:

*I understand and will comply with the HUD regulation 24 CFR 75 ("Section 3")*

Contractor Name: \_\_\_\_\_

*Print Name Here*

Signature: \_\_\_\_\_

### Section 3 Compliance Plan

Project Name: \_\_\_\_\_ Project Year: \_\_\_\_\_ Bid #: \_\_\_\_\_

#### Contractor Information

Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Address: \_\_\_\_\_ Email: \_\_\_\_\_

Are you a Section 3 Business Concern Yes ☐ No ☐

#### Workforce Capacity Table

Contractors must complete this table to provide estimates for achieving Section 3 benchmarks.

Scope of Work/Position Title	Employee Name	Section 3 (Y/N)	Targeted Section 3 (Y/N)	Projected Hours
<i>Example: Electrician</i>	<i>Employee 1</i>	<i>Y</i>	<i>Y</i>	<i>15.00</i>
	<i>Employee 2</i>	<i>N</i>	<i>N</i>	<i>5.00</i>

Estimated Total Labor Hours for Project	Total Hours Worked	Total Project Labor Hours (All Employees)	Percentage
Section 3 Workers			
Targeted Section 3 Workers			

Do you plan to Subcontract? Yes ☐ No ☐

If yes, do you plan to subcontract with a Section 3 Business Concern? Yes ☐ No ☐

If the projected workforce does not appear to satisfy Section 3 benchmarks, the contractor will take up qualitative efforts to expand Section 3 workforce. Check which qualitative measures the contractor intends to provide (choose all that apply):

- ☐ Outreach efforts to generate job applicants who are Targeted Section 3 workers.
- ☐ Direct, on the job training (e.g., apprenticeships).
- ☐ Indirect training such as arranging for contracting for or paying tuition for off-site training.
- ☐ Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance).
- ☐ Outreach efforts to identify and secure bids from Section 3 Business Concerns.
- ☐ Technical assistance to help Section 3 Business Concerns understand and bid on contracts.
- ☐ Division of contracts into smaller jobs to facilitate participation by Section 3 Business Concerns.
- ☐ Provided or connected residents with assistance in seeking employment including drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placements services.
- ☐ Held 1 or more job fairs.
- ☐ Provided or connected residents with supportive services that can provide direct services or referrals.
- ☐ Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.
- ☐ Assisted residents with finding childcare.
- ☐ Assisted residents to apply for, or attend, community college or a four-year institution.
- ☐ Assisted residents to obtain financial literacy training or coaching.
- ☐ Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 Business Concerns.
- ☐ Provided or connected residents with training on computer use or online technologies.
- ☐ Promoted the use of a business registry designed to create opportunities for disadvantaged and small businesses.
- ☐ Outreach, engagement, or referral with the state one-stop employment system.

I affirm the above statements are true, complete, and correct to the best of my knowledge. Businesses who misrepresent themselves as Section 3 Business Concerns and report false information to the City of Worcester may have their contracts terminated.

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

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

### Section 3 Worker/Target Section 3 Worker Certification Form

Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Address: \_\_\_\_\_ Email: \_\_\_\_\_

Select the following which applies to you:

- ☐ Income is below the income limit established by HUD (Income limits provided below).
- ☐ Youth build Participant
- ☐ Employed by a Section 3 Business Concern
- ☐ A resident of public housing, Section 8- assisted housing, or a resident of other public housing projects managed by the Worcester Housing Authority
- ☐ Living within the service area or the neighborhood of the project (within 1 mile of project area)

#### 2024 HUD Income Limits for Worcester, MA HUD Metro FMR Area

Income Limit Category	2024 Income Limits
30% of Area Median Income	\$27,050
50% of Area Median Income	\$45,000
80% of Area Median Income	\$68,500

\*Updated HUD income limits can be found on  
<https://www.huduser.gov/portal/datasets/il.html>

#### Documents to submit for Verification:

- Certification from Worcester Housing Authority, or the owner or property manager of project-based Section 8 assisted housing, or the administrator of tenant-based housing Section 8 assisted housing that the worker is a participant in one of their programs.
- Employer certification that the worker's income from the employer is below the income limit when based on an employer's calculation of what the worker's wage rate would translate to if annualized on a full-time basis
- Confirmation from an employer that the worker's residence is within 1 mile of the project site
- Employer certification that the worker is employed by a Section 3 business concern.
- Proof of being a Youth build participant

I affirm the above statements are true, complete, and correct to the best of my knowledge. Individuals who misrepresent themselves as Section 3 workers and report false information to the City of Worcester may have their contracts terminated.

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

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

"General Decision Number: MA20250025 07/18/2025

Superseded General Decision Number: MA20240025

State: Massachusetts

Construction Type: Highway

County: Worcester County in Massachusetts.

HIGHWAY CONSTRUCTION PROJECTS

Note: Contracts subject to the Davis-Bacon Act are generally required to pay at least the applicable minimum wage rate required under Executive Order 14026 or Executive Order 13658. Please note that these Executive Orders apply to covered contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but do not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(1).

If the contract is entered   into on or after January 30,   2022, or the contract is   renewed or extended (e.g., an   option is exercised) on or   after January 30, 2022:             	. Executive Order 14026   generally applies to the   contract.   . The contractor must pay   all covered workers at   least \$17.75 per hour (or   the applicable wage rate   listed on this wage   determination, if it is   higher) for all hours   spent performing on the   contract in 2025. 
If the contract was awarded on   or between January 1, 2015 and   January 29, 2022, and the   contract is not renewed or   extended on or after January   30, 2022:             	. Executive Order 13658   generally applies to the   contract.   . The contractor must pay all   covered workers at least   \$13.30 per hour (or the   applicable wage rate listed   on this wage determination,   if it is higher) for all   hours spent performing on   that contract in 2025. 

The applicable Executive Order minimum wage rate will be adjusted annually. If this contract is covered by one of the Executive Orders and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must still submit a conformance request.

Additional information on contractor requirements and worker protections under the Executive Orders is available at <http://www.dol.gov/whd/govcontracts>.

Modification Number	Publication Date
0	01/03/2025
1	03/21/2025
2	07/11/2025
3	07/18/2025

CARP0336-004 03/01/2025

	Rates	Fringes
CARPENTER (Includes Form Work)...	\$ 49.10	31.20

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ELEC0103-007 03/01/2025

	Rates	Fringes
ELECTRICIAN.....	\$ 64.26	36.99

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ENGI0004-030 06/01/2025

	Rates	Fringes
POWER EQUIPMENT OPERATOR		
Group 1.....	\$ 57.83	33.70
Group 2.....	\$ 57.18	33.70

FOOTNOTE FOR POWER EQUIPMENT OPERATORS:  
A. PAID HOLIDAYS: New Year's Day, Washington's Birthday, Labor Day, Memorial Day, Independence Day, Patriot's Day, Columbus Day, Veteran's Day, Thanksgiving Day, Christmas Day

POWER EQUIPMENT OPERATORS CLASSIFICATIONS  
Group 1: Backhoe/Excavator/Trackhoe; Bobcat/Skid Steer/Skid Loader; Broom/Sweeper; Gradall; Loader; Paver (Asphalt, Aggregate, and Concrete); Post Driver (Guardrail/Fences)  
Group 2: Bulldozer; Grader/Blade; Roller

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ENGI0004-031 06/01/2025

	Rates	Fringes
POWER EQUIPMENT OPERATOR: (Milling Machine).....	\$ 57.83	33.70

FOOTNOTE FOR POWER EQUIPMENT OPERATORS:  
A. PAID HOLIDAYS: New Year's Day, Washington's Birthday, Labor Day, Memorial Day, Independence Day, Patriot's Day,

Columbus Day, Veteran's Day, Thanksgiving Day, Christmas Day

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\* IRON0007-028 03/16/2025

	Rates	Fringes
IRONWORKER, STRUCTURAL.....	\$ 56.79	37.10

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\* IRON0007-029 03/16/2025

	Rates	Fringes
IRONWORKER, ORNAMENTAL.....	\$ 56.79	37.10

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LABO0039-003 06/01/2018

	Rates	Fringes
LABORER		
Asphalt, Includes Raker,		
Shoveler, Spreader and		
Distributor.....	\$ 33.50	22.92
Common or General.....	\$ 33.25	22.92
Guardrail Installation.....	\$ 33.50	22.92

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PAIN0035-023 07/01/2024

	Rates	Fringes
PAINTER (Steel).....	\$ 56.76	36.00

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SUMA2014-015 01/11/2017

	Rates	Fringes
CEMENT MASON/CONCRETE FINISHER...	\$ 56.70	21.08
IRONWORKER, REINFORCING.....	\$ 56.48	20.62
LABORER: Concrete Saw (Hand		
Held/Walk Behind).....	\$ 41.78	18.37
LABORER: Landscape.....	\$ 40.39	17.68
OPERATOR: Crane.....	\$ 52.14	21.08
OPERATOR: Forklift.....	\$ 64.67	0.00
OPERATOR: Mechanic.....	\$ 48.14	17.02
OPERATOR: Piledriver.....	\$ 44.46	16.94
PAINTER: Spray (Linestriping)....	\$ 48.00	0.00

FILEDRIVERMAN.....	\$ 45.65	23.33
TRAFFIC CONTROL:    Flagger.....	\$ 23.00	20.44
TRAFFIC CONTROL:		
Laborer-Cones/		
Barricades/Barrels -		
Setter/Mover/Sweeper.....	\$ 44.49	12.41
TRUCK DRIVER:   Concrete Truck....	\$ 33.69	15.79
TRUCK DRIVER:   Dump Truck.....	\$ 30.38	7.20
TRUCK DRIVER:   Flatbed Truck.....	\$ 48.53	0.00

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WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

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Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at <https://www.dol.gov/agencies/whd/government-contracts>.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (iii)).

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The body of each wage determination lists the classifications and wage rates that have been found to be prevailing for the type(s) of construction and geographic area covered by the wage determination. The classifications are listed in alphabetical order under rate identifiers indicating whether the particular

rate is a union rate (current union negotiated rate), a survey rate, a weighted union average rate, a state adopted rate, or a supplemental classification rate.

#### Union Rate Identifiers

A four-letter identifier beginning with characters other than ""SU"", ""UAVG"", ?SA?, or ?SC? denotes that a union rate was prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2024. PLUM is an identifier of the union whose collectively bargained rate prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. The date, 07/01/2024 in the example, is the effective date of the most current negotiated rate.

Union prevailing wage rates are updated to reflect all changes over time that are reported to WHD in the rates in the collective bargaining agreement (CBA) governing the classification.

#### Union Average Rate Identifiers

The UAVG identifier indicates that no single rate prevailed for those classifications, but that 100% of the data reported for the classifications reflected union rates. EXAMPLE: UAVG-OH-0010 01/01/2024. UAVG indicates that the rate is a weighted union average rate. OH indicates the State of Ohio. The next number, 0010 in the example, is an internal number used in producing the wage determination. The date, 01/01/2024 in the example, indicates the date the wage determination was updated to reflect the most current union average rate.

A UAVG rate will be updated once a year, usually in January, to reflect a weighted average of the current rates in the collective bargaining agreements on which the rate is based.

#### Survey Rate Identifiers

The ""SU"" identifier indicates that either a single non-union rate prevailed (as defined in 29 CFR 1.2) for this classification in the survey or that the rate was derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As a weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SUFL2022-007 6/27/2024. SU indicates the rate is a single non-union prevailing rate or a weighted average of survey data for that classification. FL indicates the State of Florida. 2022 is the year of the survey on which these classifications and rates are based. The next number, 007 in the example, is an internal

number used in producing the wage determination. The date, 6/27/2024 in the example, indicates the survey completion date for the classifications and rates under that identifier.

?SU? wage rates typically remain in effect until a new survey is conducted. However, the Wage and Hour Division (WHD) has the discretion to update such rates under 29 CFR 1.6(c)(1).

#### State Adopted Rate Identifiers

The ""SA"" identifier indicates that the classifications and prevailing wage rates set by a state (or local) government were adopted under 29 C.F.R 1.3(g)-(h). Example: SAME2023-007 01/03/2024. SA reflects that the rates are state adopted. ME refers to the State of Maine. 2023 is the year during which the state completed the survey on which the listed classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. The date, 01/03/2024 in the example, reflects the date on which the classifications and rates under the ?SA? identifier took effect under state law in the state from which the rates were adopted.

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#### WAGE DETERMINATION APPEALS PROCESS

1) Has there been an initial decision in the matter? This can be:

- a) a survey underlying a wage determination
- b) an existing published wage determination
- c) an initial WHD letter setting forth a position on a wage determination matter
- d) an initial conformance (additional classification and rate) determination

On survey related matters, initial contact, including requests for summaries of surveys, should be directed to the WHD Branch of Wage Surveys. Requests can be submitted via email to [davisbaconinfo@dol.gov](mailto:davisbaconinfo@dol.gov) or by mail to:

Branch of Wage Surveys  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

Regarding any other wage determination matter such as conformance decisions, requests for initial decisions should be directed to the WHD Branch of Construction Wage Determinations. Requests can be submitted via email to [BCWD-Office@dol.gov](mailto:BCWD-Office@dol.gov) or by mail to:

Branch of Construction Wage Determinations  
Wage and Hour Division  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

2) If an initial decision has been issued, then any interested party (those affected by the action) that disagrees with the decision can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Requests for review and reconsideration can be submitted via email to [dba.reconsideration@dol.gov](mailto:dba.reconsideration@dol.gov) or by mail to:

Wage and Hour Administrator  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210.

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END OF GENERAL DECISION"