BY AUTHORITY

ORDINANCE NO. _____ COUNCIL BILL NO. 23-1046
SERIES OF 2023 COMMITTEE OF REFERENCE:
Finance & Governance

A BILL

For an ordinance amending Section 20-76, Division 3, Article IV, Chapter 20 of the Denver Revised Municipal Code transferring the authority to determine the prevailing wage paid to certain workers on city contracts and in city buildings from the Career Service Board to the Auditor.

BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:

Section 1. That division 3, article IV, Chapter 20 of the D.R.M.C. shall be amended by deleting the language stricken and adding the language underlined, to read as follows:

Sec. 20-76. – Payment of prevailing wages.
(a) Required. Every worker, mechanic or other laborer employed by any contractor or subcontractor in the work of drayage or of construction, alteration, improvement, repair, maintenance or demolition on any city-owned or leased building or on any city-owned land, pursuant to a contract by or in behalf of the city, or for any agency of the city, or financed in whole or in part by the city, or any agency of the city, or engaged in the work of a doorkeeper, caretaker, cleaner, window washer, porter, keeper, janitor, or in similar custodial or janitorial work in connection with the operation of any such city-owned or leased building by or in behalf of the city, or for any agency of the city, or financed in whole or in part by the city, or any agency of the city, shall be paid not less than the wages and fringe benefits prevailing for the same class and kind of work in the Denver metropolitan area as determined by the career service board auditor under subsection (c). This section shall not apply to any participant in a youth employment program certified by the city where the participant is employed in non-construction work, including the work of materials furnishing, servicing and maintenance of any city-owned or leased building or on city-owned land and the work of landscaping that is not performed in connection with the construction or renovation of a city-owned or leased building; nor shall this section apply to situations where there is no contract directly requiring or permitting the work described above, or contracts that are neither a revenue or expenditure contract contemplating such work, such as licenses or permits to use city-owned land.

(b) Contract specifications. Every contract with an aggregate value, including all change orders,
amendments or other alterations to the value, in excess of two thousand dollars ($2,000.00) to which
the city or any of its agencies is a party which requires the performance of work involving drayage or
involving construction, alteration, improvements, repairs, maintenance or demolition of any city-owned
or leased building or on any city-owned land, or which requires the performance of the work of a
doorkeeper, caretaker, cleaner, window washer, porter, keeper, janitor, or similar custodial or janitorial
work in connection with the operation of any such public building or the prosecution of any such public
work, shall contain a provision stating that the minimum wages to be paid for every class of laborer,
mechanic and worker shall be not less than the scale of wages from time to time determined to be the
prevailing wages under subsection (c). Every contract based upon these specifications shall include
the actual date of bid or proposal issuance, if applicable, or the date of the written encumbrance if no
bid/proposal issuance date is applicable. Contracts shall contain a stipulation that the contractor or
subcontractor shall pay mechanics, laborers and workers employed directly upon the site of the work
the full amounts accrued at time of payment, computed at wage rates not less than those stated or
referenced in the specifications, and any addenda thereto, on the actual date of bid issuance, or on the
date of the written encumbrance, as applicable, for contracts let by informal procedure under
D.R.M.C. section 20-63(b), regardless of any contractual relationship which may be alleged to exist
between the contractor or subcontractor and such laborers, mechanics and workers. Increases in
prevailing wages subsequent to the date of the contract for a period not to exceed one (1) year shall
not be mandatory on either the contractor or subcontractors. Future changes in prevailing wages on
contracts whose period of performance exceeds one (1) year shall be mandatory for the contractor and
subcontractors only on the yearly anniversary of the actual date of bid or proposal issuance, if
applicable, or the date of the written encumbrance if no bid/proposal issuance date is applicable.
Except as provided below, in no event shall any increases in prevailing wages over the amounts
thereof as stated in such specifications result in any increased liability on the part of the city, and the
possibility and risk of any such increase is assumed by all contractors entering into any such contract
with the city. Notwithstanding the foregoing, the city may determine and may expressly provide in the
context of specific agreements that the city will reimburse the contractor at the increased prevailing
wage rate(s). Decreases in prevailing wages subsequent to the date of the contract for a period not to
exceed one (1) year shall not be permitted. Decreases in prevailing wages on contracts whose period
of performance exceed one (1) year shall not be effective until the yearly anniversary of the actual date
of bid or proposal issuance, if applicable, or the date of the written encumbrance if no bid/proposal
issuance date is applicable.

(c) Determination of prevailing wages.

(1) The city council hereby declares that it is in the best interests of the city to have a
uniform determination of the prevailing wages to be paid to the various classes of laborers, mechanics and workers which will be required in the performance of work covered by this section.

(2) The city council hereby finds and concludes that the federal government, in implementing the Davis-Bacon Act (40 U.S.C. §§ 3141 et seq. to 276a-5) ("Davis-Bacon Act"), possesses and exercises a superior capability with superior resources to ascertain the basic rate of pay, overtime, and other benefits which accurately represent the current prevailing rate of wages for work covered by that federal law. The career service board shall determine that the prevailing wages applicable to the various classes of laborers, mechanics, and workers covered by this section and the Davis-Bacon Act shall correspond to the prevailing wage determinations made pursuant to that federal law as the same may be amended from time to time. The board auditor shall undertake to keep and maintain copies of prevailing wage determinations made pursuant to the Davis-Bacon Act (40 U.S.C. § 276a to 276a-5) and any amendments to that federal law. The board auditor shall also keep and maintain such other information as shall come to its attention concerning wages paid in the Denver metropolitan area. The provisions of this section shall supersede any differing provisions of that federal law, except when that federal law is applicable independent of this section.

(3) It shall be the duty of the career service board auditor to determine, after hearing, the prevailing wages for the various classes of laborers, mechanics, and workers which will be required in the performance of work covered by this section but not be covered by the Davis-Bacon Act, which determinations shall be made at least annually, and as frequently as may be considered necessary by the career service board auditor in order that the determination which is currently in effect shall accurately represent the current prevailing rates of wages. “Prevailing wages” shall mean, for each class of work covered by this section, but not covered by the Davis-Bacon Act, the rate of pay and the overtime and other benefits granted to such full-time workers in the Denver metropolitan area.

1. The auditor may refer to the Service Contract Labor Act of 1965, as amended (41 U.S.C. § 6701 et seq.) to determine the rate of pay and the overtime and other benefits for each class of work covered by this section and not covered by the Davis-Bacon Act.

2. Prior to making such determination, the career service board shall give reasonable public notice of the time and place of the hearing concerning such proposed determination and shall afford to all interested parties the right to appear before it and to present evidence. “Prevailing wages” shall mean, for each class of work covered by this section, but not covered by the Davis-Bacon Act, the rate of pay and the overtime and other benefits granted to such full-time workers in the Denver metropolitan area. The rates shall be determined. The auditor may also determine the prevailing wages for various classes of laborers, mechanics, and workers covered by this section and not covered by the Davis-Bacon Act using the same method as used for those classes which are covered by the Davis-Bacon Act.
3. Should either of the above methods cause a reduction in compensation of any class of workers, the career service board auditor will review the appropriateness of using these methodology and may recommend to city council a different method for establishing prevailing wage rates.

If there is insufficient data available in the Denver metropolitan area to determine the rate of pay and the overtime and other benefits or should comparable classes of work not be performed within the Denver metropolitan area for each class of work covered by this section and not covered by the Davis-Bacon Act, the career service board shall refer to the Service Contract Labor Act of 1965, as amended (41 U.S.C. § 351 et seq.) to determine the rate of pay and the overtime and other benefits.

(4) If the prevailing wage for a class of work covered by the Davis-Bacon Act or this section has been stagnant for five (5) or more years, the auditor shall update the prevailing wage for that class of work and ensure that the rate of pay and the overtime and benefits granted to such full-time workers is consistent with the market rate for such workers in the Denver metropolitan area. This procedure shall use the same method as used under the Davis-Bacon Act.

(45) The office of human resources auditor shall issue clarifications or interpretations of the prevailing wage, and shall provide the auditor any issued clarification or interpretation. If the auditor does not advise the executive director of human resources in writing that it disagrees with any issued clarification or interpretation within thirty (30) days, the clarification/interpretation shall be final. If the auditor advises the executive director of human resources in writing that it disagrees with the clarification or interpretation, then the auditor and the executive director of human resources shall meet to resolve the conflict and, with approval of the career service board, the office of human resources shall issue a final agreed upon clarification or interpretation, or may withdraw the clarification or interpretation, as appropriate.

Sec. 2-80. – Rules and regulations.

The auditor may promulgate reasonable rules and regulations pertaining to third-party complaints as well as the notice and procedure for hearings required or permitted under this division.

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK]
Pursuant to section 13-9, D.R.M.C., this proposed ordinance has been reviewed by the office of the City Attorney. We find no irregularity as to form and have no legal objection to the proposed ordinance. The proposed ordinance is not submitted to the City Council for approval pursuant to § 3.2.6 of the Charter.

Kerry Tipper, Denver City Attorney

BY: Anshul Bagga, Assistant City Attorney DATE: Aug 10, 2023