



Illinois Department of Transportation

2300 South Dirksen Parkway / Springfield, Illinois / 62764

April 30, 1990

Prevailing Wage Rates

County Superintendents of Highways
Municipal Engineers
Consulting Engineers

#90-14

The signing into law of PA 86-799 (see Circular Letter 89-42) concerning prevailing wages has brought to our attention the need to clarify the Wage Rate Policy in the Federal-aid Procedures for Local Highway Improvements Manual and the need to address prevailing wage in the revised Administrative Policies Manual.

The Wage Rate Policy found on page 6-1-1 of the Federal-aid Procedures for Local Highway Improvements Manual is revised as follows:

Federal wage rates define the payment of wages for laborers, mechanics, and other workmen involved in project construction. These rates, as determined by the U.S. Secretary of Labor, shall be included in all federal-aid project contract proposals and in any material proposals for day labor projects which contain bid items to be directly incorporated into the work with other than local agency forces (i.e. roadway components bid in place). The payment of prevailing wage rates relative to bid items in material proposals that are not directly incorporated into the work is governed by Illinois Revised Statutes, Chapter 48, Paragraph 39s-3 and may or may not apply. The current law appears to exempt hauling by material suppliers to a stockpile location.

Wage rates included in material proposals apply only to that work performed by other than local agency forces. The wages of local agency forces should not be made a part of the bidding documents. However, the wages paid to employees of the local agency should also comply with the appropriate requirements of Illinois Revised Statutes, Chapter 48, Paragraph 39s-4.

The following Prevailing Wage Rate Policy will be incorporated into the Administrative Policies Manual, Chapter 5, Section 7.

Prevailing wage rates as determined by the local agency or Illinois Department of Labor (Illinois Revised Statutes, Chapter 48, Paragraph 39s-4) shall be included in all contract proposals and material proposals containing bid items to be directly incorporated into the work with other than local agency forces (i.e. roadway components bid in place). The payment of prevailing wage rates relative to bid items in

material proposals that are not directly incorporated into the work is governed by Illinois Revised Statute, Chapter 48, Paragraph 39s-3 and may or may not apply. The current law appears to exempt hauling by material suppliers to a stockpile location.

Wage rates included in material proposals apply only to that work performed by other than local agency forces. The wages of local agency forces should not be made a part of the bidding documents. However, the wages paid to employees of the public agency should also comply with the appropriate requirements of Illinois Revised Statute, Chapter 48, Paragraph 39s-4.

The above policies will be incorporated into the appropriate manual in the near future.

Very truly yours,



William T. Sunley, P.E.
Engineer of Local Roads & Streets

CC-
District Engineers