



Illinois
Department of Commerce
& Economic Opportunity
OFFICE OF COMMUNITY DEVELOPMENT
JB Pritzker, Governor

TO: CDBG Grant Administrators and Recipients
FROM: JoLaine Miner, Labor Standards Officer
DATE: May 2021
RE: Labor Standards - Wage Rate Determinations, Conformance Requests

To ensure your project is and remains in compliance, please fully review the following information. I am available if you have any questions or concerns regarding the Davis Bacon Act, Prevailing Wage Rates, or the Conformance Process.

Wage Rate Determination Requests:

First and foremost, all Wage Rate Determinations must be obtained through the Office of Community Development Labor Standards Officer via email at OCD.LSO@illinois.gov or jolaine.miner@illinois.gov. The Wage Rate Determination Request form can be found on DCEO's website.

The lock-in Wage Rate Determination (WRD) is determined by the bid opening date, contract award date, and start of construction date (first day of the first payroll). You must have the most recent WRD in your bid and contract documents. Please give a minimum 5-day advance notice of your bid advertisement and bid opening. Requests for contract award (if not awarded within 90 days of bid opening) and start of construction (if first payroll is not started within 90 days of contract award) should be requested the day the subject activity is conducted.

DO NOT start any lock-in activity date on a Friday. Since all WRDs are updated on Fridays, this could result in non-compliance and wage restitution.

It is not required to have the entire WRD included in the bid documents; however, you must request the WRD and at least reference the applicable crafts and current wages in your bid packet, including the WRD Number, Modification Number, Date Published, Applicable Craft (Classification), Base Pay + Fringe, and County (plus Twp. or Location, if listed in the WRD).

Revised Timeline:

Minimum 5-Day advance to Labor Standards Officer; 3-Day advance return to Administrator

- Bid Advertisement (You may reference the WRD #, Mod #, Date Effective, applicable crafts and rates, including fringe in your bid packet.)
 - You are not required to send an addendum if wages change prior to bid opening.
- Bid Opening – Lock-in
- Contract Award – Lock-in if contract is not awarded within 90 days of bid opening
- Start of Construction – Lock-in if construction is not started within 90 days of contract award. Based on the start date of the first payroll. If construction is not started within 90 days of the contract award, you must amend the contract to include the new WRD.

The most current WRD must be contained in the contract document(s) and posted at the worksite. Updates are required per the timeline above. If your dates change for any reason, or you exceed a 90-day timeline, you must submit a REVISED request indicating the new dates.

While the entire WRD must be contained in the contract documents, you may use the “Wage Rate Sheet, HUD 4720” to Post at the worksite. However, you must inform workers where to find, and make available, the full WRD applicable to the project. If a conflict between the wage rate sheet and the wage determination arises, the wage determination shall prevail.

Labor Standards Provisions:

As a reminder, the Labor Standards Provisions must be contained in all construction contracts, including sub-contracts. Please advise the Prime Contractors to include the WRD and Labor Standards Provisions, as well as the other defining federal-compliance standards language in all sub-contracts. The Labor Standards Provisions (HUD 4010) can be found on DCEO’s website.

Conformance Process:

In accordance with the Department of Labor regulations, 29 CFR 5.5, if: The work to be performed by the classification is not performed by a classification in the wage determination; the classification is utilized in the area by the construction industry; and the proposed wage rate, including fringe, bears a reasonable relationship to the wage rates contained in the wage determination, a written, signed request for additional classification, from the Contractor, must be submitted to the Labor Standards Officer.

The Labor Standards Officer will issue the HUD 4230A to the Grant Administrator with the Lock-in Wage Rate Determination. The Grant Administrator/Engineer should work with the Contractor to complete appropriate sections of HUD 4230A and a letter of request after contract award.

After contract award, the contractor should sign the form, indicate whether he agrees or disagrees with the proposed rate, and prepare a letter of request on company letterhead. The letter must be signed by the Prime Contractor, dated and must include the grant number, grantee name, project location (city, county), additional classification(s) needed, and the proposed/current wage and fringe. The Grant Administrator should scan and email the complete request to CEO.LSO@illinois.gov.

When determining the Base Pay + Fringe, please note, the following:

- ◆ Review the Lock-In WRD for similar skilled workers in the county and request a fair, consistent wage for missing classifications.
- ◆ DO NOT request the Illinois Prevailing Wage Rate for the requested classification
- ◆ DO NOT request a wage that is lower than the lowest-paid similar skilled work in the WRD for which you are requesting an additional classification.

The Contractor should pay the subject worker the proposed rate indicated on the HUD 4230A. The Labor Standards Officer will complete the State’s review and approval process and forward the request to the Department of Labor for final approval. Conformance requests are currently reviewed by DOL within 30-45 days. If the request is denied, wage restitution could result.