

Program Evaluation & Audit
Central Corridor Construction Contract Prevailing Wage Review
Executive Summary

I. CCLRT Civil East (CE), Civil West (CW) and Operations & Maintenance Facility (OMF) construction personnel have not conducted reviews of certified payrolls (CP/R) on a timely basis. Per Minnesota prevailing wage requirements, contractors are to submit CP/Rs within 14 days of the pay date. CE personnel had not conducted the required CP/R analysis from July – November 2011. OMF personnel had not conducted any CPR reviews or conducted any worker interviews. CW personnel had conducted the CP/R reviews within 10 days of receipt and had conducted worker interviews; however, none of the interviews had been analyzed.

Recommendation: (Essential) Green Line personnel review certified payrolls and conduct workforce interviews according to current policy and in a timely manner.

II. Each of the CCLRT construction contracts has requirements for the inclusion of both MN state and federal prevailing wage rates with the most recent wage rate determination as of the Bid Opening Date being used. The OMF contract contains the appropriate federal and state wage determinations, whereas, the CE, CW & Systems contracts contain the appropriate MN determination, but not the most recent federal determination.

Recommendation: (Essential) Green Line Personnel should amend the construction contracts to include the appropriate state and federal wage rate determinations.

III. Inconsistent and non-compliant prevailing wage contract administration practices were used in varying degrees by CE, CW and OMF field office contract administration personnel.

Recommendation: (Significant) Green Line personnel with responsibility for administering construction contracts should have periodic training to remain current on and ensure compliance with CCPO policy, FTA regulations and Minnesota state law.

IV. Form 620-08-B, *Certified Payroll Responses* is used by construction personnel to record responses and subsequent analysis of worker prevailing wage interviews. The current form does not provide sufficient and authorized evidence regarding worker interviews or follow-up documentation of contractor actions when additional compliance is required.

Recommendation: (Significant) Green Line personnel should revise Form 620-08-B *Certified Payroll Responses* in order to maintain a complete record of worker prevailing wage interview responses, CCLRT analyses and contractor actions taken in regard to possible payment of non-compliant wages.