

10537. RESOLUTION 12-18 - AUTHORIZES AND ADOPTS A PREVAILING WAGE POLICY FOR ALL AUTHORITY FUNDED CAPITAL PROJECTS IN EXCESS OF TWO MILLION DOLLARS FOR A TERM OF THREE (3) YEARS

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Public Authority created by Compact for the purpose of owning and operating both Crossing and non-Crossing facilities (the “Facilities”); and

WHEREAS, the Authority currently incorporates prevailing wage requirements in all Authority projects receiving Federal or State funding; and

WHEREAS, the Authority previously adopted a prevailing wage policy for a series of one and two-year trial periods via Resolutions 04-17, 05-10, 07-18, 9-22 and 11-02, for all Authority-funded capital projects in excess of Two Million (\$2,000,000) Dollars, the final trial period extended through March 2012; and

WHEREAS, the Authority’s practice in implementing said prevailing wage policy (“Prevailing Wage Policy”) is to utilize the higher of the state (New Jersey or Delaware) or federal prevailing wage rates for each job classification; and

WHEREAS, in addition to experience gained during the aforesaid trial periods, the Authority has looked to the experience of other contracting units in New Jersey and Delaware along with other bi-state agencies with respect to policies implementing prevailing wage policies; and

WHEREAS, said experience supports the establishment of a reasonable threshold to the application of prevailing wage in capital projects, it being recognized that the application of prevailing wage in contracts of lesser value may limit the pool of interested, responsible bidders on such projects; and

WHEREAS, the Authority supports the implementation of prevailing wage to Authority funded capital projects but subject to a reasonable threshold necessary to maximize bidder participation and preserve open and full competition in projects of smaller scale;

WHEREAS, the Authority desires to adopt a prevailing wage policy for all Authority-funded capital projects in excess of Two Million (\$2,000,000) Dollars for a term of three (3) years.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director, working with the advice and consent of Counsel, is hereby authorized and directed to hereafter incorporate the Prevailing Wage Policy into contract specification documents for all Authority-funded capital projects in excess of Two Million (\$2,000,000) Dollars for a term of three (3) years, which will expire on May 31, 2015.

A motion to approve Resolution 12-18 was made by Commissioner Smith, seconded by Commissioner Dorn. With Commissioner Traynor voting no, Resolution 12-18 was approved by a roll call vote of 8-1.

Resolution 12-18 Executive Summary

Resolution: Authorizes and Adopts a Prevailing Wage Policy for All Authority-funded Capital Projects in Excess of Two Million Dollars for a Term of Three (3) years.

Committee: Projects Committee

Committee Date: May 15, 2012

Board Date: May 15, 2012

Purpose of Resolution:

To authorize a prevailing wage policy for all Authority-funded capital projects in excess of \$2 million for a 3-year term, which will expire on May 31, 2015.

Background for Resolution:

Since 2004, the Authority has adopted a prevailing wage policy on a trial basis via Resolutions 04-17, 05-10, 07-18, 09-22 and 11-02 for all Authority-funded capital projects in excess of \$2 million. Based on experience gained during these trial periods, together with review of the experience of other contracting units in New Jersey and Delaware and other bi-state agencies, and review of associated research on prevailing wage, the Authority supports the implementation of a prevailing wage policy for Authority-funded capital projects exceeding \$2 million for a term of three (3) years, which will expire on May 31, 2015.