



“Voice of the Western Slope since 1953”
A coalition of counties, communities, businesses & individuals

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BA 10 1
Davis-Bacon Wage Act

WHEREAS the Davis-Bacon Act was enacted by Congress in 1931 and established the requirement for paying prevailing wages on public works projects (All federal government construction contracts, and most contracts for federally assisted construction over \$2,000, must include provisions for paying workers on-site no less than the locally prevailing wages and benefits paid on similar projects.), and

WHEREAS approximately 20 percent of all construction projects in the U.S. are covered by the Act, affecting more than 25 percent of all construction workers in the nation at any given time*, and

WHEREAS it has been estimated that costs of compliance with the Act for the construction industry total nearly \$190 million per year, and repealing the Act would save the federal government \$1 billion on construction costs and \$100 million in administrative costs each year*, and

WHEREAS the State of Colorado and its municipalities have a long history of paying fair wages for construction projects without mandates from the Federal government, and

WHEREAS the Colorado Water Resources and Power Development Authority has not been mandated in over 20 years to require Davis-Bacon wages on water and wastewater projects for which it makes loans, but is now required to mandate that Davis-Bacon wages requirements be followed, thus increasing the cost to utility users (the City of Fruita estimates that this requirement will increase the cost of their proposed water treatment plant by \$960,000), and

WHEREAS the 2009 American Reinvestment and Recovery Act (ARRA) required that all construction projects which received ARRA funds must comply with the Davis-Bacon Act, and this has dramatically increased the costs for municipal projects;

THEREFORE BE IT RESOLVED that CLUB 20 opposes the application of the Davis-Bacon Act to municipal water and wastewater projects which are funded through the Colorado Water Resources and Power Development Authority.

(* Data supplied by the Institute for Justice.)

Adopted 4-9-10