



STATE OF WASHINGTON
DEPARTMENT OF LABOR AND INDUSTRIES
Prevailing Wage
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August 17, 2012

Karen Dunn
Community Services & Housing Division
Washington State Department of Commerce
Post Office Box 42525
Olympia, WA 98504-2525

Re: Woman's Gospel Mission Project and Home for Good Project

On July 20 I promised you a formal determination, within two weeks, of whether residential construction prevailing wage rates could be permitted on the two referenced projects, and that time has come and gone. I apologize for the delay, but as you know I've been expecting further information in order to have sufficient facts to provide a considered decision on the Home For Good project.

Determinations of the prevailing rate of wage are made by the industrial statistician of the Department of Labor & Industries (L&I). See the attached document, "*Prevailing Wage Determination Request and Review Process.*"

WAC 296-127-010(9) states:

(9) "Residential construction" means construction, alteration, repair, improvement, or maintenance of single family dwellings, duplexes, apartments, condominiums, and other residential structures not to exceed four stories in height, including basement, when used solely as permanent residences. It does not include the utilities construction (water and sewer lines), or work on streets, or work on other structures (e.g., for recreation and business.)

Regarding the Woman's Gospel Mission project, I believe I've already provided a decision on this project and communicated that decision, but I'm including it here to ensure you have the information. Residential construction prevailing wage rates are not permissible on this project because it is a transitional housing facility, thus the facility is not used solely as a permanent residence.

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In concluding a telephone conference with you, Donn Falconer, Bill Beuscher and Jeffrey Watson on March 5, 2012, I asked for a copy of the lease/program participation agreement between the agency and the occupants of the Home for Good facility. I also asked whether DSHS or any other agency had licensed or approved the facility for the housing of developmentally disabled persons, and invited the submission of any other information that could impact this decision. I heard from Donn Falconer but did not hear from Bill Beuscher or Jeffrey Watson. Absent this additional information, my decision is that residential construction prevailing wage rates are not permissible for this project.

These determinations are based upon the facts that were provided to me. If the facts vary or new facts are introduced, the answers could be different.

Washington State prevailing wage information, including the WACs, is available on the department's web site: <http://www.lni.wa.gov/TradesLicensing/PrevWage/default.asp>.

I appreciate your interest in prevailing wage compliance and the opportunity to address your concerns. If you have further questions, please let me know.

Sincerely,



L. Ann Selover
Industrial Statistician
Program Manager
Sela235@Lni.wa.gov
(360) 902-5330

Attachment

Prevailing Wage Determination Request and Review Process

RCW 39.12.015 is the basis for requesting a determination, since it provides:

All determinations of the prevailing rate of wage shall be made by the industrial statistician of the department of labor and industries.

If you disagree with a determination the industrial statistician provides, WAC 296-127-060(3) provides for a review process:

(3) Any party in interest who is seeking a modification or other change in a wage determination under RCW [39.12.015](#), and who has requested the industrial statistician to make such modification or other change and the request has been denied, after appropriate reconsideration by the assistant director shall have a right to petition for arbitration of the determination.

(a) For purpose of this section, the term "party in interest" is considered to include, without limitation:

(i) Any contractor, or an association representing a contractor, who is likely to seek or to work under a contract containing a particular wage determination, or any worker, laborer or mechanic, or any council of unions or any labor organization which represents a laborer or mechanic who is likely to be employed or to seek employment under a contract containing a particular wage determination, and

(ii) Any public agency concerned with the administration of a proposed contract or a contract containing a particular wage determination issued pursuant to chapter [39.12](#) RCW.

(b) For good cause shown, the director may permit any party in interest to intervene or otherwise participate in any proceeding held by the director. A petition to intervene or otherwise participate shall be in writing, and shall state with precision and particularity:

(i) The petitioner's relationship to the matters involved in the proceedings, and

(ii) The nature of the presentation which he would make. Copies of the petition shall be served on all parties or interested persons known to be participating in the proceeding, who may respond to the petition. Appropriate service shall be made of any response.