Steven L. Beshear
Governor

TRANSPORTATION CABINET
Frankfort, Kentucky 40622
www.transportation.ky.gov/

Michael W. Hancock, P.E.
Secretary

June 18, 2015

CALL NO. 402
CONTRACT ID NO. 152244
ADDENDUM # 1

Subject: Letcher County, 067GR15P042-CB06
Letting June 26, 2015

(1)Revised - Wage Rates - Pages 83-84(c) of 88

Proposal revisions are available at http://transportation.ky.gov/Construction-Procurement/.

If you have any questions, please contact us at 502-564-3500.

Sincerely,

Robert C. Lewis

Robert C. Lewis, P.E.
Acting Director
Division of Construction Procurement

RL:ks
Enclosures

TRANSPORTATION CABINET
DIVISION OF CONSTRUCTION PROCUREMENT
COMPLIANCE SECTION
PROJECT WAGE RATES

WORKERS……..MINIMUM HOURLY RATE…..$10.10

Note: Parts III and IV of **"Labor and Wage Requirements Applicable to Other Than Federal-Aid System Projects"** do not apply to this project.

On June 8, 2015, Executive Order 2015-370, Minimum Wage for State Employees and the Commonwealth's Service Providers, was issued. This Executive Order concerns the minimum wage paid to State Employees and individuals providing a service through a contract to the Commonwealth. This applies to only contracts for services or contracts for a commodity where a service is also a part of the contract. An example of a contract for a commodity where a service is also a part would be the purchase of a generator which includes installation.

The contractor and all subcontractors therein, shall pay to any worker directly performing a service called for in the contract, and to any person who provides a service ancillary thereto for at least 20% of his or her working time in any given work week, a minimum of **$10.10** per hour, or $4.90 per hour for tipped employees, for those hours worked in connection with the contract.

This supersedes the Federal Minimum Wage of $7.25.

EMPLOYEE RIGHTS

UNDER THE FAIR LABOR STANDARDS ACT

THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DIVISION

FEDERAL MINIMUM WAGE

Pursuant to Executive Order 2015-0370, State Minimum Wage will be **$10.10** per hour

~~$7.25~~ PER HOUR

BEGINNING JULY 24, 2009

OVERTIME PAY

At least 1½ times your regular rate of pay for all hours worked over 40 in a workweek.

CHILD LABOR

An employee must be at least **16** years old to work in most non-farm jobs and at least **18** to work in non-farm jobs declared hazardous by the Secretary of Labor.

Youths **14** and **15** years old may work outside school hours in various non-manufacturing, non-mining, non-hazardous jobs under the following conditions:

No more than

- **3** hours on a school day or **18** hours in a school week;
- **8** hours on a non-school day or **40** hours in a non-school week.

Also, work may not begin before **7 a.m.** or end after **7 p.m.**, except from June 1 through Labor Day, when evening hours are extended to **9 p.m.** Different rules apply in agricultural employment.

TIP CREDIT

Employers of "tipped employees" must pay a cash wage of at least $2.13 per hour if they claim a tip credit against their minimum wage obligation. If an employee's tips combined with the employer's cash wage of at least $2.13 per hour do not equal the minimum hourly wage, the employer must make up the difference. Certain other conditions must also be met.

ENFORCEMENT

The Department of Labor may recover back wages either administratively or through court action, for the employees that have been underpaid in violation of the law. Violations may result in civil or criminal action.

Employers may be assessed civil money penalties of up to $1,100 for each willful or repeated violation of the minimum wage or overtime pay provisions of the law and up to $11,000 for each employee who is the subject of a violation of the Act's child labor provisions. In addition, a civil money penalty of up to $50,000 may be assessed for each child labor violation that causes the death or serious injury of any minor employee, and such assessments may be doubled, up to $100,000, when the violations are determined to be willful or repeated. The law also prohibits discriminating against or discharging workers who file a complaint or participate in any proceeding under the Act.

ADDITIONAL INFORMATION

- Certain occupations and establishments are exempt from the minimum wage and/or overtime pay provisions.
- Special provisions apply to workers in American Samoa and the Commonwealth of the Northern Mariana Islands.
- Some state laws provide greater employee protections; employers must comply with both.
- The law requires employers to display this poster where employees can readily see it.
- Employees under 20 years of age may be paid $4.25 per hour during their first 90 consecutive calendar days of employment with an employer.
- Certain full-time students, student learners, apprentices, and workers with disabilities may be paid less than the minimum wage under special certificates issued by the Department of Labor.

For additional information:

1-866-4-USWAGE

(1-866-487-9243) TTY: 1-877-889-5627

WHD U.S. Wage and Hour Division

WWW.WAGEHOUR.DOL.GOV

U.S. Department of Labor | Wage and Hour Division

WHD Publication 1088 (Revised July 2009)

STEVEN L. BESHEAR
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

2015-370
June 8, 2015

MINIMUM WAGE FOR STATE EMPLOYEES AND THE COMMONWEALTH'S SERVICE PROVIDERS

WHEREAS, it is indisputable that all citizens and residents of the Commonwealth of Kentucky have the inherent and inalienable rights to enjoy their lives and liberty and to seek and pursue their safety and happiness; and

WHEREAS, the current required minimum wage of $7.25 per hour for hourly workers and $2.13 for tipped employees as established by state and federal law for all the employers in the Commonwealth is no longer sufficient to provide workers the means to achieve those inherent and inalienable rights; and

WHEREAS, studies consistently and overwhelmingly show that an increase in the minimum wage does not negatively impact collective employment, but instead results in faster job growth; and

WHEREAS, minimum wage workers are not typically teenagers working part-time but are adults trying to make ends meet – statistics show that 87.5% of minimum wage workers are adults over the age of 20 and that nearly the same percentage work at least 20 hours a week; and

WHEREAS, the Commonwealth of Kentucky commits significant resources to its employees and to the acquisition of services to be performed under contract; and

WHEREAS, it is the policy of this administration to increase efficiency and cost savings in work performed for the Commonwealth of Kentucky; and

STEVEN L. BESHEAR
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

WHEREAS, requiring a higher wage to be paid to those working for and on behalf of the Commonwealth of Kentucky will lead to increased morale, productivity, and quality of the work performed and an accompanying decrease in turnover, training, and supervisory costs; and

WHEREAS, increasing the pay of the lowest-paid workers will enable them to be more self-sufficient and to move toward realizing the dream of a better life which is too often unachievable with their current wages; and

WHEREAS, economic forces necessitate a more competitive wage to attract and retain the best workers in the improved Kentucky job market; and

WHEREAS, Federal contracting rules now require that workers under certain federally funded state contracts be paid a minimum wage of $10.10 per hour and $4.90 per hour for tipped workers; and

WHEREAS, all individuals providing services to the Commonwealth should be paid the same minimum wage regardless of the identity of his or her employer:

NOW, THEREFORE, I, Steven L. Beshear, Governor of the Commonwealth of Kentucky, by virtue of the authority vested in me by Sections 69 and 81 of the Constitution of Kentucky and by Chapter 12 of the Kentucky Revised Statutes, do hereby DECLARE, ORDER and DIRECT that:

1. As of the effective date of this order, all Executive Branch employees shall be paid no less than $10.10 per hour, or $4.90 per hour for those workers who are "tipped employees" as defined by KRS 337.010(2)(d).
2. All contracts entered into or renewed by Executive Branch agencies with effective dates on or after the effective date of this order shall provide for a minimum wage of:
   A. $10.10 per hour for ordinary workers; and
   B. $4.90 per hour for workers who are "tipped employees" as defined by KRS 337.010(2)(d).

STEVEN L. BESHEAR
GOVERNOR

EXECUTIVE ORDER

Secretary of State
Frankfort
Kentucky

3. The increased minimum wage requirements of this order shall apply to any worker directly performing the service called for in a contract and shall also apply to any person who spends at least 20% of his or her working time in a given work week providing a service ancillary to the services called for in a contract.

4. Nothing in this order shall excuse noncompliance with any other Federal or State law, including prevailing wage laws, or any applicable law or municipal ordinance establishing a minimum wage higher than the minimum wage established under this order.

5. This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the Commonwealth of Kentucky, its agencies, officers, or employees, and is not applicable to public universities.

6. All employers in the Commonwealth, both public and private, are strongly encouraged to implement policies consistent with the terms of this order.

7. All Executive Branch agencies, in conjunction with the Governor's Executive Cabinet, shall take all steps necessary to implement this order.

This order is effective July 1, 2015.

STEVEN L. BESHEAR, GOVERNOR
Commonwealth of Kentucky

ALISON LUNDERGAN GRIMES
Secretary of State