22.404-2 General requirements.

(a) The *contracting officer must* incorporate only the appropriate wage determinations in *solicitations* and contracts and *must* designate the work to which each determination or part thereof applies. The *contracting officer must* not include project wage determinations in contracts or *options* other than those for which they are issued. When exercising an *option* to extend the term of a contract, the *contracting officer must* select the most current wage determination(s) from the same schedule(s) as the wage determination(s) incorporated into the contract.

(b) If the wage determination is a general wage determination or a project wage determination containing more than one rate schedule, the *contracting officer shall* either include only the rate schedules that apply to the particular types of *construction* (building, heavy, highway, etc.) or include the entire wage determination and clearly indicate the parts of the work to which each rate schedule *shall* be applied. Inclusion by reference is not permitted.

(c) The Wage and Hour Division has issued the following general guidelines for use in selecting the proper schedule(s) of wage rates:

(1) *Building construction* is generally the *construction* of sheltered enclosures with walk-in access, for housing persons, machinery, equipment, or *supplies*. It typically includes all *construction* of such structures, installation of utilities and equipment (both above and below grade level), as well as incidental grading, utilities and paving, unless there is an established area practice to the contrary.

(2) *Residential construction* is generally the *construction*, *alteration*, *or repair* of single family houses or apartment buildings of no more than four (4) stories in height, and typically includes incidental items such as site work, parking areas, utilities, streets and sidewalks, unless there is an established area practice to the contrary.

(3) *Highwayconstruction* is generally the *construction*, *alteration*, *or repair* of roads, streets, highways, runways, taxiways, alleys, parking areas, and other similar projects that are not incidental to "building," "residential," or "heavy" *construction*.

(4) *Heavy construction* includes those projects that are not properly classified as either "building," "residential," or "highway," and is of a catch-all nature. Such heavy projects *may* sometimes be distinguished on the basis of their individual characteristics, and separate schedules issued (*e.g.*,"dredging," "water and sewer line," "dams," "flood control," etc.).

(5) When the nature of a project is not clear, it is necessary to look at additional factors, with primary consideration given to locally established area practices. If there is any doubt as to the proper application of wage rate schedules to the type or types of *construction* involved, guidance *shall* be sought before the opening of bids, or receipt of best and final *offers*, from the *Administrator*, Wage and Hour Division. Further examples are contained in Department of Labor All Agency Memoranda Numbers 130 and 131.

Parent topic: 22.404 Construction Wage Rate Requirements statute wage determinations.