

# **POLICIES AND PROCEDURES**

**FOR THE  
ADMINISTRATION  
OF THE**

**COUNTY LIQUID FUELS TAX  
ACT OF 1931 and Act 44 of 2007**

**AND**

**THE LIQUID FUELS TAX ACT 655  
DATED 1956 AND AS AMENDED**

**Office of Planning  
Effective January 1, 2016**

## **CHAPTER TWO**

### **2. LIQUID FUELS TAX FUNDS FOR MUNICIPALITIES**

#### **2.1 GENERAL**

This chapter provides municipal officials with information pertaining to the administration and a basic understanding of the requirements for the use of Liquid Fuels Tax funds by municipalities.

PennDOT has regulatory authority for the administration of these funds.

In the event of any discrepancies between this document and the enabling legislation, as amended, the legislation shall govern.

#### **2.2 PURPOSE OF THE ACT**

The Liquid Fuels Tax Municipal Allocation Law, Act 655, dated June 1, 1956, as amended (Act 655), provides all municipalities other than counties with an annual allocation of Liquid Fuels Tax funds from the Commonwealth's Motor License Fund.

#### **2.3 ALLOCATION OF FUNDS**

The amount of this fund for municipalities is based on: 20% of 95.83% of the mileage schedule as per Act 89 (Section 9511(d) of the Vehicle Code); plus 20% of 35 mils of the Oil Company Franchise Tax (Section 9511(c) of the Vehicle Code); plus \$5,000,000 (Act 68 of 1980) as per Section 9301 of the Vehicle Code; plus 12% of 55 mils of the Act 26 Oil Company Franchise Tax; plus 12% of 38.5 mils of the Act 3 Oil Company Franchise Tax; plus \$30,000,000 as per Section 9301(c) of the Vehicle Code.

The allocation of these funds to municipalities is based on the ratios of mileage and population of the municipality to the state totals, and the revenues must be used on the roads and streets for which the municipalities are legally responsible. That is, 50% of the funds are distributed based on a municipality's proportion of local road mileage to the total local road mileage in the state, and 50% on the proportion of a municipality's population to the total population of the state.

A municipality's local road mileage is verified by periodic road surveys conducted by the Department. Municipalities should report mileage changes (MS-990, Road Mileage and Type Report form) to the Municipal Services Representative by September 1st of each year, so that mileage changes can be reviewed and credited to the municipality for the following year.

Population is based on official United States Census reports conducted every ten years; and, if changed by an interim census conducted by the United States Census Bureau, the updated population must be reported to the Director of Center for Program Development and Management on or before December 31st.

#### **2.4 ELIGIBILITY TO RECEIVE FUNDS**

To qualify for the annual liquid fuels tax allocation, a municipality shall:

- Submit annual reports (MS-965, Actual Use Report, MS-965P, Project and Miscellaneous Receipts, and MS-965S, Record of Checks)
- Make deposits and payments or expenditures in compliance with the Act 655. (See Section 2.6, Appropriate Use of Funds) Failure to do so may result in not receiving allocations from PennDOT until all discrepancies are resolved.

- Submit the Pennsylvania Department of Community and Economic Development's (DCED) Report of Elected and Appointed Officials by January 31st and the Survey of Financial Condition by March 15th.
- Insure resolution of all Contractor Responsibility Program (CRP) holds and blocks imposed by the Department of Revenue and the Department of Labor and Industry.
- Insure resolution of all reimbursements required as a result of audits performed by the Auditor General or monitoring reviews performed by the Department's Financial Consultants.

## **2.5 DEPOSIT OF FUNDS**

Each municipality must deposit the Liquid Fuels Tax funds it receives into a special fund called the Municipal Liquid Fuels Tax Fund or State Fund. A municipality may not deposit any other monies into this fund except when the municipality does not have enough money in the special fund to meet the payments called for by its current annual budget for the various highway and bridge purposes permitted by the Act. In this case, the municipality may borrow monies or transfer General Fund monies to its Municipal Liquid Fuels Tax Fund. (See 2.6.2, Use of Loan or Bond Issue Proceeds.) The borrowed monies may be used only for the highway and bridge purposes outlined in the Act. (See Section 2.7.1, Acceptable Expenditures.)

Deposits may also be made via electronic transfer of Liquid Fuels Tax funds and Turnback Maintenance payments directly to Municipal Liquid Fuels Tax Fund accounts. (Note: Turnback rehabilitation payments shall NOT be deposited into the Liquid Fuels Tax Fund accounts. These payments MUST be deposited into a separate account. See Appendix I.) The necessary forms are available from the dotGrants system or from the District Municipal Services Office. (See Appendix G.) If a concentration account is used, accounting of the funds is required.

## **2.6 APPROPRIATE USE OF FUNDS**

### **2.6.1 Investment of Funds**

All monies in the Liquid Fuels Tax Fund account should be invested to earn interest until expended and may be combined with other municipal funds for investment purposes. However, the municipality must maintain records, the MS-994, Investment Schedule, or its equivalent, that provide a clear audit trail for both the principal and investment income.

### **2.6.2 Use of Loan or Bond Issue Proceeds**

All proceeds of any loan or bond issue made for road or street improvement purposes must be used exclusively for road or street improvement purposes. A loan or bond issue shall not be made for both a road or street improvement purpose and an unrelated purpose. Approval by the District Municipal Services Representative is required to verify that is a liquid fuels eligible expense.

## **2.6.3 Receipts into the Municipal Liquid Fuels Tax Fund**

Receipts include:

1. Liquid Fuels Tax funds received from the Commonwealth.
2. Interest earned on deposited funds.
3. Settlement as a result of damage claims to municipal roads and bridges constructed or repaired with Liquid Fuels Tax funds.
4. Sale of salvageable material and equipment purchased or replaced with Liquid Fuels Tax funds. When doing this, notify the District Municipal Services Representative so it can be noted for future audits.
5. Other receipt sources relating to Liquid Fuels Tax Fund expenditures.

## **2.7 EXPENDITURE OF FUNDS**

Below are examples of acceptable and unacceptable expenditures of Municipal Liquid Fuels Tax funds. These lists are not all-inclusive and, in the case of questionable expenditures, the District Municipal Services Office should be contacted.

### **2.7.1 Acceptable Expenditures:**

Examples of acceptable expenditures for Municipal Liquid Fuels Tax funds are:

1. Construction, reconstruction, maintenance, and repair of public roads or streets, including curb ramps from a road to provide access by individuals with disabilities, bridges, culverts, and drainage structures for which they are legally responsible.

**Note:** this includes alleys, courts, and ways even though they are not included on the Liquid Fuels Tax Road Inventory, but are the responsibility of the municipality. The municipality must ensure that it is legally responsible for the roadway on which funds are being expended.

2. Advertising costs for competitive bidding requirements of projects, materials, and equipment purchases.
3. Attorney and other legal fees required for road and bridge projects.
4. The purchase of major equipment such as road machinery requiring price quotes or bids according to the applicable municipal code (subject to the limit of 20% of the annual Liquid Fuels Tax Allocation) and the (a) repair, (b) maintenance, and (c) insurance for this equipment when the named insurance beneficiary is the entity's Liquid Fuels Tax Fund.
5. Minor equipment, equipment rentals, and repair parts for road maintenance vehicles.
6. Acquisition, maintenance, repairs, and operation of traffic signs, street signs, traffic signals and control systems, including metric conversion signs, and lane and crosswalk paintings and markings.
7. Electricity for signals and streetlights. Caution: if the municipality levies a tax for street lighting purposes, only costs in excess of this revenue are an allowable charge to the Municipal Liquid Fuels Tax Fund.
8. New products for low volume local roads, with prior approval of the Municipal Services Representative.

9. Small tools, road drags, and snow fences.
10. Debris removal from the roadway and its gutters and shoulders.
11. Brush removal to improve sight distance.
12. Road materials approved by PennDOT bulletins and specifications (Publication 408, Highway Construction Specifications,) and Publication 447, (Approved Products for Lower Volume Local Roads).
13. Salary and benefit costs of road crews or employees performing work on municipal roads. The municipality must thoroughly document these costs with daily time records (MS-907 or its equivalent), indicating type and location of work performed.
14. Contracts for rented equipment needed for roadwork described above.
15. Salt storage buildings. Note: does not include plumbing, heating, or electricity.
16. Bank loan and bond issues used exclusively for highway/bridge purposes including payment of interest and sinking fund charges.
17. Payment of engineering fees (fees in excess of 10% of the liquid fuels eligible costs of the project cost must be documented and justified to the satisfaction of PennDOT).
18. Guiderail and pipe in accordance with PennDOT specifications.
19. Purchases of surplus equipment from the municipal, Commonwealth and federal governments.
20. Purchases of materials and equipment from state contracts, councils of governments, and other purchasing consortiums.
21. Traffic calming activities in accordance with PennDOT Publication 383, Pennsylvania's Traffic Calming Handbook.
22. Traffic and engineering studies in accordance with PennDOT Publication 212, Official Traffic Control Devices, Chapter 212.
23. Computer hardware, software, and/or training, up to \$1,000 annually.
24. Curb ramps to provide access by individuals with disabilities in accordance with the current federal Americans with Disabilities Act (ADA) and PennDOT standards.
25. Non-construction inspection costs associated with roadway and bridge structures such as signs, signals, culverts, drainage structures and bridges.
26. Gasoline, with accompanying logs showing the vehicle and appropriate usage.

### **2.7.2 Unacceptable Expenditures:**

Examples of unacceptable expenditures for Liquid Fuels Tax Fund monies are:

1. Parks, municipal buildings, or playgrounds.
2. Police departments, fire departments, or historic, charitable, or civic projects.
3. Private property drives.
4. Purchases that do not comply with the applicable municipal code.
5. Sanitary sewers, water lines, or utility costs.
6. Administrative expenses, office supplies and furniture, telephones, meeting pay, retainers, dues, or liability insurance.

7. Garbage or recycling pickup.
8. Purchase of right-of-way.
9. Construction and reconstruction projects without prior PennDOT approval.
10. Undocumented payroll expenditures or expenditures not properly contracted.
11. Gasoline purchases for private vehicles or vehicles of other departments or undocumented fuel usage.
12. Heating oil and other building utilities.
13. Repairs to non-road maintenance equipment and vehicles.
14. Retainers, dues, and other prepayments.
15. Apparel (uniforms), except where required by employment agreements.
16. Retroactive expenditures or repayment of other funds for prior period expenditures.
17. Purchases of automobiles.
18. Purchases where a "name brand" is used in the solicitation for quotations and proposals for competitive bids.
19. Curbs and sidewalks (except for those needed to comply with ADA requirements).
20. Lump sum bidding unless specified under measurement and payment in PUB 408 and/or PUB 447.

## **2.7.3 Other Acceptable Uses of the Fund Repayment of Bond Issues**

### **2.7.3.1 Bank Loans**

In addition to repaying bond issues, Act 174, enacted August, 1965, permits the use of Liquid Fuels Tax funds to repay bank loans as well as bond issues which have been incurred by municipalities for road and bridge purposes. Three requirements must be met:

1. All loans must comply with the Local Government Debt Act with the exception of loans incurred by the County of Philadelphia. For more information, contact the Pennsylvania Department of Community and Economic Development (DCED) at [www.newpa.com](http://www.newpa.com) or by telephone at 888-223-6837.
2. Bank loans or bond issues must be used exclusively for highway purposes.
3. All proposed projects must have PennDOT's prior approval.

All such projects must be reported on the MS-329, Project Approval form and/or MS-339, Application for County Aid form, showing items such as the location, type of work, and estimated cost. In addition, if the job is to be financed wholly or in part by borrowing, it must be clearly stated in the remarks portion of these forms.

If the project is to be done by contract, the usual supporting data, such as proof of advertising, tabulations of bids and contracts, including bonds, must be available to Municipal Services Representatives, state, and local auditors. In subsequent years, two copies of MS-999, Project Completion Report, must be submitted to cover repayments. This procedure should continue until the final repayment has been made.

## 2.8 PROCEDURE TO ESTABLISH A CONSTRUCTION/ RECONSTRUCTION AND/OR RESURFACING PROJECT

The following criteria is used to determine when Project Approval is required for work on local roads utilizing Liquid Fuels Tax funds, when construction, reconstruction, and/or resurfacing work exceeds one inch or more in depth as well as other activities.

<b>Criteria To Determine When Project Approval Is Required</b>	
Bituminous surface	A depth of 1" or greater
Concrete surface	50 square yards or more
Widening	A new lane and/or more than two feet on either or both sides of existing roadway
Relocation	All
Bridges	For bridge maintenance/preservation activities, confer with the District Municipal Services Office to determine if a project approval is required. All rehabilitations, replacements or any other work that affects the carrying capacity of the structure or the waterway areas require project approval.
Other	Reconstruction, such as removal and replacement of one inch or more of existing road material, including base and surface. This includes cold-mill recycling and reclamation work.
Traffic signals and lighting	New installations
Guiderail	New installation location or replacement with upgrade or better technology.
Pipe	New installation location or replacement with a larger size.

*Figure 2.a Criteria to Determine When Project Approval Is Required*

1. The municipal officials shall notify the Municipal Services Representative that work has been proposed utilizing Liquid Fuels Tax funds.
2. The municipal official or engineer shall make an appointment with the Municipal Services Representative to review the proposed work to determine if it fits the above criteria of a "project" requiring a MS-329, Project Approval Form. It is highly recommended that this be done prior to the start of the project to ensure compliance with all requirements.
3. During the review of the work, the Municipal Services Representative may instruct the local officials or engineer on the preparation of the advertisement and proposal/contract.
4. The Municipal Services Representative and/or the county officials or engineer will estimate the cost of the work to be done. For contracts entered on or after January 1, 2014, Section 9023 of the Vehicle Code, 75 Pa. C.S. § 9023 is changed as follows:  
 § 9023. APPLICATION OF PREVAILING WAGE ACT TO LOCALLY FUNDED HIGHWAY AND BRIDGE PROJECTS.

- (a) Public work.--For locally funded highway and bridge projects, the term "public work" as used in the act of August 15, 1961 (P.L.987, No.442), known as the Pennsylvania prevailing wage act, shall mean construction, reconstruction, demolition, alteration and repair work, other than maintenance work, done under contract and paid for in whole or in part out of the funds of a public body if the estimated cost of the total project is in excess of \$100,000. The term shall not include work performed under a rehabilitation or manpower training program.
- (b) Applicability.--This section shall apply to a contract entered on or after the effective date of this section.
- (c) Definition.--As used in this section, the term "locally funded" means a highway or bridge project that is funded entirely by funds:
  - (1) paid to counties under section 9010(b) (relating to disposition and use of tax), including borrowed funds under section 9010(b)(2)(ii), whether expended by the county or allocated or apportioned to political subdivisions;
  - (2) allocated or appropriated to municipalities under the act of June 1, 1956 (1955 P.L.1944, No.655), referred to as the Liquid Fuels Tax Municipal Allocation Law;
  - (3) made available to municipalities from the highway bridge improvement restricted account within the motor license fund for expenditure on bridge rehabilitation, replacement and removal projects pursuant to the act of December 8, 1982 (P.L. 848, No.235), known as the Highway-Railroad and Highway Bridge Capital Budget Act for 1982-1983, and its supplements;
  - (4) awarded to municipalities as transportation enhancement grants under section 3116 (relating to automated red light enforcement systems in first class cities) or 3117 (relating to automated red light enforcement systems in certain municipalities);
  - (5) allocated from municipal budgetary sources using revenues derived through municipal taxes or fees; or
  - (6) allocated to municipalities under 58 Pa. C.S. (relating to oil and gas).

If the estimated cost exceeds \$100,000, the municipal officials shall request from the Pennsylvania Department of Labor and Industry guidance as to whether the work is subject to the Pennsylvania Prevailing Wage Act and, if it is, determination of the applicable Pennsylvania prevailing wages. When prevailing wage rates apply, the county shall inform bidders of those rates through the advertisement and the proposal. If the Department of Labor and Industry determines that Prevailing Wage Rates apply to this project, then the actual rates must be advertised as part of the proposal.

- 5. Projects funded with Dirt, Gravel, and Low Volume Road funds that are bid out to contractors in which the estimated cost of the total project (materials, equipment and labor), exceeds prevailing wage limits (currently \$25,000) are subject to provisions of Pennsylvania's Prevailing Wage Act (1961, August 15, P. L. 987, No. 442), 43 P. S. Section 165-1 et seq.



6. If the project cost exceeds \$2,000 and is financed partly with federal funds, the Davis-Bacon Act, a federal statute (40 U.S.C. §§ 3141-3145), may apply. The Davis-Bacon Act, if applicable, applies without regard to the nature of the roadwork being performed. A municipality has the responsibility of obtaining the Davis-Bacon wage rates, if applicable, and including these rates in the proposal and advertisement for bids. To obtain Davis-Bacon wage rates, the municipality needs to contact the United States Department of Labor, Wage and Hour Division, which has the district offices in Philadelphia, Pittsburgh, and Wilkes-Barre. The Pennsylvania Prevailing Wage Act does not apply to the project if the construction is covered under the Davis-Bacon Act. If the Davis-Bacon Act is applicable, it preempts the Pennsylvania Prevailing Wage Act. Furthermore, the Davis-Bacon Act, if applicable, applies to the entire project, not just the federally-funded component.
7. The local officials will prepare the advertisement and proposal/contract showing reasonable quantities and type of material or type of work. These items should be the same in the advertisement and proposal. The bids shall be opened at the time and place indicated in the advertisement.
8. The municipality shall prepare a tabulation of bids and notify the Municipal Services Representative that the bids have been received and a contract awarded. The advertisement and proposal/contract documents will be reviewed by the Municipal Services Representative. Any discrepancies must be resolved and reflected on a revised MS-329, Project Approval form, authorizing the work to begin.
9. A completed and signed MS-329, Project Approval form, will be forwarded to the municipality for future audit purposes. All revisions to the project must be reported to the Municipal Services Representative. A revised MS-329 may be issued based on the scope of work.
10. During the construction, the Municipal Services Representative shall make an effort to visit the project to review the work and the progress of the job.
11. Upon completion of the project, the local officials shall complete MS-999, Project Completion Report, and submit this form to the Municipal Services Representatives. A final field inspection will be conducted by the Municipal Services Representative. The municipality may be asked to provide all documentation required by PennDOT Publication 408, Highway Construction Specifications (e.g., delivery tickets, certifications, bituminous mix designs, and calculations for bituminous price adjustments). The MS-999 must reflect the actual quantities used and the total cost of the project. It shall also indicate the distribution of costs to the approved funding sources for the project.
12. Based on the Municipal Services Representative's review that the project was completed in accordance with the scope of work described on the MS-329, the MS-999 will be signed and a copy returned to the municipality for future audit purposes.

## 2.9 REQUIRED REPORTS

Annually, each municipality must submit a set of reports showing the receipts and expenditures of all Liquid Fuels Tax Funds received from the Commonwealth on forms supplied by the Department of Transportation. These forms and their due dates are shown on Figure 2-b below. One copy of each report shall be forwarded to the Center for Program Development and Management by the due date indicated, and these must be accurate and approved by the District Municipal Services Representative.

<b>REQUIRED REPORT FORMS</b>			
<b>FORM</b>	<b>TITLE OF FORM</b>	<b>DUE</b>	<b>SUBMIT TO</b>
MS-965	Actual Use Report of State Funds	January 31st	District Municipal Services Office  (See Appendix G)
MS-339	Application for County Aid (Subdivision)	At discretion of County Commissioners	
MS-999	Project Completion Report	At project completion	

*Figure 2.b Required Report Forms*

A partial MS-999 report is required if Liquid Fuel funds are expended in the year but the project carries over to the next year.

## 2.10 PREPARATION OF FORMS

Most municipalities and all counties shifted to the electronic submission of the required PennDOT forms some time ago. PennDOT now hosts a “dotGrants” web-based submission site that is the preferred method for the submission of forms. A dotGrants user guide with screenshots and detailed instructions is available on the PennDOT web page at <http://www.penndot.gov>. By using this site, and submitting by the due date, your municipality can be assured of receiving on-time and accurate payments. Contact your District Municipal Services Office to learn more about dotGrants. Since the forms listed in Figure 2.b change from time to time, they are not included in this publication. Only their general purpose and use are described below. Detailed instructions for their completion can be obtained from the Center for Program Development and Management or the District Municipal Services Office. These must be accurate and approved by the District Municipal Services Representative.

### 2.10.1 MS-965 Actual Use Report of State Funds

This form is divided into six sections:

Section 1 is a summary of expenditures from the Record of Checks form, broken down by the established budget items for the State Fund account.

Section 2 provides prior year ending balance, receipts, expenditures, and ending balance data for the year being reported.

Section 3 provides information necessary to assure major equipment purchases do not exceed the statutory limitation for these purchases (20% of the annual allocation) and verification of the carryover of the unused equipment allocation.

Section 4 is the Municipal Planned Use Report for the next fiscal year that includes carryover, estimated allocations, budgeted amounts for budget items 430 to 439 from the General Fund (this can be a lump sum, detail by item is not required) and tax levies for roads and general municipal purposes and the corresponding millage or other source.

Section 5 is used to report in detail Miscellaneous Receipts such as sale of equipment, reimbursement of funds reported in section two.

Section 6 provides for certification of bonding for the entity's Secretary/Treasurer, contact information and signatures as required by the various municipal codes.

### **2.10.2 MS-965S Record of Checks State Fund Account**

This form records all checks issued (including voided checks) in check number sequence from the State Fund checking account, only checks, not invoices, need to be accounted for. The following information shall be provided for each check issued:

- payee
- project number
- net amount of check
- check number and date
- budget item number and detail
- total amount distributed

### **2.10.3 MS-339 Application for County Aid (Subdivision) and MS-999 Project Completion Report**

#### **MS-339 Application for County Aid (from Political Subdivisions)**

Section one of this form is prepared by a municipality requesting county aid on a construction or maintenance project. This is the county's record of the request for funds and certifies that a proper resolution was passed by the municipality requesting aid.

Municipalities using the dotGrants shall electronically sign this document. The county shall insure that municipalities that don't use dotGrants have signed and sealed the document. Payments to be reimbursed for County Aid are only to be made from the General Fund and not from Liquid Fuels.

Section two of the form is completed by the county, which certifies that a proper resolution was passed by the county granting the requested aid and is also a commitment by the county that the municipality will be reimbursed upon satisfactory completion of the MS-999, Project Completion Report. The municipality shall submit this document using the dotGrants system.

Section three is the PennDOT approval section and will be completed by the Municipal Services Representative.

#### **MS-999 Completion Report**

When construction or maintenance project work is completed, the municipality completes section one and forwards the form to the District Municipal Services Office. All costs associated with the project are included. Municipal Services Representatives complete section two of the form approving the expenditure of Liquid Fuels Tax funds.

## **2.11 AUDIT REQUIREMENT**

All Municipal Liquid Fuels Tax Funds are audited by the Pennsylvania Department of The Auditor General in accordance with the requirements of Section 403 of the Fiscal Code, 72 P.S. § 403.

## **2.12 PREVAILING WAGES**

Pennsylvania Prevailing Wage Act (1961, Aug. 15, P.L.; 43 P.S. 165) and amended in Act 89 of 2013:

Construction projects (construction, reconstruction, demolition, alteration, and/or repair work other than maintenance work) financed by a municipality where the estimated cost of the total project is at least \$100,000.00 require Pennsylvania prevailing wages under the Pennsylvania Prevailing Wage Act, Act of August 15, 1961, P.L. 987, No. 442, as amended, 43 P.S. §§ 165-1 through 165-17, and Act 89 of 2013, and the regulations issued under its authority at 34 Pa. Code §§ 9.101-9.112. The municipality shall be responsible for obtaining correct guidance from the Pennsylvania Department of Labor and Industry on whether Pennsylvania prevailing wages are applicable to the work performed on such a project. If they are in fact applicable to the project, the municipality is responsible for obtaining the rates from the Department of Labor and Industry and including them in the contracts, notice for bids and advertisements, in accordance with 43 P.S. § 154-4 and 34 Pa. Code § 9.104.

The municipality can obtain prevailing wage rates and information about compliance through the following:

Bureau of Labor Law Compliance  
1301 Labor & Industry Building  
651 Boas Street  
Harrisburg, PA 17120-0019  
717.705.7256  
E-mail: ra-li-slmr-llc@state.pa.us  
Website: <http://www.dli.pa.gov>

(Keywords: "Prevailing Wage DeterminationRequests")

The municipality shall be responsible for maintaining the documentation, particularly certified payrolls, showing compliance with the Prevailing Wage Act.

### **Federal Prevailing Wages – Davis-Bacon Act (40 U.S.C. §§ 3141-3145)**

If the project cost exceeds \$2,000 and is being financed partly with federal funds, it may require payment of federal prevailing wages, in accordance with the Davis-Bacon Act, 40 U.S.C. §§ 3141 through 3145, without regard to the nature of the roadwork being performed. A municipality has the responsibility of obtaining the Davis-Bacon wage rates, if applicable, and including these rates in the proposal and advertisement for bids. To obtain Davis-Bacon wage rates, the municipality needs to contact the United States Department of Labor, Wage and Hour Division, which has district offices in Philadelphia, Pittsburgh, and Wilkes-Barre. The Pennsylvania Prevailing Wage Act does not apply to the project if the work is covered under the Davis-Bacon Act. 43 P.S. § 165-15. If the Davis-Bacon Act is applicable, it preempts the Pennsylvania Prevailing Wage Act. Furthermore, the Davis-Bacon Act, if applicable, applies to the entire project, not just the federally-funded components.