

SCA-31

September 21, 1978

This is in response to your SF-98, Notice No***, calling for the lease of hot water boilers, including installation, maintenance, and removal.

Based on the information provided in your SF-98, and in subsequent telephone conversations between members of our respective offices, the proposed contract would be subject to both the Service Contract Act and the Davis-Bacon Act. The Davis-Bacon Act applies to Federally financed contracts in excess of \$2,000 for the construction, alteration, and/or repair, including painting and decorating, of a public building or a public work. In the instant situation, the installation and removal portions of the contract would be subject to the Davis-Bacon Act while the Service Contract Act would apply to the (operation and) maintenance portion thereof.

Accordingly, the stipulations and applicable wage determinations of the Service Contract Act and the Davis-Bacon Act must be included in this contract. Service Contract Act Wage Determination No. 73-755 (Rev.-11) is enclosed. The applicable Davis-Bacon wage decision should be obtained in accordance with Regulations, 29 CFR Part 1.

Sincerely,

Dorothy P. Come
Assistant Administrator

NOTE: The opinions stated in this letter pre-date the 1983 regulatory amendments which redefined the principal purpose test under SCA.