

SAMPLE PROCUREMENT POLICY

These procedures are intended to serve as guidelines for the procurement of supplies, equipment, construction services and professional services for the Louisiana Disaster Recovery Community Development Block Grant (CDBG) Program. These guidelines meet the standards established in 24 CFR 85.36 and state requirements.

CODE OF CONDUCT

No employee, officer, or agent of the _____ (GRANTEE NAME) shall participate in the selection or in the award or administration of a contract supported by Disaster Recovery CDBG funds if a conflict of interest, real or apparent, would be involved. Such a conflict could arise if the employee, officer or agent; any member of his/her immediate family; his/her partner; or an organization which employs or is about to employ any of the above, has a financial or other interest in the firm selected for award.

No officer, employee or agent of the _____ (GRANTEE NAME) shall solicit or accept gratuities, favors or anything of monetary value from contractors or firms, potential contractors or firms, or parties to sub-agreements, except where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value.

Any alleged violations of these standards of conduct shall be referred to the _____ (GRANTEE NAME) Attorney. Where violations appear to have occurred, the offending employee, officer or agent shall be subject to disciplinary action, including but not limited to dismissal or transfer; where violations or infractions appear to be substantial in nature, the matter may be referred to the appropriate officials for criminal investigation and possible prosecution.

PROCUREMENT PROCEDURES

The director or supervisor of each department or agency of the _____ (GRANTEE NAME) responsible for procurement of services, supplies, equipment, or construction obtained with Disaster Recovery CDBG funds shall review all proposed procurement actions to avoid the purchase of unnecessary or duplicative items. Such reviews shall consider consolidation or breaking out to obtain a more economical purchase. When determined appropriate by the Director or Supervisor, an analysis to determine which approach would be the most economical shall be undertaken.

The _____ (GRANTEE NAME) shall take affirmative steps to assure that small and minority firms, women's business enterprises, and labor surplus firms are solicited whenever they are potential qualified sources. The _____ (GRANTEE NAME) shall also consider the feasibility of dividing total requirements into smaller tasks or quantities so as to permit maximum participation by small and minority firms, women's business enterprises, and labor surplus firms. Where permitted by regulations, delivery schedules will be developed which will include participation by such businesses.

The _____ (GRANTEE NAME) shall assist the prime contractor whenever possible by providing copies of lists which identify qualified small and minority firms, women's business enterprises, and labor surplus area firms.

SELECTION PROCEDURES

ALL procurement carried out with Disaster Recovery CDBG funds, where _____ (GRANTEE NAME) is a direct party, shall be carried out in a manner that provides maximum free and open competition. Procurement procedures will not restrict or eliminate competition. _____ (GRANTEE NAME) shall not place unreasonable requirements on firms in order for them to qualify to do business. Nor will _____ (GRANTEE NAME) encourage or participate in noncompetitive practices among firms. The _____ (GRANTEE NAME) is alert to organizational conflicts which would jeopardize the negotiation process and limit competition. _____ (GRANTEE NAME) will not require unnecessary experience or bonding requirements.

Pursuant to state law and federal regulations (24 CFR 85.36(b)), all solicitations of offers shall incorporate a clear accurate description of the technical requirements for the material, service, or product to be procured. In competitive procurements, these descriptions shall not contain features which unduly limit competition. The description may include a statement of the qualitative nature of the material, product, or service and the minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications shall be avoided whenever possible. A “brand name or equal” description may be used to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offerors shall be clearly stated.

All solicitations of offers shall clearly set forth all requirements which offerors must fulfill and all other factors to be used in evaluating bids, proposals, or statements of qualifications.

Contracts shall be awarded only to responsible contractors/firms that possess the potential ability to perform successfully under the terms and conditions of the proposed procurement.

Consideration shall be given to such factors as the contractor’s/firm’s capacity, integrity, compliance with public policy, record of past performance, and financial and technical resources.

METHODS OF PROCUREMENT

Direct procurement by the _____ (GRANTEE NAME) shall be made by using one of the following methods depending on the type of service to be procured.

Small Purchase Procedures. Relatively simple, informal procurement procedures will be used where the purchase of materials, single task services, supplies, equipment, and/or other property will not cost in the aggregate more than \$100,000, except where further limited by state law or Disaster Recovery CDBG policy. The procurement officer must obtain a minimum of three oral or written price or rate quotations from qualified sources. Documentation on all quotations received (whether oral or written) shall be made a part of the file. Selections shall be made principally on price. Payment shall be made upon delivery or completion.

Competitive Sealed Bids/Formal Advertising. Under this procedure bids are publicly advertised in accordance with the state’s Public Bid Law. A firm fixed price contract (either lump sum or unit price) shall be awarded to the responsible bidder whose bid is lowest in price and that conforms to all the material terms and conditions of the advertisement for bids.

Competitive sealed bids can be used ONLY when the following criteria are met: (1) there are complete, adequate, and realistic specifications or purchase descriptions; (2) there are two or more responsible bidders who are willing and able to compete effectively; (3) the procurement can be made on a firm fixed-price contract and selection of the successful bidder can appropriately be made principally on the basis of price.

When formal advertising is used the following conditions shall be met.

- i. The advertisement for bids shall be publicly advertised in accord with state law.
- ii. The advertisement for bids, including the specifications and pertinent attachments, shall clearly define the items or services needed in order for the bidders to properly respond to the advertisement.
- iii. All bids shall be opened publicly at the time and place specified in the advertisement for bids.
- iv. A firm fixed-price contract award shall be made by written notice to the lowest responsible bidder whose bid conforms to the advertisement for bids. Where specified in the bid documents, factors such as discounts, transportation costs, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts shall only be used to determine low bid when prior experience indicates that such discounts are generally taken.
- v. Notwithstanding the above, any or all bids may be rejected when there are sound documented business reasons in the best interest of the Disaster Recovery CDBG Program.

Competitive Negotiation: Requests for Proposals/Qualification Statements. The technique of competitive proposals is normally conducted with more than one source submitting an offer. All competitive proposals shall be conducted using a formal RFP/RFQ containing at least the minimum items in the attached RFP/RFQ Outline (See Attachment A). It is generally used when conditions are not appropriate for the use of sealed bids. Architectural and engineering services must be procured via requests for qualification statements; administrative consulting services must be procured via requests for proposals. Other professional services may also be procured by requests for proposals. The following procedures will be used for competitive negotiation:

- i. Requests for proposals or qualification statements must be advertised in a newspaper in the nearest metropolitan area in accordance with the rules of the state's Disaster Recovery CDBG Program. All submittals will be honored and entered into the competition.
- ii. Request for proposals or qualification statements shall contain a detailed list of tasks in the proposed scope of work that is expected to be accomplished.
- iii. The request for proposals or qualification statements shall identify all significant evaluation factors or selection criteria, including the corresponding point system that will be used to rate the proposals/qualification statements. Requests for proposals shall always include cost and at least one non-cost evaluation factor.
- iv. The selecting official (or committee, if one is designated) shall review all proposals and statements received and make a technical evaluation of each. This shall also include a written statement that identifies the basis upon which the selection was made; including the importance of cost (for RFPs).

- v. Contract award will be made to the responsible offeror whose submission is deemed most appropriate to the _____ (GRANTEE NAME) _____ with consideration for price, qualifications, and other factors set by the local governing body. Unsuccessful offerors shall be notified in writing within ten working days of contract award. Documentation of notification shall be maintained in the contract selection file for the individual project.

For qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, at least three firms will be solicited. Following the review of the qualification statements received, the most qualified competitor will be selected to enter into contract negotiation. This shall always include negotiation of price to insure cost reasonableness. At the conclusion of successful negotiation, the competitor shall be invited to enter into a contract.

Noncompetitive Negotiation/Sole Source. Noncompetitive negotiation shall be used when small purchase, formal advertising, or competitive negotiation procedures are not feasible. Noncompetitive negotiation will involve solicitations of a proposal from only one source. This can also occur if solicitations under the competitive negotiation procedures result in only one proposal or qualification statement. Noncompetitive negotiation shall only be used when written authorization has been obtained from the state's Office of Community Development/Disaster Recovery Unit (OCD/DRU). In order to qualify for this type of procurement, one of the following circumstances must apply:

- i. The item or service is available only from a single source;
- ii. It is determined that a public urgency or emergency exists and the urgency will not permit the delay beyond the time needed to employ one of the other three methods of procurement.
- iii. After solicitation of a number of sources, competition is determined to be inadequate.

CONTRACT PRICING

Cost plus a percentage of cost and percentage of construction cost methods of contracting MUST NOT be used. _____ (GRANTEE NAME) _____ shall perform cost or pricing analysis in connection with EVERY procurement action including contract modifications in accordance with the requirements of "Cost and Price Analysis for HUD Grantees and Funding Recipients". Costs or prices based on estimated costs for Disaster Recovery CDBG projects shall be allowed only to the extent that the costs incurred or the cost estimates included in negotiated prices are consistent with federal cost principals[48 CFR Part 31]. Lump sum prices will only be utilized when there is a definable work product and the quantity to be provided is certain and the contractor assumes all the risk for costs incurred. Unit prices can be utilized when there is a definable work product and the contractor assume all the risk for costs incurred, but the quantity is estimated. Cost reimbursement will be utilized when the task does not result in a definable work product or the contractor will not assume the risk of incurring the cost to complete the task. Cost reimbursement, unit or lump sum price, or a combination thereof may be utilized as appropriate.

A cost reimbursement type contract is most appropriate when the scope and extent of the work to be performed are not clearly defined, such as a professional services contract. A cost reimbursement contract MUST clearly establish a cost ceiling which may not be exceeded without formally amending the contract, and must identify a fixed dollar profit that may not be increased unless there is a contract amendment that increases the scope of the work.

A fixed price contract is appropriate when the scope of work is very well defined and product oriented. A fixed price contract can only be awarded when fair and reasonable prices can be established through adequate price competition and the solicitation is based principally on price. A fixed price contract MUST establish a guaranteed price that may not increase unless there is a contract amendment that increases the scope of the work.

PROCUREMENT RECORDS

The _____ (GRANTEE NAME) shall maintain records sufficient to detail the history of the procurement. The records shall include the following contract provisions and conditions:

- i. Contracts other than small purchase shall contain provisions that allow for administrative, contractual, or legal remedies if contractors violate or breach contract terms, and provide for sanctions and penalties as appropriate.
- ii. All contracts in excess of \$10,000 shall provide for termination for cause and for convenience by the _____ (GRANTEE NAME) including the manner in which it will be done and the basis for settlement.
- iii. All construction contracts and subcontracts in excess of \$10,000 shall include provisions which require compliance with Executive Order 11246, Equal Employment Opportunity, as amended by Executive Order 11375, and as supplemented in DOL regulations (41 CFR Part 60).
- iv. All contracts and subcontracts for construction or repair shall include a provision for compliance with the Copeland "Anti-Kick-Back" Act (18 USC 874) as supplemented by DOL regulations (29 CFR Part 3).
- v. All contracts or subcontracts in excess of \$2,000 for construction or repair shall include a provision for compliance with the Davis-Bacon Act (40 USC 276a to a-7) as supplemented by DOL regulations (29 CFR Part 5).
- vi. All construction or repair contracts or subcontracts in excess of \$2,000, and in excess of \$2,500 for other contracts which involve the employment of mechanics or laborers, shall include a provision for compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 327-330) as supplemented by DOL regulations (29 CFR Part 5).
- vii. Each contract shall include a notice of OCD/DRU requirements and regulations pertaining to reporting and patent rights under any contract involving respect to any discovery or invention which arises or is developed in the course of or under such contract, and of the state requirements pertaining to copyrights and rights in data.
- viii. All negotiated contracts shall include a provision that makes it possible for the OCD/DRU, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, to have access to any books, documents, papers, or records of the contractor/firm that are directly pertinent to the contract, for the purpose of making audit examination excerpts and transcriptions. Further, the contract must include a provision that all required records will be maintained by the contractor/firm for a period of five years after the _____ (GRANTEE NAME) formally closes out each Disaster Recovery CDBG program.

(This is a sample only. It includes the minimum Federal requirements. Each local governing body should revise the Policy to reflect its own specific needs/criteria..)

- ix. All contracts, subcontracts, and subgrants in amounts in excess of \$100,000 shall contain a provision which requires compliance with the requirements of Section 306 of the Clean Air Act (42 USC 1857 h), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).
- x. Contracts shall recognize mandatory standards and policies relating to energy efficiency that are contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).
- xi. The _____(GRANTEE NAME)_____ will be permitted to require changes, remedies, changed conditions, access and record retention, and suspension of work clauses approved by the OCD/DRU.

CONTRACT ADMINISTRATION

The _____(GRANTEE NAME)_____ shall maintain contract administration systems that insure contractors/firms perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. The accepted performance of contractors/ firms will be a factor in subsequent contract negotiations and award. Remedial action by the _____(GRANTEE NAME)_____ through legal processes shall be considered in instances of identified significant nonperformance.

PROCUREMENT POLICY **ATTACHMENT A – RFP/RFQ OUTLINE**

A well-written RFP or RFQ will contain all of the information the proposers need to know in a manner that captures interest and is easy to follow. The RFP or RFQ should consist of an introduction and five sections, each of which is summarized briefly on this page:

1. **Advertisement/Purpose (Introduction)** - Cover letter to summarize the services being solicited and the due date for proposals.
2. **Program Information** - Include an overview of the grant/project status and a summary of the roles and responsibilities of all involved parties to provide the context for the solicited services and capture the interest of potential respondents.
3. **Scope of Services** - Start with an overview of the solicited services, summarize general expectations, specify the anticipated role of the selected firm, and provide a detailed list of tasks to be accomplished. Should be connected to the fee proposal and be detailed enough to be in the final contract.
 - **Statement of Work (RFP only):** List in detail the tasks the selected consultant will be expected to perform. List must be detailed enough for consultant to provide price or estimated cost for the services.
4. **Submission and Evaluation Requirements** - Describe what sections should be included in the proposal (e.g. approach, organization chart or staffing plan, fee proposal (RFP only), etc.) and what information each of those sections should contain. Also describe the criteria the Committee will use to evaluate the proposal and the weights for each criterion. Submission requirements and evaluation criteria should be linked.
 - **Approach section (RFP):** For each task identified in the scope of work, respondent is to describe how they would accomplish the task(s).
 - **Project staffing:** Include an organization chart, names and roles of principal staff members, time commitments for principal staff members, and attach resumes.
 - **Qualifications:** Include project summaries for your team's relevant experience, organized by firm or by type of experience.
 - **Fee proposal (RFP only):** Price for services described in the approach, broken out by task.
 - **Evaluation Criteria:** List the criteria on which the proposals will be evaluated (e.g. creativity of approach, reasonableness of fee, quality of relevant qualifications, previous experience, etc.) and give the weighting for each criteria.
5. **Schedule and Required Information** - Provide information about the procurement not related to the actual project. This includes a schedule/timetable for the procurement, information on written questions and pre-proposal conference, contractual obligations, information on conflict of interest, and all other required clauses.
6. **Attachments** - Provide any required forms (e.g. form for fee proposal or Certifications/Assurances), further clarify the expectations by including a sample contract, copies of the roles/ responsibilities checklist, and/or scopes of work for other consultants, and include more detailed information on the project (e.g. application or project summary).

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CONSTRUCTION CONTRACT DOCUMENTS GUIDE

- a. Bid Proposal Title Sheet
- b. Advertisement for Bids
- c. Information for Bidders
- d. Bid Bond Form
- e. Louisiana Uniform Public Work Bid Form
- f. Performance Bond
- g. Payment Bond
- h. Sample Contract
- i. CDBG Compliance Provisions for Construction Contracts
- j. Federal Labor Standards Provisions

BID PROPOSAL

Name of Project

Description of Project

Name of Local Governing Body

List of Contracts

Contract Number

Name and address of architectural/engineering consultant

(S A M P L E)

ADVERTISEMENT FOR BIDS

Sealed bids will be received by the Town of _____ (herein referred to as "Owner" for the construction of the project described as follows:

Proposals shall be addressed to the Town of _____, and delivered to the _____ located at _____ not later than _____ a.m./p.m., on the _____ day of _____, 20__ at which time the bids will be publicly opened and read aloud. Bids must be submitted on the proper bid form. Each bid shall be enclosed in a sealed envelope showing the name, address, and license number of the bidder. Any bid received after the specified time and date will not be considered.

The Bidding Documents (including construction drawings and specifications) may be examined at the Owner's office located at _____ or at the office of the engineer, _____, located at _____.

Copies of the bidding documents may be obtained at the engineer's office located at _____ upon deposit of \$_____ for each complete set. Plans and specifications will be available until twenty-four (24) hours before the bid opening. In accordance with Louisiana R.S. 38:2212, deposits on the first set of documents furnished to bona fide prime bidders will be fully refunded upon return of the documents no later than ten (10) days after receipt of bids. On other sets of documents furnished to bidders, the deposit (\$_____) less the actual cost of reproduction (\$_____) will be refunded upon return of the documents no later than ten (10) days after receipt of bids.

The Owner reserves the right to reject any and all bids for just cause. Such actions shall be in accordance with the Louisiana R.S. 38:2214.

The Owner requires that each bidder attach to his bid a certified check, cashier's check, or bid bond equivalent to 5% of the total bid as evidence of good faith of the bidder. Sureties used for obtaining bonds must appear as acceptable on the U.S. Department of the Treasury Circular 570.

No bidder may withdraw his bid within forty-five (45) days after the actual date of the opening thereof except as provided by law.

The attention of bidders is called particularly to the requirements for conditions of employment to be observed and minimum wage rates to be paid under the Contract, Section 3, Segregated Facilities, Section 109, Executive Order 11246, and all applicable laws and regulations of the Federal government and State of Louisiana and bonding and insurance requirements.

Any person with disabilities requiring special accommodations must contact the Town of _____ no later than seven (7) days prior to the bid opening.

(S A M P L E)

INFORMATION FOR BIDDERS

1. Receipt and Opening of Bids: The Town of _____ (herein called the "Owner"), invites bids on the form attached hereto. All blanks must be appropriately filled in. Bids will be received by the Owner at the office of _____ until _____ a.m./p.m. the ____ day of _____, 20____, and then at said office publicly opened and read aloud. The envelopes containing the bids must be sealed, addressed to _____ at _____ and designated as bid for _____.

The Owner may reject any and all bids for just cause; such actions will be in accordance with Title 38 of the Louisiana Revised Statutes. Any bid may be withdrawn prior to the above scheduled time for the opening of bids or authorized postponement thereof. Any bid received after the time and date specified shall not be considered. No bidder may withdraw a bid within 45 days after the actual date of the opening thereof except as provided by law.

2. Preparation of Bid: Each bid must be submitted on the prescribed form. All blank spaces for bid prices must be filled in, in ink or typewritten, in both words and figures.

Each bid must be submitted in a sealed envelope bearing on the outside the bidder's name and address and the name of the project for which the bid is submitted. If forwarded by mail, the sealed envelope containing the bid must be enclosed in another envelope addressed as specified in the bid form.

3. Subcontractors: The bidder is specifically advised that any person for or other party to whom it is proposed to award a subcontract under this contract must be acceptable to the Owner.

4. Method of Bidding: The Owner invites the following bid(s):

(THIS SECTION MUST BE COMPLETED: UNIT PRICE BID OR LUMP SUM BID)

5. Determination of Unit and Extended Prices: In unit price bids, the total amount bid shall be in the sum of the correct extensions of the unit price bid on each item of work multiplied by the approximate quantity of work shown for the respective item. Each extension shall be carried to one hundredth of a dollar, and the last digit in the extension (or cents' place) shall not be rounded off.

6. Erasures: The bid submitted must not contain erasures. Any and all interlineations or other corrections shall be suitably authenticated by affixing in the margin immediately opposite the correction the initials of the person or persons signing the bid.

7. Prices: In the event of a discrepancy between the prices quoted in words and those quoted in figures in the bid, the words shall control. The prices are to include the furnishing of all materials, plant, equipment, tools, and all other facilities, and the performance of all labor and services necessary or proper for the completion of the work except as may be otherwise expressly provided in the contract documents.
8. Qualifications of Bidder: The Owner may make such investigations deemed necessary to determine the ability of the bidder to perform the work, and the bidder shall furnish to the Owner all such information and data for this purpose as the Owner may request. The Owner reserves the right to reject any bid if the evidence submitted by, or investigation of, such bidder fails to satisfy the Owner that such bidder is responsible and is properly qualified to carry out the obligations of the contract and complete the work contemplated therein. Any conditions placed on a submitted bid shall result in rejection of such bid.
9. Bid Security: Each bid must be accompanied by cashier's check or certified check of the bidder, or a bid bond, duly executed by the bidder as principal and having as surety thereon a surety company approved by the Owner, in the amount of 5 percent of the bid made payable to the Owner. Such cashier's checks, certified checks, or bid bonds will be returned to all except the three lowest bidders within three days after the opening of bids, and the remaining cashier's checks, certified checks, or bid bonds will be returned promptly after the Owner and the accepted bidder have executed the contract, or, if no award has been made within 45 days after the date of the opening of bids, upon demand of the bidder at any time thereafter, so long as he has not been notified of the acceptance of his bid.

Sureties used for obtaining bonds must appear as acceptable on the U.S. Department of the Treasury Circular 570.
10. Liquidated Damages for Failure to Enter into Contract: The successful bidder, upon his failure or refusal to execute and deliver the contract and bonds within 10 days after he receives notice of the acceptance of his bid, shall forfeit to the Owner, as liquidated damages for such failure or refusal, the security deposited with his bid.
11. Time of Completion and Liquidated Damages: Bidder must agree to fully complete the project within _____ consecutive calendar days thereafter. Bidder must agree to pay as liquidated damages the sum of \$_____ for each consecutive calendar day thereafter until acceptance as hereinafter provided.
12. Conditions of Work: Each bidder must inform himself fully of the conditions relating to the construction of the project and the employment of labor thereon. Failure to do so will not relieve a successful bidder of his obligation to furnish all materials and labor necessary to carry out the provisions of his contract. Insofar as possible the contractor, in carrying out the work, must employ such methods or means as will not cause any interruption of or interference with the work of any other contractor.

13. Addenda and Interpretations: No interpretation of the meaning of the plans, specifications or other pre-bid documents will be made to any bidder orally.

Every request for such interpretation should be in writing addressed to _____, at _____ (address) _____ and to be given consideration must be received at least five (5) days prior to the date fixed for the opening of bids. Any and all such interpretations and any supplemental instructions will be in the form of written addenda to the specifications which, if issued, will be mailed by certified mail with return receipt requested to all prospective bidders (at the respective addresses furnished for such purposes), not later than three (3) days prior to the date fixed for the opening of bids.

Failure of any bidder to receive any such addendum or interpretation shall not relieve such bidder from any obligation under his bid as submitted. All addenda so issued shall become part of the contract documents.

14. Security for Faithful Performance: Simultaneously with his delivery of the executed contract, the successful bidder shall furnish a surety bond or bonds as security for faithful performance of this contract and for the payment of all persons performing labor on the project under this contract and furnishing materials in connection with this contract. The surety on such bond or bonds shall be a duly authorized surety company satisfactory to the Owner. Only those surety companies currently on the U. S. Department of Treasury Financial Management Services list (Circular 570) of approved bonding companies will be accepted. The agent selling the bond must be currently licensed to do business in Louisiana. This will be verified by the Owner.

The successful bidder will be required to file a performance bond in the ___ amount (___ - percent) of the contract price for the full period of the contract and a payment bond in the ___ amount (___ -percent) of the contract price for the full period of the contract.

15. Power of Attorney: Attorneys-in-fact who sign bid bonds or contract bonds must file with each bond a certified and effectively dated copy of their power of attorney.
16. Laws and Regulations: The bidder's attention is directed to the fact that all applicable State laws, municipal ordinances and rules and regulations of authorities having jurisdiction over construction of the project shall apply to the contract throughout, and will be deemed to be included in the contract the same as written herein in full.
17. Method of Award: The contract, if awarded, will be awarded to the lowest responsible bidder.
18. Obligation of Bidder: At the time of the opening of bids, each bidder will be presumed to have inspected the site and to have read and to be thoroughly familiar with the plans and contract documents (including all addenda). The failure or omission of any bidder to examine any form, instrument or document shall in no way relieve any bidder from any obligation with respect to his bid.

(SAMPLE)

BID BOND FORM

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned, _____ as Principal, and _____, as Surety, are hereby held and firmly bound into _____, as owner in the penal sum of _____ for which, well and truly to be made, hereby jointly and severally bind ourselves, our heirs, executives, administrators, successors and assigns.

Signed, this _____ day of _____, 20____.

The condition of the above obligation is such that whereas the Principal has submitted to _____, a certain Bid, attached hereto and hereby made a part hereof, to enter into a contract in writing, for the _____.

NOW, THEREFORE,

- (a) If said Bid shall be rejected, or in the alternate,
- (b) If said Bid shall be accepted and the Principal shall execute and deliver a contract in the Form of Contract attached hereto (properly completed in accordance with said Bid) and shall furnish a bond for his/her faithful performance of said contract, and for the payment of all persons performing labor or furnishing materials in connection therewith, and shall in all other respects perform the agreement created by the acceptance of said Bid,

Then this obligation shall be void, otherwise the same shall remain in force and effect, it being expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees, that the obligations of said Surety and its bond shall be in no way impaired or affected by any extension of time within which the Owner may accept such Bid; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed these presents to be signed by their proper officers, the day and year first set forth herein above.

Principal: _____ (L.S.)

Surety: _____

SEAL

By: _____

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, _____, certify that I am the Secretary of the Corporation named as Principal in the within bond; that _____, who signed the said bond on behalf of the Principal was then _____ of said corporation; that I know his/her signature, and his/her signature thereto is genuine; and that said bond was duly signed, sealed, and attested to, for, and on behalf of said corporation by authority of this governing body.

Signature: _____

Title: _____

(Corporate Seal)

CERTIFICATE AS TO SURETY

I, _____, certify that I am the _____ (Title) _____ of the Surety who signed the bond. I certify that we are licensed to do business in the State of Louisiana and are currently recognized by the U. S. Department of the Treasury as acceptable sureties.

Signature: _____

Title: _____

Power of Attorney for person signing for surety company must be attached to bond.

LOUISIANA UNIFORM PUBLIC WORK BID FORM

TO: _____ BID FOR: _____

(Owner to provide name and address of owner) (Owner to provide name of project and other identifying information)

The undersigned bidder hereby declares and represents that she/he; a) has carefully examined and understands the Bidding Documents, b) has not received, relied on, or based his bid on any verbal instructions contrary to the Bidding Documents or any addenda, c) has personally inspected and is familiar with the project site, and hereby proposes to provide all labor, materials, tools, appliances and facilities as required to perform, in a workmanlike manner, all work and services for the construction and completion of the referenced project, all in strict accordance with the Bidding Documents prepared by: _____ and dated: _____ (Owner to provide name of entity preparing bidding documents.)

Bidders must acknowledge all addenda. The Bidder acknowledges receipt of the following ADDENDA: (Enter the number the Designer has assigned to each of the addenda that the Bidder is acknowledging) _____.

TOTAL BASE BID: For all work required by the Bidding Documents (including any and all unit prices designated "Base Bid" * but not alternates) the sum of: _____ Dollars (\$ _____)

ALTERNATES: For any and all work required by the Bidding Documents for Alternates including any and all unit prices designated as alternates in the unit price description.

Alternate No. 1 (Owner to provide description of alternate and state whether add or deduct) for the lump sum of: _____ Dollars (\$ _____)

Alternate No. 2 (Owner to provide description of alternate and state whether add or deduct) for the lump sum of: _____ Dollars (\$ _____)

Alternate No. 3 (Owner to provide description of alternate and state whether add or deduct) for the lump sum of: _____ Dollars (\$ _____)

NAME OF BIDDER: _____

ADDRESS OF BIDDER: _____

LOUISIANA CONTRACTOR'S LICENSE NUMBER: _____

NAME OF AUTHORIZED SIGNATORY OF BIDDER: _____

TITLE OF AUTHORIZED SIGNATORY OF BIDDER: _____

SIGNATURE OF AUTHORIZED SIGNATORY OF BIDDER **: _____

DATE: _____

* The Unit Price Form shall be used if the contract includes unit prices. Otherwise it is not required and need not be included with the form. The number of unit prices that may be included is not limited and additional sheets may be included if needed.

** If someone other than a corporate officer signs for the Bidder/Contractor, a copy of a corporate resolution or other signature authorization shall be required for submission of bid. Failure to include a copy of the appropriate signature authorization, if required, may result in the rejection of the bid unless bidder has complied with La. R.S. 38:2212(A)(1)(c) or RS 38:2212(O).

BID SECURITY in the form of a bid bond, certified check or cashier's check as prescribed by LA RS 38:2218.A is attached to and made a part of this bid.

(S A M P L E)

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS: that _____ (Name of Contractor)

_____ (Address of Contractor)

a _____ (Corporation, Partnership, or Individual),

hereinafter called Principal, and _____ (Name of Surety)

_____ (Address of Surety)

hereinafter called Surety, are held and firmly bound unto _____ (Name of Owner)

_____ (Address of Owner)

hereinafter called Owner, in the penal sum of _____ Dollars, \$(_____)

in lawful money of the United States for the payment of which sum well and truly to be made, we bind ourselves, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such that whereas, the Principal entered into a certain contract with the Owner, dated the _____ day of _____, 20____,

a copy of which is hereto attached and made a part hereof for the construction of:

NOW, THEREFORE, if the Principal shall well, truly and faithfully perform its duties, all the undertakings, covenants, terms, conditions, and agreements of said contract during the original term thereof, and any extensions thereof which may be granted by the Owner, with or without notice to the Surety and during the one year guaranty period, and if he shall satisfy all claims and demands incurred under such contract, and shall fully indemnify and save harmless the Owner from all costs and damages which it may suffer by reason of failure to do so, and shall reimburse and repay the Owner all outlay and expense which the Owner may incur in making good any default, then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, FURTHER, that the said Surety, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the Work to be performed thereunder or the Specifications accompanying the same shall in any wise affect its obligation on this Bond, and it does hereby

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waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the Work or to the Specifications.

PROVIDED, FURTHER, that no final settlement between the Owner and the Contractor shall abridge the right of any beneficiary hereunder, whose claim may be unsatisfied.

IN WITNESS WHEREOF, this instrument is executed in _____ (Number) counterparts, each one of which shall be deemed an original, this the _____ day of _____, 20_____.

ATTEST:

(Principal) Secretary

(Seal)

Principal (Bidder)

By _____
Authorized Officer-Owner-Partner

Witness as to Principal

Address

ATTEST:

Surety

By _____ (Seal)
Attorney-In-Fact

Witness as to Surety

Typed or Printed Name

COUNTERSIGNATURE

I certify that I am, as of the date of this Bond, contracted with the surety company or bond issuer as an agent of the company or issuer as a licensed agent in the State of Louisiana in good standing with the Louisiana Insurance Commission.

By _____

Name of Agency

Typed or Printed Name

Agent License Number

Address

NOTE: Date of Bond must not be prior to date of Contract. If Contractor is Partnership, all partners should execute bond.

IMPORTANT: Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State where the project is located.

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, _____, certify that I am the Secretary of the Corporation named as Principal in the within bond; that _____ who signed the said bond on behalf of the Principal was then _____ of said corporation; that I know his/her signature, and his/her signature thereto is genuine; and that said bond was duly signed, sealed, and attested to on behalf of said corporation by authority of this governing body.

Signature: _____

Title: _____
(Corporate Seal)

CERTIFICATE AS TO SURETY

I, _____, certify that I am the _____ (Title) of the Surety who signed the bond. I certify that we are licensed to do business in the State of Louisiana and are currently recognized by the U. S. Department of the Treasury as acceptable sureties.

Signature: _____

Title: _____

Power of Attorney for person signing for surety company must be attached to bond.

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(SAMPLE)

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS: that _____ (Name of Contractor)

_____ (Address of Contractor)

a _____ (Corporation, Partnership, or Individual),

hereinafter called Principal, and _____ (Name of Surety)

_____ (Address of Surety)

hereinafter called Surety, are held and firmly bound unto _____ (Name of Owner)

_____ (Address of Owner)

hereinafter called Owner, in the penal sum of _____ Dollars, \$(_____)

in lawful money of the United States for the payment of which sum well and truly to be made, we bind ourselves, successors, and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION is such that whereas, the Principal entered into a certain contract with the Owner, dated the _____ day of _____, 20____, a copy of which is hereto attached and made a part hereof for the construction of:

NOW, THEREFORE, if the Principal shall promptly make payment to all persons, firms, Subcontractors, and corporations furnishing materials for or performing labor in the prosecution of the Work provided for in such contract, and any authorized extension or modification thereof, including all amounts due for materials, lubricants, oil, gasoline, coal and coke, repairs on machinery, equipment and tools, consumed or used in connection with the construction of such Work, and all insurance premiums on said Work, and for all labor, performed in such Work whether by Subcontractor or otherwise, then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, FURTHER, that the said Surety, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the Work to be performed thereunder or the Specifications accompanying the same shall in any wise affect its obligation on this Bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the Work or to the Specifications.

PROVIDED, FURTHER, that no final settlement between the Owner and the Contractor shall abridge the right of any beneficiary hereunder, whose claim may be unsatisfied.

IN WITNESS WHEREOF, this instrument is executed in _____ (Number) counterparts, each one of which shall be deemed an original, this the _____ day of _____, 20_____.

ATTEST:

(Principal) Secretary

(Seal)

Principal (Bidder)

By _____
Authorized Officer-Owner-Partner

Witness as to Principal

Address

ATTEST:

Surety

By _____ (Seal)
Attorney-In-Fact

Witness as to Surety

Typed or Printed Name

COUNTERSIGNATURE

I certify that I am, as of the date of this Bond, contracted with the surety company or bond issuer as an agent of the company or issuer as a licensed agent in the State of Louisiana in good standing with the Louisiana Insurance Commission.

By _____

Name of Agency

Typed or Printed Name

Agent License Number

Address

NOTE: Date of Bond must not be prior to date of Contract. If Contractor is Partnership, all partners should execute bond.

IMPORTANT: Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the State where the project is located.

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, _____, certify that I am the Secretary of the Corporation named as Principal in the within bond; that _____ who signed the said bond on behalf of the Principal was then _____ of said corporation; that I know his/her signature, and his/her signature thereto is genuine; and that said bond was duly signed, sealed, and attested to on behalf of said corporation by authority of this governing body.

Signature: _____

Title: _____

(Corporate Seal)

CERTIFICATE AS TO SURETY

I, _____, certify that I am the _____ (Title) _____ of the Surety who signed the bond. I certify that we are licensed to do business in the State of Louisiana and are currently recognized by the U. S. Department of the Treasury as acceptable sureties.

Signature: _____

Title: _____

Power of Attorney for person signing for surety company must be attached to bond.

SAMPLE CONTRACT

THIS AGREEMENT, made this _____ day of _____, 20 ____, by and between _____, (Corporate Name of Owner) herein called "Owner," acting herein through its _____, and _____, (Title of Authorized Official) _____ a corporation, a partnership, an individual doing business as _____ (Strike Out Inapplicable Terms) of _____, Parish of _____, and State of _____, hereinafter called "Contractor."

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned, to be made and performed by the OWNER, the CONTRACTOR hereby agrees with the OWNER to commence and complete the construction described as follows:

hereinafter called the project, for the sum of _____ Dollars (\$ _____) and all extra work in connection therewith, under the terms as stated in the General and Special Conditions of the contract; and at his/her (its/their) own proper cost and expense to furnish all the materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, and other accessories and services necessary to complete the said project in accordance with the General conditions and Supplemental General Conditions and Special Conditions _____ prints, and other drawings and printed or written explanatory matter thereof, the specifications and contract documents therefore as prepared by _____, herein entitled the Architect/ Engineer, and as enumerated in the Supplemental General Conditions, all of which are made a part hereof and collectively evidence and constitute the contract.

The Contractor hereby agrees to commence work under this contract on or before a date to be specified in a written "Notice to Proceed" of the Owner to fully complete the project within _____ consecutive calendar days thereafter. The Contractor further agrees to pay, as Liquidated Damages, the sum of \$ _____ for each consecutive calendar day thereafter as hereinafter provided in the General Conditions.

The OWNER agrees to pay the CONTRACTOR in current funds for the performance of the contract, subject to additions and deductions, as provided in "Payments to Contractor," of the General Conditions.

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IN WITNESS WHEREOF, the parties to these present have executed this contract in six (6) counterparts, each of which shall be deemed an original, in the year and day first above mentioned.

(Seal)
ATTEST:

(Owner)

By _____
(Secretary)

(Witness) _____
(Title)

(Seal) _____
(Contractor)

By _____
(Secretary)

(Witness) _____
(Title)

(Address and Zip Code)

NOTE: Secretary of the Owner should attest. If Contractor is a corporation, Secretary should attest.

CDBG COMPLIANCE PROVISIONS

for

CONSTRUCTION CONTRACTS

(These provisions must be included in all construction contracts)

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1. EQUAL EMPLOYMENT OPPORTUNITY (Equal Opportunity Clause)

(applicable to contracts and subcontracts above \$10,000)

During the performance of this contract, the Contractor agrees as follows:

- A. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- B. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration without regard to race, color, religion, sex, or national origin.
- C. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Contract Compliance Officer advising the said labor union or workers' representatives of the Contractor's commitment under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- D. The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, as amended, and the rules, regulations, and relevant orders of the Secretary of Labor.
- E. The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, as amended, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Department and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and others.
- F. In the event of the Contractor's noncompliance with the non-discrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- G. The Contractor will include the provisions of the sentence immediately preceding paragraph A and the provisions of paragraphs A through G in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Department may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation

with a subcontractor or vendor as a result of such direction by the Department, the Contractor may request the United States to enter into such litigation to protect the interest of the United States.

2. **STANDARD FEDERAL EQUAL EMPLOYMENT OPPORTUNITY
CONSTRUCTION CONTRACT SPECIFICATIONS**

(applicable to contracts and subcontracts above \$10,000)

A. As used in these specifications:

- (1) "Covered area" means the geographical area described in the solicitation from which this contract resulted;
- (2) "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority;
- (3) "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.
- (4) "Minority" includes:
 - (a) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);
 - (b) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South America or other Spanish Culture or origin, regardless of race);
 - (c) Asian and Pacific Islander (all persons having origins in any of the original people of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and
 - (d) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).

B. When the Contractor, or any subcontractor, at anytime, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract, in excess of \$10,000, the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.

C. If the Contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in

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compliance with the provisions of any such Hometown Plan. Each Contractor or subcontractor participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other Contractors or subcontractors toward a goal in an approved Plan does not excuse any covered Contractor's or subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.

- D. The Contractor shall implement the specific affirmative action standards provided in paragraphs G(1) through G(16) of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered construction contractors performing contracts in geographical areas where they do not have a federal or federally-assisted construction contract shall apply the minority and female goals established for the geographic area where the contract is being performed. Goals are published periodically in the Federal Register in notice form and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The Contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.
- E. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.
- F. In order for the non-working training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.
- G. The Contractor shall take specific affirmative action to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Contractor shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:
 - (1) Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible, will assign two or more women to each construction project. The Contractor shall specifically ensure that all foremen, superintendents and other on-site supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

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- (2) Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organization's responses.
- (3) Maintain a current file of the names, addresses, and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source, or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefore, along with whatever additional actions the Contractor may have taken.
- (4) Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement have not referred to the Contractor a minority person or woman sent by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.
- (5) Develop on-the-job training opportunities and/or participate in training programs for the area which expressly includes minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall provide notice of these programs to the sources compiled under G(2) above.
- (6) Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on a bulletin board accessible to all employees at each location where construction work is performed.
- (7) Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions including specific review of these items with on-site supervisory personnel such as Superintendents, General Foreman, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.
- (8) Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Contractor's EEO

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policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.

- (9) Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one month prior to the date for acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.
- (10) Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer, and vacation employment to minority and female youth both on the site and in other areas of a Contractor's work force.
- (11) Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.
- (12) Conduct, at least annually, an inventory and evaluation of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.
- (13) Ensure that seniority practices, job classifications, work assignments and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations under these specifications are being carried out.
- (14) Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.
- (15) Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitation to minority and female contractor associations and other business associations.
- (16) Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and affirmative action obligations.

H. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (G(1) through G(16)). The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the Contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under G(1) through G(16) of these specifications provided that the Contractor actively participates in the group, makes every effort to assure that the group has a

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positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female workforce participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation shall not be a defense for the Contractor's non-compliance.

- I. A single goal for minorities and a separate single goal for women has been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).
- J. The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any persons because of race, color, religion, sex, or national origin.
- K. The Contractor shall not enter into any subcontract with any person or firm debarred from government contracts pursuant to E.O. 11246.
- L. The Contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause including suspension, termination, and cancellation of existing subcontracts as may be imposed or ordered pursuant to E.O. 11246, as amended.
- M. The Contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph G of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.
- N. The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the government and to keep records. Records shall at least include for each employee, the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number where assigned, social security number, race, sex, status (e.g., mechanic, apprenticeship trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and location at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, Contractors shall not be required to maintain separate records.
- O. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application or requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

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PARISH	MIN. GOAL (%)	PARISH	MIN. GOAL (%)	PARISH	MIN. GOAL (%)	PARISH	MIN. GOAL (%)
Cameron	17.8	Lafayette	20.6	St. Bernard	31.0	Webster	29.3
Catahoula	27.9	Lafourche	27.7	St. Charles	27.7	W. Baton Rouge	26.1
Claiborne	29.3	LaSalle	27.9	St. Helena	30.4	West Carroll	27.9
Concordia	30.4	Lincoln	27.9	St. James	27.7	West Feliciana	30.4
De Soto	29.3	Livingston	26.1	St. John the Baptist	27.7	Winn	29.3

- C. The Contractor shall provide written notification to the Director of the Office of Federal Contract Compliance Programs within 10 working days of award of any construction subcontract in excess of \$10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address, and telephone number of the subcontractor; employer identification number; estimated dollar amount of the subcontract; estimated starting and completion dates of the sub-contract; and the geographical area in which the contract is to be performed.
- D. As used in this Notice, and in the contract resulting from this solicitation, the "covered area" is *(insert description of the geographical areas where the contract is to be performed, giving the State, parish, and city, if any):*

4. **CERTIFICATION OF NONSEGREGATED FACILITIES**

(applicable to contracts and subcontracts over \$10,000)

By the submission of this bid, the bidder, offeror, applicant or subcontractor certifies that he/she does not maintain or provide for his/her establishments, and that he/she does not permit employees to perform their services at any location, under his/her control, where segregated facilities are maintained. He/she certifies further that he/she will not maintain or provide for employees any segregated facilities at any of his/her establishments, and he/she will not permit employees to perform their services at any location under his/her control where segregated facilities are maintained. The bidder, offeror, applicant or subcontractor agrees that a breach of this certification is a violation of the equal opportunity clause of this contract.

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason.

He/she further agrees that (except where he/she has obtained for specific time periods) he/she will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the equal opportunity clause; that he/she will retain such certifications in his/her files; and that he/she will forward the following notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

5. **CIVIL RIGHTS**

The Contractor shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

6. **SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974**

The Contractor shall comply with the provisions of Section 109 of the Housing and Community Development Act of 1974. No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Section 109 further provides that discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended, is prohibited.

7. **SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968 - COMPLIANCE IN THE PROVISION OF TRAINING, EMPLOYMENT AND BUSINESS OPPORTUNITIES**

- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
- D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The

contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

- E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
- F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

8. SECTION 503 OF THE REHABILITATION ACT OF 1973 (29 USC 793)
(applicable to contracts and subcontracts over \$10,000)

- A. The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is otherwise qualified. The contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: employment upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- B. The Contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- C. In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- D. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.

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- E. The Contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Section 503 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.
- F. The Contractor will include the provisions of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

9. **SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED**

The Contractor agrees that no otherwise qualified individual with disabilities shall, solely by reason of his disability, be denied the benefits, or be subjected to discrimination including discrimination in employment, any program or activity that receives the benefits from the federal financial assistance.

10. **AGE DISCRIMINATION ACT OF 1975**

The Contractor shall comply with the provisions of the Age Discrimination Act of 1975. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.

11. **CERTIFICATION OF COMPLIANCE WITH AIR AND WATER ACTS**

(applicable to contracts and subcontracts exceeding \$100,000)

The Contractor and all subcontractors shall comply with the requirements of the Clean Air Act, as amended, 42 USC 1857 et seq., the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq., and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended.

In addition to the foregoing requirements, all nonexempt contractors and subcontractors shall furnish to the owner, the following:

- A. A stipulation by the Contractor or subcontractors, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 CFR Part 15, as amended.
- B. Agreement by the Contractor to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 USC 1857 c-8) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 USC 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

- C. A stipulation that as a condition for the award of the contract, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized, or to be utilized for the contract, is under consideration to be listed on the EPA List of Violating Facilities.
- D. Agreement by the Contractor that he will include, or cause to be included, the criteria and requirements in paragraph (1) through (4) of this section in every nonexempt subcontract and requiring that the Contractor will take such action as the government may direct as a means of enforcing such provisions.

12. SPECIAL CONDITIONS PERTAINING TO HAZARDS, SAFETY STANDARDS AND ACCIDENT PREVENTION

- A. Lead-Based Paint Hazards
(include in contracts for construction or rehabilitation of residential structures)

The construction or rehabilitation of residential structures is subject to the HUD Lead-Based Paint regulations, 24 CFR Part 35. The Contractor and subcontractors shall comply with the provisions for the elimination of lead-based paint hazards under Subpart B of said regulations. The Owner will be responsible for the inspections and certifications required under Section 35.14 (f) thereof.

- B. Use of Explosives (Modify as required)

When the use of explosives is necessary for the prosecution of the work, the Contractor shall observe all local, state and federal laws in purchasing and handling explosives. The Contractor shall take all necessary precaution to protect completed work, neighboring property, water lines, or other underground structures. Where there is danger to structures or property from blasting, the charges shall be reduced and the material shall be covered with suitable timber, steel or rope mats.

The Contractor shall notify all owners of public utility property of intention to use explosives at least 8 hours before blasting is done close to such property. Any supervision or direction of use of explosives by the engineer does not in any way reduce the responsibility of the Contractor or his Surety for damages that may be caused by such use.

- C. Danger Signals and Safety Devices (Modify as Required)

The Contractor shall make all necessary precautions to guard against damages to property and injury to persons. He shall put up and maintain in good condition, sufficient red or warning lights at night, suitable barricades and other devices necessary to protect the public. In case the Contractor fails or neglects to take such precautions, the Owner may have such lights and barricades installed and charge the cost of this work to the Contractor. Such action by the Owner does not relieve the Contractor of any liability incurred under these specifications or contract.

13. **FLOOD DISASTER PROTECTION**

This contract is subject to the requirements of the Flood Disaster Protection Act of 1973 (P.L. 93-234). Nothing included as a part of this contract is approved for acquisition or construction purposes as defined under Section 3(a) of said

Act, for use in an area identified by the Secretary of HUD as having special flood hazards which is located in a community not then in compliance with the requirements for participation in the National Flood Insurance Program pursuant to Section 201(d) of said Act; and the use of any assistance provided under this contract for such acquisition for construction in such identified areas in communities then participating in the National Flood Insurance Program shall be subject to the mandatory purchase of flood insurance requirements or Section 102(a) of said Act.

Any contract or agreement for the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Contract shall contain, if such land is located in an area identified by the Secretary as having special flood hazards and in which the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4001 et seq., provisions obligating the transferee and its successors or assigns to obtain and maintain, during the ownership of such land, such flood insurance as required with respect to financial assistance for acquisition or construction purposes under Section 102(a) of Flood Disaster Protection Act of 1973.

14. **ACCESS TO RECORDS - MAINTENANCE OF RECORDS**

The State of Louisiana, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the Contractor which are directly pertinent to this specific contract, for the purpose of audits, examinations, and making excerpts and transcriptions. All records connected with this contract will be maintained in a central location by the unit of local government and will be maintained for a period of five (5) years from the official date of the State's final closeout of the grant.

15. **INSPECTION**

The authorized representative and agents of the State of Louisiana and the Department of Housing and Urban Development shall be permitted to inspect all work, materials, payrolls, records of personnel, invoices of materials, and other relevant data and records.

16. **REPORTING REQUIREMENTS**

The Contractor shall complete and submit all reports, in such form and according to such schedule, as may be required by the Owner.

17. **CONFLICT OF INTEREST**

A. No officer or employee of the local jurisdiction or its designees or agents, no member of the governing body, and no other public official of the locality who his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed. Further, the Contractor shall cause to be

incorporated in all subcontracts the language set forth in this paragraph prohibiting conflict of interest.

B. No member of or delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

18. ACTIVITIES AND CONTRACTS NOT SUBJECT TO EXECUTIVE ORDER 11246, AS AMENDED

(applicable to contracts and subcontracts of \$10,000 and under)

During the performance of this contract, the Contractor agrees as follows:

- A. The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- B. The Contractor shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by Contracting Officer setting forth the provisions of this non-discrimination clause. The Contractor shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- C. Contractors shall incorporate foregoing requirements in all subcontracts.

19. PATENTS

- A. The Contractor shall hold and save the Owner and its officers, agents, servants, and employees harmless from liability of any nature or kind, including cost and expenses for, or on account of any patented or unpatented invention, process, article, or appliance manufactured or used in the performance of the contract including its use by the Owner, unless otherwise specifically stipulated in the Contract Document.
- B. License or Royalty Fees: License and/or Royalty Fees for the use of a process which is authorized by the Owner of the project must be reasonable, and paid to the holder of the patent, or his authorized license, direct by the Owner and not by or through the Contractor.
- C. If the Contractor uses any design device or materials covered by letters, patent or copyright, he shall provide for such use by suitable agreement with the owner of such patented or copy-righted design device or material. It is mutually agreed and understood, that without exception the contract prices shall include all royalties or costs arising from the use of such design, device or materials, in any way involved in the work. The Contractor and/or his Sureties shall indemnify and save harmless the Owner of the project from any and all claims for infringement by reason of the use of such patented or copy-righted design, device or materials or any trademark or copy-right in connection with work agreed to be performed under this contract, and shall indemnify the Owner for any cost, expense, or damage which it

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may be obliged to pay by reason of such infringement at any time during the prosecution of the work or after completion of the work.

20. COPYRIGHT

No materials, to include but not limited to reports, maps, or documents produced as a result of this contract, in whole or in part, shall be available to the Contractor for copyright purposes. Any such materials produced as a result of this contract that might be subject to copyright shall be the property of the Owner and all such rights shall belong to the Owner.

21. TERMINATION FOR CAUSE

If, through any cause, the Contractor shall fail to fulfill in a timely and proper manner his obligations under this contract, or if the Contractor shall violate any of the covenants, agreements, or stipulations of this contract, the Owner shall thereupon have the right to terminate this contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Contractor under this contract shall, at the option of the Owner, become the Owner's property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the Contractor shall not be relieved of liability to the Owner for damages sustained by the Owner by virtue of any breach of the contract by the Contractor, and the Owner may withhold any payments to the Contractor for the purpose of set-off until such time as the exact amount of damages due the Owner from the Contractor is determined.

22. TERMINATION FOR CONVENIENCE

The Owner may terminate this contract at any time by giving at least ten (10) days notice in writing to the Contractor. If the contract is terminated by the Owner as provided herein, the Contractor will be paid for the time provided and expenses incurred up to the termination date.

23. ENERGY EFFICIENCY

The Contractor shall comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Public Law 94-163).

24. SUBCONTRACTS

- A. The Contractor shall not enter into any subcontract with any subcontractor who has been debarred, suspended, declared ineligible, or voluntarily excluded from participating in contracting programs by any agency of the United States Government or the State of Louisiana.
- B. The Contractor shall be as fully responsible to the Owner for the acts and omissions of the Contractor's subcontractors, and of persons either directly or indirectly employed by them, as he is for the acts and omissions of persons directly employed by the Contractor.

- C. The Contractor shall cause appropriate provisions to be inserted in all subcontracts relative to the work to bind subcontractor to the Contractor by the terms of the contract documents insofar as applicable to the work of subcontractors and to give the Contractor the same power as regards terminating any subcontract that the Owner may exercise over the Contractor under any provision of the contract documents.
- D. Nothing contained in this contract shall create any contractual relation between any subcontractor and the Owner.

25. DEBARMENT, SUSPENSION, AND INELIGIBILITY

The Contractor represents and warrants that it and its subcontractors are not debarred, suspended, or placed in ineligibility status under the provisions of 24 CFR 24 (government debarment and suspension regulations).

26. PROTECTION OF LIVES AND HEALTH

The Contractor shall exercise proper precaution at all times for the protection of persons and property and shall be responsible for all damages to persons or property, either on or off the worksite, which occur as a result of his prosecution of the work. The safety provisions of applicable laws and building and construction codes, in addition to specific safety and health regulations described by Chapter XIII, Bureau of Labor Standards, Department of Labor, Part 1518, Safety and Health Regulations for Construction, as outlined in the Federal Register, Volume 36, No. 75, Saturday, April 17, 1971, Title 29 - LABOR, shall be observed and the Contractor shall take or cause to be taken, such additional safety and health measures as the Owner may determine to be reasonably necessary.

27. BREACH OF CONTRACT TERMS

Any violation or breach of terms of this contract on the part of the Contractor or the Contractor's subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this contract. The duties and obligations imposed by the contract documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

28. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

Each and every provision of law and clause required by law to be inserted in this contract shall be deemed to be inserted herein and the contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the contract shall forthwith be physically amended to make such insertion or correction.

29. CHANGES

The Owner may, from time to time, request changes in the scope of the services of the Contractor to be performed hereunder. Such changes, including any increase or decrease in the amount of

the Contractor's compensation which are mutually agreed upon by and between the Owner and the Contractor, shall be incorporated in written and executed amendments to this Contract.

30. PERSONNEL

The Contractor represents that it has, or will secure at its own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the Owner.

All the services required hereunder will be performed by the Contractor or under its supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such services.

No person who is serving sentence in a penal or correctional institution shall be employed on work under this Contract.

31. ANTI-KICKBACK RULES

Salaries of personnel performing work under this Contract shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C. 874; and Title 40 U.S.C. 276c). The Contractor shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this contract to insure compliance by the subcontractors with such regulations, and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

32. ASSIGNABILITY

The Contractor shall not assign any interest in this Contract, and shall not transfer any interest in the same (whether by assignment or novation) without prior written approval of the Owner provided that claims for money due or to become due the Contractor from the Owner under this Contract may be assigned to a bank, trust company, or other financial institution, or to a Trustee in Bankruptcy, without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Owner.

33. INTEREST OF CONTRACTOR

The Contractor covenants that he presently has no interest and shall not acquire any interest direct or indirect in the above described project or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his services hereunder. The Contractor further covenants that in the performance of this Contract no person having any such interest shall be employed.

34. POLITICAL ACTIVITY

The Contractor will comply with the provisions of the Hatch Act (5 U.S.C. 1501 et seq.), which limits the political activity of employees.

35. COMPLIANCE WITH THE OFFICE OF MANAGEMENT AND BUDGET

The parties agree to comply with the regulations, policies, guidelines, and requirements of the Office of Management and Budget, Circulars A-95, A-102, A-133, and A-54, as they relate to the use of Federal funds under this contract.

36. DISCRIMINATION DUE TO BELIEFS

No person with responsibilities in operation of the project to which this grant relates will discriminate with respect to any program participant or any applicant for participation in such program because of political affiliation or beliefs.

37. CONFIDENTIAL FINDINGS

All of the reports, information, data, etc., prepared or assembled by the Contractor under this Contract are confidential, and the Contractor agrees that they shall not be made available to any individual or organization without prior written approval of the Owner.

38. LOBBYING

The Contractor certifies, to the best of his or her knowledge and belief that:

1. No federally appropriated funds have been paid or will be paid, by or on behalf of the contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
2. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

39. FEDERAL LABOR STANDARDS PROVISIONS

The Contractor shall abide by the requirements of the Federal Labor Standards Provisions (form HUD-4010) as follows.

Federal Labor Standards Provisions

U.S. Department of Housing
and Urban Development
Office of Labor Relations

Applicability

The Project or Program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

A. 1. (i) Minimum Wages. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section I(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible, place where it can be easily seen by the workers.

(ii) (a) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(b) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215-0140.)

(c) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

(d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(ii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part

of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

2. Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract in the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part of the wages required by the contract, HUD or its designee may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to the contractor, disburse such amounts withheld for and on account of the contractor or subcontractor to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.

3. (i) Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section 1(b)(2)(B) of the Davis-bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been

communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)

(ii) (a) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i) except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this subparagraph for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to HUD or its designee. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)

(b) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under 29 CFR 5.5 (a)(3)(ii), the appropriate information is being maintained under 29 CFR 5.5(a)(3)(i), and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(c) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b).

(d) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4. Apprentices and Trainees.

(i) **Apprentices.** Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who

is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) **Trainees.** Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by

the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) **Equal employment opportunity.** The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

5. Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract

6. Subcontracts. The contractor or subcontractor will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 in this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this paragraph.

7. Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8. Compliance with Davis-Bacon and Related Act Requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract

9. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

10. (i) Certification of Eligibility. By entering into this contract the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be

awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1 01 0, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration . . . makes, utters or publishes any statement knowing the same to be false . . . shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

11. Complaints, Proceedings, or Testimony by Employees. No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by the Contractor or any subcontractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.

B. Contract Work Hours and Safety Standards Act. The provisions of this paragraph B are applicable where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms "laborers" and "mechanics" include watchmen and guards.

(1) **Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which the individual is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

(2) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in subparagraph (1) of this paragraph, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (1) of this paragraph, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by the clause set forth in subparagraph (1) of this paragraph.

(3) Withholding for unpaid wages and liquidated damages. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contract, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the same prime contractor such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (2) of this paragraph.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (4) of this paragraph and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in subparagraphs (1) through (4) of this paragraph.

C. Health and Safety. The provisions of this paragraph C are applicable where the amount of the prime contract exceeds \$100,000.

(1) No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

(2) The Contractor shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96). 40 USC 3701 et seq.

(3) The contractor shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each subcontractor. The contractor shall take such action with respect to any subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

24 CFR § 570.489(h) CONFLICT OF INTERESTS

24 CFR § 570.611 Conflict of interest.

- a) *Applicability.*
 - 1) In the procurement of supplies, equipment, construction, and services by recipients, and by subrecipients (including those specified at § 570.204(c)), the conflict of interest provisions in 24 CFR 85.36 and OMB Circular A-110, respectively, shall apply.
 - 2) In all cases not governed by 24 CFR 85.36 and OMB Circular A-110, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient, by its subrecipients, or to individuals, businesses or other private entities under eligible activities which authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities pursuant to § 570.202, or grants, loans and other assistance to businesses, individuals and other private entities pursuant to § 570.203, § 570.204 or § 570.455).
- b) *Conflicts prohibited.* Except for the use of CDBG funds to pay salaries and other related administrative or personnel costs, the general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part, or who are in a position to participate in a decision making process or to gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. For the UDAG program, the above-stated restriction shall apply to all activities that are a part of the UDAG project, and shall cover any financial interest or benefit during, or at any time after, the person's tenure.
- c) *Persons covered.* The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or subrecipients which are receiving funds under this part.
- d) *Exceptions: threshold requirements.* Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it determines that such an exception will serve to further the purposes of the Act and the effective and efficient administration of the recipient's program or project. An exception may be considered only after the recipient has provided the following:
 - 1) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
 - 2) (2) An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.
- e) *Factors to be considered for exceptions.* In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (d) of

this section, HUD shall consider the cumulative effect of the following factors, where applicable:

- 1) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;
- 2) Whether an opportunity was provided for open competitive bidding or negotiation;
- 3) Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
- 4) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted activity in question;
- 5) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (b) of this section;
- 6) Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
- 7) Any other relevant considerations.

Cost-Price Detail

(and instructions)

- 1 Cost Price Summary
- 2 [Summary Budget Tab](#)
- 3 [Invoices Example](#)

A Cost Component Detail sheet should be prepared for each task.
The details will populate the Summary Budget Tab automatically.

Brief identification of contract task; entry will appear on Summary Budget from, replacing task number

As needed; provide additional information on contract task

filled from Summary Budget Tab

Community: St. Martin Parish Police Jury
 Proposer: Dewey, Cheatam & Howe Consultants, Inc.
 15-Feb-10

COST Component Detail				Task:	Additional Description	Units
				Conduct Surveys	Conduct surveys for target areas for three drainage projects in CT 100 BGs 2 and 3	3
				Direct Labor and other compensation		Estimated hours
Senior Planner	x	3 surveys	@	2 hours per survey	36	Hourly Rate 62.98
Assisant planner	x	3 surveys	@	15 hours per survey	45	44.22
						Direct Cost per Task
						2,267.10
						1,989.90
						-
						-
						-
Total Personnel Compensation						81
						4,257.00

Other Direct Costs

Mileage Costs		Estimated Miles	@ \$ per mile	Mileage Costs
One way	Trips	540	\$ 0.48	259.20
trip to survey target area # 1	35	2		2 miles south of Amityville
trip to survey target area # 2	45	2		4 miles east of Chaudville
trip to survey target area # 3	55	2		Southeastern part of River city

Per diem Costs	Estimated Travel Days	Per Diem rate	Per diem costs
	0	\$ -	-

Contract Services or Materials Cost	Description	# items, or units	Estimated Cost per item	Services or Materials Cost
Printing target area map	x 3 @ \$110 per map	3	\$ 110.00	330.00
Reproducing survey forms	200 per target area x 3 TAs @ \$.35 ea	600	\$ 0.35	210.00
		0	\$ -	-
Total Services or Materials cost				540.00

Total Direct Costs **5,056.20**

6/14/2010

Page 1 of 5
Version 2.0

Cost-Price Detail

(and instructions)

(Cost Component Detail Summary Continued)

Calculating overhead/indirect cost: the spreadsheet offers two choices; a flat dollar rate per direct Labor Hour or a Percent of Hourly Direct Labor cost. Contractors with a current indirect cost rate approved by any federal agency can use that. Contractors without a rate must show calculation from financial statements See below

Overhead Costs

Choose One Method

Rate X Direct Personnel hours

Overhead Cost	see below	Overhead Hourly Rate	Overhead Cost
Office supplies, services, rentals etc	\$ 7.57	-	-

Total Estimated Costs with rate x direct cost hours	5,056.20
--	-----------------

Once one of the two methods is chosen; it is only necessary to enter the figure on the TASK ONE tab, it will automatically populate the other 24 tabs.

Rate X % of Direct Labor Costs

Overhead Cost	see below	Percent of Direct Labor Cost	Overhead Cost
Office supplies, services, rentals etc	15.1%	15.1%	642.81

Total Estimated Costs with rate as a percent of Direct Labor Cost	5,699.00
--	-----------------

Price detail is optional; the Competitive Proposal method requires a cost breakdown of all services offered. Typically professional service contracts are based upon time and effort ; however some services can be delivered as a finished product and priced accordingly. Payment can be made upon completion and delivery of a completed work product instead of payment for time and effort.

Price Detail

Task:	Describe deliverable or work product	Units	451.00
Conduct Surveys	Three completed and tabulated surveys	3	Profit

calculated difference between allowable costs and price paid

enter price per single unit

describe proposed completed product

Offered Price per task completion	\$ 2,050.00 x units	Total Offered Price	\$ 6,150.00
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The element of the potential total remuneration that contractors may receive for contract performance over and above allowable costs is called Profit. Sec. 15.404-4 Profit

Cost-Price Detail

(and instructions)

EXAMPLE: Overhead/Indirect costs

II. Cost Elements

Depending on your system, you must provide breakdowns for the following basic cost elements, as applicable:

C. Indirect Costs.

Indicate how you have computed and applied your indirect costs, including cost breakdowns.

Show trends and budgetary data to provide a basis for evaluating the reasonableness of proposed rates.

Indicate the rates used and provide an appropriate explanation.

Overhead rates are developed by dividing the overhead pool costs by the selected allocation base, e.g., direct labor dollars or direct labor hours.

proposer Dewey, Cheatam & Howe Consultants, Inc.

Cost Accounting Period Beginning

1-Oct-08

Cost Accounting Period Ending

30-Sep-09

Allocation Base

choose	Direct Labor Payroll \$	\$ 350,000.00
or	Direct Labor Hours #	7,000.00

Indirect Payroll (administrative staff)

18,000.00

subtract any admin staff charged as a direct cost above

Payroll Taxes

1,440.00

Vacation

692.31

Holiday

385.71

Sick Leave

-

Pensions

2,016.00

do not include any fringe costs charged as a direct cost above

22,534.02

Other Operating Expenses

35,000.00

Minus Bad debts and Losses

500.00

Sec. 31.205-3 Bad debts, Sec. 31.205-23 Losses on other contracts.

Minus Entertainment Costs

3,050.00

Sec. 31.205-14 Entertainment costs.

Minus fines and penalties

200.00

Sec. 31.205-15 Fines, penalties, and mischarging costs.

Minus Lobbying, Political activity costs

340.00

Sec. 31.205-22 Lobbying and political activity costs.

Minus Costs of alcoholic beverages

450.00

Sec. 31.205-51 Costs of alcoholic beverages.

30,460.00

Net Allowable Expenses

52,994.02

divided by allocation base

choose Equals Indirect Cost Rate % 15.1% of Direct Labor Costs

or Equals Indirect Cost Rate \$ per hour \$ 7.57 of Direct Labor hours

End of Indirect Cost Example

Cost-Price Detail

(and instructions)

[Summary Budget Tab](#)

Part III Payment Schedule

Agreement between
 St. Martin Parish Police Jury
 and
 Dewey, Cheatam & Howe Consultants, Inc.

data is populated from information provided from TASK tabs

Contract Payment as Reimbursable Costs

Contract Payment as a Price per Deliverable

The name of the TASK will replace Task # when cell C5 in each Task Tab is filled in

Conduct Surveys

Direct Labor Cost	est Hours	81	4,257.00
Travel Costs	est Miles	540	259.20
Contract Services or Materials Cost			540.00
Overhead Costs			642.81
Total Costs			5,699.00
Renumeration above allowable costs			451.00

Task: Conduct Surveys

Deliverable or Completed Work Product:	Three completed and tabulated surveys	
Quantity		3
Unit Price		\$ 2,050.00
Total Price		\$ 6,150.00

Complete Environmental Reviews

Direct Labor Cost	est Hours	45	2,833.88
Travel Costs	est Miles	-	-
Contract Services or Materials Cost			99.60
Overhead Costs			427.92
Total Costs			3,361.39
Renumeration above allowable costs			238.61

Task: Complete Environmental Reviews

Deliverable or Completed Work Product:	Three completed ERRs	
Quantity		3
Unit Price		\$ 1,200.00
Total Price		\$ 3,600.00

Conduct Labor Interviews

Direct Labor Cost	est Hours	30	1,326.60
Travel Costs	est Miles	540	259.20
Contract Services or Materials Cost			21.00
Overhead Costs			200.32
Total Costs			1,807.11
Renumeration above allowable costs			(1,807.11)

Task: Conduct Labor Interviews

Deliverable or Completed Work Product:	NO PRICE OFFERED Scope of work is too indefinite	
Quantity		0
Unit Price		\$ -
Total Price		\$ -

some service costs cannot be estimated accurately and can only be paid on a cost

Cost-Price Detail

(and instructions)

6-4

EXAMPLE: Price/Deliverable Billing Invoice

To: St. Martin Parish Police Jury	21-Jul-10
From: Dewey; Cheatam; & Howe Consultants inc.	
Reference: CDBG Disaster Recovery Project Drainage Project # 2	
Contract Task:	
Complete Environmental Review Record	
Unit Price	<u>\$ 1,200.00</u>
Deliverable:	
Environmental Review Record Drainage Project # 2	
Quantity of Deliverables	<u>1</u>
Total Billing	<u>\$ 1,200.00</u>

Cost Components of agreed upon Price	
Senior Planner	
15 hrs @ \$62.98 hr =	\$ 944.70
+ Overhead @ 15.1 % =	\$ 142.65
= DL Cost	<u>\$ 1,087.35</u>
+ Postage, Printing, Mailing:1 ERR	\$ 33.20
= Total Cost	<u>\$ 1,120.55</u>
+ Profit	\$ 79.45
= Total Billing	<u>\$ 1,200.00</u>

Example: Cost Reimbursement Billing Invoice

To: St. Martin Parish Police Jury	21-Jul-10			
From: Dewey; Cheatam; & Howe Consultants inc.				
Reference: CDBG Disaster Recovery Project Drainage Project # 2				
Contract Task: Conduct Labor Interviews				
Direct Labor Charges	Quantities	Units	Rate	
Assistant Planner onsite interview session	3.5	hours	\$ 44.22	\$ 154.77
Senior Planner onsite interview session	2.5	hours	\$ 62.98	\$ 157.44
Assistant Planner compilation of data	1.5	hours	\$ 44.22	\$ 66.33
Subtotal Direct Labor hours	7.5			<u>\$ 378.54</u>
Mileage Costs				
Two trips to conduct interviews one way 34 mi	136	mileage @	\$ 0.48	<u>\$ 65.28</u>
Materials and Services costs				
Reproduction of interview forms	16	per unit @	\$ 0.35	<u>\$ 5.60</u>
Allowable Overhead				
Overhead @ percent Direct Labor cost	\$ 378.54	%DL @	15.10%	<u>\$ 57.16</u>
Total Reimbursable Costs for Task this Billing				<u>\$ 506.58</u>
Previous Billings for this Task:	Conduct Labor Interviews			<u>\$ 432.68</u>
Total Billings to Date for this Task				<u>\$ 939.26</u>

Cost Estimate of Task	
Assistant Planner	
30 hrs @ \$44.22 hr =	\$ 1,326.60
+ Overhead @ 15.1 %	\$ 200.32
= DL Cost	<u>\$ 1,526.92</u>
Total Est. Miles Cost: 540 x \$.48 =	\$ 259.20
Est. Materials/Services cost	\$ 21.00
Total Estimated Cost of Task	<u>\$ 1,807.12</u>

COST COMPONENT DETAIL

Nothing in the following discussions should be interpreted as recommending the inclusion as direct costs any items normally treated as overhead costs in the firm's accounting or estimating system. 48 CFR Part 31 identifies general cost principles applicable to subagreements with profit-making commercial organizations. OMB Circulars A-122 and A-87 are cost principles for nonprofit organizations and state/local governments, respectively. Architect-engineer and construction contracts are also subject to 48 CFR Part 3 1.105.

Direct Labor

separately on an attachment. Incurrence of unanticipated overtime costs requires the approval of the recipient at the time of incurrence. If significant overtime is known to be needed at the time of completion of the cost review form, the reasons therefor, labor categories, rates and hours should be identified on an attachment. Also included is the cost of partner's or principal's time when they are directly engaged in services to be rendered under the subagreement. In case the full time of any employee is not to be devoted to work to be performed under the subagreement, only the cost of actual time to be applied should be included. The compensation of a partner or principal shall be included as direct cost only for the time that she/he is expected to be engaged directly in the performance of work under the subagreement and only if it is the firm's normal practice to charge such time directly to all jobs. The rate of compensation of a partner or principal shall be commensurate with the cost of employing another qualified person to do such work, but the salary portion shall not exceed the actual salary rate of the individual concerned. Distribution of profits shall not be included in the rate of compensation.

Enter the categories of professional or technical personnel necessary to perform each major element of work under the subagreement scope of services. Estimate hours worked for each category and extend them by the wage rates to be paid during the actual performance of the work. Current rates, adjusted for projected increases, if any, should be used for the actual categories of labor contemplated. AR projected increases should be supported by recent experience or established personnel policy.

Supporting records to be maintained by the contractor and which must be submitted or made available to OCD-DRU upon request include:

- a. The method of estimating proposed hours worked.
- b. The computation technique used in arriving at proposed labor rates.
- c. The specific documents, books, or other records used as factual source material to develop proposed hours worked and labor rates.
- d. Detailed rate computations which were used in computing the information submitted on the form.

Indirect costs

Indirect costs may consist of one or more pools of expenses which are grouped on the basis of the benefits accruing to the cost objectives represented by the distribution base or bases to which they are allocated. Since accounting practices vary, the use of particular groupings is not required. Neither is the use of any particular allocation base mandatory. However, it is mandatory that the method used results in an equitable allocation of indirect costs to cost objectives which they support.

Normally, the firm's accounting system and estimating practices will determine the method used to allocate overhead costs. The firm's established practices, if in accord with generally accepted accounting principles and PROVIDED THEY PRODUCE EQUITABLE RESULTS IN THE CIRCUMSTANCES, will generally be accepted.

Cost-Price Detail

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Proposed overhead rates should represent the firm's best estimate of the rates to be experienced during the subagreement period. They should be based upon recent experience and be adjusted for known factors which will influence experienced trends.

Common overhead groupings are overhead on direct labor and general and administrative expenses. The first grouping usually includes employment taxes, fringe benefits, holidays, vacation, idle time, bonuses, etc., applicable to direct labor. The second generally includes the remaining costs which because of their incurrence for common or joint objectives are not readily subject to treatment as direct costs. It is expected, however, that proposal groupings will correspond with the firm's normal method for accumulating indirect costs. No special categorization is required provided the results are realistic and equitable.

Direct salaries are the normal distribution base for overhead costs, but in some circumstances other bases produce more equitable results. As in the case of overhead costs groupings, the method to be used will depend upon the firm's normal practices and the equity of the results produced in the circumstances.

In the case of multi-branch firms, joint ventures, or affiliates, it is expected that overhead costs applicable to the specific location(s) where work is to be based on cost data from the most recent fiscal periods updated to reflect changes in volume of business or operations.

Enter the indirect cost pools normally used by the firm for allocation of indirect costs. Enter the indirect cost rate for each pool and extend each one by the rate base to which it applies to arrive at the estimated indirect costs to be incurred during the actual performance of the work. If the direct labor total is not used as the rate base for any of the indirect cost pools, the rate base used must be explained on an attached sheet.

Describe the firm's policies and practices for accumulating indirect costs. The indirect cost rate changes and the method used to compute the proposed rate or rates shall accompany the form. Include comment on the firm's policies regarding the pricing and costing of principal's time. The normal accounting treatment of principal's salaries, the annual amounts, and the hourly charge rate, if used, should be discussed.

Supporting records to be maintained by the contractor and which must be submitted or made available to the recipient or OCD-DRU upon request include:

- a. Detailed cost data showing overhead accounts, allocation bases, and rate computations for the preceding fiscal period. If more than six months of the current fiscal period have elapsed, cost data for this period (first six months) should be included.
- b. Company budgets, budgetary cost data, and overhead rate computations for future period(s).

Pier Diem Costs

The following items are illustrative of costs normally included in this category of costs:

- a. Travel costs, including transportation, lodging, subsistence, and incidental expenses incurred by personnel or consultants while in a travel status in connection with the performance of services required by the contract. The cost principles generally require the use of less than first class air accommodations and also limit the cost of private aircraft.
- b. Equipment, Materials, and Supplies
 - (1) Long distance telephone, telegraph and cable expenses to be incurred in connection with the performance of services required in connection with the contract.
 - (2) Reproduction costs including blueprints, black and white prints, ozalid prints, photographs, photostats, negatives, and express charges.
 - (3) Commercial printing, binding, artwork, and models.
- c. Subcontracts.

Cost-Price Detail

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d. Other. Direct costs, if any, not included above.

Enter all other direct costs proposed. Travel costs entered must be supported by an attachment which identifies the number of staff trips proposed and the estimated cost per staff trip for both local and long distance transportation. The number of days and the rate per day must be provided to support the per diem shown. Each subcontract and consultant agreement must be identified separately.

Supporting data to be maintained by the contractor and which must be submitted or made available to the recipient or OCD-DRU upon request include:

- a. Basis for other direct costs proposed.
- b. Factual sources of costs, rates, etc., used in computing proposed amount of each cost element.

Profit

- a. degree of risk,
- b. Nature of the work to be performed,
- c. Extent of firm's investment,
- d. Subcontracting of work, and
- e. Other criteria.

The Federal Acquisition Regulation cost principles applicable to subagreements with profit-making organizations (48 CFR Part 31.2 and 31.105) disallow certain types of costs which are sometimes incurred by firms in the normal conduct of their business. Examples of costs which are not allowed under these cost principles include, but are not limited to, entertainment, interest on borrowed capital, and bad debts. Because the Government considers "profit" to be the excess of price over allowable costs, such computation can indicate a higher profit estimate than the firm's experienced profit as it customarily computes it. The contractor may separately disclose to the recipient its customary computations.

Cost-Price Detail

(and instructions)

Community Name:	Grantee Name	← enter grantee name
Offeror:	Offeror/Contractor Name	
Total Contract Cost Components		Renumeration above allowable costs subject to negotiation ← enter date of submission by offeror
Direct Labor Costs	-	
Travel Costs	-	
Contract Services or Materials Cost	-	
Overhead Costs	-	
Profit	-	
Total Costs	-	
Date: January 0, 1900		

[no entries below - the information will be pulled from the Task Sheets]

Part III Payment Schedule

Agreement between
Grantee Name
and
Offeror/Contractor Name

Contract Payment as Reimbursable Costs				Contract Payment as a Price per Deliverable as applicable			
Task One	TaskOne			Task: TaskOne			
	Direct Labor Cost	est Hours	-	Deliverable or Completed Work Product:			
	Travel Costs	est Miles	-				
	Contract Services or Materials Cost		-	Quantity	0		
	Overhead Costs		-	Unit Price	\$ -		
	Total Costs		-	Total Price	\$ -		
	Renumeration above allowable costs		-				
Task Two	Conduct ERR			Task: Conduct ERR			
	Direct Labor Cost	est Hours	-	Deliverable or Completed Work Product:			
	Travel Costs	est Miles	-				
	Contract Services or Materials Cost		-	Quantity	0		
	Overhead Costs		-	Unit Price	\$ -		
	Total Costs		-	Total Price	\$ -		
	Renumeration above allowable costs		-				
Task Three	Task Three			Task: Task Three			
	Direct Labor Cost	est Hours	-	Deliverable or Completed Work Product:			
	Travel Costs	est Miles	-				
	Contract Services or Materials Cost		-	Quantity	0		
	Overhead Costs		-	Unit Price	\$ -		
	Total Costs		-	Total Price	\$ -		
	Renumeration above allowable costs		-				
Task Four	Task 4			Task: Task 4			
	Direct Labor Cost	est Hours	-	Deliverable or Completed Work Product:			
	Travel Costs	est Miles	-				
	Contract Services or Materials Cost		-	Quantity	0		
	Overhead Costs		-	Unit Price	\$ -		
	Total Costs		-	Total Price	\$ -		
	Renumeration above allowable costs		-				
Task Five	Task 5			Task: Task 5			
	Direct Labor Cost	est Hours	-	Deliverable or Completed Work Product:			
	Travel Costs	est Miles	-				
	Contract Services or Materials Cost		-	Quantity	0		
	Overhead Costs		-	Unit Price	\$ -		
	Total Costs		-	Total Price	\$ -		
	Renumeration above allowable costs		-				

Cost-Price Detail

(and instructions)

Community Name: Grantee Name		Offeror	Offeror	Offeror	Offeror	Offeror
Offeror: Offeror/Contractor Name		name of offeror				
Total Contract Cost Components						
Direct Labor Costs	-	-	-	-	-	-
Travel Costs	-	-	-	-	-	-
Contract Services or Materials Cost	-	-	-	-	-	-
Overhead Costs	-	-	-	-	-	-
Profit enter no	-	-	-	-	-	-
Total Costs	-	-	-	-	-	-
Date: 2/15/2010						
		more/(less)	more/(less)	more/(less)	more/(less)	more/(less)
Task One						
Direct Labor Cost	-					
Travel Costs	-					
Contract Services or Materials Cost	-					
Overhead Costs	-					
Total Costs	-	-	-	-	-	-
		-	-	-	-	-
Task Conduct ERR						
Direct Labor Cost	-					
Travel Costs	-					
Contract Services or Materials Cost	-					
Overhead Costs	-					
Total Costs	-	-	-	-	-	-
		-	-	-	-	-
Task Three						
Direct Labor Cost	-					
Travel Costs	-					
Contract Services or Materials Cost	-					
Overhead Costs	-					
Total Costs	-	-	-	-	-	-
		-	-	-	-	-
Task 4						
Direct Labor Cost	-					
Travel Costs	-					
Contract Services or Materials Cost	-					
Overhead Costs	-					
Total Costs	-	-	-	-	-	-
		-	-	-	-	-
Task 5						
Direct Labor Cost	-					
Travel Costs	-					
Contract Services or Materials Cost	-					
Overhead Costs	-					
Total Costs	-	-	-	-	-	-
		-	-	-	-	-

Cost-Price Detail

(and instructions)

Community: Grantee Name			
Proposer: Offeror/Contractor Name			
COST Component Detail		0-Jan-00	
Task One:	Additional Description	Units	
TaskOne		0	
Direct Labor and other compensation		Estimated hours	Hourly Rate
		-	-
		-	-
		-	-
		-	-
		-	-
		-	-
		-	-
Total Personnel Compensation		-	-
 Other Direct Costs			
Mileage Costs		Estimated Miles	@ \$ per mile
One way	Trips	0	\$ 0.48
0	0		-
0	0		
0	0		
0	0		
0	0		
Per diem Costs		Estimated Travel Days	Per Diem rate
		0	\$ -
			-
Contract Services or Materials Cost		# items, or units	Estimated Cost per item
Description		0	\$ -
		0	\$ -
		0	\$ -
		0	\$ -
		0	\$ -
		0	\$ -
Total Services or Materials cost			-
Total Direct Costs			-
 Overhead Costs			
Choose One Method			
Rate X Direct Personnel hours		will automatically populate all other tabs	
Overhead Cost	see below	Overhead Hourly Rate	Overhead Cost
Office supplies, services, rentals etc	\$ -	-	-
Total Estimated Costs with rate x direct cost hours			-
 Rate X % of Direct Labor Costs			
Rate X % of Direct Labor Costs		will automatically populate all other tabs	
Overhead Cost	see below	Percent of Direct Labor Cost	Overhead Cost
Office supplies, services, rentals etc	0.0%	0.0%	-
Total Estimated Costs with rate as a percent of Direct Labor Cost			-
Price Detail			
Task:	Describe deliverable or work product		Units
TaskOne			0
Offered Price per task completion		\$ - x units	Profit
Total Offered Price		\$ -	

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Quick Guide to Cost and Price Analysis for HUD Grantees and Funding Recipients

Who is this guide for?

This guide is for all HUD grantees and funding recipients that contract for services and/or supplies using funds provided in whole or in part by HUD.

What is price analysis?

Price analysis is essentially price comparison. It is the evaluation of a proposed price (i.e., lump sum) without analyzing any of the separate cost elements that it is composed of.

What is cost analysis?

Cost analysis is the evaluation of the separate elements (e.g., labor, materials, etc.) that make up a contractor's total cost proposal or price (for both new contracts and modifications) to determine if they are allowable, directed related to the requirement and ultimately, reasonable.

Is cost or price analysis always required?

Yes. HUD's regulations at 24 Code of Federal Regulations (CFR) Part 84, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations," and 24 CFR Part 85, "Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments," require grantees to perform a cost or price analysis for *every* procurement action, including contract modifications (e.g., "change orders"), using HUD grant funds.

When do I perform a price analysis?

You use price analysis whenever you are comparing lump sum prices – not cost estimates - received from contractors in a competitive pricing situation (e.g., when sealed bids are obtained).

What qualifies as competition?

Generally, competition means two or more responsible (e.g., not debarred or suspended, etc.) offerors ("bidders"), competing independently, submit priced offers that satisfy the grantee's contract requirement. Obviously, the greater the number of offers received, the greater the competition and ideally, the better the pricing.

When do I perform a cost analysis?

Cost analysis is used whenever you do not have price competition. A cost analysis is required when:

- Using the **competitive proposal** (or “negotiated”) method of contracting (see 24 CFR 85.36(d)(3) for a definition), e.g., for acquiring professional, consulting or architect/engineering (A/E) services. Under the competitive proposal method, offerors are required to submit cost proposals that show the elements (e.g., labor, materials, overhead, profit) of their proposed costs or price.
- Negotiating a contract with a **sole source**, i.e., not soliciting competitive bids or offers. When a sole source is appropriate and justified (see 24 CFR 85.36(d)(4)), you must obtain a complete cost breakdown from the sole source contractor and perform an analysis using the cost principles to establish a fair and reasonable price or estimated cost.
- After soliciting competitive sealed bids, you receive **only one bid**, and it differs substantially from your independent estimate of the contract price. If you determine that the bid is unreasonable and decide to not recompete (e.g., market survey tells you that you wouldn’t get competition), then you may formally cancel the solicitation and negotiate a contract price with the single bidder. In that case, you must obtain a cost breakdown of the single bid price and use cost principles to determine if that price is reasonable.
- Negotiating a **modification** (including change orders) to *any* type of contract, if the modification changes the work authorized under the contract, and changes the price or total estimated cost, either upwards *or* downwards. You must obtain a detailed breakdown of the contractor's proposed cost - not a lump sum proposal - before negotiating the change in contract price.

CAUTION: *Modifications that change the work beyond the scope of the contract must be justified in accordance with the conditions set forth in 24 CFR 85.36(d)(4) or 24 CFR 84.43. If the out-of-scope change cannot be justified, you must procure the work competitively.*

Could there ever be a situation where I don’t have price competition, and I don’t have to perform a cost analysis?

Yes. There are two situations:

- The price can be established on the basis of catalog or market prices of commercial products or services sold in substantial quantities to the general public. A product is considered to be "sold in substantial quantity" when the regular sales volume is large

enough to constitute a real commercial market. Services are considered to be "sold in substantial quantity" when the contractor/vendor customarily provides them, using his/her regularly employed personnel and using equipment (if any is needed) regularly maintained solely to provide the services.

or

- The price is set by law or regulation.

Do I need to analyze and negotiate profit separately?

Whenever you are required to perform a cost analysis, and you are negotiating a contract action that provides for a profit or fee, you must negotiate profit separately. When negotiating profit, you should consider ***all*** of the following:

- The complexity of the work to be performed. The more difficult the work, the more profit a contractor may be entitled to.
- Contractor's risk. How much risk – either performance or cost to the contractor - will the contract create? The higher the risk, the higher the reward, i.e., profit.
- Contractor's investment (labor, oversight, etc.). How much and what type of resources will the contractor have to dedicate to performing the contract? The greater the investment of resources the more profit.
- Subcontracting. The amount of profit depends upon the size, nature and oversight needs of the subcontracts the contractor will use. Will the contractor perform most of the work, or will he/she sub out some of it, and if so, how much? Will subcontracted work be routine or complex? What amount and level of oversight and management will subcontracted work require of the contractor? Simple subcontracts for routine supplies of services should not be worth as much profit as complex subcontracts that require a lot oversight by your own highly skilled staff or management.
- Quality of the contractor's past performance. Profit should reward the contractor for a proven record of high quality performance. A consistent record of delivering quality goods or services on time within cost, indicates that the contractor will likely “deliver the goods” to you, too. (Note: You probably won't be considering a poor performer for a new contract award.) Performance under the current contract must be considered when negotiating a modification.
- Industry profit rates in the surrounding geographical areas for similar work. What's the “going rate,” especially for standard, more commercial types of work? **CAUTION:** Be careful to not pay going rates when the work required is not really covered by those rates, e.g., paying specialty rates for routine work.

CAUTION! The “*cost-plus-a-percentage-of-cost*” and “*percentage-of-construction-cost*” contract types are prohibited. (See also 24 CFR 85.36(f)(4), and 24 CFR 84.44(c).) These types of contracts reward contractors for incurring greater costs, which is just the opposite of what is in your, the buyer’s, best interest.

How do cost analysis and price analysis apply to the different contracting methods?

- ***Small Purchases.*** For routine, commercial type purchases, comparing price or rate quotes obtained from an adequate number of qualified vendors is sufficient price analysis. If the small purchase is for professional or technical services, or the HA needs to evaluate other factors than price, then at least a limited cost analysis is appropriate. In either case, the HA’s analysis should include comparing the proposed prices to past prices it has paid for the same or similar items or services.
- ***Sealed Bidding.*** This is the preferred method for contracting for supplies, equipment and construction. (See 24 CFR 85.36(d)(2) for a definition.) Normally, the competitive pricing forces of the marketplace determine the reasonableness of the low price obtained through sealed bidding. Nevertheless, the HA should always compare its own independent cost estimate to the low competitive bid received. In the event they are significantly different, the HA will need to examine each to verify that either its own estimate or the market price is valid. Otherwise, no further price or cost analysis is required under sealed bidding.

CAUTION! *When only one bid is received in response to a competitive bid solicitation, you do not have price competition. If you decide to award on the basis of a single submitted bid price, i.e., without negotiation, you must justify that the price is fair and reasonable. At a minimum, you should compare the bid price to your own in-house estimate and past prices paid for the same or substantially similar item(s) in the past. You should also try to obtain information from the marketplace, if you have not already done so in developing your own estimate. If you decide to cancel the sealed bid and negotiate a contract price with the single bidder, you must obtain a complete cost breakdown and perform a cost analysis of the proposed price. If the bidder refuses to provide a breakdown of his/her costs, you may have no other choice than to resolicit bids. In any case, you must document the rationale for your award decision.*

- ***Competitive Proposals.*** This method is most often used to contract for professional, consulting, and architect/engineering (A/E) services. (See 24 CFR 85.36(d)(3) for a definition.) To determine the reasonableness of proposed costs, you must obtain cost breakdowns from the offerors showing all the elements of their proposed total costs and perform a cost analysis of each proposal using the appropriate set of cost principles (discussed below).

NOTE! *When awarding a contract using the competitive proposal method, the type of contract (e.g., firm fixed-price or cost-reimbursement) you propose to award does not affect the requirement for a cost analysis. For example, if you intend to award a firm*

fixed-price contract via the competitive proposal method, you still must analyze all of the proposed costs contained in each offeror's price. However, you are not required to negotiate each individual cost element in arriving at an agreement on total price. The final price you negotiate with the contractor on a fixed-price contract normally reflects agreement only on the total price. Therefore, the overall objective should be to negotiate total prices that are fair and reasonable.

NOTE! *In certain cases, the contract may specify separately priced items. This is commonly done in indefinite- delivery (e.g., indefinite-quantity, sometimes called job order, or "open ended") contracts. Under these contracts, the HA orders pre-priced items on an as-needed basis, up to a stated maximum quantity. For these contracts, agreement must be reached on each item's price before award and the prices included in the final contract document.*

- *Noncompetitive Proposals.* These are sometimes called sole source contracts and are different from single bids. No competition is intended, and usually, there is no market to help set the price or estimated cost. Since there is no price competition to tell you if the price or estimated cost is reasonable, you must obtain a breakdown of the proposed costs and perform a cost analysis.

What other contract actions or types require cost analysis?

- *Contract Modifications.* If you are negotiating a modification (including change orders) to any contract (even if the basic contract was awarded competitively through sealed bidding) that changes the scope of work previously authorized and impacts the price or estimated cost, you must use cost analysis to arrive at a reasonable cost. The only exception to this rule is a contract modification based on pricing terms already established in the contract document. Keep in mind that changes in scope do not always result in increased costs. Elimination or reduction of contract work may result in a decrease in the contract price. Regardless of the direction of the price change, these modifications require cost analysis using the cost principles to determine that the price change is fair and reasonable.
- *Contract Terminations.* Terminating a contract means unilaterally ending it before its stated end. Contracts can be terminated for the convenience of the grantee or for cause (also called default). Contracts are usually terminated for convenience when the buyer no longer has a need for the service or products as they are specified in the contract, or when it is not possible to substantiate that the contractor's performance is poor enough to terminate him/her for cause. Contracts may be terminated for cause when the contractor fails to perform the contract as written. If you are terminating a contract of any type (fixed-price or cost-reimbursement) for convenience, or a cost-reimbursement contract for cause, you must use cost analysis - and the appropriate cost principles - to negotiate the final amount of the termination settlement.

NOTE! For contracts with for-profit entities and nonprofits listed in Attachment C to OMB Circular A-122, the cost principle at FAR 31.205-42 specifically addresses termination costs.

- *Cost-reimbursement Contracts.* In determining reasonable costs under any cost-reimbursement contract, a cost analysis using the cost principles is required.
- *Architect/Engineer Contracts.* Cost analysis is required in determining if the cost portion of an A/E contract is fair and reasonable.
- *Construction Contracts.* This includes all contracts and contract modifications negotiated on the basis of cost for construction management or construction, alteration or repair of buildings, bridges, roads, or other kinds of real property. It does not include contracts for equipment, or other kinds of personal property. Construction contracts awarded using sealed bidding **do not** require cost analysis (see *Sealed Bidding* above), but construction contracts awarded using any method other than sealed bidding, and modifications to construction contracts do require cost analysis (see *Modifications* above).

NOTE! Because of widely varying factors in construction work such as the nature, size, duration, and location of the construction project, advance agreements for such items as home office overhead, partners' compensation, employment of consultants, and equipment usage costs, etc., can be particularly important in construction and A/E contracts. When appropriate, they serve to express the parties' understanding regarding work starts and any costs are incurred. This helps to avoid possible disputes or disallowances later. Guidance on the use of advance agreements is found at FAR 31.109.

How do I perform an analysis?

Here are some basic techniques.

Price analysis. Use as many of the following techniques as applicable and appropriate:

- Compare competitive prices received in response to the solicitation to one another. This assumes you receive a large enough number of competitively priced offers from the current marketplace.
- Compare proposed prices with prices under existing contracts and with prices proposed in the past for the same or similar items/services. Be sure to factor in any market changes (e.g., commodity price changes) or other influences (e.g., inflation).
- Apply rough yardsticks (e.g., dollars per pound, per square foot, per hour, etc.) to compare prices and highlight significant inconsistencies that warrant additional pricing inquiry.

- Compare competitive price lists, published catalog or market prices of commodities and products, similar indices and discount or rebate arrangements.
- Compare proposed prices with your independent (i.e., in-house) cost estimates.

Cost Analysis.

- Verify the accuracy of the cost and pricing information submitted, and evaluate:
 - The reasonableness of the proposed costs, including allowances for contingencies. To be considered reasonable, proposed costs must meet three critical tests. The costs must be:
 - ⇒ *Allowable*. The applicable cost principles (see section below) will usually state whether a type of cost is allowable or not.
 - ⇒ *Allocable*. This means that the costs are logically related to, or required in the performance of the contract. Many costs may be allowable but not related to the work required under the contract.
 - ⇒ *Reasonable*. This term is generally defined as what a prudent business would pay in a competitive marketplace. A cost can be allowable and allocable, and still not be what a prudent businessperson would pay (e.g., first class airfare for a proposed subcontractor).
 - The necessity for proposed cost items. Technical personnel (e.g., engineer, architect, information systems specialist, etc.) should review the proposed direct cost elements to determine their necessity to perform the contract and reasonableness (e.g., in comparison to market rates). A cost may be allowable under the cost principles and even allocable to the type of work to be performed, *but* still not be necessary for the specific contract.
 - Application of audited or pre-negotiated (e.g., by the Federal Government) indirect cost (e.g., overhead) rates, labor and fringe benefit rates, or other factors.
 - Effect of the offeror's current practices on future costs. Does the offeror have a track record of containing costs (completing contracts at or “under cost”)? Does he/she overrun costs?
 - The projection of the offeror's cost trends. Is there any indication that his/her costs are likely to increase or decrease over the life of the contract?
- Compare costs proposed by the offeror with:

- Actual costs previously incurred by the same contractor for the same or similar work. If it is a repetitive type of work or service, how much has it cost in the past. Apply any appropriate inflation factors for past work.
 - Actual costs of previous the same or similar work performed by other contractors.
 - Previous cost estimates from the offeror or other offerors for the same or similar items.
 - The methods proposed by the offeror with the requirements of the solicitation (i.e., do the costs reflect the technical approach proposed and the work required?).
 - The HA’s independent cost estimate, either created by HA staff or for the HA by an independent architect, engineer, appraiser, etc.
- Verify that the offeror's cost submissions comply with the appropriate set of cost principles.

What are cost principles?

Cost principles describe the allowability of various types of costs (e.g., labor, travel, communications, etc.). The HUD regulations at 24 CFR Part 85, “Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments” (specifically, section 85.22, “Allowable costs”), and 24 CFR Part 84, “Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations” (specifically, section 84.27, “Allowable costs”) require you to use them when performing cost analysis.

Which cost principles do I use?

It depends upon the type of organization with which you are contracting. The use of one set or another is contract-specific. For example, if the contract is with a private business concern, use the principles in FAR Subpart 31.2 (see below). Here is a list of the cost principles and the types of organizations covered by each:

State, local and tribal governments	Office of Management and Budget (OMB) Circular A-87
Private nonprofit organizations other than institutions of higher education or hospitals	OMB Circular A-122
Educational institution	OMB Circular A-21

Private, profit-making entities
and nonprofits listed in
Attachment C of OMB
Circular A-122

Federal Acquisition Regulation (FAR),
48 CFR Chapter 1, Subpart 31.2

***NOTE!** When applying the cost principles in FAR Subpart 31.2, the following terms shall be read to refer to the HUD grantee/funding recipient: “Government,” “agency,” “contracting officer” and “administrative contracting officer” (“ACO”). The term “contractor” shall refer to the grantee’s/funding recipient’s contractor. FAR 31.001 contains a glossary of technical terms used in Subpart 31.2.*

Where can I find the cost principles?

The cost principles are available online:

OMB Circulars: <http://www.whitehouse.gov/omb/circulars/index.html>

FAR Subpart 31.2: <http://www.arnet.gov/far/>

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SAMPLE ADVERTISEMENT FOR AN RFP FOR ADMINISTRATIVE CONSULTING SERVICES

The _____ (City/Parish) _____ is applying for a grant under the Louisiana Disaster Recovery Community Development Block Grant Program for the purpose of _____ (identify the specific type of project for which funds will be requested) _____. _____ (City/Parish) _____ is interested in procuring the services of an administrative consulting firm to prepare the application package and to administer and implement the project if it is successful in being funded.

The procedures for the selection of this firm will be in accordance with the procurement requirements of the Disaster Recovery CDBG Program. All responses received will be evaluated in accordance with the selection criteria and corresponding point system that is identified in the request for proposals package. That package also identifies the scope of services to be performed by the selected firm.

The _____ (City/Parish) will **

Interested parties are invited to secure a proposal package from _____ (name of person) _____ at _____ (address and telephone number) _____. The response to this request must be hand-delivered or mailed to the above named person at the above named address in such a manner that it is received no later than _____ (time) _____ on _____ (date) _____.

The _____ (City/Parish) _____ is an Equal Opportunity Employer. We encourage all small and minority-owned firms and women's business enterprises to apply.

**This is a sample notice soliciting proposals for an administrative consulting firm. Each local governing body must prepare a request for proposals that is specific to its own needs. Refer to the sample request for qualifications for a similar, acceptable format. This notice may also be revised as a combined notice requesting qualification statements from engineering/architectural firms and requesting proposals from administrative consulting firms.*

***The local governing body must state one of the following:*

- a) award the contract to the respondent obtaining the highest score in the evaluation process; or,*
- b) conduct oral interviews with those firms receiving points within the range of ___ to ___ for the purpose of obtaining a "best and final offer"; following those interviews the proposals will be re-scored and the highest scoring firm will be selecte*

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SAMPLE SCOPE OF SERVICES – CDBG HOUSING REHABILITATION PROGRAM

This scope of services should be helpful in defining areas of responsibility for the administration of a Disaster Recovery CDBG Housing Rehab Program. This scope of services, or parts of it, can be used as an example for drafting an appropriate scope of work for the request for proposals and, later, inclusion in a contract between the grantee and an administrative consultant.

1. Help conduct public hearings.
2. Prepare Environmental Review Record.
3. Assist with the planning and formulation of housing program policies and standards. This includes such things as general applicant eligibility criteria; eligible types of housing improvements; selection procedures; and application processing and unit eligibility.
4. Prepare all required reports and forms to be submitted to the OCD/DRU.
5. Prepare Requests for Payment.
6. Develop and maintain all files and records necessary for compliance with the State and federal regulations as well as develop all forms and documents necessary to administer the Housing Program.
7. Interview and advise grant applicants on the design and objectives of the rehabilitation program; the availability and benefits of a rehabilitation program; and the specific conditions under which a rehabilitation grant is made.
8. Take homeowner applications; rate and rank them in accordance with the selection criteria set forth in the rehabilitation program guidelines; and advise applicants of the disposition of their application.
9. Obtain from each applicant a verification of income; ownership; etc.
10. Prepare contract for approval by local officials. Review conditions of grant with homeowner and obtain homeowner's signature on all necessary documents.
11. Coordinate preliminary and formal work write-ups, and cost estimates.
12. Initiate advertisement for contractors to work with the Disaster Recovery CDBG Program and orient them to the policies and regulations governing the program.
13. Request, receive, and review on behalf of homeowner all bids from contractors for rehabilitation construction work.
14. Assist in selecting an acceptable contractor from bids submitted.
15. Prepare construction contract documents in accordance with provisions which pertain to the Disaster Recovery CDBG Program.
16. Inspect construction and rehabilitation work on a regular basis to see that all code violations are rectified and check on the quality of materials and workmanship.
17. Arbitrate disputes and/or complaints arising between contractors and homeowners regarding work to be performed, underway or completed.
18. Prepare change orders, if necessary, and obtain the approval of the homeowner, the contractor, and the grantee.
19. Make a final inspection of rehabilitation work and issue a final acceptance of work signed by both the housing rehabilitation inspector and the homeowner.

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20. Obtain from the contractor the manufacturer's and supplier's warranties prior to final payment for rehabilitation work.
21. Prepare Section 504 self-evaluation and transition plan, if applicable.
22. Prepare response to OCD/DRU's monitoring letter.
23. Prepare close-out documents.
24. Assist the grantee in meeting all of the State's Disaster Recovery CDBG Program requirements.

(This is only a sample Request for Proposals (RFP).
Each grantee must prepare an RFP that is specific
to its own needs.)

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INSTRUCTIONS FOR ADMINISTRATIVE CONSULTANT RFP

(This is only a sample.)

The _____ (City/Parish) _____ is accepting proposals from consultants for management and administrative services required by the _____ (City/Parish) _____ for the administration/implementation of the Louisiana Disaster Recovery Community Development Block Grant (CDBG) Program.

The project for which funds will be requested consists of:

(City/Parish to insert here a detailed description that identifies the required skill sets for this proposal, manpower needs, and the size and scope. Proposers should have enough information to reasonably estimate the costs of undertaking the proposal.)

Example: The Parish DR program will consist of; (1) three drainage projects with a separate target area each, and (2) two bridge replacement projects with a separate target area each.

PART ONE: SCOPE OF SERVICES

The level and scope of services needed will be determined by the _____ (City/Parish) _____. It is the intention of the _____ (City/Parish) _____ to award a cost reimbursement contract to the selected proposer. The scopes of services that the consultant must be prepared and qualified to provide are as follows:

[INSERT HERE]

[City/Parish to insert here their list of administrative tasks selected to be provided by a consultant; see SECTION C for a list of choices.]

PART TWO: PROPOSALS

The following information should be included under the title “Request for Proposals for Administrative Services for the Disaster CDBG Program”:

1. Name of proposer
2. Proposer address
3. Proposer telephone number
4. Proposer federal tax identification number
5. Name, title address, telephone number, fax number, and email address of contact person authorized to contractually obligate the Proposer on behalf of the proposer.

Contents of Proposal

Proposers should letter and number responses exactly as the questions are presented herein. Interested proposers are invited to submit proposals that contain the following information:

1. Introduction (transmittal letter)
2. Background and Experience
3. Specialized Knowledge
4. Personnel/Professional Qualifications

*(This is only a sample Request for Proposals (RFP).
Each grantee must prepare an RFP that is specific
to its own needs.)*

5. Approach
6. Proposed Compensation

1. Introduction (transmittal letter)

By signing the letter and/or offer, the Proposer certifies that the signatory is authorized to bind the Proposer. The proposal should include:

- a. A brief statement of the proposer's understanding of the scope of the work to be performed;
- b. A confirmation that the proposer meets the appropriate state licensing requirements to practice in the State of Louisiana if applicable;
- c. A confirmation that the proposer has not had a record of substandard work within the last five years;
- d. A confirmation that the proposer has not engaged in any unethical practices within the last five years;
- e. A confirmation that, if awarded the contract, the Proposer acknowledges its complete responsibility for the entire contract, including payment of any and all charges resulting from the contract;
- f. Any other information that the Proposer feels appropriate;
- g. The signature of an individual who is authorized to make offers of this nature in the name of the proposer submitting the proposal.

2. Background and Experience

Proposers should:

- a. Describe Proposer's firm by providing its full legal name, date of establishment, type of entity and business expertise, short history, current ownership structure and any recent or materially significant proposed change in ownership.
- b. Describe any prior engagements in which Proposer's firm assisted a governmental entity in dealings with Disaster Recovery projects and any other projects relating to CDBG. Proposer should include all examples of work on similar projects as described in Part One. Proposer should provide a list of completed Disaster Recovery or projects, and/or similar CDBG projects. Proposer should provide the names, phone numbers, and emails of contact persons in the organizations for whom any projects referenced in this section were conducted. Proposer should include written references (letters or forms are acceptable) from previous clients attesting to the quality of work proposer cites in this section.
- c. Describe any issue the characteristics of which would be uniquely relevant in evaluating the experience of Proposer's firm to handle the proposed project.
- d. Provide current information on professional errors and omissions coverage carried by Proposer's firm, including amount of coverage.

3. Specialized Knowledge

Proposers should:

- a. Describe their knowledge of HUD's requirements for the Community Development Block Grant Program.
- b. Describe their knowledge of OCD/DRU Disaster Recovery program.

4. Personnel/Professional Qualifications

Proposers should:

(This is only a sample Request for Proposals (RFP).
Each grantee must prepare an RFP that is specific
to its own needs.)

- a. Identify staff members, in the job classifications of (1) Executive, (2) Project Manager, (3) Analyst III, (4) Analyst II, who would be assigned to act for Proposer's firm in key management and field positions providing the services described in the Proposal, and the functions to be performed by each.
- b. Include resumes or curriculum vitae of each such staff member designated above, including name, position, telephone number, fax number, email address, education, and years and type of experience. Describe, for each such person, the projects relevant to CDBG and/or Disaster Recovery on which they have worked. Provide the names, telephone numbers, and email addresses of contact persons with the firms or organizations with whom these staff members worked on CDBG and/or Disaster Recovery projects.
- c. Estimate the number of persons to be assigned to this project.

5. Approach

Proposers should:

- a. Clearly describe the unique approach, methodologies, knowledge and capability to be employed in the performance of the Scope of Services.
- b. Present innovative concepts, approaches, and methodologies, if any, not discussed in the Scope of Work for consideration.

6. Proposed Compensation

For each separate task proposer shall provide the following cost component details:

- a. Direct labor hours per task by job classification (as listed 4, Personnel/Professional Qualifications, above), hourly rate by job classification, fringe benefits as either percent or absolute dollar per hour amount; mileage and per diem required per task, contracted services or materials identified by quantities and cost per unit; and overhead as a percent of direct costs or dollar amount per direct labor hour. (See "Cost Component Detail" Exhibit 6-4 of Disaster Recovery CDBG Administrative Manual; a spreadsheet version of Exhibit 6-4 is available online <http://www.doa.louisiana.gov/cdbg/dradmin-manual.htm>).
- b. In addition for each separate task, the proposer may provide a total price per task; consisting of the quantity of units and price per unit as applicable. (See "Price Detail" Exhibit 6-4 of Disaster Recovery CDBG Administrative Manual). Any final price per task will be subject to a cost reasonableness determination and final negotiation.

Proposals will be considered by the City/Parish at a meeting to be held at _____ (a.m./p.m.) on the _____ day of _____, 20____. In order to be considered, proposals must be received by the City/Parish prior to _____ (a.m./p.m.) on the _____ day of _____, 20____. The City/Parish reserves the right to reject any or all proposals.

All proposals should be sealed and identified on the outside as;

DISASTER RECOVERY CDBG APPLICATION
Implementation Proposal
Administrative Consultant

All proposals will be scored and ranked with the highest rated firm being awarded a contract. Two copies of the proposal and the required supplemental information should be provided.

PART THREE: SELECTION CRITERIA

(This is only a sample Request for Proposals (RFP).
Each grantee must prepare an RFP that is specific
to its own needs.)

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All responses to the proposal will be evaluated according to the following criteria and corresponding rating system. The proposals will be evaluated on the basis of written materials. Sufficient information must be included in the proposal to assure the correct rating. Incomplete or incorrect information may result in a lower evaluation.

a. Selection Criteria:

(1) Proposal cost;

(2)-(7) Non cost evaluation factors *[see SECTION B for list]*

[The chosen evaluation factors from SECTION B with the corresponding rating criteria should be listed here.]

b. Rating System: Proposal evaluation will be conducted using [City/Parish to describe method here - adjectival ratings, numerical weights, or ordinal rankings] rating system.

c. Statement of Cost: When combined with the proposed cost, the other evaluation factor(s) will be:

- significantly more important than cost.

-approximately equal to cost.

- significantly less important than cost.

[choose and list only one]

Questions concerning this proposal should be addressed to (city clerk/parish administrator)
at (phone number). Proposals should be hand-delivered to (city clerk/parish administrator), at the
(city hall/parish office) at (address) or mailed to (city
clerk/ parish administrator), at the (city hall/parish office) at (address).

- End of Sample RFP -

(This is only a sample Request for Proposals (RFP).
Each grantee must prepare an RFP that is specific
to its own needs.)

SECTION A: EVALUATION AND SELECTION

The following instructions are to assist the City/Parish in completing the required information within the Sample RFP provided above:

Instructions for Selection Criteria

Each local governing body **must develop its own criteria** and identify those along with the corresponding rating system (including ranges) which will be used to evaluate the proposals received. Evaluations may be conducted using any rating method or combination of methods, including color or adjectival ratings, numerical weights, and ordinal rankings. The relative strengths, deficiencies, significant weaknesses, and risks supporting proposal evaluation shall be documented in the contract file. The rating system should represent the key areas of importance and emphasis to be considered in the source selection decision; and support meaningful comparison and discrimination between and among competing proposals. Price or cost **must be one of the criteria** utilized in evaluating proposals and selecting a contractor. The solicitation shall also state, at a minimum, whether all evaluation factors other than cost or price, when combined, are (1) Significantly more important than cost or price; (2) Approximately equal to cost or price; or (3) Significantly less important than cost or price.

In addition to price or cost; **one or more** of the following non-cost evaluation factors such as past performance, compliance with solicitation requirements, technical excellence, management capability, personnel qualifications, and prior experience shall be considered in the selection of a contractor. [See SECTION B]

Proposal revisions

If a proposal is eliminated or otherwise removed from the competitive range, no further revisions to that proposal should be accepted or considered.

The Parish **may** request or allow proposal revisions to clarify and document understandings reached during negotiations. At the conclusion of discussions, each proposal still in the competitive range shall be given an opportunity to submit a final proposal revision. The Parish is required to establish a common cut-off date only for receipt of final proposal revisions. Requests for final proposal revisions shall advise proposers that the final proposal revisions shall be in writing and that the Parish intends to make award without obtaining further revisions.

[Source: Title 48 CFR Part 15.3]

SECTION B: Non Cost Evaluation

Non Cost Evaluation Factors [choose one or more for Selection Criteria]

Below are six non-cost evaluation factors and **suggested considerations** for using in a rating system. After choosing one or more of the non-cost factor(s) rating criteria; the Parish may add or change suggested considerations for insertion into Part Three the RFP.

Personnel qualifications

Suggested considerations

(This is only a sample Request for Proposals (RFP).
Each grantee must prepare an RFP that is specific
to its own needs.)

- Consideration can be given to a combination of education attainment and years of CDBG experience of proposer's staff.
- Consideration can be given to particular types of experience relevant to the Disaster Recovery proposal. [*for example: if the DR proposal includes drainage projects, identify the drainage projects of which proposer's staff members have previously worked*]

Management capability

Suggested considerations

- Consideration can be given to employees' depth of skills of proposer.
- Consideration can be given to the number of employees proposers will devote to this proposal.
- Consideration can be given to the length of time proposers have been in business.
- Consideration can be given to diversity of experience proposers have in conducting federal grant programs.
- Consideration can be given to financial capacity of the firm to undertake the contract.

Prior experience

Suggested considerations

- Consideration can be given to the number and types of local government proposers have worked with in the past.
- Consideration can be given to the number of CDBG projects proposers have completed relevant to the DR proposal. [*for example: if the DR proposal includes housing or economic development, then the evaluation should be weighted to experience in those types of programs*]
- Consideration can be given to the diversity of types of programs [*housing, public facilities, economic development*] proposer has conducted in the past.

Technical excellence

Suggested considerations

- Consideration can be given to the proposer's knowledge of the CDBG program.
- Consideration can be given to the proposer's staff expertise in particular CDBG program areas [*acquisition, housing rehabilitation, financial management etc.*]
- Consideration can be given to the proposer's unique contributions or processes developed in the conduct of previous CDBG programs.

Past performance

Suggested consideration(s)

- Consideration can be given to the number and quality of proposer's references attesting to the quality of work with previous CDBG grants.

Note: When using the past performance criteria; the solicitation must clearly describe the approach for evaluating past performance, including evaluating proposers with no relevant performance history, and shall provide proposers an opportunity to identify past or current contracts that are similar in nature to the proposal. The solicitation shall also authorize proposers to provide information on problems encountered on the identified contracts and the proposer corrective actions. The solicitation must clearly state that in the case of proposer(s) without a record of relevant past performance or for whom information on past performance is not available, the proposer may not be evaluated favorably or unfavorably on past performance.

Compliance with solicitation requirements

Suggested considerations

(This is only a sample Request for Proposals (RFP).
Each grantee must prepare an RFP that is specific
to its own needs.)

- Consideration can be given to the proposer's understanding of the scope of the work to be performed.
- Consideration can be given to the proposer's completeness in its submission to the RFP.

[Source: Title 48 CFR Part 15.3]

SECTION C: SCOPE OF SERVICES PROGRAM ADMINISTRATIVE TASKS

Below are common tasks associated with administering a Community Development Block Grant Program. Grantees should review the list and decide which tasks are appropriate for the Grantee's project(s) and then decide which tasks can be performed by the Grantee in house. The remaining tasks [and other program related tasks deemed necessary] should be inserted in PART ONE: SCOPE OF SERVICES of the RFP.

1. General Program Administration

Suggested Task(s)

- Establish project files in the local governing body's office. These files must demonstrate compliance with all applicable state, local, and federal regulations. The project files must be monitored throughout the program to ensure that they are complete and that all necessary documentation is being retained in the community's files.

2. Citizen Participation

Suggested Task(s)

- Assist in the conduct of public hearings. This includes, but is not limited to, such things as assisting with public notices, conducting hearings, etc.

3. Acquisition

Suggested Task(s)

- Assist *City/Parish* in complying with regulations governing land acquisition (real property, easements, rights of ways, donation of property, etc).

4. Environmental Compliance

Suggested Task(s)

- Prepare Environmental Review Record(s)

5. Financial Management

Suggested Task(s)

- Ensure that the *City/Parish* has an acceptable financial management system as it pertains to finances of the Disaster Recovery CDBG program. An acceptable system includes, but is not limited to, cash receipts and disbursements journal and accompanying ledgers, and should conform to generally accepted principles of municipal accounting.
- Prepare the Requests for Payment to ensure consistency with the procedures established for the Disaster Recovery CDBG Program.
- Assist *City/Parish* in meeting the OCD/DRU's financial reporting requirements.

6. Public Facilities/Construction Management

Suggested Task(s)

- Assist the project engineer in the preparation of bid documents and supervise the bidding process consistent with state and federal regulations.
- Prepare construction contracts which comply with state and federal regulations. Examples are Conflict of Interest, Access to Records, DBA Labor Standards, Copeland Anti-Kickback Act, Safety Standards, Architectural Barriers, Flood Insurance, Clean Air and Water Act (for contracts over \$100,000), HUD Handbook (6500.3), 24 CFR 85.36,

(This is only a sample Request for Proposals (RFP).
Each grantee must prepare an RFP that is specific
to its own needs.)

- Obtain contractor clearance(s).
 - Make progress inspections and certify partial payment requests.
 - Assist in a final inspection of the project and in the issuance of a final acceptance of work.
7. Labor Compliance
Suggested Task(s)
- Secure the Department of Labor's federal wage decision and include it in the bid documents.
 - Check weekly payrolls to ensure compliance with federal wage decision(s). Conduct on-site interviews and compare the results with the appropriate payrolls.
 - Monitor construction to ensure compliance with labor standards provisions.
8. Fair Housing/Equal Opportunity
Suggested Task(s)
- Prepare the Section 504 self-evaluation and transition plan, if applicable.
 - Prepare analysis of impediments to fair housing.
 - Monitor construction to ensure compliance with equal opportunity Section 3, Section 109, Title VI, Civil Rights Act, EO 11246 (for contracts over \$10,000), Section 503, etc.
9. National Objective Compliance
Suggested Task(s)
- Conduct survey(s) in target area(s)
 - Compile census data for target area(s)
 - Conduct income verification of beneficiaries
10. Program Monitoring and Closeout
Suggested Task(s)
- Maintain project files in the local governing body's office. The project files must be monitored throughout the program to ensure that they are complete and that all necessary documentation is being retained in the community's files.
 - Attend and assist the *City/Parish* during the OCD/DRU's monitoring visit(s). Prepare *City/Parish's* response to all monitoring findings.
 - Prepare close-out documents.

(This is only a sample Request for Qualification statements (RFQ).
Each grantee must prepare an RFQ that is specific to its own
needs.)

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SAMPLE REQUEST FOR QUALIFICATIONS (RFQ) FOR ENGINEERING SERVICES

The _____ (City/Parish) _____ is seeking assistance for engineering services for Disaster Recovery CDBG funds and subsequent implementation of _____ (Program/Project name) _____.

The type of project involved is:

(Provide detailed description to give Respondents enough information to identify the required skill sets described in this RFQ.)

PART ONE: SCOPE OF SERVICES

The _____ (City/Parish) _____ is soliciting qualification statements for engineering services to assist the _____ (City/Parish) _____ with preliminary engineering, design engineering, and inspections of this project in compliance with Disaster Recovery CDBG Program requirements. The agreement will be on a lump sum, fixed price basis (or cost reimbursement "not to exceed" basis), with payment terms to be negotiated with the selected offeror. Reimbursement for services will be contingent on the _____ (City/Parish) _____ receiving funding from the OCD/DRU. The maximum amount of engineering fees that can be with Disaster Recovery CDBG funds will be determined by the OCD/DRU and may require adjustments in the proposed contract amount.

The services to be provided will include, but not be limited to:

1. Designing system improvements and construction engineering.
2. Assisting the administrative consultant with the construction bid package in conformance with applicable federal requirements and supervising the bid advertising, tabulation, and award process, including preparing the advertisements for bid solicitation, conducting the bid opening, and issuing the notice to proceed.
3. Assist in conducting the preconstruction conference.
4. Field staking, on-site supervision of construction work, and preparing inspection reports.
5. Reviewing and approving all contractor requests for payment and submitting approved requests to the governing body.
6. Providing reproducible plan drawings to the _____ (City/Parish) _____ upon project completion.
7. Prepare operating and maintenance manuals.
8. Conducting final inspection and testing.

PART TWO: REQUEST FOR QUALIFICATION STATEMENTS

(This is only a sample Request for Qualification statements (RFQ). Each grantee must prepare an RFQ that is specific to its own needs.)

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The following information should be included under the title “Request for Qualification Statements for Engineering Services for the Disaster CDBG Program”:

1. Name of Respondent
2. Respondent address
3. Respondent telephone number
4. Respondent federal tax identification number
5. Name, title address, telephone number, fax number, and email address of contact person authorized to contractually obligate the Respondent on behalf of the Respondent.

Contents of RFQ

Respondents should letter and number responses exactly as the questions are presented herein. Interested Respondents are invited to submit RFQs that contain the following information:

1. Introduction (transmittal letter)
2. Background and Experience
3. Specialized Knowledge
4. Personnel/Professional Qualifications

1. Introduction (transmittal letter)

By signing the letter, the Respondent certifies that the signatory is authorized to bind the Respondent. The RFQ response should include:

- a. A brief statement of the Respondent’s understanding of the scope of the work to be performed;
- b. A confirmation that the Respondent meets the appropriate state licensing requirements to practice in the State of Louisiana;
- c. A confirmation that the Respondent has not had a record of substandard work within the last five years;
- d. A confirmation that the Respondent has not engaged in any unethical practices within the last five years;
- e. A confirmation that, if awarded the contract, the Respondent acknowledges its complete responsibility for the entire contract, including payment of any and all charges resulting from the contract;
- f. Any other information that the Respondent feels appropriate;
- g. The signature of an individual who is authorized to provide information of this nature in the name of the Respondent submitting the RFQ

2. Background and Experience

Respondents should:

- a. Describe Respondent’s firm by providing its full legal name, date of establishment, type of entity and business expertise, short history, current ownership structure and any recent or materially significant proposed change in ownership.
- b. Describe any prior engagements in which Respondent’s firm assisted a governmental entity in dealings with Disaster Recovery projects and any other projects relating to CDBG. Respondent should include all examples of work on similar projects as described in Part One. Respondent should provide a list of completed Disaster Recovery or projects, and/or similar CDBG projects. Preference is for the types of projects similar to those described in Part One. (For example; if the RFQ is for drainage projects it is not necessary or of only of secondary importance to provide information on how many sewer or water CDBG projects Respondent has performed.) Respondent should provide the names, phone numbers, and emails of contact persons in the

organizations for whom any projects referenced in this section were conducted. Respondent should include written references (letters or forms are acceptable) from previous clients attesting to the quality of work and compliance with performance schedules Respondent cites in this section.

- c. Describe the firms workload and current capacity to accomplish the work in the required time
- d. Describe any issue the characteristics of which would be uniquely relevant in evaluating the experience of Respondent's firm to handle the proposed project(s).
- e. Describe Respondent's firm's presence in and commitment to Louisiana.
- f. Provide current information on professional errors and omissions coverage carried by Respondent's firm, including amount of coverage.
- g. Provide evidence of adequate financial stability through certified financial statements, including a balance sheet and income statement. The state reserves the right to request any additional information to assure itself of a Respondent's financial status.

3. Specialized Knowledge

Respondents should:

- a. Describe their knowledge and experience in the particular types of projects described in Part One.
- b. Describe their knowledge of HUD's requirements for the Community Development Block Grant Program. Describe their knowledge of OCD/DRU Disaster Recovery program.

4. Personnel/Professional Qualifications

Respondents should:

- a. Identify staff members (as applicable), in the job classifications of (1) Principal in Charge, (2) Project Engineer, (3) Senior Engineer, (4) Mid-level Engineer, (5) Junior Engineer (6) Surveyor, (7) Engineer interns (8) Senior CAD technician, (9)CAD technician, and (10) Engineering technician; who would be assigned to act for Respondent's firm in key management and field positions providing the services described in Part One: Scope of Services, and the functions to be performed by each.
- b. Include resumes or curriculum vitae of each such staff member designated above, including name, position, telephone number, fax number, email address, education, and years and type of experience. Describe, for each such person, the projects relevant to CDBG and/or Disaster Recovery on which they have worked. Provide the names, telephone numbers, and email addresses of contact persons with the firms or organizations with whom these staff members worked on CDBG and/or Disaster Recovery projects.
- c. Estimate the number of persons to be assigned to this project, indicating the number working in Louisiana and the number working elsewhere.

PART THREE: SELECTION CRITERIA

The _____ (City/Parish) shall evaluate each potential contractor in terms of its:

1. Professional qualifications necessary for satisfactory performance of required services;
2. Specialized experience and technical competence in the type of work required,
3. Capacity to accomplish the work in the required time;
4. Past performance on contracts with Government agencies and private industry in terms of cost control, quality of work, and compliance with performance schedules;

(This is only a sample Request for Qualification statements (RFQ).
Each grantee must prepare an RFQ that is specific to its own
needs.)

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5. Location in the general geographical area of the project and knowledge of the locality of the project; provided, that application of this criterion leaves an appropriate number of qualified firms, given the nature and size of the project;**

Suggested Rating points

Respondents will be evaluated on the basis of the written materials submitted and according to the following factors: *

1. Experience of the firm with this particular type of construction project(s) as described in Part One _____ pts.
2. Experience of the firm with other type of CDBG construction projects. _____ pts.
3. Current capacity to accomplish the work in the required time. _____ pts.
4. Reference from other clients attesting to firms:
 - a. Quality of work _____ pts.
 - b. Compliance with performance schedules _____ pts.

In the event of a tie, oral interviews will be held with those firms. As a result of the interviews, the _____ (City/Parish) will determine which firm will be selected to enter into contract negotiations. Unsuccessful firms will be notified as soon as possible.

Questions should be addressed to _____ (city clerk/parish administrator) at _____ (phone number). Responses to this RFQ should be hand-delivered to _____ (city clerk/parish administrator), at the _____ (city hall/parish office) at _____ (address) or mailed to _____ (city clerk/ parish administrator) at the _____ (city hall/parish office) at _____ (address) _____.

Responses to this RFQ must be received no later than _____ (date). Please state "Disaster Recovery CDBG Qualifications Statement-Engineering Services" on the cover.

*The corresponding point system and breakdown of points must be specifically identified.

**Geographic preference may be used as a selection factor for engineering services if adequate competitions (two or more firms that are responsive and responsible) are located within the distances identified.

SAMPLE CONTRACT FOR CONSULTANT SERVICES

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM DISASTER RECOVERY CONSULTANT SERVICES

PART I -- AGREEMENT

This Agreement for professional services is by and between the _____ [name of grantee] _____, State of Louisiana (hereinafter called the "GRANTEE"), acting herein by [name of grantee representative], [title (i.e. president mayor)], hereunto duly authorized, and [name consultant firm], a [type of business (partnership, corporation)] organized under the laws of the State of Louisiana (hereinafter called the "CONSULTANT"), acting herein by [name], [Chief Executive Officer or appointed representative, hereunto duly authorized];

WITNESSETH THAT:

WHEREAS, the GRANTEE has received funding under the State of Louisiana, Office of Community Development, Disaster Recovery (OCD/DRU) CDBG Programs pursuant to Title I of the Housing and Community Development Act of 1974, as amended; and,

WHEREAS, the GRANTEE desires to engage the CONSULTANT to render certain technical assistance services in connection with its Community Development Program:

NOW, THEREFORE, the parties do mutually agree as follows:

1) Employment of CONSULTANT

The GRANTEE hereby agrees to engage the CONSULTANT, and the CONSULTANT hereby agrees to perform the Scope of Services set forth herein under the terms and conditions of this agreement.

2) Scope of Services

The CONSULTANT shall, in a satisfactory and proper manner, perform the services listed in Part III Scope of Services and Payment Schedule. Services in each of the work areas shall be performed under and at the direction of the chief elected official or their designated representative.

3) Time of Performance

The services of the CONSULTANT shall commence on _____, _____, and shall end on _____, _____. Such services shall be continued in such sequence as to assure their relevance to the purposes of this Agreement. All of the services required and performed hereunder shall not be completed until the GRANTEE has received notification of final close out from the OCD/DRU.

4) Access to Information

(This is a sample; each governing body must prepare a contract that is specific to its needs and should be reviewed by the grantee's legal counsel.)

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It is agreed that all information, data, reports, records, and maps as are existing, available, and necessary for the carrying out of the work outlined above, shall be furnished to the CONSULTANT by the GRANTEE. No charge will be made to the CONSULTANT for such information, and the GRANTEE will cooperate with the CONSULTANT in every way possible to facilitate the performance of the work described in this contract.

5) Compensation and Method of Payment

CONSULTANT shall only be paid for services rendered under this agreement from funds allowed by the OCD/DRU for administrative costs under the provisions of the grant awarded to the GRANTEE. Payment will be made only on approval of the GRANTEE.

The total amount of reimbursable costs to be paid CONSULTANT under this contract for program administration shall not exceed [dollar amount] Dollars (\$0.00). CONSULTANT may not incur any costs in excess of this amount (except at its own risk) without the approval of the GRANTEE. CONSULTANT will only be paid for the time and effort needed to complete the actual scope of services required for this program; which may be less than the total amount above.

The CONSULTANT shall submit invoices to the GRANTEE for payment. Each invoice submitted shall identify the specific contract task(s) or sub-task(s) listed in Part III, Scope of Services for payment according to the appropriate method listed below:

- a) Cost Reimbursement: For tasks lacking a definable work product and/or the CONSULTANT will not assume the risk for incurring the costs for a definable work product: cost reimbursement of labor, material and service costs, and allowable overhead. Each invoice shall itemize the: Direct labor hours by job classification; hourly rate by job classification, fringe benefits as *either* a percent direct labor cost *or absolute dollar per hour amount*; mileage and per diem required per task, and overhead as *either* a percent of direct costs *or dollar amount per direct labor hour* in accordance with the schedule of reimbursable costs listed in Part III Payment Schedule. Reimbursement for contracted services or materials shall include the vendor invoice(s) that identifies items by quantities and cost per unit.
- b) Lump Sum Price: For tasks with a definable work product and the quantity required is certain and the contractor assumes the risk for all costs: a lump sum price. Each invoice submitted shall identify the specific contract task(s) listed in as listed in Part III and the completed work product/deliverable for the agreed upon price and quantity listed in Part III Payment Schedule.
- c) Unit Price: For tasks with a definable work product but the quantity is uncertain and the contractor assumes the risk for all costs: a unit price times the number of units completed for each billing. Each invoice submitted shall identify the specific contract task(s) listed in as listed in Part III and the completed work product/deliverable for the agreed upon price listed in Part III Payment Schedule.

6) Ownership Documents

All documents, including original drawings, estimates, specifications, field notes, and data are the property of the Parish. The CONSULTANT may retain reproducible copies of drawings and other documents.

(This is a sample; each governing body must prepare a contract that is specific to its needs and should be reviewed by the grantee's legal counsel.)

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7) Professional Liability

The CONSULTANT shall be responsible for the use of reasonable skills and care benefiting the profession in the preparation of the application and in the implementation of the Disaster Recovery CDBG Program.

8) Indemnification

The CONSULTANT shall comply with the requirements of all applicable laws, rules and regulations in connection with the services of the CONSULTANT, and shall exonerate, indemnify, and hold harmless the GRANTEE, its officers, agents, and all employees from and against them, and local taxes or contributions imposed or required under the Social Security, Workers' Compensation, and Income Tax Laws. Further, the CONSULTANT shall exonerate, indemnify, and hold harmless the GRANTEE with respect to any damages, expenses, or claims arising from or in connection with any of the work performed or to be performed under this contract by the CONSULTANT. This shall not be construed as a limitation of the CONSULTANT's liability under this Agreement or as otherwise provided by law.

9) Terms and Conditions

This Agreement is subject to the provisions titled, "Part II, Terms and Conditions" and "Part III Payment Schedule", consisting of eight pages, attached hereto and incorporated by reference herein.

10) Address of Notices and Communications

[GRANTEE Representative]
[GRANTEE Representative Title]
[GRANTEE Mailing Address]

[CONSULTANT Representative]
[CONSULTANT Representative Title]
[CONSULTANT Mailing Address]

11) Captions

Each paragraph of this Contract has been supplied with a caption to serve only as a guide to the contents. The caption does not control the meaning of any paragraph or in any way determine its interpretation or application.

12) Authorization

This Agreement is authorized by the [name of GRANTEE], Resolution [number] adopted [date], copies of which are attached hereto and made a part hereof.

ATTEST:

[name of GRANTEE]

By: _____
[name & title of GRANTEE Representative]

Date: _____

[name of CONSULTANT]

(This is a sample; each governing body must prepare a contract that is specific to its needs and should be reviewed by the grantee's legal counsel.)

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By: _____
[name & title of CONSULTANT Representative]

Date: _____

PART II -- TERMS AND CONDITIONS

A. TERMINATION OF CONTRACT FOR CAUSE.

If, through any cause, the CONSULTANT shall fail to fulfill in a timely and proper manner his obligations under this Contract, or if the CONSULTANT shall violate any of the covenants, agreements, or stipulations of this Contract, the GRANTEE shall thereupon have the right to terminate this Contract by giving written notice to the CONSULTANT of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the CONSULTANT under this Contract shall, at the option of the GRANTEE, become its property and the CONSULTANT shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the CONSULTANT shall not be relieved of liability to the GRANTEE for damages sustained by the GRANTEE by virtue of any breach of the Contract by the CONSULTANT, and the GRANTEE may withhold any payments to the CONSULTANT for the purpose of set-off until such time as the exact amount of damages due the GRANTEE from the CONSULTANT is determined.

This contract for overall program administration will be automatically terminated if the application(s) is not funded by the OCD/DRU. CONSULTANT will not be entitled to any reimbursement for program administration either from the GRANTEE or the OCD/DRU.

B. TERMINATION FOR CONVENIENCE OF THE GRANTEE

The GRANTEE may terminate this contract at any time by giving at least 10 days notice in writing to the CONSULTANT. If the Contract is terminated by the GRANTEE as provided herein, the CONSULTANT will be paid for the time provided and expenses incurred up to the termination date. If this Contract is terminated due to the fault of the CONSULTANT, paragraph 1 hereof relative to termination shall apply.

This contract for overall program administration will be automatically terminated if the application(s) is not funded by the OCD/DRU. CONSULTANT will not be entitled to any reimbursement for program administration either from the GRANTEE or the OCD/DRU.

C. CHANGES

The GRANTEE may, from time to time, request changes in the scope of the services of the CONSULTANT to be performed hereunder. Such changes, including any increase or decrease in the amount of the CONSULTANT's compensation, which are mutually agreed upon by and between the GRANTEE and the CONSULTANT, shall be incorporated in written amendments to this Contract. No amendment or variation

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of the terms of this contract shall be valid unless made in writing, signed by the parties and approved as required by law. No oral understanding or agreement not incorporated in the contract is binding on any of the parties.

D. PERSONNEL

- a) The CONSULTANT represents that he has, or will secure at his own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the GRANTEE.
- b) All of the services required hereunder will be performed by the CONSULTANT or under his supervision and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under state and local law to perform such services.
- c) None of the work or services covered by this Contract shall be subcontracted without the prior written approval of the GRANTEE. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Contract.

E. ASSIGNABILITY

The CONSULTANT shall not assign any interest in this Contract, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the GRANTEE thereto. Provided, however, that claims for money by the CONSULTANT from the GRANTEE under this Contract may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the GRANTEE.

F. REPORTS AND INFORMATION

The CONSULTANT, at such times and in such forms as the Parish may require, shall furnish the GRANTEE such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Contract, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Contract.

G. RECORDS AND AUDITS

The CONSULTANT shall maintain accounts and records, including personnel, property, and financial records, adequate to identify and account for all costs pertaining to the Contract and such other records as may be deemed necessary by the GRANTEE to assure proper accounting for all project funds, both federal and non-federal shares. These records will be made available for audit or other financial reporting purposes to the GRANTEE or any authorized representative, and will be retained for five years after the OCD/DRU has officially closed-out the Disaster Recovery CDBG Program unless permission to destroy them is granted by the GRANTEE.

H. FINDINGS CONFIDENTIAL

(This is a sample; each governing body must prepare a contract that is specific to its needs and should be reviewed by the grantee's legal counsel.)

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All of the reports, information, data, et cetera, prepared or assembled by the CONSULTANT under this Contract are confidential and the CONSULTANT agrees that they shall not be made available to any individual or organization without the prior written approval of the GRANTEE.

I. COPYRIGHT

No materials, to include but not limited to reports, maps, or documents produced as a result of this contract, in whole or in part, shall be available to CONSULTANT for copyright purposes. Any such materials produced as a result of this contract that might be subject to copyright shall be the property of the GRANTEE and all such rights shall belong to the GRANTEE, and the GRANTEE shall be sole and exclusive entity who may exercise such rights.

J. COMPLIANCE WITH LOCAL LAWS

The CONSULTANT shall comply with all applicable laws, ordinances and codes of the state and local government, and the CONSULTANT shall hold the GRANTEE harmless with respect to any damages arising from any tort done in performing any of the work embraced by this Contract.

K. CIVIL RIGHTS ACT OF 1964/EQUAL EMPLOYMENT OPPORTUNITY

Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. During the performance of this Contract, the CONSULTANT agrees as follows:

- a) The CONSULTANT will not discriminate against any employee or applicant for employment because of race, creed, sex, color, national origin, handicap or familial status. The CONSULTANT will take affirmative steps to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, sex, color, national origin, handicap or familial status. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms or compensation; and selection for training, including apprenticeship. The CONSULTANT agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the GRANTEE setting forth the provisions of this non-discrimination clause.
- b) The CONSULTANT will, in all solicitations or advertisements for employees placed by or on behalf of the CONSULTANT; state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex, national origin, handicap or familial status.
- c) The CONSULTANT will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Contract so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

(This is a sample; each governing body must prepare a contract that is specific to its needs and should be reviewed by the grantee's legal counsel.)

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- d) The CONSULTANT will comply with all provisions of Presidential Executive Order 11246 (Executive Order 11246) of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
- e) The CONSULTANT will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the GRANTEE and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.
- f) In the event of the CONSULTANT's non-compliance with the equal opportunity clauses of this Agreement or with any such rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and the CONSULTANT may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided by Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- g) The CONSULTANT will include the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The CONSULTANT will take such action with respect to any subcontract or purchase order as the GRANTEE may direct as a means of enforcing such provisions including sanctions for non-compliance: Provided, however, that in the event the CONSULTANT becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the GRANTEE, the CONSULTANT may request the United States to enter into such litigation to protect the interests of the United States.

L. SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Section 109 further provides that discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended, is prohibited.

M. "SECTION 3" COMPLIANCE IN THE PROVISION OF TRAINING, EMPLOYMENT AND BUSINESS OPPORTUNITIES

- a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

- b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- c) The CONSULTANT agrees to send to each labor organization or representative of workers with which the CONSULTANT has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the CONSULTANT's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
- d) The CONSULTANT agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The CONSULTANT will not subcontract with any subcontractor where the CONSULTANT has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- e) The CONSULTANT will certify that any vacant employment positions, including training positions, that are filled (1) after the CONSULTANT is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the CONSULTANT's obligations under 24 CFR Part 135.
- f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- g) With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

N. INTEREST OF MEMBERS OF THE PARISH

No member of the governing body of the GRANTEE and no other officer, employee, or agent of the GRANTEE who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract; and the CONSULTANT shall take appropriate steps to assure compliance.

(This is a sample; each governing body must prepare a contract that is specific to its needs and should be reviewed by the grantee's legal counsel.)

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O. INTEREST OF OTHER LOCAL PUBLIC OFFICIALS

No member of the governing body of the locality and no other public official of such locality, who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract; and the CONSULTANT shall take appropriate steps to assure compliance.

P. INTEREST OF CONSULTANT AND EMPLOYEES

The CONSULTANT covenants that he presently has no interest and shall not acquire interest, direct or indirect, in the project area or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his services hereunder. The CONSULTANT further covenants that in the performance of this Contract, no person having any such interest shall be employed.

Q. ACCESS TO RECORDS

The OCD/DRU grantor agency, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the CONSULTANT which are directly pertinent to this specific contract for the purpose of audits, examinations, and making excerpts and transcriptions.

All records connected with this contract will be maintained in a central location by the unit of local government and will be maintained for a period of 5 years from the official date of close out of the grant by the OCD/DRU.

R. INSURANCE

- Insurance shall be placed with insurers with an A.M. Best's rating of no less than A-: VI.
- This rating requirement shall be waived for Worker's Compensation coverage only.
- CONSULTANT's Insurance: The CONSULTANT shall not commence work under this contract until he has obtained all insurance required herein. Certificates of Insurance, fully executed by officers of the Insurance Company written or countersigned by an authorized Louisiana State agency. The CONSULTANT shall not allow any sub-contractor to commence work on his subcontract until all similar insurance required for the subcontractor has been obtained and approved. If so requested, the CONSULTANT shall also submit copies of insurance policies for inspection and approval of the GRANTEE before work is commenced. Said policies shall not hereafter be canceled, permitted to expire, or be changed without thirty (30) days' notice in advance to the GRANTEE and consented to by the GRANTEE in writing and the policies shall so provide.

(This is a sample; each governing body must prepare a contract that is specific to its needs and should be reviewed by the grantee's legal counsel.)

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- **Compensation Insurance:** Before any work is commenced, the CONSULTANT shall maintain during the life of the contract, Workers' Compensation Insurance for all of the CONSULTANT's employees employed at the site of the project. In case any work is sublet, the CONSULTANT shall require the subcontractor similarly to provide Workers' Compensation Insurance for all the latter's employees, unless such employees are covered by the protection afforded by the CONSULTANT. In case any class of employees engaged in work under the contract at the site of the project is not protected under the Workers' Compensation Statute, the CONSULTANT shall provide for any such employees, and shall further provide or cause any and all subcontractors to provide Employer's Liability Insurance for the protection of such employees not protected by the Workers' Compensation Statute.
- **Commercial General Liability Insurance:** The CONSULTANT shall maintain during the life of the contract such Commercial General Liability Insurance which shall protect him, the GRANTEE, and any subcontractor during the performance of work covered by the contract from claims or damages for personal injury, including accidental death, as well as for claims for property damages, which may arise from operations under the contract, whether such operations be by himself or by a subcontractor, or by anyone directly or indirectly employed by either or them, or in such a manner as to impose liability to the GRANTEE. Such insurance shall name the GRANTEE as additional insured for claims arising from or as the result of the operations of the CONSULTANT or his subcontractors. In the absence of specific regulations, the amount of coverage shall be as follows: Commercial General Liability Insurance, including bodily injury, property damage and contractual liability, with combined single limits of [insert GRANTEE determined amount here – for example \$1,000,000].
- **Insurance Covering Special Hazards:** Special hazards as determined by the GRANTEE shall be covered by rider or riders in the Commercial General Liability Insurance Policy or policies herein elsewhere required to be furnished by the CONSULTANT, or by separate policies of insurance in the amounts as defined in any Special Conditions of the contract included therewith.
- **Licensed and Non-Licensed Motor Vehicles:** The CONSULTANT shall maintain during the life of the contract, Automobile Liability Insurance in an amount not less than combined single limits of [insert GRANTEE determined amount here – for example \$1,000,000] per occurrence for bodily injury/property damage. Such insurance shall cover the use of any non-licensed motor vehicles engaged in operations within the terms of the contract on the site of the work to be performed there under, unless such coverage is included in insurance elsewhere specified.
- **Subcontractor's Insurance:** The CONSULTANT shall require that any and all subcontractors, which are not protected under the CONSULTANT's own insurance policies, take and maintain insurance of the same nature and in the same amounts as required of the CONSULTANT.

S. APPLICABLE LAW

This contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana. Venue of any action brought with regard to this contract shall be in the [insert district court], parish of _____, State of Louisiana.

T. CODE OF ETHICS

(This is a sample; each governing body must prepare a contract that is specific to its needs and should be reviewed by the grantee's legal counsel.)

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The CONSULTANT acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this contract. The CONSULTANT agrees to immediately notify the state if potential violations of the Code of Governmental Ethics arise at any time during the term of this contract.

U. SEVERABILITY

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Contract are declared severable.

V. COMPLETE CONTRACT

This is the complete Contract between the parties with respect to the subject matter and all prior discussions and negotiations are merged into this contract. This Contract is entered into with neither party relying on any statement or representation made by the other party not embodied in this Contract and there are no other agreements or understanding changing or modifying the terms. This Contract shall become effective upon final statutory approval.

W. ENTIRE AGREEMENT & ORDER OF PRECEDENCE

This contract together with the Request For Proposal and CONSULTANT's proposal which are incorporated herein; shall, to the extent possible, be construed to give effect to all of its provisions; however, where provisions are in conflict, first priority shall be given to the provisions of the contract, excluding the Request for Proposals, its amendments and the Proposal; second priority shall be given to the provisions of the Request for Proposals and its amendments; and third priority shall be given to the provisions of the CONSULTANT's Proposal.

NOTE TO GRANTEE ON SCOPE OF SERVICES AND PAYMENT SCHEDULE:

1. *The list of the scope of services is just an example. The grant recipient should delete any services not needed for this particular contract; or add services that are needed.*
2. *The use of unit and lump sum prices are just an example. The grant recipient may require all tasks be performed on a cost reimbursement basis. The grant recipient should insure that the unit price and/or lump sum price payment requirements are deleted from Part I Section 5 of the contract if they are not used.*
3. *Any use of unit and lump sum prices assumes the grant recipient has conducted the required (24 CFR 85.36(f)) cost price analysis according to the steps outlined in HUD's Quick Guide to Cost Price Analysis, found in Exhibit 6-5, and maintains sufficient detail [Exhibit 6-4 Excel] to establish the basis of the price (24 CFR 85.36(b)(9)).*

PART III – SCOPE OF SERVICES AND PAYMENT SCHEDULE

General Tasks

- Establish project files in the GRANTEE's office. These files must demonstrate compliance with all applicable state, local, and federal regulations. The project files must be monitored throughout the program to ensure that they are complete and that all necessary documentation is being retained in the GRANTEE's files. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task is \$0.00
- With the assistance of the GRANTEE, help conduct public hearings. This includes, but is not limited to, such things as assisting with public notices, conducting hearings, etc. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task is \$0.00
- Prepare the Section 504 self-evaluation and transition plan, if applicable. Upon submission of the completed self-evaluation and transition plan to the GRANTEE, CONSULTANT will be paid a lump sum amount of \$0.00.
- Prepare one analysis of impediments to fair housing. Upon submission of the completed analysis, CONSULTANT will be paid a lump sum amount of \$0.00.
- Ensure all Citizen Participation Requirements are met. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task is \$0.00.
- Assist GRANTEE in establishing and maintaining one Section 3 plan and appropriate reports. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task is \$0.00.
- Provide monthly progress reports to the GRANTEE. For each monthly progress report completed and submitted, CONSULTANT will invoice a unit price of \$0.00. The estimated units for this task are _____; for a total amount not to exceed \$0.00 for this task.
- Attend workshops and meet with OCD/DRU on behalf of the GRANTEE. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus

travel and material costs. Total estimated costs for this task are \$0.00. CONSULTANT shall prorate the invoiced costs if attendance at the same workshops is also on behalf of other GRANTEES.

- Prepare and submit for approval CDBG-DR Recovery Plan amendments as necessary and conduct public hearings if required. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Other general tasks as necessary. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task is \$0.00.

Financial Management

- Prepare the Requests for Payment to ensure consistency with the procedures established for the Disaster Recovery CDBG Program. For each Requests for Payment completed and submitted, CONSULTANT will invoice a unit price of \$0.00. The estimated units to complete this task are ____; for a total amount not to exceed \$0.00 for this task.
- Ensure that the GRANTEE has an acceptable financial management system as it pertains to finances of the Disaster Recovery CDBG Program. An acceptable system includes, but is not limited to, cash receipts and disbursements journal and accompanying ledgers, and should conform to generally accepted principles of municipal accounting. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task is \$0.00.
- Make progress inspections and certify partial payment requests. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task is \$0.00.
- Provide assistance during annual audit of CDBG-DR programs, as necessary. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.

Environmental Review - per project

- Prepare Environmental Review Record(s). For each ERR completed and submitted, CONSULTANT will invoice a unit price of \$0.00. The estimated units to complete this task are ____; for a total amount not to exceed \$0.00 for this task.

Land Acquisition

- Assist GRANTEE in complying with regulations governing land acquisition (real property, easements, rights of ways, donation of property, etc). CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs for to complete task are \$0.00.

Construction and Labor Compliance

- Assist the project engineer in the preparation of bid documents and supervise the bidding process consistent with state and federal regulations. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.

- Secure the Department of Labor's federal wage decision and include it in the bid documents. For each federal wage decision obtained and submitted, CONSULTANT will invoice a unit price of \$0.00. The estimated units to complete this task are _____; for a total amount not to exceed \$0.00 for this task.
- Prepare construction contract which comply with state and federal regulations. Examples are Conflict of Interest, Access to Records, Copeland Anti-Kickback Act, Safety Standards, Architectural Barriers, Flood Insurance, Clean Air and Water Act (for contracts over \$100,000), HUD Handbook (6500.3), 24 CFR 85.36, Section 3, Section 109, Title VI, Civil Rights Act, EO 11246 (for contracts over \$10,000), Section 503, etc. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Obtain contractor clearance(s). For each contractor clearance obtained and submitted, CONSULTANT will invoice a unit price of \$0.00. The estimated units to complete this task are _____; for a total amount not to exceed \$0.00 to complete this task.
- Check weekly payrolls to ensure compliance with federal wage decision(s). Conduct on-site interviews and compare the results with the appropriate payrolls. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Monitor construction to ensure compliance with equal opportunity and labor standards provisions. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Assist in a final inspection of the project and in the issuance of a final acceptance of work. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Assist the project architect/engineer in obtaining any necessary permits. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Monitor Section 3, DBE and other contractor and subcontractor reports. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.

Monitoring and Close Out

- Attend and assist the GRANTEE during the OCD/DRU's monitoring visit(s). Prepare GRANTEE's response to all monitoring findings. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Prepare close-out documents. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Conduct and document Performance Public Hearings on an annual and/or project basis as required. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.

Pre-application and Application Phase

- Assist the GRANTEE in completing the establishment of Architectural /Engineering contracts for projects. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Preparation of pre-application. For each pre-application completed and submitted, CONSULTANT will invoice a unit price of \$0.00. The estimated units to complete this task are _____; for a total amount not to exceed \$0.00 for this task.
- Preparation of application. For each application completed and submitted, CONSULTANT will invoice a unit price of \$0.00. The estimated units to complete this task are _____; for a total amount not to exceed \$0.00 for this task.

Procurement

- Establishment and maintenance of Procurement Policies and files. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs for this task are \$0.00.
- Assist the GRANTEE in preparing all RFPs/RFQs for any additional necessary professional services such as appraisal, architectural/engineering, legal and other services needed for projects CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Review and analyze proposals for qualifications, cost, and other factors. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Provide required procurement reports to and obtain approvals from OCD/DRU as appropriate. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Maintain procurement records including selection process, advertisements, reasons for selections, minutes of bid openings, etc. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Maintain Section 3 file for each contract in excess of \$100,000. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Provide annual Project DBE and other related procurement reports. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.

National Objective Compliance Application Survey/Income verification

- Conduct surveys in accordance with HUD guidelines to determine low/moderate income beneficiaries as needed for applications for which Census data cannot be used. CONSULTANT shall be reimbursed the

time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.

- Determine eligibility of area wide target areas using Census data and LOGRECO mapping system. For each target area map completed and submitted, CONSULTANT will invoice a unit price of \$0.00. The estimated units to complete this task are _____; for a total amount not to exceed \$0.00 for this task.
- Obtain verification of income and right of way access for household hook-ups in connection with sewer or other projects, if required. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.

Non Public Facilities Tasks

Establishment of Use Agreements for Community Centers/Administrative Building

- Develop model interagency agreements for special service providers who will be housed in or use community centers and/or for use of the GRANTEE Administrative Building by other entities. Upon submission of the completed model interagency agreement CONSULTANT will be paid a lump sum amount of \$0.00.
- Assist in obtaining user agreements with potential service providers for the new public facilities, as necessary. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Meet with providers to determine use requirements, frequency of use and clients. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Assist the GRANTEE in establishing policies for use of community centers or other new public facilities, as necessary. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.

Economic Development Contract Compliance

- Obtain verification of income of employees hired by company. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Compile quarterly financial and employment data from developer and submit to GRANTEE on a timely basis. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.

Tasks Specifically Related to Housing Rehabilitation Project

- Assist with the planning and formulation of housing program policies and standards. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.

- Process homeowner applications; rate and rank them in accordance with the selection criteria set forth in the program guidelines; and advise applicants of the disposition of their application. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Obtain applicant income verification; ownership; etc. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Prepare contract for approval by GRANTEE. Review conditions of grant with homeowner and obtain homeowner's signature on all necessary documents. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Coordinate preliminary and formal work write-ups, and cost estimates. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Initiate advertisement for contractors to work with the Disaster Recovery CDBG Program and orient them to the policies and regulations governing the program. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Request, receive, and review on behalf of homeowner all bids from contractors for rehabilitation construction work. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Inspect construction and rehabilitation work on a regular basis to see that all code violations are rectified and check on the quality of materials and workmanship. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Arbitrate disputes and/or complaints arising between contractors and homeowners regarding work to be performed, underway or completed. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Prepare change orders, if necessary, and obtain the approval of the homeowner, the contractor, and the grantee. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Make a final inspection of rehabilitation work and issue a final acceptance of work signed by both the housing rehabilitation inspector and the homeowner. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.
- Obtain from the contractor the manufacturer's and supplier's warranties prior to final payment for rehabilitation work. CONSULTANT shall be reimbursed the time for a [job title/specialty] at an hourly rate of \$0.00 including fringe benefits plus travel and material costs. Total estimated costs to complete this task are \$0.00.

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VERIFICATION OF CONTRACTOR'S BONDING

1. The Disaster Recovery CDBG Contract:

- a. Grantee Name _____
- b. Disaster Recovery CDBG Contract # _____

2. Information regarding prime contractor's bonding entities:

- a. Name of Contractor _____
- b. Name of Insurance Agent _____
- c. Agent's Company Name _____
- d. Name of Surety Company _____
- e. Location (Domicile) _____

3. U.S. Department of the Treasury: www.fms.treas.gov/c570 or telephone at (202) 874-6850

- a. Does the above listed surety company's name appear in the U. S. Department of the Treasury's listing of approved sureties having a license to do business in Louisiana? (Circular 570) Yes No
- b. With internet verification, print the page that lists the surety company and attach it to this form.
- c. With telephone verification, list the name of the person you spoke to and the date below:
- Name _____ Date _____

4. La. Dept of Insurance: www.lidi.state.la.us/search_forms/company/ or (225) 342-0895

- a. Does the above listed surety company's name appear on the Louisiana Insurance Commissioner's list of insurance companies which are licensed to do business in Louisiana? Yes No
- b. With internet verification, print the page that lists the surety company and attach it to this form.
- c. With telephone verification, list the name of the person you spoke to and the date below:
- Name _____ Date _____

5. Bonds Cleared? Yes No By: _____
Date: _____

Retain for your records. Do not send to OCD/DRU.

Instructions to complete the Verification of Contractor's Bonding Form

1.a.	Enter the name of the Grantee or Subrecipient
1.b.	Enter the number that appears on the CDBG Disaster Recovery Contract
2.a.	Enter the name of the Contractor
2.b.	Enter the name of the Insurance Agent
2.c.	Enter the name of Insurance Agent's company
2.d.	Enter the name of the Surety Company
2.e.	Enter the address of the Surety Company
3.a.	Check the appropriate Yes/No box to indicate whether or not the surety company is on the U. S. Department of the Treasury's listing of approved sureties having a license to do business in Louisiana
3.b.	Attach internet verification from the U.S. Department of Treasury's website
3.c.	List the name of the person contacted at the U.S. Department of Treasury and the date contacted
4.a.	Check the appropriate Yes/No box to indicate whether or not the surety company is on the Louisiana Insurance Commissioner's listing of approved insurance companies having a license to do business in Louisiana.
4.b.	Attach internet verification from the Louisiana Insurance Commissioner's website
4.c.	List the name of the person contacted at the Louisiana Insurance Commissioner's Office and the date contacted
5.	Check the appropriate Yes/No box to indicate whether or not the bonds were cleared. Enter the name of the person that cleared the bonds and the date.

Verification of Prime Contractor Eligibility

Verification of Prime Contractor Eligibility		
Please Note: Verifications must be obtained prior to award of contract		
1.	Grantee Name	
2.	Disaster Recovery CDBG Contract Number	
3.	Parish	
4.	Bid Opening Date	
<ul style="list-style-type: none"> • Identification of the prime contractor and principals of the firm. 		
5.	Prime Contractor Name	
6.	Address	
7.	City	
8.	State	
9.	Zip Code	
10.	Contractor Phone Number	
11.	Enter the name of each principal below	Enter the title of each principal
12.		
13.		
14.		
<ul style="list-style-type: none"> • Signature and dates below indicate verification by grantee 		
15.	Prime contractor's eligibility performed by	(Print)
		(Sign)
		(Date)

***ATTACH PROOF OF ELIGIBILITY FORM**

<https://www.sam.gov/portal/public/SAM/>

Instructions for Verification of Prime Contractor Eligibility

Note: This form must be executed before the award of a contract.

1-3. Name, Contract #, Parish	Name of grant recipient, Disaster Recovery CDBG contract #, Parish
4. Bid Opening Date	The date construction bids were opened
5-10. Prime Contractor Identification	The legal name of the contracting firm. Address, & Phone
11-14. Identification and titles of Principals of the firm	Since the names are checked against a federal database of debarred names, list the complete name if possible. In the case of corporations, “Principals” are owners or office holders as recorded legally. In sole proprietorships or partnerships, “Principals” are the owner(s). Titles or Position: Examples—President, Vice Pres, Secretary.
15. Identification of grantee staff performing prime contractor eligibility verification	The name and signature of the grantee staff who verifies the prime contractor’s eligibility; date which the verification was performed

SAMPLE VERIFICATION OF PROFESSIONAL SERVICES ELIGIBILITY

24 CFR 85.35

1. Request for Clearance of Professional Services is hereby made by:

Name of Grantee _____

DR-CDBG CEA Number _____

2. Identification of the professional firm for which clearance is requested:

Name _____

Address _____

City and State _____

Zip Code _____

Phone Number(s) _____

3. Name of the principles of the firm and their title/position are as follows.

(Complete names preferred: Example—John Buford Brown is preferable to John Brown)

Name of Principals	Title(s)
_____	_____
_____	_____
_____	_____

4. Description of professional services? _____

5. Signed: _____ Date _____
City/Parish CEO or Representative

6. (To be completed by the Office of Community Development)

Upon receipt, OCD/DRU will determine eligibility status, complete and fax or mail the form to the Grantee.

Professional firm cleared: Yes No Date: _____

Signature, OCD/DRU's LCO _____

Faxed or Mailed To _____

Comments: _____

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SAMPLE NOTICE OF CONTRACT AWARD

- Louisiana law, LA RS 38:2215, requires mutual written agreement between the parties if the time between the bid opening and contract award exceeds 45 days.
- If more than 90 days transpire between bid opening and contract award date, ensure that the wage decision(s) in effect on the contract award date becomes a written part of the construction contract.
- Send this Notice to OCD/DRU within 30 days of the contract award date.

1. The Disaster Recovery CDBG CEA:

Grantee Name _____

DR-CDBG CEA # _____

2. A prime construction contract has been awarded as follows:

Name of prime contractor _____

Type of work to be done _____

Bid Opening Date _____

Date of contract award _____

Estimated date of start of construction _____

3. Components of the above listed contract identified by source, purpose and amount:

<u>Source</u>	<u>Purpose</u>	<u>Amount</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. Total Amount of Contract Award (All funds—Local, CDBG, etc.) _____

5. A copy of the certified and itemized bid tabulation is attached: Yes _____ No _____

6. Comments: _____

7. Signed _____
Grantee's Labor Compliance Officer or CEO

8. Date _____

Instructions for Notice of Contract Award (Exhibit 6-14)

1. Grantee Name CEA Number	Name of Municipality or Parish that is the recipient of grant funds. Six-digit CEA number between the OCD/DRU and grant recipient.												
2. A prime...contract...	Name: of prime contractor. Work Description: Examples: fire station, sewer treatment plant, etc. Bid Opening Date: self-explanatory. Date of Award: official date by action of municipality or parish. Estimate: an educated guess on start date of construction.												
3. Components of the above listed contract...source, purpose, & amount	<p>Components of the construction contract must be identified by source, purpose and amount. Example:</p> <table border="1" data-bbox="566 730 1390 877"> <thead> <tr> <th><u>Source</u></th> <th><u>Purpose</u></th> <th><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>CDBG</td> <td>Sewer lines, engineering</td> <td>500,000.00</td> </tr> <tr> <td>USDA</td> <td>Sewer treatment plant</td> <td>300,000.00</td> </tr> <tr> <td>Local</td> <td>Engineering</td> <td>50,000.00</td> </tr> </tbody> </table> <p>Some construction contracts involve only CDBG funds and have a single purpose. For such cases, use only a one-line entry.</p>	<u>Source</u>	<u>Purpose</u>	<u>Amount</u>	CDBG	Sewer lines, engineering	500,000.00	USDA	Sewer treatment plant	300,000.00	Local	Engineering	50,000.00
<u>Source</u>	<u>Purpose</u>	<u>Amount</u>											
CDBG	Sewer lines, engineering	500,000.00											
USDA	Sewer treatment plant	300,000.00											
Local	Engineering	50,000.00											
4. Total amount of contract award	Components amounts added together should equal the total of the prime construction contract referred to under item “2”. From the example in “3”, above, the total would be \$850,000.00. Enter the original amount of the award prior to any change orders.												
5. Copy of the Certified and Itemized Bid Tabulation attached	A bid tabulation should be attached to this notice. Indicate whether the bid tab is attached by marking “yes” or “no”. If no, explain why in the comment section of row 6 and, as necessary, establish a projected time table for the bid tabulation to be sent to OCD/DRU.												
6. Comments	Enter any applicable comments.												
7. Signature or typed name	Signature or typed name of the grantee’s Labor Compliance Officer.												
8. Date	Date on which the form is prepared (not the contract award date). It must be sent to OCD/DRU within 30 days of the award of the contract.												

SAMPLE AGREEMENT FOR APPRAISAL SERVICES **(ACQUISITION)**

THIS PROFESSIONAL SERVICES AGREEMENT, entered into this ___ day of _____, 20 __, by and between _____ of the City of _____, State of _____, hereinafter referred to as the "Agency", and _____, hereinafter referred to as the "Appraiser".

WITNESSETH THAT:

WHEREAS, the Agency proposes to acquire certain real property and desires that the Appraiser furnish the Agency certain services with respect to such property, including an appraisal of each parcel of the property, and the Appraiser represents that he is fully qualified to perform such services and will furnish such services personally; and

WHEREAS, the services to be provided under this Agreement are necessary to achieve the purposes of _____ and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act).

NOW, THEREFORE, the Agency and the Appraiser, for the consideration and under the conditions hereinafter set forth, do agree as follows:

ARTICLE 1. Property To Be Appraised. A description of the real property to be appraised, including an identification of any interests in the real property to be specifically excluded from appraisal, are set forth in the attached Attachment A. A separate appraisal is to be furnished for each "parcel". (The term "parcel" means any tract or continuous tracts of land in the same ownership, whether any such tract consists of one or more platted lots for a fractional part of a lot. An easement or other separately held interest in two or more parcels shall be considered to be a separate parcel for appraisal purposes and an exception to the title to the parcels so encumbered. An easement in a parcel that is appurtenant to another parcel to be acquired by the Agency shall be considered parcel encumbered). Each parcel shall be considered to include all right, title, and interest of the owner in or to any adjacent or abutting streets, alleys, or other public rights of way.

ARTICLE 2. Purpose and Basis of Valuations.

- (a) **Purpose and Significance of Appraisals.** The appraisals to be furnished under this agreement are required by the Agency for its guidance in making fair and impartial determinations of fair market value and the just compensation to be offered to each property owner. The Appraiser shall be guided by those objectives when estimating values. Appraisal reports will be reviewed carefully by the Agency.

Accordingly, the text of each appraisal report must cover all matters germane to the required valuation findings and must provide a full explanation of the Appraiser's reasoning and his analyses of the evidence of value, so that a reviewer will be able to follow the Appraiser's analyses and understand how he reached his valuation conclusions.

- (b) Appraisal Requirements. The appraisals under this agreement shall be based on nationally recognized appraisal standards and techniques to the extent that such principals are consistent with the concepts of value and the rules on the admissibility of evidence of value under the eminent domain law of the State. Factors relating to race, color, religion, sex or national origin, or to racial, religious and ethnic identification of neighborhoods are not relevant to the estimation of value and shall not be considered in connection with appraisals of residential real property.
- (c) Date of Valuation. The Appraiser's valuation shall be as of a date concurrent with the preparation of his report, unless the Agency has specified some other date of valuation.
- (d) Relocation Assistance. The Appraiser's analyses and opinions on property value shall not reflect any allowance for the relocation payments and other assistance provided under Title II of the Uniform Act.
- (e) Influence of Project on Property Value. In forming his opinion(s), the Appraiser shall disregard any decrease or increase in the fair market value of the real property to be acquired, prior to the date of valuation, caused by the project for which the property is to be acquired, or by the likelihood that the property would be acquired for such project, other than that due to physical deterioration within the reasonable control of the owner. (In the case of a partial acquisition, using the before-and-after method of valuation, the Appraiser's opinion of the value of the remaining not-to-be-acquired portion of the property shall reflect any increase or decrease in value attributable to the project.) If the determination of changes in value caused by the project is a problem, the Appraiser's report shall cite the ruling followed and its source and shall explain the effect of the ruling on his opinion of value.

ARTICLE 3. Scope of Appraiser's Services. The Appraiser agrees to perform the following services.

- (a) Appraise each parcel and prepare and deliver to the Agency, within ____ calendar days after the date of this agreement, _____ copies of the appraisal reports conforming to the provisions of this agreement. The Appraiser shall personally inspect each parcel, including all buildings, structures, fixtures, and other improvements to the property. The Appraiser shall give the owner or his designate representative an opportunity to accompany the Appraiser during his detailed inspection of the property. If the owner is of a compensable interest in the property or a representative of such owner does not accompany the Appraiser during the inspection, the Appraiser shall include in his appraisal report a copy of his notification to the owner of the opportunity to accompany the Appraiser and evidence of the owner's receipt of such notification. In the process of inspecting the property, the Appraiser shall, to the extent practicable, ascertain the rights of all parties in possession and note for consideration all factual information and comments furnished by the owner or his representative relevant to the appraisal.
- (b) Testify as an expert witness in behalf of the Agency in any judicial proceeding involving any property appraised under this agreement. Such services shall include such reasonable time as may be required for re-inspection of the property, updating the Appraiser's valuation, participation in pretrial conferences with counsel for the Agency, and testifying in the judicial proceeding. The compensation for such services shall be determined in accordance with Article 6.

- (c) Modify or furnish supplements to any appraisal report furnished under this agreement, without additional cost to the Agency, if (1) applicable principles of law with respect to the valuation of the property require the modification or supplementing of such appraisal, (2) material omissions, inaccuracies, or defects in the appraisal report are discovered after delivery and acceptance of the report by the Agency or (3) the Appraiser receives or becomes aware of relevant additional appraisal information in existence prior to the date the Appraiser signed the report. If there is a significant delay between the date of valuation and the date of acquisition of any parcel or if the property has been materially altered since the appraisal by a fire, a revised determination of the boundaries of the property to be acquired, or other cause, the Appraiser shall, if requested by the Agency, furnish the Agency a supplementary report updating this valuation and the supporting data and analysis to a current date. The compensation for such updating of an appraisal shall be determined in accordance with Article 6.
- (d) Estimate the value of any right or interest proposed to be reserved by the owner in a property appraised by the Appraiser, such as an easement for access to other property of the owner, the right to continue occupancy for an extended period after the Agency acquires the property, or the right to remove any building, structure, fixture, or other improvement. The compensation to be paid to the Appraiser for furnishing any such valuation shall be determined in accordance with Article 6.
- (e) Consultant with the Agency and its legal counsel regarding services to be performed by the Appraiser, at such time(s) as may be mutually convenient for the parties to this agreement. The Appraiser shall initiate such consultations whenever he is in doubt as to whether an element of property is real or personal property or needs legal advice on any aspect of the appraisals to be furnished under this agreement. There shall be no charge by any party for such consultations.

ARTICLE 4. Contents of Appraisal Reports. Each appraisal report to be furnished by the Appraiser under this agreement shall contain certain information and the Appraiser's conclusions and opinions, together with the data and analysis by which they were derived, as set forth below. A separate report shall be submitted for each parcel.

However, if more than one parcel is to be appraised, all general data may be included in a separate data volume that is referenced in the separate appraisal reports on the individual parcels. The appraisal report on each parcel shall include the following:

- (a) A summary headed "Appraisal Report for (name of Agency)" that provides the following:
 - (1) Project name and number.
 - (2) Date of the report.
 - (3) Parcel number, address of the property, brief identification of all interests in the property appraised, and the name of the owner(s) including any tenant-owners.
 - (4) Date(s) of the Appraiser's inspection of the property with the owner(s) or the owner's designated representative, including the name of each owner or representative of an owner who accompanied the Appraiser during his inspection and the interest held in the property or the representative capacity of each such person.

- (5) The Appraiser's estimate of the fair market value of the entire parcel and the fair market value of the same interest in the land, as if vacant.
 - (6) The limiting conditions of the appraisal, which may include assumptions (i) that the title is good and marketable, (ii) that no responsibility is assumed by the Appraiser for legal matters, especially those affecting the title to the property, (iii) that the legal description of the property and the interest in the property to be appraised, furnished to the Appraiser by the Agency, is correct, and (iv) that no survey of the property has been made. Any other appropriate assumption or limiting condition may be added if it has been specifically approved in writing by the Agency.
 - (7) The certifications of the Appraiser (i) that he personally made a through inspection of the property (ii) that, to the best of his knowledge and belief, everything contained in the report is true and no relevant and important fact has been omitted, (iii) that neither his employment nor his compensation is contingent on the valuation reported, and (iv) that he has no past, present, or prospective interest (including that of real estate agency or broker) in the property, the parties involved, or any other interest that would conflict in any way with the services performed or the making of an impartial report.
 - (8) A certification that, in the Appraiser's opinion, the fair market value of the property is (an amount to be stated) as of (the date of valuation).
 - (9) The signature of the Appraiser
- (b) The name and address of the owner of the property and the name of any other party known or believed to hold a separate compensable interest in the property.
 - (c) The street address and an accurate description of each parcel and all interests in the parcel appraised. The property description shall identify all conditions, restrictions, easements, servitudes, and reservations affecting the title. The property description shall specifically exclude and describe any separately held interest in the property that is to be acquired separately or as part of another parcel. The description shall also specifically exclude all separately held interests which are not to be acquired and will not be affected adversely by the Agency's project. If there are any separately held interests in a parcel, which are to be acquired with other interests in the same parcel, such as leaseholds, tenant-owned improvements, life estates, easements, and water, gas, oil, or mineral rights, a description of each such separate interest and the name of its owner shall be furnished.
 - (d) Off-record title information concerning interests or instruments that affect title, but are not of record, such as leases, options to renew a lease, contracts of sale, and other interests or rights of parties in possession. Such information shall be reported, and if available facts are sufficient, the Appraiser's report shall be based on such additional title information and so noted in the appraisal report. Otherwise, the Appraiser shall refer the matter to the Agency and defer completion of the appraisal until the question is resolved.
 - (e) Basic property data including pertinent information with respect to such matters as (1) the environment and location of the property, (2) the zoning and any restrictive covenants, conditions, or servitudes affecting the available use or occupancy of the land, (3) the assessed value of the real property and the current annual real estate tax burden, (4) the use and occupancy

of the property at time of appraisal, (5) the public improvement, services, and utilities serving and providing access to the property, (6) the character, topography, dimensions, and area of the land, (7) the freedom of the property from special hazards, (8) the current rental and rental history of the property, if rented, (9) the estimated annual costs of ownership and for operation and maintenance of the property, and (10) a description of the buildings, structures, and other improvements, if any, including relevant information as to type of improvement, designed use, construction materials and finish, equipment, dimensions, floor area, age, condition, space or room arrangement, functional utility, and any other characteristics or attributes of the improvements germane to the value of the real property. The appraisal report shall contain a general sketch plat showing the shape and dimensions of the land, the location of the principal improvements on the land, the location of any easements in the land, and the abutting streets, alleys, or other public right of way. The report shall also include such photographs, clearly identified, as may be appropriate.

- (f) Report of any condition or occupancy of the property in violation of law that may affect the value of the property.
- (g) The Appraiser's opinion as to the highest and best use for the property. The appraisal report shall also include the Appraiser's opinions as to any other use(s) for which the property is reasonably suitable or adaptable. If the property is unused vacant land or the highest and best use is not self-evident or is found to differ significantly from the present use, the appraisal report shall contain the analysis by which the Appraiser reach his conclusions as to the highest and best use and as the relative suitability or adaptability of the property for any other use(s) for which the property could reasonably be considered to be suitable or adaptable. The analysis of a potential use shall include consideration of relevant matters, such as the suitability of the location, the environment and the legal and physical attributes of the property for such use, the estimated cost, if any, of converting the property to such use, and the supply, sale price levels, and relative desirability of other properties that would compete for the same kind of use. The analysis of the property for the future use or uses found to be the highest and best use is part of the process of appraising the property and, therefore, may be included in the valuation analysis furnished in accordance with Paragraph 4 (h) below.
- (h) The opinion of the Appraiser as to the fair market value of the property. The appraisal report shall contain a description of the reasoning process used by the Appraiser in reaching his conclusion as to value and all data and analysis needed to explain and support his valuation. The supporting data and analysis furnished in the appraisal report shall include the following:
 - (1) An analysis of the property, from the point of view of evaluating the effect of its characteristics and attributes on its value for the available use or uses for which the property is best suited. Particular attention shall be given to the characteristics or the property most relevant to its value, such as, in the case of an investment property, the income potential and the expenses of ownership, maintenance, and operation.
 - (2) An identification of the most recent sale of each property appraised and any other sales of such property during the last five (5) years preceding the appraisal. Such sale(s) of the property appraised and all recent sales of comparable properties considered by the Appraiser in forming his opinion(s) of fair market value shall be verified insofar as practical. The information furnished with respect to each such sale shall include, among other pertinent facts, the names of the grantor and grantee, the date of the sale, the sale

price, any special terms or conditions or circumstances of the sale that affected the transaction, and a description of the property and its condition at time of sale in sufficient detail for use in making the appraisal.

- (3) The analysis that constitute the principal basis for the Appraiser's opinion of the fair market value. The appraisal report shall contain the Appraiser's evaluation with respect to previous sales of the property appraised and any recent offer of the owner to sell the property. The appraisal report shall also contain the Appraiser's analysis of each comparable property and its sale in relation to the property appraised. The Appraiser's analysis shall reflect appropriate allowances for the difference in the time of the sale of the comparable properties and the date of appraisal and the differences in the utility, desirability, and productivity of the properties that are pertinent to their relative value. The appraisal report shall contain a valuation data map showing the location of the property appraised and the comparable properties referred to in the appraisal report.
- (4) All other information, analysis, and estimates considered by the appraiser to be relevant to the estimation of the fair market value of the property.
- (5) If the property appraised is part of a larger parcel in the same ownership or is less than the entire interest of the owner in the property, the appraisal report shall contain the Appraiser's opinion of just compensation for taking of such property or interest, using the before-and-after method of valuation as interpreted under State law unless it is obvious that there would be no damages or benefits to the remaining property or interest of the owner. However, if the part or interest to be taken can be more accurately estimated directly, that method may be used if permitted under State law, without estimating the fair market value of the entire property of the owner. The foregoing opinions of the Appraiser shall be supported in his report by the data and analysis by which he reached his conclusions.

For information purposes, the appraisal report shall also contain the Appraiser's estimates of the fair market value of the to-be acquired part of the whole property and the net damages or benefits to the remaining property of the owner. If in the opinion of the Appraiser, acquisition of the part of, or interest in, the property proposed for acquisition would leave the owner with an uneconomic remnant, the Appraiser shall furnish a separate estimate of the fair market value of a "parcel" comprising both the parcel proposed for acquisition and the uneconomic remnant. (A remainder parcel or interest shall be considered to be an uneconomic remnant if by itself it has little or no utility or value to the owner.)

- (6) Such maps, plans, photographs, or other exhibits, as necessary, to explain or illustrate the analysis of the Appraiser.
- (7) The Appraiser's evaluation of the indications of value deduced from his separate analysis of the various evidences of value and an explanation of how he reached his final conclusion as to the fair market value of the property.
 - (i) The opinion of the Appraiser as to the fair market value of the land, as if vacant. The valuation shall be for the same interest in the land as is to be acquired in the real property. The report shall contain information with respect to the available use or uses for which the land would be

suitable if vacant, the opinion of the Appraiser as to its highest and best use, and the Appraiser's analysis of the evidences of value and of the use potential by which he reached his conclusions as to the highest and best use of the and the land value.

- (j) A property analysis if the property is a commercial, industrial, institutional, governmental, or farm property that involves substantial quantities and kinds of fixtures such as machinery and equipment. Any building, structure fixture, or other improvement, which would be real property if owned by the owner of the land, shall be considered to be real property (even if the improvement is the property of a tenant who has the right to remove it or the obligation to remove it at the expiration of his term). The property analysis must be approved by the Agency before the appraisal is completed and, as approved by the Agency, shall be included as an exhibit in the Appraiser's report. The property analysis shall list, identify, and classify as to ownership and type of improvement, all items of physical property considered to be part of the real property. The property analysis shall also identify tangible personal property located on the premises to the extent reasonably necessary to prevent misunderstandings as to what is regarded as being real or personal property. Buildings, structures, fixtures and other improvements, including their accessories and spare parts, shall be identified and classified as to ownership and type of property as follows:

(1) Ownership.

- (i) Owner of the land.
- (ii) Each tenant in occupancy.
- (iii) Each non-occupant owner of any fixtures or other improvements, or personal property on the premises.

(2) Type of property.

- (i) Building, structure, or fixed improvement.
- (ii) Building equipment, removable.
- (iii) Fixtures, classified as to whether economically removable for reuse, removable for salvage only, or irremovable.
- (iv) Personal property, identified as to types and approximate amounts, or otherwise, as needed to prevent misunderstandings as to the classification of any item.

If any building, structure, fixture of other improvement is not to be acquired, it will not be adversely affected by the Agency's project, and will not be required by the agency to be removed, such as a pipeline in an easement not to be acquired, such improvement shall be identified as excluded from the appraisal.

- (k) If machinery and equipment or other fixtures used in a trade or business, farm operation, or institutional or governmental function constitute part of the real property, the appraisal report

shall contain a separate schedule which provides separate estimates for each item, as prescribed below. If there is more than one owner of such items, a separate schedule shall be furnished for each owner. The information and conclusions to be furnished on each item are as follows:

- (1) Description of the item, including, as appropriate, the manufacturer, model and serial number, size or capacity, age and condition, and degree of obsolescence. Accessories and spare parts, special foundations, and power wiring and process piping generally shall be listed separately, following the listing of the item(s) to which they apply.
- (2) Estimate of the replacement cost installed of the item as listed and identified (exceeding any elements listed separately). Separately identify the basis of estimated replacement cost (new or used).
- (3) The contributive (enhancement) value of the item to the fair market value of the real property as a whole.
- (4) Estimated fair market value of the item for removal from the property at a purchaser's expense. Such value shall be considered to be the probable selling price if the item were offered for sale for removal from the property at the purchaser's expense, allowing a reasonable time to find a purchaser buying with knowledge of the uses and purposes for which it is adaptable and capable of being used, including salvage for serviceable components and scrap when it appears that will provide the highest value.

The schedule(s) of estimates shall be consistent, with the property analysis approved by the Agency, as provided in Paragraph 4 (j). The Appraiser is permitted to use the services of such technical specialists as may be needed to enable the Appraiser to provide valid estimates and sound valuations. The schedule(s) shall be supported by an explanation of the procedures followed in gathering the necessary market information and technical data. The principal purpose of the Appraiser's accompanying narrative, however, must be to explain his analysis and his evaluations of the dollar amount of the overall contribution of the machinery, equipment, and fixtures to the fair market value of the real property as a whole. The report shall contain any layout plans, sketches, or photographs that are reasonably necessary for locating or identifying the facilities or illustrating the Appraiser's analysis.

- (l) If there are separately held interests in the real property to be acquired, such as easements, leasehold, air rights, life estates, and oil, gas, or mineral rights, and the division or ownership is not of such character as to destroy the practical unity of the property, the Appraiser shall apportion his estimate of the fair market value to the property (all interests in the property to be acquired) to each separately held interest. (However, tenant-owned improvements shall be valued in accordance with Paragraph 4 (m) below.) The report shall contain the data, analysis, and reasoning by which the Appraiser made the apportionment. If the "unit rule" is regarded as not applicable because the division of ownership is such as to diminish the fair market value of the property as a whole, the separate interests involved shall be appraised separately.
- (m) Tenant-owned improvements. If any building, structure, fixture, or other improvement to the property is identified as being the property of a tenant who has the right or obligation to remove it as the expiration of his term, the Appraiser's estimate of the fair market value of the improvement shall be the greatest of (1) the amount which the improvement contributes to the fair market value of the property, (2) the in-place value of the improvement as part of the real property (the

depreciated replacement cost of the improvement installed), or (3) the fair market value of the improvement for removal from the property at the purchaser's expense. The appraisal report shall state the basis for the valuation of the improvement and furnish the data and analysis on which the valuation was made.

- (n) If the property is a multi-family or mixed-use (residential and non-residential) property and owner of a compensable interest in the property also occupies a dwelling in the property, the Appraiser shall furnish an apportionment of his estimate of the fair market value of the whole property to such dwelling and to the remainder of the property. For the purpose of this paragraph, an occupant of a dwelling shall be considered to own a compensable interest in the property if he holds fee title, a life estate, a 99-year lease, or a lease with not less than 50 years to run from the date of valuation, or holds an interest in a cooperative housing project which includes the right to occupy the dwelling, or is the contract purchaser of any of the foregoing estates or interests, or has a leasehold interest with option to purchase. The Appraiser's report shall explain how he made the apportionment.

ARTICLE 5. Services To Be Provided By Agency. The Agency agrees to furnish the Appraiser with the following:

- (a) A map or plat, based on official records, of the property described in Article 1, showing the boundaries and dimensions of the parcels to be appraised. Each parcel shall be designated by a number, and the parcel numbers shown on the Appraiser's reports shall correspond to the parcel numbers shown on the map or plat. However, additional parcel numbers may be assigned by the Appraiser for easements appraised separately or for additional parcels revealed while making the appraisals. The Appraiser shall promptly advise the Agency of any such additions.
- (b) An ownership data report for each parcel. That report will show all estates and interests in the parcel as shown of record and consequently shall not be assumed to accurately define the interests to be appraised. The ownership data report on each parcel as shown on the parcel map will include the following:
- (1) The name (and address, if available) of the owner appearing on record;
 - (2) The legal description of the parcel as shown by the conveyance(s) by which the record owner acquired title;
 - (3) Identification of the conveyance(s) by which the present owner acquired title, including the date of the conveyance(s); the date, book and page numbers, and place of recordation; the name (and address, if available) of the grantor of such conveyance; the stated consideration; the amount of any mortgages or encumbrances placed on record or to which title was subject at time of conveyance (so far as determinable from an examination of the conveyance); and the amount of any State or local transfer taxes that were based on the amount of the consideration;
 - (4) Outstanding estates and other rights or interests of record, including easements, use restrictions, mineral rights, leases, and any know, but unrecorded, interests of other parties. Sufficient information shall be furnished to disclose the probable effect of such outstanding interests on the title of the record owner:

- (5) Outstanding special assessments, if any, for public improvements such as streets, sidewalks, public utilities, and similar public facilities;
 - (6) The amount of real estate taxes for the current year and the assessed valuation stated separately for land and for improvements.
- (c) Legal advice, upon request of the Appraiser, on legal matters affecting the appraisal of any property to be appraised.

ARTICLE 6. Payment. In consideration of the services provided by the Appraiser under this agreement, the Agency agrees to make payment to the Appraiser upon the submission to the Agency of properly certified invoices, as follows:

- (a) For appraisal reports accepted by the Agency, and for all other services furnished in accordance with Article 3, except services furnished in connection with judicial proceedings under Paragraph 3 (b), the updating of appraisals under Paragraph 3 (c), and the valuation of reservations of rights in owners under Paragraph 3 (d), the lump sum of _____ dollars, which shall constitute full payment to the Appraiser for all of such services and for all supplies, materials, and equipment used or furnished by the Appraiser and all expenses incurred by the Appraiser in connection with the performance of such services.
- (b) For services furnished by the Appraiser in connection with judicial proceedings as provided in Paragraph 3 (b) (except services as an expert witness in such a proceeding), the updating of appraisals as provided in Paragraph 3 (c), and the valuation of reservations of rights in owners as provided in Paragraph 3 (d), _____ dollars per hour or fraction of an hour actually engaged in performing the services, including travel expense and subsistence, shall be borne by the Appraiser.
- (c) For services and an expert witness for the Agency in judicial proceedings as provided in Paragraph 3 (b), the Appraiser and the Agency hereby agree that the fair and reasonable compensation for the Appraiser's services shall be _____ dollars for each day's attendance in court.

ARTICLE 7. Agreements of Appraiser. As an inducement to the execution of this agreement by the Agency in consideration of the agreements to be performed by the Agency, the Appraiser agrees to the following:

- (a) Qualifications. The Appraiser is qualified to perform the services to be furnished under this agreement and is permitted by law to perform such services, and all personnel engaged in the work shall be qualified and so permitted to do the work they perform. Attached as Attachment B, is a statement by the Appraiser, certified by him to be true and correct, setting forth his technical qualifications, general appraisal experience, specific experience in appraising properties of the type involved in this agreement, the courts in which he has testified as an expert witness, and other information pertinent to establishing his technical qualifications.
- (b) Solicitation of Agreement. The Appraiser has not employed any person to solicit this agreement and has not made, and will not make, any payment or any agreement for the payment of any commission, percentage, brokerage, contingent fee, or other compensation in connection with the

procurement of this agreement.

- (c) Interests of Appraiser and Appraiser's Employees. The Appraiser does not have any interest (including that of real estate agent or broker), direct or indirect, present or prospective, in any property described in Article 1 or in its sale, or any other interest, whether or not in connection with the property, which would conflict in any manner or degree with the performance of the services and the submission of impartial reports, and has not employed and will not employ, in connection with the services to be furnished under this agreement, any person having any such interest. Until the property is acquired by the Agency or excluded from its project by resolution of its governing body, the Appraiser and any employees of the Appraiser, so long as they are employed by the Appraiser, will not acquire any such interest and will not, for their own account or for other than the Agency, negotiate for any of the property, perform services in connection with the property, or testify voluntarily as a witness in a condemnation or other proceeding with respect to the property.
- (d) Services To Be Confidential. All services, including reports, opinions, and information, to be furnished under this agreement are confidential and shall not be divulged, in whole or in part, to any person, other than to duly authorized representatives of the Agency, without prior written approval of the Agency, except by testimony under oath in a judicial proceeding or as otherwise required by law. The Appraiser shall take all necessary steps to ensure that no member of his staff or organization divulges any such information except as may be required by law.
- (e) Facilities and Personnel. The Appraiser has and will continue to have proper facilities and personnel to perform the services and work agreed to be performed. If the Appraiser proposes to employ any person or persons to make any appraisals of machinery and equipment or other specialized elements or attributes of a property appraised under this agreement, the employment of such person or persons for such purpose shall not place the Agency under any obligation of such employee, nor relieve the Appraiser of full responsibility for the faithful performance of the services to be furnished under this agreement.
- (f) Assignment. The Appraiser's rights, obligations, and duties under this agreement shall not be assigned in whole or in part, but shall not prohibit the assignment of the proceeds due under this agreement to a bank of financial institution. This agreement may be assigned by the Agency to any corporation, agency, or instrumentality having authority to accept the assignment.
- (g) Subcontracting. None of the work or services covered by the agreement shall be subcontracted without the prior approval of the Agency.
- (h) Records. The Appraiser shall maintain records of all details with respect to the services to be performed under this agreement, including one complete copy of each appraisal report and related notes, for three (3) years after delivering the report or until the property is acquired by the Agency or the acquisition is abandoned, whichever is later.
- (i) Affidavits of Compliance. The Appraiser will, if requested by the Agency, furnish the Agency affidavits certifying compliance with the provisions of this Article 7.

ARTICLE 8. Changes. The Agency, by written notice to the Appraiser, may modify the scope of quantity of the services to be furnished under this agreement. If such changes cause and increase or decrease in the amount of services to be provided by the Appraiser or in the time

(This is a sample; each governing body must prepare a contract that is specific to its needs and should be reviewed by the grantee's legal counsel.)

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required for their performance, equitable adjustment shall be made in the provisions of this agreement for payments to the Appraiser or for the time for performance of the services or for both, and this agreement shall be modified by agreement of the parties accordingly.

ARTICLE 9. Notices. Any action by the Agency under this agreement may be taken by _____, or such other person(s) as the Agency may, by written notice to the Appraiser, designate for such purpose. All notices to the Appraiser shall be considered to be properly given if mailed to the address specified below, or delivered personally to the Appraiser. All notices or other papers given to the Agency shall be considered to be sufficiently given if mailed, postage prepaid to _____, at _____, or to such other representative or address as the Agency may designate to the Appraiser in writing.

ARTICLE 10. Contract For Professional Services. Contract must include the special Equal Opportunity and Supplemental Conditions found in the Public Facilities chapter of the Handbook.

IN WITNESS WHEREOF, the Agency and the Appraiser have executed this agreement on or as of the date first above written.

(Appraiser)

(Street Address)

(City) (State) (Zip Code)

(Agency)

By: _____

**CDBG COMPLIANCE PROVISIONS
FOR
PROFESSIONAL SERVICES CONTRACTS**

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1. EQUAL EMPLOYMENT OPPORTUNITY (Equal Opportunity Clause)
(applicable to contracts and subcontracts above \$10,000)

During the performance of this contract, the Contractor agrees as follows:

- A. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such

- action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- B. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration without regard to race, color, religion, sex, or national origin.
 - C. The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Contract Compliance Officer advising the said labor union or workers' representatives of the Contractor's commitment under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
 - D. The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, as amended, and the rules, regulations, and relevant orders of the Secretary of Labor.
 - E. The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, as amended, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Department and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and others.
 - F. In the event of the Contractor's noncompliance with the non-discrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
 - G. The Contractor will include the provisions of the sentence immediately preceding paragraph A and the provisions of paragraphs A through G in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Department may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Department, the Contractor may request the United States to enter into such litigation to protect the interest of the United States.

2. **CERTIFICATION OF NONSEGREGATED FACILITIES**
(applicable to contracts and subcontracts over \$10,000)

By the submission of this bid, the bidder, offeror, applicant or subcontractor certifies that he/she does not maintain or provide for his/her establishments, and that he/she does not permit employees to perform their services at any location, under his/her control, where segregated

facilities are maintained. He/she certifies further that he/she will not maintain or provide for employees any segregated facilities at any of his/her establishments, and he/she will not permit employees to perform their services at any location under his/her control where segregated facilities are maintained. The bidder, offeror, applicant or subcontractor agrees that a breach of this certification is a violation of the equal opportunity clause of this contract.

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason.

He/she further agrees that (except where he/she has obtained for specific time periods) he/she will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the equal opportunity clause; that he/she will retain such certifications in his/her files; and that he/she will forward the following notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

3. **CIVIL RIGHTS**

The Contractor shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

4. **SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974**

The Contractor shall comply with the provisions of Section 109 of the Housing and Community Development Act of 1974. No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Section 109 further provides that discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended, is prohibited.

5. **SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968 - COMPLIANCE IN THE PROVISION OF TRAINING, EMPLOYMENT AND BUSINESS OPPORTUNITIES**

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the

- greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
 - C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
 - D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
 - E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
 - F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
 - G. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

6. SECTION 503 OF THE REHABILITATION ACT OF 1973 (29 USC 793)
(applicable to contracts and subcontracts over \$10,000)

- A. The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is otherwise qualified. The contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: employment upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- B. The Contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- C. In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- D. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.
- E. The Contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Section 503 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.
- F. The Contractor will include the provisions of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

7. SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED

The Contractor agrees that no otherwise qualified individual with disabilities shall, solely by reason of his disability, be denied the benefits, or be subjected to discrimination including discrimination in employment, any program or activity that receives the benefits from the federal financial assistance.

8. AGE DISCRIMINATION ACT OF 1975

The Contractor shall comply with the provisions of the Age Discrimination Act of 1975. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.

9. CERTIFICATION OF COMPLIANCE WITH AIR AND WATER ACTS
(applicable to contracts and subcontracts exceeding \$100,000)

The Contractor and all subcontractors shall comply with the requirements of the Clean Air Act, as amended, 42 USC 1857 et seq., the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq., and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended.

In addition to the foregoing requirements, all nonexempt contractors and subcontractors shall furnish to the owner, the following:

- A. A stipulation by the Contractor or subcontractors, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 CFR Part 15, as amended.
- B. Agreement by the Contractor to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 USC 1857 c-8) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 USC 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
- C. A stipulation that as a condition for the award of the contract, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized, or to be utilized for the contract, is under consideration to be listed on the EPA List of Violating Facilities.
- D. Agreement by the Contractor that he will include, or cause to be included, the criteria and requirements in paragraph (1) through (4) of this section in every nonexempt subcontract and requiring that the Contractor will take such action as the government may direct as a means of enforcing such provisions.

10. FLOOD DISASTER PROTECTION

This contract is subject to the requirements of the Flood Disaster Protection Act of 1973 (P.L. 93-234). Nothing included as a part of this contract is approved for acquisition or construction purposes as defined under Section 3(a) of said Act, for use in an area identified by the Secretary of HUD as having special flood hazards which is located in a community not then in compliance with the requirements for participation in the National Flood Insurance Program pursuant to Section 201(d) of said Act; and the use of any assistance provided under this contract for such acquisition for construction in such identified areas in communities then participating in the National Flood Insurance Program shall be subject to the mandatory purchase of flood insurance requirements or Section 102(a) of said Act.

Any contract or agreement for the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Contract shall contain, if such land is located in an

area identified by the Secretary as having special flood hazards and in which the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4001 et seq., provisions obligating the transferee and its successors or assigns to obtain and maintain, during the ownership of such land, such flood insurance as required with respect to financial assistance for acquisition or construction purposes under Section 102(a) of Flood Disaster Protection Act of 1973.

11. ACCESS TO RECORDS - MAINTENANCE OF RECORDS

The State of Louisiana, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the Contractor which are directly pertinent to this specific contract, for the purpose of audits, examinations, and making excerpts and transcriptions. All records connected with this contract will be maintained in a central location by the unit of local government and will be maintained for a period of five (5) years from the official date of the State's final closeout of the grant.

12. INSPECTION

The authorized representative and agents of the State of Louisiana and the Department of Housing and Urban Development shall be permitted to inspect all work, materials, payrolls, records of personnel, invoices of materials, and other relevant data and records.

13. REPORTING REQUIREMENTS

The Contractor shall complete and submit all reports, in such form and according to such schedule, as may be required by the Owner.

14. CONFLICT OF INTEREST

A. No officer or employee of the local jurisdiction or its designees or agents, no member of the governing body, and no other public official of the locality who his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed. Further, the Contractor shall cause to be incorporated in all subcontracts the language set forth in this paragraph prohibiting conflict of interest.

B. No member of or delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

15. ACTIVITIES AND CONTRACTS NOT SUBJECT TO EXECUTIVE ORDER 11246, AS AMENDED

(applicable to contracts and subcontracts of \$10,000 and under)

During the performance of this contract, the Contractor agrees as follows:

- A. The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- B. The Contractor shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by Contracting Officer setting forth the provisions of this non-discrimination clause. The Contractor shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- C. Contractors shall incorporate foregoing requirements in all subcontracts.

16. PATENTS

- A. The Contractor shall hold and save the Owner and its officers, agents, servants, and employees harmless from liability of any nature or kind, including cost and expenses for, or on account of any patented or unpatented invention, process, article, or appliance manufactured or used in the performance of the contract including its use by the Owner, unless otherwise specifically stipulated in the Contract Document.
- B. License or Royalty Fees: License and/or Royalty Fees for the use of a process which is authorized by the Owner of the project must be reasonable, and paid to the holder of the patent, or his authorized license, direct by the Owner and not by or through the Contractor.
- C. If the Contractor uses any design device or materials covered by letters, patent or copyright, he shall provide for such use by suitable agreement with the owner of such patented or copy-righted design device or material. It is mutually agreed and understood, that without exception the contract prices shall include all royalties or costs arising from the use of such design, device or materials, in any way involved in the work. The Contractor and/or his Sureties shall indemnify and save harmless the Owner of the project from any and all claims for infringement by reason of the use of such patented or copy-righted design, device or materials or any trademark or copy-right in connection with work agreed to be performed under this contract, and shall indemnify the Owner for any cost, expense, or damage which it may be obliged to pay by reason of such infringement at any time during the prosecution of the work or after completion of the work.

17. COPYRIGHT

No materials, to include but not limited to reports, maps, or documents produced as a result of this contract, in whole or in part, shall be available to the Contractor for copyright purposes. Any such materials produced as a result of this contract that might be subject to copyright shall be the property of the Owner and all such rights shall belong to the Owner.

18. TERMINATION FOR CAUSE

If, through any cause, the Contractor shall fail to fulfill in a timely and proper manner his obligations under this contract, or if the Contractor shall violate any of the covenants, agreements, or stipulations of this contract, the Owner shall thereupon have the right to terminate this contract by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Contractor under this contract shall, at the option of the Owner, become the Owner's property and the Contractor shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the Contractor shall not be relieved of liability to the Owner for damages sustained by the Owner by virtue of any breach of the contract by the Contractor, and the Owner may withhold any payments to the Contractor for the purpose of set-off until such time as the exact amount of damages due the Owner from the Contractor is determined.

19. TERMINATION FOR CONVENIENCE

The Owner may terminate this contract at any time by giving at least ten (10) days notice in writing to the Contractor. If the contract is terminated by the Owner as provided herein, the Contractor will be paid for the time provided and expenses incurred up to the termination date.

20. ENERGY EFFICIENCY

The Contractor shall comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Public Law 94-163).

21. SUBCONTRACTS

- A. The Contractor shall not enter into any subcontract with any subcontractor who has been debarred, suspended, declared ineligible, or voluntarily excluded from participating in contacting programs by any agency of the United States Government or the State of Louisiana.
- B. The Contractor shall be as fully responsible to the Owner for the acts and omissions of the Contractor's subcontractors, and of persons either directly or indirectly employed by them, as he is for the acts and omissions of persons directly employed by the Contractor.
- C. The Contractor shall cause appropriate provisions to be inserted in all subcontracts relative to the work to bind subcontractor to the Contractor by the terms of the contract documents insofar as applicable to the work of subcontractors and to give the Contractor the same power as regards terminating any subcontract that the Owner may exercise over the Contractor under any provision of the contract documents.

D. Nothing contained in this contract shall create any contractual relation between any subcontractor and the Owner.

22. DEBARMENT, SUSPENSION, AND INELIGIBILITY

The Contractor represents and warrants that it and its subcontractors are not debarred, suspended, or placed in ineligibility status under the provisions of 24 CFR 24 (government debarment and suspension regulations).

23. BREACH OF CONTRACT TERMS

Any violation or breach of terms of this contract on the part of the Contractor or the Contractor's subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this contract. The duties and obligations imposed by the contract documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

24. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

Each and every provision of law and clause required by law to be inserted in this contract shall be deemed to be inserted herein and the contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the contract shall forthwith be physically amended to make such insertion or correction.

25. CHANGES

The Owner may, from time to time, request changes in the scope of the services of the Contractor to be performed hereunder. Such changes, including any increase or decrease in the amount of the Contractor's compensation which are mutually agreed upon by and between the Owner and the Contractor, shall be incorporated in written and executed amendments to this Contract.

26. PERSONNEL

The Contractor represents that it has, or will secure at its own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the Owner. All the services required hereunder will be performed by the Contractor or under its supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such services.

No person who is serving sentence in a penal or correctional institution shall be employed on work under this Contract.

27. **ANTI-KICKBACK RULES**

Salaries of personnel performing work under this Contract shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C. 874; and Title 40 U.S.C. 276c). The Contractor shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this contract to insure compliance by the subcontractors with such regulations, and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

28. **ASSIGNABILITY**

The Contractor shall not assign any interest in this Contract, and shall not transfer any interest in the same (whether by assignment or novation) without prior written approval of the Owner provided that claims for money due or to become due the Contractor from the Owner under this Contract may be assigned to a bank, trust company, or other financial institution, or to a Trustee in Bankruptcy, without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Owner.

29. **INTEREST OF CONTRACTOR**

The Contractor covenants that he presently has no interest and shall not acquire any interest direct or indirect in the above described project or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his services hereunder. The Contractor further covenants that in the performance of this Contract no person having any such interest shall be employed.

30. **POLITICAL ACTIVITY**

The Contractor will comply with the provisions of the Hatch Act (5 U.S.C. 1501 et seq.), which limits the political activity of employees.

31. **COMPLIANCE WITH THE OFFICE OF MANAGEMENT AND BUDGET**

The parties agree to comply with the regulations, policies, guidelines, and requirements of the Office of Management and Budget, Circulars A-95, A-102, A-133, and A-54, as they relate to the use of Federal funds under this contract.

32. **DISCRIMINATION DUE TO BELIEFS**

No person with responsibilities in operation of the project to which this grant relates will discriminate with respect to any program participant or any applicant for participation in such program because of political affiliation or beliefs.

33. CONFIDENTIAL FINDINGS

All of the reports, information, data, etc., prepared or assembled by the Contractor under this Contract are confidential, and the Contractor agrees that they shall not be made available to any individual or organization without prior written approval of the Owner.

34. LOBBYING

The Contractor certifies, to the best of his or her knowledge and belief that:

1. No federally appropriated funds have been paid or will be paid, by or on behalf of the contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
2. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

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