

## **B. PUBLIC FACILITY IMPROVEMENTS**

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## **B. PUBLIC FACILITY IMPROVEMENTS**

**Task B-1: Labor Compliance** The purpose of this task is to outline the responsibilities of the Louisiana Community Development Block Grant (LCDBG) grantee with regard to administration and enforcement of Labor Standards.

**Regulations/Requirements** Federal and state requirements include the following:

- **Davis-Bacon and Related Acts (40. U.S.C. 276(a)-276(a)-7)** The Davis Bacon Act (DBA), enacted by the United States Congress, covers contracts that are directly federally funded. After DBA was enacted, Congress extended the reach of the Davis-Bacon Act provisions by passing Davis-Bacon Related Acts (DBRA), which covers contracts that are indirectly federally funded. The Louisiana Community Development Block Grant (LCDBG) program is funded through the U. S. Department of Housing and Urban Development (HUD). Thus, the LCDBG program's construction contracts are indirectly federally funded and subject to DBRA. DBA and DBRA are basically the same in substance and purpose. This Grantee Handbook will often use the following terms interchangeably: Davis-Bacon, Davis- Bacon requirements, prevailing wage requirements, DBA, and DBRA.
- **Copeland "Anti-Kickback" Act (40 U.S.C. 276c)** The Copeland Act, a federal regulation, applies to contracts receiving federal assistance that are subject to Davis-Bacon requirements. Copeland makes it a criminal offense for anyone to cause persons employed in construction under such contracts to give up any part of their just compensation except those salary deductions prescribed by law. Copeland also requires weekly payrolls and Statements of Compliance.
- **Contract Work Hours and Safety Standards Act (U.S.C. 327-333)** CWHSSA, (pronounced kwas-sa), applies to federally assisted contracts and provides that workers be paid at least one and one-half times their basic rate of pay for any time worked in excess of forty hours weekly.
- **Louisiana Law** Some issues are not addressed in federal law but will be applicable to LCDBG projects under state law. In cases where state law is more stringent than federal law, the state law would be applicable.
- **LCDBG Requirements** Numerous procedures and documentation requirements are established by the Office of Community Development (OCD), which is responsible to administer the federally funded Louisiana Community Development Block Grant (LCDBG) program.

### **Responsibilities**

- **Grantee Responsibilities** Each grantee is responsible for ensuring compliance with Labor Standards as detailed in this section. The grantee's designated Labor Compliance Officer (LCO) is normally delegated the tasks associated with compliance with Labor Standards; however, the grantee is ultimately responsible. The form used to designate

the grantee's Labor Compliance Officer is provided as **Exhibit B-1** and is for the grantee's use only. Please do not send this form to the Office of Community Development (OCD).

The grantee must establish and maintain an adequate labor standards file(s) as specified in Section One, **Task A-16: Record Keeping and Reporting**.

- **Office of Community Development Responsibilities** The Office of Community Development will establish labor standards procedures, provide technical assistance regarding labor questions, conduct compliance reviews, and specify corrective actions.

### **Source and Need of Wage Decisions**

- **Source of Wage Decisions** Since prevailing wages vary from location to location, dollar amounts that constitute prevailing wages must be determined for each locale. For instance, a carpenter in Baton Rouge, Louisiana will have a different prevailing wage than a carpenter in New York, New York. The responsibility of determining prevailing wages is delegated to the United States Department of Labor (DOL). To meet this responsibility, DOL surveys contractors on construction projects nationwide to determine the prevailing wages for each locality. DOL then issues "wage decisions". Specifically, the definition of a wage decision is: a document listing wage rates and fringe benefits for each classification of laborers and mechanics which DOL has determined to be prevailing in a given area for a particular type of construction. A sample wage decision is provided as **Exhibit B-9**. Fourteen different wage decisions are routinely used in the LCDBG program. The terms "wage decision" and "wage determination" have the same meaning and are used interchangeably.
- **Entities Needing A Wage Decision** The grantee, prime contractors, subcontractors and OCD will all need information contained in the wage decision(s) to insure that prevailing wage requirements are met.

Davis-Bacon requires that each prime contract over \$2,000, assisted by federal funds, which is for construction, alteration, or repair of public buildings or public works, contain the applicable DOL Wage Decision(s). Most LCDBG projects, except for housing projects, are covered. On LCDBG projects, subcontracts are also subject to Davis-Bacon by a required contractual agreement containing prevailing wage provisions between the prime contractor and subcontractor(s). If any portion of a contract is subject to Davis-Bacon requirements then all work under that contract is subject to Davis-Bacon requirements.

**Types of Wage Decisions** There are four wage decision types under Davis-Bacon.

- **Building** The construction of sheltered enclosures with walk-in access for the purpose of housing persons, machinery, equipment or supplies. It includes the construction of such structures, the installation of utilities, and the installation of equipment above and below the grade level, as well as incidental grading and paving. Such structures need not be

habitable to be considered building construction.

- **Highway** The construction, alteration, or repair of roads, streets, highways, runways, taxiways, alleys, trails, paths, parking areas, and other similar projects that are not incidental to building or heavy construction.
- **Heavy** The construction on those projects that cannot be classified as "building", "residential", or "highway".
- **Residential** The construction, alteration, or repair of single family houses or apartment buildings of no more than four (4) stories in height. This includes incidental items such as site work, parking areas, utilities, streets and sidewalks. LCDBG block grants are not often awarded for the construction activities listed under “Residential” in the following table; therefore, housing projects funded by this office are rarely, if ever, covered by Davis-Bacon.

<u>The Four Decision Types Based on Nature of Construction</u>			
<u>Building</u>	<u>Highway</u>	<u>Heavy</u>	<u>Residential</u>
Alteration or addition to buildings	Curbs	Drainage projects	Apartment buildings (4 stories or less)
Fire stations	Concrete pavement including sidewalks	Pumping stations (prefabricated drop-in units—not buildings)	Married student housing
Hotels and Motels	Parking lots	Sewers (sanitary, storm, etc.)	Multi-family houses (8 or more)
Power plants	Street reconstruction	Sewer Collection and disposal lines	Town or row houses
Prefabricated buildings	Roadbeds	Water Storage tanks	
Remodeling, repairing, renovating buildings	Shoulders	Water and sewage treatment plants (other than buildings)	
Warehouses	Street paving	Water mains	
Water and sewage treatment plants (buildings only)		Water Wells	

**Obtaining a Wage Decision**

- **Initial Wage Rate Request** Before advertising for bids, a wage decision(s), referred to as the “initial” wage decision(s), must be obtained by the grantee. Since wage decisions may be updated frequently, it would often make sense to not request a wage decision earlier than 45 days prior to the time the project will be advertised. The process of obtaining the initial wage decision must include contacting OCD. The “Initial Wage Rate Request”, **Exhibit B-2**, contains the necessary information for OCD to determine which wage decision(s) will apply. To request a decision do one of the following: (1) call OCD by telephone at which time Exhibit B-2 will be completed by OCD, (2) Send OCD Exhibit B-2 by fax, (3) by e-mail or (4) by U.S. Mail.
- **Obtaining the Wage Decision** The Office of Community Development will then determine which decision(s) is applicable to the grantee’s project and authorize a wage decision(s), which will be considered the “initial” wage decision(s). An example of a wage decision is provided as **Exhibit B-9**. After receiving authorization from OCD regarding which decision(s) applies, the initial wage decision(s) may be obtained by downloading from the following web site: <http://www.wdol.gov/index.html> If someone were unable to download a decision(s), OCD will fax it to them.
- **Inclusion of the Most Recent Decision in the Bid and Contract Document** A wage decision(s) is to be made part of the bid document and, ultimately, part of the construction contract. If, after obtaining the initial wage decision but prior to compiling bid documents, the grantee becomes aware that an update of the wage decision has occurred, it would make sense to use the latest update when the bid documents are compiled. More specifically, engineers who compile bid documents have the option of downloading the most current version of the OCD authorized wage decision(s) for inclusion in the bid document.

### **Ten Day Call**

- **The Process of Updating Wage Decisions** On a yearly basis, DOL will usually issue a complete set of updated wage decisions. These are referred to as “supersedeas” decisions. Then, during the remainder of the wage decision year, updates of supersedeas decisions are issued. These updated decisions are called “modifications” or “mods”.
- **Purpose of the Ten Day Call** A telephone call, described as the “Ten Day Call”, must be made by the grantee. The purpose of this call is to determine whether the wage decision, which the grantee previously obtained and made part of the bid document, has been modified or superseded by DOL during the intervening time period. OCD will inform the caller if there have been any updates. If there has been an update(s), then the grantee must obtain the updated wage decision(s) and send the document(s) by addendum to each bidder. The bidders are thus given the opportunity to change their bid based on the latest information.
- **When to Make the Ten Day Call** It is an LCDBG program requirement to make a Ten

Day Call and it must be made at a specified time—ten days before the bid opening date. If the day on which the call should be made falls on a weekend, then it will be acceptable to call either on Friday after 12 noon or anytime on Monday. The DOL wage decision(s) that is in effect on the day the Ten Day Call is made or should have been made, will become the governing wage decision for the duration of construction—provided the contract is awarded within ninety days of the bid opening date. Such a decision(s) is commonly referred to as the “effective” decision(s). The grantee should also make a written record of the date on which the Ten Day Call was made and document the results. A Ten Day Call form is available (**Exhibit B-23**) for grantee record keeping purposes. Do not mail this form to OCD.

- **The Follow-up Ten Day Call** If, after the bid opening, the award of the contract is delayed by more than ninety days, then another call, similar in nature and consequences to the Ten Day Call, must be made to OCD. At that point in time, OCD will determine if any changes have been made by DOL in the intervening days. Should there be any update(s), the grantee must obtain the update(s) and the successful bidder is called upon to agree, in writing, prior to contract award, to rates set forth in the new effective decision(s). The wage decision(s) in effect at the time of the Follow-up Ten Day Call must become part of the construction contract.
- **State—45 Days, Davis-Bacon—90 Days** Please be aware that State law requires contracts to be awarded within 45 days of bid opening unless an extension is agreed upon in writing by both parties; whereas, the Davis-Bacon requirement to “lock-in” a particular wage decision calls for contracts to be awarded within 90 days of bid opening.
- **Failure to Include or Use of Incorrect Wage Decision** Failure to include the required wage decision in bid documents or contracts will not relieve grantees or contractors from potential liabilities or enforcement actions. In cases of an incorrect decision or failure to include a decision, the grantee must either terminate and re-solicit the contract with the valid decision, or make the valid wage decision retroactive to the beginning of construction through supplemental agreement. The contractor, if not at fault, must be compensated for any increases in required wages resulting from such a change.
- **Calling Requirement when using the Small Purchase Method** On rare occasions the prime contractor may be procured utilizing the “Small Purchase” method, provided the contract amount is under \$100,000. The “Small Purchase” method does not have a bid opening date. The grantee will probably review bids upon receipt. A special procedure to insure compliance with Davis-Bacon has been developed for the “Small Purchase” method of procurement. First, a bid tabulation date must be established in advance. Bidders must be informed of the day on which bids will be tabulated and of the possibility of a wage decision update. Next, a Ten Day Call must be made to OCD—ten days before the bid tabulation date.

If there is a wage decision update, all bidders must be notified in a timely manner and documentation of notification must be maintained in grant records. Notification when the “Small Purchase” method is used is not restricted to addendum only but may be also be

done by telephone call, in person, e-mail, fax, or U.S. Mail. Bidders will have about ten days, more or less, to make changes to their bid based on the wage decision update.

The wage decision authorized at the Ten Day Call will remain effective for the duration of the construction project provided that the contract is awarded within ninety days of the bid tabulation date. The effective wage decision(s) must become part of the construction contract even when the Small Purchase method of procurement is used.

### **Verification of Contractor Eligibility**

- **Prime Contractor Clearance** Prior to executing a construction contract with a **prime** contractor, the grantee must obtain contractor clearance from OCD. To obtain clearance, the grantee must prepare and send to OCD by fax, mail, or e-mail, a Verification of Contractor Eligibility form (**Exhibit B-7**). Instructions are provided with the exhibit. OCD will search the following web site: <http://epls.arnet.gov/>. Our searching of the web site only determines whether the contractor is debarred; we do not gather any other type of performance information. We will notify the grantee by fax or mail of contractor status—cleared or not cleared. The grantee may also search this internet site to obtain information but the public availability of this site does not alter the requirement for the grantee to obtain clearance through OCD.
- **Subcontractor Clearance** OCD does not clear subcontractors. Prime contractors must be made aware that it is their responsibility to verify subcontractor eligibility based on factors such as past performance, a yellow page listing, proof of liability insurance, possession of a federal ID tax number, debarment, and state licensing requirements. The prime contractor may use the web site listed in the previous paragraph to determine if a subcontractor has been debarred at the federal level. The prime contractor assumes responsibility for the performance of the subcontractor; therefore, OCD urges prime contractors to closely scrutinize subcontractors.

The prime contractor should notify the grantee's Labor Compliance Officer of contract awards to any subcontractor prior to the subcontractor beginning work on the project. This allows the grantee's Labor Compliance Officer to be knowledgeable of the time frame in which to expect the submission of subcontractor payrolls.

If a contractor or subcontractor is found to be ineligible after award of a contract, the contract must be immediately terminated and the matter reported to OCD.

- **Clearance of Consulting and Engineering Firms** Consulting and/or engineering firms who are either new to the LCDBG Program or have not performed services associated with an LCDBG Program within the previous five years must also be cleared. For clearance of professional firms, use **Exhibit A-42** of this Handbook.

## Contract Award, Preconstruction Conference, Additional Classifications

- **Notice of Contract Award** The grantee must submit a completed Notice of Contract Award form to OCD for all prime contracts. This form must be received by OCD within 30 days after award. This form, along with instructions, is provided as **Exhibit B-8**.

Components of the contract award should be identified by source, purpose, and amount. LCDBG amounts for service line connections on private property, commonly called “hook-ups” or “rehabilitation” by OCD, must be listed as a separate entry. See the example in the instructions that are part of **Exhibit B-8**.

Along with the Notice of Contract Award the grantee must send a Certified and Itemized Bid Tabulation, which is a listing of bidders and bid amounts for the project as well as a listing of prices submitted by the bidders for specific items contained in the project.

- **Preconstruction Conference** We recommend, but do not require, that the grantee hold a Pre-construction Conference (PCC) with the prime contractor and all available subcontractors prior to the start of construction, at which time they would be advised of their responsibilities and obligations concerning labor standards. If the grantee should opt to not have a PCC, then the grantee must utilize some method of its own choosing to advise contractors of their responsibilities and obligations concerning labor standards and other items normally covered at the PCC.
- **Additional Classifications** A wage decision will state the minimum hourly pay and fringe benefits that must be paid to specific classes of workers such as carpenters, electricians, and backhoe operators. If it is found that a class of laborers or mechanics not listed in the decision will be employed on the project, the grantee must request an additional classification. For instance, a contractor installing sewer lines may find that a boring machine operator is needed but such a classification is not in the wage decision. Since payrolls must reflect proper classifications for actual work performed, the contractor for the sewer project would be required to request an additional classification of a boring machine operator.

A form titled "Request for Additional Classification and Rate" is provided as **Exhibit B-3**. Additionally, **Exhibit B-4**, "Employee Wage Rate Consent Form", must accompany the request. Refer to the instructions on the back of these two forms. These two forms must be sent to OCD who will, in turn, send the forms to DOL. The contractor would be immediately allowed to pay the worker, at a minimum, the requested rate(s). DOL will respond by approving the requested rate or specifying a higher rate. OCD will send a copy of DOL's response to the grantee, who in turn, will make the response known to the contractor. If a higher rate is specified by DOL, restitution, if any, must be paid. Such restitution will be at the contractor's expense. Grantees should be aware that the time that may elapse between the request and DOL's response might be as much as 60 days.

- **Additional Classifications Prior to Hiring or Mobilization** After a contract is awarded, a construction contractor will often know immediately whether additional

classification(s) will be needed. In order to expedite the process, it is permissible for a contractor to request additional classifications before hiring a worker expected to work at a particular classification (such as a boring machine operator) or before moving workers and equipment onto the site. The same forms as mentioned in the previous paragraph are to be submitted; however, instead of listing the worker's name on the "Employee Wage Rate Consent Form", (**Exhibit B-4**) the contractor should put "Not yet hired" or "Not yet mobilized" where the worker's name would normally be listed.

### **Terminology and Procedures of Davis-Bacon**

- **Prevailing Wages** Minimum wage rates that are paid in a given area for a given classification of worker as determined by the U.S. Department of Labor in a document called a Wage Decision.
- **Laborers and Mechanics - Definition** Davis-Bacon requires that "laborers and mechanics" be paid prevailing wages. The terms "laborers" and "mechanics" include those workers whose duties are manual or physical as distinguished from managerial. Generally, mechanics are considered to include any worker who uses tools or who is performing the work of a recognized trade.
- **Contractor's Guide to Davis-Bacon** The "Contractor's Guide to Davis Bacon", which is part of **Exhibit B-5**, must be included as an item in the bid and contract documents. The guide should be brought to the attention of the contractor(s) and subcontractor(s) while explaining their responsibilities and obligations. This document is recommended reading for grant recipients as well as construction contractors. It provides a brief explanation of issues associated with labor standards and Davis Bacon in particular.
- **Site of Work** The "site of work" as related to Davis-Bacon is limited to the physical place or places where construction called for in the contract will remain when work has been completed, and to adjacent or nearby property used by the contractor which can reasonably be included because of proximity.
- **Cleaning** Cleaning performed during construction is subject to prevailing wage provisions. If a specific wage rate for cleaning is not in the wage decision, cleaners must be paid the rate for unskilled laborers.
- **Demolition** Demolition work, which is not related to construction, is not subject to the prevailing wage requirements. However, where demolition is performed to allow construction of a new building, the demolition would require prevailing wages.
- **Family Members** There are no exceptions to labor requirements on the basis of family relationships. Relatives who are performing work for the contractor must be paid the required wage for the classification of job performed, and must be included on payrolls.
- **Supply and Installation** The manufacture or furnishing of materials, articles, supplies, or equipment is not subject to prevailing wages unless conducted in connection with and at the site of the construction, or in a temporary plant set up specifically to supply the

needs of a particular construction project. If a supply contract, not otherwise covered, requires the supplier to install the product, the installation portion of the contract is subject to prevailing wage requirements except when the installation involves only minor construction activity. For example, installation of window shades or draperies would not require Davis-Bacon wage rates; however, installation of an elevator or boiler would.

- **Precutting and Prefabrication** Precutting or prefabrication of parts to be used in the construction does not require prevailing wage unless conducted in connection with and at the site of construction, or in a temporary plant set up specifically to supply only the needs of a particular construction project.
- **Items to be Posted at the Job Site** The applicable wage decision(s) for the project or the Project Wage Rate Sheet(s) must be posted at the worksite or prominent places readily accessible to all employees for the duration of construction. The “Project Wage Rate Sheet”, if used, should serve to simplify the contents of the Wage Decision. A copy of this form, along with instructions, is provided as **Exhibit B-10**.

Additionally, the grantee must see that the posters "Your Rights Under the Fair Labor Standards Act", "Notice to All Employees", and "Equal Opportunity is the Law" are posted at the job site. To verify posting, **Exhibit B-12** may be used. Posters are available as **Exhibit B-11** or may be downloaded from the internet at:

**<http://www.dol.gov/osbp/sbrefa/poster/main.htm>**.

**Employee Interviews** During the course of construction, the grantee must conduct interviews of workers to determine payroll accuracy and compliance with Davis-Bacon. Interviews should be recorded on the “Employee Interview Record”, (**Exhibit B-17**) or on a similar form that includes all the required information.

- **Minimum Interview Requirements** “Some” employees of the following contractors must be interviewed.
  - All prime contractors
  - Subcontractors whose contract award is \$100,000 or more
  - Any subcontractor where there are a large number of payroll problems

One interview session will sometimes be sufficient to meet minimum interview requirements for the above listed contractors. When an interview session is conducted, “some” interviews of the employees of other subcontractors, not listed above, if they are on the jobsite on the day of the trip, must be conducted.

OCD has determined that “some” employees shall mean at least 50% of the laborers and at least one worker of each of the remaining classifications present on the jobsite on the day of the interview. Additionally, “some” shall mean any amount of interviews that

exceeds minimum requirements that the grantee needs to ensure compliance with Davis Bacon.

- **Place of Interview** Workers currently employed may be interviewed during working hours on the job, provided that the interview can be properly and privately conducted on the premises. Care must be taken to arrange the session at a time convenient to the employer and employees. Interviews may also be conducted at other public places. Employees and former employees may also be interviewed by mail. In off-site interviews or interviews by mail the amount of interviews required must be similar to the estimated amount that would have been obtained during an on-site session.
- **Initiating the Interview** The interviewer must confirm his/her identity to the worker. He/she must explain that the project is being constructed with federal assistance, which requires that workers be properly paid, and that the purpose of the interview is to determine whether the required wages are being paid. If a worker does not want to give particular information, the interviewer should not insist.
- **Using the Interview Information** After completing the interviews, the information obtained should be compared to the wage decision and payrolls to determine if the workers are classified and being compensated correctly. If necessary, corrective action should be initiated.
- **Example of Application of the Minimum Interview Requirements**  
A job has three prime contractors and at least four subcontractors. Three of the four subcontracts are for less than \$100,000. The possibility exists that a fence contractor may become a fifth sub as the project nears completion. The fence subcontract will be less than \$100,000.

”Some” employees of all three primes must be interviewed. Employees of the subcontractor whose contract is \$100,000 or greater must be interviewed. If all four of these contractors are not present on the day an interview is scheduled an additional trip(s) must be made to obtain the necessary interviews. Additionally, those subcontractors present on the jobsite on any day on which interviews are done for the four required contractors will be subject to interview requirements.

A subcontractor(s), whose contract is less than \$100,000, who is not present on an interview date, is not subject to interview requirements unless there are payroll problems. If awarded a subcontract, the future fence subcontractor will not be subject to interview requirements unless there are payroll problems.

### **Helpers, Apprentices and Trainees**

- **Helpers** Helpers may not be used on LCDBG projects since such a classification is not found on any of the Louisiana Wage Decisions. The use of "helpers" who use tools in assisting mechanics and who are paid below the minimum rates for mechanics is not proper, since an apprentice or trainee is the person who is to perform this type of work.

If a helper were to be found working on a project, Davis-Bacon would require such a worker to be paid full mechanic's wages for the associated classification retroactive to the first day of work.

- **Apprentices** Apprentices will be permitted to work at less than the prevailing wage for their craft when they are employed and individually registered in a bona fide apprentice program registered with the U.S. Department of Labor, Bureau of Apprenticeship and Training. If a worker is an apprentice, the contractor must submit a copy of his/her apprenticeship papers with the first payroll on which that worker appears.

Any worker listed on a payroll at an apprentice wage rate, who is not a trainee as defined below or is not registered or otherwise employed as stated above, shall be paid the wage rate determined by the Secretary of Labor for the classification of work actually performed.

The wage rate paid to apprentices shall not be less than the specified rate in the registered program for the apprentice's level of progress expressed as a percentage of the journeyman's rate contained in the applicable wage decision.

- **Trainees** Trainees will be permitted to work at less than the predetermined rate for their craft if they are employed and individually registered in a program that has received prior approval through formal certification by DOL. A copy of a trainee's papers must be submitted by the contractor with the first payroll on which the trainee appears.

Every trainee must be paid at not less than the rate specified in the approved program for his/her level of progress. The contractor or subcontractor may be required to furnish written evidence of the certification of his/her program, the registration of the trainees, and the ratios and wage rates prescribed in that program to USDOL, HUD, OCD and/or the grantee.

**Use of Force Account Labor** Exhibit B-6 shows required record keeping for force account work. If you wish to use force account, prior approval and more detailed guidelines must be obtained from the State. The following paragraphs briefly discuss Force Account Labor.

- **The Meaning of Force Account Labor** Force Account Labor refers to the use of laborers or mechanics who are employed by the grantee who serves as a contractor for the LCDBG construction project. In such cases, the grantee/contractor does not have to pay the Davis-Bacon wage rates but can, instead, pay the rates normally paid to employees on staff.
- **Prerequisites for the Use of Force Account Labor** In order to use force account labor, three criteria must be met: (1) there should be reasonable evidence that construction will cost substantially less than if it were done under contract or that competitive bids cannot be obtained from competent contractors, (2) the grantee must have the required equipment, supervisory skills, work force, and record keeping system and (3) the legal counsel for the governing body must make a finding that the project is permissible in

accordance with Louisiana laws and does not constitute a major project nor include construction of a building.

- **Labor and Equipment Requirements for Force Account Labor** You cannot hire extra temporary employees to work on the specific project; work must be accomplished with existing staff. The cost of equipment, including the cost of maintenance, operations, and field repairs is allowed. Equipment may NOT be purchased with CDBG funds. The equipment cost to be allocated to the LCDBG project can be determined by use-allowance or depreciation value. Such allocations of cost must be approved by OCD.
- **Material Cost for Force Account Labor Projects** The costs of materials, including transportation and storage, are eligible costs under the LCDBG program. When the cost exceeds \$20,000, the purchase of materials must be by competitive bid.

**Section 3 Compliance** Section 3 requirements are discussed in **Task A-11**. As part of those requirements, construction contractor(s) must provide information on new employees and may, optionally, provide information on existing employees.

- A "Contractor's/Subcontractor's New Employee Information Form" has been included as **Exhibit B-15** for the reporting of all new hires by the prime contractor and all subcontractors for verification of compliance with the requirements under Section 3 of the Housing and Urban Development Act of 1968. This form is required and must be submitted with the first payroll on which the new employee appears.
- A "Contractor's/Subcontractor's Existing Employee Information Form" has been included as **Exhibit B-16** for the purpose of monitoring the existing workforce of the prime contractor and all subcontractors. This form is optional but if used must be submitted with the first payroll on which the employee appears.

Example: Joe Brown has been continuously working for XYZ, Inc., for 5 years on street projects all over south Louisiana. On the third week of an LCDBG project XYZ transfers Joe Brown to the LCDBG project. Joe will be considered an existing employee, and if the optional Existing Employee Information Form is used, it will be sent for review along with payroll number 3.

**Payroll Terminology, Requirements, and Review Procedures** Comments regarding payrolls and Statements of Compliance are provided with **Exhibit B-13**. DOL also provides a sample payroll form along with instructions at: [www.dol.gov/esa/forms/whd/index.htm](http://www.dol.gov/esa/forms/whd/index.htm). A payroll review flowchart is provided as **Exhibit B-31**.

- **Responsibility of Prime Contractor** The prime contractor on a project is responsible for proper payment to all laborers and mechanics employed by the prime or employed under a subcontract to the prime. The construction contract between the grantee and the prime contractor must require all subcontracts to contain clauses imposing the Federal Labor Standards Provisions (**Exhibit B-5**). If the required provisions are not included in a subcontract, the prime contractor is responsible for underpayments and liquidated

damages of its subcontractors.

When labor standards violations occur, whether at the contract or subcontract level, the grantee will require corrections via the prime contractor. It is then the prime contractor's responsibility to make required corrections or ensure corrective action by the applicable subcontractor.

- **Weekly Payroll Submission Requirements and Payroll Numbering** It is the weekly responsibility of each contractor, subcontractor, and any lower tier subcontractor to submit to the grantee sequentially numbered payrolls for every workweek from the time work begins on the project until the work is completed. If no work is performed on the project during a given workweek, payrolls do not have to be submitted; however, the grantee should be informed by phone or e-mail that no work was done. Once work resumes, use the next consecutive number. Example: Work was done during weeks 1, 2, 3, and 7—the payroll number for week number #7 would be Payroll #4.

Payrolls of subcontractors are to be submitted via the prime contractor. The prime contractor will review the sub's payrolls and may require corrections. The prime forwards the sub's payroll(s) to the grantee. Payrolls may be collected by the project engineer for submission to the grantee; however, this does not relieve the prime contractor of responsibility for review of payrolls.

- **Payroll Forms** Contractors may use the payroll form, DOL publication WH-347, and the Statement of Compliance, which is designated as **Exhibit B-13**. A contractor may use its own payroll form if all required items of **Exhibit B-13** are included, and if a weekly statement is submitted that has the identical wording as contained on the DOL Statement of Compliance.
- **Addresses and Social Security Numbers** Each worker's address and social security number must be reported on the first payroll on which that worker's name appears. On subsequent payrolls, if the worker's name is reported exactly as on the first payroll and if no other worker has the same name, the social security number is not required and the address is not required unless there is a change of address.
- **Statement of Compliance** A Statement of Compliance must accompany each payroll and should be reviewed for discrepancies. The Statement of Compliance must be signed by the owner, officer, or designated employee of the contractor. In cases where a designated employee signs, the contractor must submit written authorization signed by an officer of the company.
- **Prompt Submission of Payrolls** The grantee should require that all payrolls be submitted by the contractor within seven working days after the payroll ending date. Payrolls must be examined promptly by the grantee so that any problems that might be discovered can be corrected early, while contractors are still on the job. Particular attention should be given to payroll review during early stages of construction to ensure that the prime contractor understands and is fulfilling his/her responsibilities concerning

payrolls. If acceptable payrolls are not submitted in a timely manner the grantee may withhold contractor payment until acceptable payrolls are submitted.

- **Concurrent Jobs** The payrolls must show only the regular and overtime hours worked on the LCDBG project. If an employee performs work at job sites other than the project for which the payroll is prepared, those "other job" **hours** should not be reported on the payroll. However, the gross **pay** from all job sites must be shown on the payroll.
- **Wage Rates and Proper Classification** Payrolls must be checked against the applicable wage decision(s), engineer's inspection reports (if available), employee interview forms (if available), and actual work done, or in progress, to determine if prevailing wage requirements regarding rates and proper worker classifications were met. Calculation of "time and a half" rates for overtime hours must be checked.
- **Employees Performing Work in More Than One Classification** A person employed as a laborer or mechanic and performing work in more than one job classification must be paid at least the required rate for the actual hours spent in each classification. Payrolls must be kept according to the hours spent in each classification. Such payrolls, called "split" payrolls may be used to apportion hours worked at more than one classification in a workday according to the hours worked in each classification.

An alternate measure, useful in avoiding the extra work involved in split payroll reporting, is to pay the worker the rate for the highest paid of the multiple classifications for which work was performed in a given workday. Example: Joe, a backhoe operator gets off of his backhoe to try to find a buried water line. He uses a shovel most of the morning—which is the work of a laborer—and finally finds the water line. Later, Joe mounts the backhoe and digs a trench for a sewer line—carefully avoiding the water line previously located. The employer may list Joe as a backhoe operator or even a backhoe operator/laborer without recording hours separately for each classification—if Joe is paid the backhoe rate, which is the higher of the two possible rates.

- **Working Foreman Requirements** A "working foreman" who devotes at least 20% of his time to laborer or mechanic duties is covered under Davis Bacon requirements and must be classified according to work performed. Such a classification, for example, an electrician, must come from the applicable wage decision. The "working foreman", if paid a flat salary with "salary" designated on the payroll, must be making at least the minimum rate and fringe for his classification. If there is a considerable amount of overtime being worked on a particular project having a salaried "working foreman", additional research may be necessary to determine that amounts paid meet Davis Bacon requirements.
- **Payroll Certification of the Self-Employed Contractor Who Works Alone** Example: A self-employed laborer or mechanic (or group of working partners) who has no other employees working on the job is not authorized to sign his own Statement of Compliance thereby certifying his own payroll. Instead, such a person, often called a "working subcontractor", must be listed on the prime's (responsible employer's) payroll.

For instance, Joe's Backhoe Service has one backhoe and no other workers other than the owner. Joe cannot certify his own payroll while on a LCDBG project. In contrast, if Joe hires at least one employee to help on that project, he could certify his own wages as well as the employee's wages.

The minimum information needed on the responsible employer's payroll regarding the working subcontractor are name, address, classification(s), hours worked, estimated hourly pay, and estimated gross pay. Deduction amounts for social security and federal taxes of the working subcontractor are not the responsibility of the prime contractor and such amounts may be unknown to the prime contractor; therefore, deduction listings are not required.

Sometimes it may be confusing for a prime contractor to list on his payroll a working subcontractor in addition to his regular employees. In such case, the prime contractor may prepare a separate weekly payroll listing only one person, the working subcontractor, using the payroll form and Statement of Compliance provided as **Exhibit B-13**.

Whatever method of compensation is utilized, such as piece work or a weekly contract draw for performance, the amount of estimated weekly compensation divided by the actual hours of work performed for that week must result in an "effective" hourly wage rate that is not less than the prevailing hourly rate for the type of work involved.

A special exception for truck owner-operators is available. Truck "owner-operators" must be reported on the prime's (responsible employer's) weekly payrolls but unlike other classifications, do not need to show the hours worked or rates—only the notation Owner-operator.

- **Computations** Payroll computations must be checked for accuracy. Also, "time and a half" rates for any overtime worked must be checked for accuracy.
- **Classifications** Only the exact classifications appearing on the federal wage decision are to be used on payrolls. Generic classifications are not specific enough to allow the reviewer to determine if Davis-Bacon requirements were met. "Operator" is a generic classification; however, "Operator II" and "Backhoe Operator" are proper classifications—if they are listed on the wage decision or requested as additional classifications.
- **Fringe Benefits** If the wage decision calls for fringe benefits to be paid on behalf of any employee who worked on the project, such payment must be verified. **Exhibit B-9**, an example of a wage decision, may be examined and will indicate fringe benefits due to certain classifications of workers. Fringe benefits do not appear on the worker's checks but are amounts paid to a receiving institution on behalf of the worker. Sometimes fringe benefits are confused with deductions. For instance, health insurance provided entirely by the employer would be a fringe benefit whereas health insurance chosen by the

employee and paid for by amounts subtracted from the employee's gross wages would be

a deduction.

Fringe benefits that are common to the construction industry may be credited toward meeting Davis-Bacon requirements if they are paid to the employee in cash or into an approved fund, plan, or program on the employee's behalf. Where fringe benefits are not conventional or are "unfunded plans", the Department of Labor must determine if the fringe benefits are bona fide. Vacation and sick leave plans are generally unfunded, paid from the contractor's own account, and require DOL approval before a contractor may take credit for meeting the fringe benefit obligation.

If a wage decision contains fringe benefits for a classification used on the construction project, then box 4a or 4b of the Statement of Compliance (See Exhibit B-13) must be marked to indicate the method of fringe benefit payment such as in cash or to an approved plan. If there were no classifications used on the project that required fringe benefits, then the boxes may be left blank. Box 4c is used to denote exceptions to box 4a or 4b. For example, if all of the employees are paid fringe benefits in cash except one who gets payment of fringes into an approved plan then box 4-b would have been marked for payment of fringes in cash with box 4-c also marked indicating (and explaining) the exception.

Fringe benefit pay requirements are always calculated at a per-hour-worked rate and are not calculated at a "time and a half" rate. Example:

Pay requirement on wage decision	\$10.00 per hour
Fringe benefits requirement on wage decision	\$1 per hour fringe benefits
Workweek	52 hours
<b>Regular Pay + Overtime Pay + Fringe Benefits</b>	<b>= Gross Pay</b>
$(40 \times 10) + (12 \times 10 \times 1.5) + (52 \times 1)$	<b>= \$632</b>

Using the above example, the contractor has payment options such as:

- (1) pay all of the \$632 in cash
- (2) pay \$580 in cash and \$52 in fringes or
- (3) pay more or less than \$580 in cash and more or less than \$52 in fringes with the total paid to be \$632.

On payrolls, it is helpful but not required, to list the regular pay rate separately but next to the fringe rate as follows: Regular rate / Fringe rate, \$10.00 / \$1.00.

- **Verification of Payment of Fringe Benefit Payments** Fringe benefits may be paid in cash and such payment(s) can be determined by examining the payroll, but fringe benefit payments made to an approved plan must be confirmed by the grantee through contact with the receiving institution(s). An approved plan will have an institution(s) that receives fringe payments on some type of regular basis. Fringe benefit payments into an approved plan may be on a weekly, monthly, or quarterly basis but not semi-annually or annually. Verification by phone or written correspondence should include the following:

institution's name(s),

phone number(s),  
date(s) contacted,  
results of the inquiry,  
person(s) contacted at the institution  
and the name of the person who made verification for the grantee.

Verification may be by phone, written correspondence, computer printout or fax from a receiving institution, computer printout or fax from a union, or a copy of cancelled check(s) from the contractor made out to a receiving institution. Additional verification may be by computer printout from the contractor.

Information regarding fringe payments may be listed on the contractor's Statement of Compliance and while such information is helpful, it does not relieve the grantee of the responsibility of making independent verification.

- **Deductions** A deduction is an amount subtracted from a worker's gross wages. Deductions must be reviewed to determine if they are permissible. Permissible deductions by law include court ordered deductions, FICA, and federal or state income taxes. Deductions not required by law, such as union dues or uniforms, may be made only with the permission of the employee. The employee must sign a statement that authorizes deductions. The Payroll Deduction Authorization form provided as **Exhibit B-14** should be used.
- **Liquidated Damages** "Liquidated Damages" means established penalty amounts assigned to overtime violations under the Contract Work Hours and Safety Standards Act (CWHSSA).

### **Corrective Actions Regarding Labor Standards Violations**

- **Three Scenarios of Payroll Review** There are three scenarios regarding payroll error that are identified in **Exhibit B-31**, the Payroll Review Flowchart. The determination of error (or lack of any error) will be made by the grantee's Labor Compliance Officer (Consultant) or by an OCD staff member. The three scenarios are as follows:

Scenario 1: Error that involves restitution.

Scenario 2: Error that does not involve restitution.

Scenario 3: Error not detected.

Each scenario triggers a unique set of events. Review the chart for instructions on what needs to be done and when it should be done.

- **Notice to Contractor when Restitution is Involved** Scenario 1 deals with payroll error that involves restitution due to underpayment of wages. Underpayment may result from either Davis-Bacon violation(s), CWHSSA violation(s) or both. The grantee must promptly notify the prime contractor in writing that payment of back wages is required. This notice should identify the name of the prime contractor and the applicable subcontractor, the underpaid workers, the correct job classification and wage rate, dates

of underpayment, and the amount of underpayment owed. The contractor must be notified of the need to make restitution by using a Certified Correction Payroll (as discussed on a following page).

If overtime violations under CWHSSA exist, the notice to the contractor should also identify a calculation of Liquidated Damages and inform the contractor of two choices regarding Liquidated Damages—pay or request a waiver.

- **Certified Correction Payroll** Under Scenario 1, a payroll that reflects restitution paid is called a “Certified Correction Payroll”. Such a payroll will always be prepared by the employer and will be accompanied by a Statement of Compliance—which serves to “certify” the Certified Correction Payroll. The Certified Correction Payroll may cover multiple weeks and must specify the weeks covered. The monetary amounts listed, wages and deductions, reflect restitution amounts paid and should not indicate amounts paid and listed on past payrolls.

Payroll problems that require the employer to make restitution and submit a “Certified Correction Payroll” may include the following:

- (a) Wage rates on the payrolls do not meet Davis-Bacon requirements.
- (b) Wage rates on the payrolls do not meet CWHSSA requirements.
- (c) Worker classifications are wrong, incomplete or not in accordance with the applicable wage decision with such error(s) involving restitution.
- (d) Calculations are in error and result in underpayment of wages.

A Certified Correction Payroll will record the difference between amount paid and the required amount, which should have been paid. The deficiency will be multiplied times the applicable number of hours worked at the lower than allowable rate. Example: If a worker was paid \$10.00 per hour and should have been paid \$11.00 per hour for 100 hours during three different non-overtime weeks, the amount of restitution payment as recorded on the Certified Correction Payroll would be  $\$1 \times 100 = \$100$ . A Certified Correction Payroll may cover multiple weeks and the weeks covered should be indicated on the payroll.

Proof of restitution will include at least one of the following items:

- (1) Each affected employee may sign the Certified Correction Payroll (in the margin by his/her name),
  - (2) The employee may sign a statement attesting to the receipt of restitution,
  - (3) The contractor may provide a copy of the front and back of each cancelled restitution check, or
  - (4) The furnishing of a copy of the contractor’s bank statement showing the cancelled check that agrees with the payroll.
- **Calculation of Liquidated Damages** We continue with Scenario 1 assuming that there was restitution due that not only involved Davis Bacon but that also involved overtime under CWHSSA. Under the Contract Work Hours and Safety Standards Act Liquidated

Damages are computed at the rate of \$10 per worker for each calendar day the worker was required or permitted to work in excess of forty (40) hours in a week without payment of overtime rates.

For instance, if a contractor were working six days a week for ten hours per day and paid his employees straight time for 60 hours worked, then there would be two days of violations for each worker, or \$20 per worker for liquidated damages. Liquidated Damages are calculated in addition to any wage restitution that is due.

- **Steps in Calculation, Assessment, Payment or Appeal of Liquidated Damages** We continue with Scenario 1. The grantee, via its Labor Compliance Officer (consultant), calculates restitution due and Liquidated Damages due and notifies the contractor by traceable correspondence. The contractor, having received notification, must make restitution via a Certified Correction Payroll and agree to one of the following two choices: pay or request a waiver of Liquidated Damages. The contractor is to notify the consultant of the choice by traceable correspondence.

If payment is the contractor's choice, the contractor writes a check to HUD and sends the check to the consultant along with a letter agreeing to pay. The consultant should include the check in a separate envelope marked "C/O Wayne Dale. Do not send to Office of Finance and Support." Wayne Dale, of OCD, will forward the check to HUD in New Orleans, Louisiana. HUD's processing of the check will be evidence that a Liquidated Damages assessment was made and the penalty satisfied. At this point, wage restitution will have been made and Liquidated Damages will have been paid.

If requesting a waiver (or reduction in penalty amount) is the contractor's choice, the contractor is to send the consultant a letter explaining the reasons why a waiver is requested. There are two reasons for HUD to grant a waiver: (1) the error was unintentional although due care was exercised and (2) a mathematical mistake was made. The consultant will forward the letter to OCD. OCD will send the letter to HUD in New Orleans. HUD will respond. OCD will communicate HUD's response to the consultant by traceable correspondence. The consultant is to communicate the response to the contractor(s) by traceable correspondence. At this point, wage restitution will have been made and the Liquidated Damages penalty (or penalties) will have been waived if HUD grants the request for the waiver.

If HUD does not approve the request for the waiver, call OCD for further instructions. The contractor will have 60 days to appeal the notice from HUD.

- **Corrected Payrolls** We now examine Scenario 2 and the use of what is termed to be "Corrected Payrolls". Corrected Payrolls involve the correction of items that do not involve restitution.

Minor corrections, such as the proper spelling of a misspelled name, may be done by the grantee's Labor Compliance Officer by "lining out" the incorrect item and writing the correct item with accompanying current date and initials of the LCO. The LCO will have

the option of calling the contractor to give notification of the existence of the error and to confirm the suggested correction. If this option is chosen the LCO should indicate, in writing, near the corrected item, the following information regarding the person contacted: “Per \_\_\_\_\_” (Name of Contractor’s payroll person) on \_\_\_\_\_ (date) by \_\_\_\_\_ (LCO’s initials). Such minor correction does not require a new Statement of Compliance to be prepared.

If a payroll is found to be incomplete or if correction needed is more than minor, the contractor must submit corrected payroll(s) for each applicable workweek or a supplemental statement(s) for each applicable workweek. Such a payroll is corrected, often by entering revisions via computer software, and printing the corrected payroll. The corrections become obvious by comparing the corrected payroll to the original. A corrected payroll must be numbered that same as the original payroll for that workweek, but must indicate the appropriate revision number, i.e., “Payroll #8—Revision #1”. When original payrolls are incomplete or have more than minor error, a new Statement of Compliance must accompany the corrected payrolls.

An optional method for a contractor to provide corrected payroll(s) has been successfully utilized. This method consists of the following steps:

- (1) A copy of a particular weekly payroll, with original mistakes, is the starting point.
  - (2) The contractor is informed of the need for specific revisions.
  - (3) The contractor lines through the mistakes, and makes handwritten revisions.
  - (4) The payroll number is identified, in handwriting, as Payroll #\_\_ Revision #\_\_.
  - (5) The contractor, in handwriting, lines through the original signature and date on the statement of compliance and enters another signature and current date on the Statement of Compliance.
  - (6) Contractor submits the corrected payroll to the consultant.
- **Scenario 3** Scenario 3 is identified as the scenario under which no error is detected. Each of the three scenarios has a unique set of reporting requirements, which is discussed next.
  - **Reporting Requirements** See the flowchart of **Exhibit B-31** for a visual diagram illustrating reporting requirements.

A Labor Standards Enforcement Report, (**Exhibit B-18**) is triggered when at least one of the two following things happens: (1) any overtime violations under CWHSSA or (2) restitution, cumulatively for the project, reaches \$1,000 or more. Instructions for completing the form are part of **Exhibit B-18**. It is possible that one LCDBG project could trigger zero, one, or multiple Labor Standards Enforcement Reports.

Example of the triggering of two reports: During month one of a LCDBG project restitution of \$2,500 under Davis-Bacon is reported using a Labor Standards Enforcement

Report. Then, toward the end of the project, in month four, an overtime violation of \$100

is discovered. Another Labor Standards Enforcement Report must be prepared.

The Labor Standards Enforcement Report is to be completed and sent to OCD when most or all of the corrective action has been completed. For instance, if a contractor made restitution and chose to pay liquidated damages, it would be reasonable for the consultant to wait until receipt of evidence of restitution, contractor's letter agreeing to pay Liquidated Damages and receipt of the Liquidated Damages disbursement check before sending OCD the enforcement report. In such a case, the letter from the contractor agreeing to pay Liquidated Damages, the disbursement check, and the Labor Standards Enforcement Report would be sent, together, to OCD.

The Labor Standards Enforcement Report should be sent before closeout documents especially if a waiver of payment of Liquidated Damages is requested because HUD may take a month before responding to the request for the waiver. We must hear from HUD regarding their response to a waiver request before issuing a conditional closeout for the grant.

Finally, under all three scenarios as the flow chart indicates, the last item regarding labor standards, the Final Wage Compliance Report (**Exhibit B-19**), must be sent to OCD.

**Withholding Funds** If violations regarding restitution have not been corrected within thirty calendar days from the date of the first notice of underpayment, the grantee may withhold funds due the prime contractor. Only an amount considered necessary to ensure payment of underpaid wages (and liquidated damages, if applicable) may be withheld. If it is necessary to estimate the withholding amount, prompt action must be taken to determine an exact amount and disburse any applicable excess to the prime contractor according to invoices presented for payment. The grantee must notify the prime contractor of the withholding, the second notice of underpayment, and again specify the identity of underpaid workers, correct job classifications and wage rates, dates when underpayments occurred, and the amounts of underpayments owed. If restitution is not made within 30 days of the second notice of underpayment or if there is disagreement regarding the finding of wages owed, OCD must be notified.

If OCD determines it is appropriate, the grantee will be notified to disburse wages owed from the withheld funds to the respective workers to whom they are due. Should such an occasion arise OCD must be contacted for information on the proper procedure for disbursement of funds.

**Unfound Workers** If all affected workers cannot be located and restitution made, either by the contractor directly or through use of withheld funds, enough funds must be reserved in the special account to pay those workers the wages owed. Efforts should continue to be made to locate workers; however, if they have not been located by the time close out of the grant occurs, the grantee must return the withheld funds to OCD. A check, made payable to the Louisiana Division of Administration, and a Labor Standards Enforcement Report (**Exhibit B-18**) covering the remaining withheld funds must be submitted to OCD before the grant will be closed.

**Falsification** If intentional falsification by a contractor is suspected the grantee's Labor Compliance Officer must not return the payroll to the contractor. OCD must be informed of the suspected falsification.

**Payroll Retention** Payroll records must be retained by the grantee for a period of four years from the date of the letter indicating "Final Close" of the LCDBG program relative to the construction project. The payroll records must be available at all times during the retention period for inspection by representatives of OCD, HUD, and DOL.

**Finalizing Labor Compliance** A Final Wage Compliance Report (**Exhibit B-19**) must be sent to OCD with other closeout documents. Any restitution involved with the project, whether reported previously on a Labor Standards Enforcement Report or not yet reported, must be listed. Instructions for completing this form are provided with the exhibit. If there are unresolved labor compliance problems at that time, the OCD Labor Compliance Officer will assist the grantee in determining how to correct such problems. The Final Wage Compliance Report must be approved by the OCD Labor Compliance Officer before the grant can be conditionally closed out.

## **Task B-2: Preparing Contracting Procedures to Meet Equal Opportunity Requirements**

In this task, you must make sure all contracts comply with equal opportunity requirements and establish procedures for monitoring compliance during project execution. You must include all applicable equal opportunity language in the bid specifications and contract documents, verify contractor eligibility, secure required documentation, monitor compliance, and maintain appropriate files.

The equal opportunity provisions and contractor certifications for inclusion in the bid documents are shown in the Contract Documents Guide (**Exhibit B-5**), and they include:

Contractor's Certification regarding Equal Employment Opportunity;

Contractor's Certification regarding Section 3 and Segregated Facilities;

Contractor's Section 3 Plan (if contract is over \$100,000);

Contractor's Section 3 Tables A & B (if contract is over \$100,000);

Subcontractor's Certification regarding Equal Employment Opportunity;

Subcontractor's Certification regarding Section 3 and Segregated Facilities;

E.O. 11246 clause (7 paragraphs -- if contract above \$10,000 or 3 paragraphs Equal Opportunity provisions if \$10,000 or under);

Age Discrimination Act of 1975 Compliance;

Rehabilitation Act of 1973 Compliance;

Notice of Requirement for Affirmative Action to ensure Equal Employment Opportunity (if contract over \$10,000);

Standard CDBG-assisted Equal Employment Opportunity Construction Contract Specifications (if contract over \$10,000);

Segregated Facilities clause;

Title VI clause;

Section 109.

These provisions must be included in all bid and contract documents. Note especially the Standard CDBG-assisted Equal Employment Opportunity Construction Contract Specifications. These specifications include a place for you to insert both minority and female goals. The nationwide goal for female participation is 6.9 percent. Minority goals are specific to MSA and "Economic Areas", so you must refer to the regulations for the minority goal for your locality. Minority employment goals for economic areas in Louisiana are included in **Exhibit B-20**. These goals and contract specifications make written affirmative action plans unnecessary unless the U.S. Department of Labor determines a specific contractor or group of contractors needs to establish higher goals in order to remedy the effects of past discriminatory behavior.

You must understand that these goals apply to each construction craft and trade in the contractor's entire workforce that is working in an area covered by the goals and timetables and not just on those jobs which are LCDBG-assisted. A contractor with an LCDBG contract in MSA X, and a non-CDBG assisted contract in MSA Y must meet MSA goals for the workforce in MSA X and MSA Y, even though that contract is not LCDBG-assisted.

As previously noted for Labor Standards compliance, you must verify contractor and subcontractor eligibility with the DOA Labor Compliance Officer to ensure the contractor and any subcontractors are not on a list of debarred contractors. A single certification satisfies both Labor Standards and equal opportunity requirements and the documents should be cross-referenced between files.

You should notify the DOA Labor Compliance Officer of the date construction will begin. After contract execution, you should advise the contractor of his/her responsibilities for equal opportunity compliance, along with those related to Labor Standards and other LCDBG related provisions. **Exhibit B-21** is a list of commonly asked questions about equal opportunity which should be distributed and discussed with the contractor.

In addition, you must visit the construction site (usually in conjunction with employee interviews for labor standards compliance) to insure the project site is posted with the equal opportunity notices. Sample notices are included in **Exhibit B-11**. The results of each visit should be noted in the contract compliance file. In addition, the City/Parish should interview each contractor during the course of work to determine compliance with the Standard CDBG assisted Equal Employment

Opportunity Construction Contract Specifications (Executive Order 11246) contained in the contract. Document these interviews in the files. Equal opportunity compliance files must be maintained for each project. At project completion, the equal opportunity compliance file should contain the following items:

Copy of contract with all applicable equal opportunity provisions;

Verification of contractor eligibility, cross-referenced from labor standards compliance file;

Preconstruction conference report, cross-referenced from labor standards compliance file;

Contractor's Certification of Equal Opportunity;

Subcontractor's Certification of Equal Opportunity;

Contractor's Section 3 Tables A & B;

Contractor's/Sub-contractor's written Section 3 Plan, if required;

Sub-contractor's Tables A & B;

Contractor's/Subcontractor's New Employee Information forms;

Contractor's/Subcontractor's Existing Employee Information forms;

Evidence that contractor established his/her own Equal Opportunity file;

Equal Opportunity complaints and actions taken;

Correspondence concerning contractor's equal opportunity compliance;

Site visit reports indicating equal opportunity poster displayed on site and contractor compliance with equal opportunity provisions, cross-referenced from labor standards compliance file; and

Equal opportunity problems uncovered in employee interviews and evidence of resolution.

### **Task B-3: Preparing a Bid Package, Developing Bid Opening Procedures and Advertising for Bids**

The first step in the preparation of a bid package is the writing of the technical bid specifications -- usually by your architect or engineer on the basis of prepared plans or working drawings. These specifications must provide a clear and accurate description of technical requirements for materials and products and/or services to be provided on the project. Additionally, the plans and specifications

must be stamped by an architect or engineer registered in Louisiana. If the project falls under the jurisdiction of another State agency (e.g., Department of Health and Hospitals for sewer and water projects), the plans and specifications must be approved by the cognizant State agency prior to construction. It is recommended that the approval be received prior to the advertisement for bids. Documentation of that approval must be included in the files.

Also, where applicable, once the working drawings are complete, the architect or engineer must execute a certification that applicable standards of accessibility by the handicapped have been or will be satisfied or specify the basis for exemption. Such certification is to be co-signed by a City official, filed in the contract documents file, and a copy sent to the State. This certification must be completed for fire stations/garages and buildings that will be accessible to the public constructed under the LCDBG Program. Refer to **Exhibit B-22**.

At this time, you must have obtained all lands, rights-of-way and easements necessary for carrying out the project. All property you acquire for any activity, funded in whole or in part with LCDBG funds, is subject to the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 (the Uniform Act). Included in the definition of property, among others, are rights-of-way and permanent easements. If your construction project involves real property acquisition, you should contact your Local Government Representative very early and make sure the acquisition is undertaken according to the provisions of the Uniform Act.

Although only local governing bodies may apply for funds, it is understood that many of the public improvements may be made on behalf of various third parties such as fire districts, water districts, and sewer districts, as well as port authorities. If ownership of the public improvement applied for will be transferred to one of these third parties, it will be necessary for the local governing body to enter into an intergovernmental cooperative agreement which will stipulate the conditions of transfer of ownership. This agreement is to be executed and a copy forwarded to the Office of Community Development prior to closeout. Examples of these agreements are shown in **Exhibit B-28**.

The grantee must contact the regional notification center and the owners of underground utilities or facilities that are not members of the regional notification center for the existence and location of all underground utilities and facilities within the construction area in accordance with R.S. 38:2223.

All public works contracts shall contain a clause stating that any punch list generated during a construction project shall include the cost estimates for the particular items of work the design professional has developed based on the mobilization, labor, material, and equipment costs of correcting each punch list item. The design professional shall retain his working papers used to determine the punch list items cost estimates should the matter be disputed later. The contracting agency shall not withhold from payment more than the value of the punch list. Punch list items completed shall be paid upon the expiration of the forty-five day lien period.

The base bid should include all components of the approved project. The base bid should not include any items which were not included in the approved application or which have not received subsequent approval from the Office of Community Development.

When preparing the plans and specifications for the bid package, the following requirement pertaining to service connection lines and hook-up fees must be kept in mind. As stated in Section

570.202(b)(6) of the Housing and Community Development Act of 1974, as amended, the "financing of costs associated with the connection of residential structures to water distribution lines or local sewer collection lines" is an eligible cost. It is eligible, however, as rehabilitation and will be considered as an integral part of the overall sewer or water project.

For those communities whose approved applications included the use of LCDBG funds for the construction or replacement of service connection lines, the following items must be taken into consideration:

- LCDBG funds will only pay for connection lines to residential structures which are occupied by low and moderate income persons. Both rental and owner occupied units are eligible for this assistance if the residence is occupied by low and moderate income persons. Although LCDBG funds cannot be used to finance the cost of connection lines to homes occupied by persons above the low/moderate income limits, the applicant must adopt and enforce a procedure which will ensure that all residences (regardless of income) will be connected to the utility system. This is necessary to meet the project impact certification (i.e., the project will completely remedy the existing violation of a state or federal standard). Also, residents cannot be counted as beneficiaries of a project unless they are connected to the utility system.
- In order for low and moderate income persons to qualify for financial assistance to pay for the construction or replacement of the service connection lines under the LCDBG program, all applicants must first complete an application form provided by the local governing body regarding the income status of all persons in the family. All applicants must attach documentation of their income to the application. Such documentation may include, but is not limited to: copies of paychecks or paycheck stubs, income tax forms, W-2 forms, or copies of social security, welfare, veteran benefits, or unemployment checks. At this time the grantee should also negotiate a temporary construction easement with the private owner(s) to protect itself from any liability that may arise. See Section D – Real Property Acquisition. A sample application and temporary construction easement form is shown as **Exhibit B-30**. The exhibit form is for a sewer system, but can be adopted to apply to your type of project. The grantee is not required to use this particular form, you can develop your own to suit your project's needs.
- LCDBG funds cannot be used to pay the costs associated with the connection of non-residential structures.

Some communities/parishes charge hook-up fees. A hook-up fee is a one-time access charge that the homeowner must pay for the privilege of connecting to the utility system; this fee is generally a fixed amount which is not related to the actual construction cost of the service connection line. The federal regulations governing the use of LCDBG funds to pay the hook-up fee for the homeowner is very restrictive. If the community/parish plans to require this fee directly from the recipients of a

utility system funded in whole or in part with LCDBG funds, a determination must be made by the Office of Community Development that such a fee would not have an adverse effect on the low/moderate income persons involved. Due to the complex federal regulations governing this matter, we require that all recipients which propose to collect a hook-up fee (whether from LCDBG funds or directly from the homeowner) schedule a meeting with the Office of Community Development to discuss such fees; this meeting must be held prior to the collection of such fees.

The bid package must include all LCDBG-related provisions and your general terms and conditions. In addition to the labor standards and equal employment opportunity provisions and documentation previously discussed, the following provisions for LCDBG assisted projects must be included, as applicable. These are shown in the Contract Documents Guide (**Exhibit B-5**). They include:

Bonding and Insurance Requirements;

Conflict of Interest;

Access to Records/Maintenance of Records;

Clean Air/Water;

Special Conditions Pertaining to Hazards, Safety Standards and Accident Prevention (including Lead-based Paint Prohibition); and

Flood Insurance, if applicable.

The bid package must also include cost and pricing formats. Generally the street, water, and sewer projects will be unit price contracts, while building type contracts will be lump sum. For unit cost contracts, the bid specifications should delineate each type of item, estimated quantity, unit price, and total cost.

The bidding process must be in strict compliance with the Louisiana Revised Statutes, Title 38: Public Contracts, Works and Improvements. These statutes are continually being amended, revised, and superseded; therefore, it is the grantee's responsibility to assure compliance with the most recent and current regulations.

If you feel that your project, or any portion thereof, falls within the definition of an "emergency" under Title 38 of the Louisiana Revised Statutes, you must contact your Local Government Representative within the Office of Community Development immediately. You cannot proceed with those emergency provisions unless you have received written approval of such from the Office of Community Development. Failure to receive written approval could result in disallowed costs.

It is *suggested* that the bid package be reviewed in its entirety by your legal counsel to ensure compliance with applicable federal, State, and local laws. All required bid documents are listed on the Table of Contents of the Contract Documents Guide (**Exhibit B-5**) and copies of the documents are provided therein.

The final plans, specifications, and cost estimate must be submitted to the Office of Community Development for review. **Following our office's review of your plans and specifications, and all other program requirements have been met, you will receive a letter authorizing you to advertise for bids; we expect you to advertise for bids within thirty days of the date of that letter.** A copy of the publicized bid advertisement, including the publication date, must be submitted to the staff person in our office who is assigned to your grant. Failure to comply with this thirty day bid advertisement will result in an assessment of \$250 per working day. The assessment will be deducted from the amount of LCDBG funds allowed for basic engineering services. If you are not using LCDBG funds to pay for basic engineering services, the penalty will be deducted from the construction line item in your contract and disallowed. If the failure to advertise for bids within the required timeframe is the fault of another party (the local government or the administrative consultant), then the penalty will be assessed accordingly. If there are extenuating circumstances which prevent publication of the advertisement for bids within the thirty day period, the local government must advise us of such prior to the end of the thirty day period and request an extension of time. The State reserves the right to grant an extension when the reasons for not meeting the timeframe are valid.

Bids must be solicited by public advertising. A sample Advertisement for Bids appears in the Contract Documents Guide, (**Exhibit B-5**). The Public Bid Law requires that the advertisement for any contract for public works shall be published once a week for three different weeks in a newspaper in the locality and the first advertisement shall appear at least 25 days before the opening of bids for construction projects. For material purchases, the Public Bid Law requires the advertisement to be published two times in a newspaper in the locality and the first advertisement shall appear at least 15 days before the opening of bids. The first publication of the advertisement shall not occur on a Saturday, Sunday, or legal holiday. Plans and specifications shall be available to bidders on the day of the first advertisement and shall be available until 24 hours before the bid opening date. Additionally, the advertisement must call the bidders attention to the requirements of federal prevailing wage rates, Segregated Facility, Section 3, Section 109 and Equal Opportunity. If you amend the bid documents during the advertisement period, addenda must be sent to all prospective bidders who have received bid documents. No public entity shall issue or cause to be issued any addenda modifying plans and specifications within a period of 72 hours prior to the advertised time for the opening of bids, excluding Saturdays, Sundays, and any other legal holidays; however, if the necessity arises to issue an addendum modifying plans and specifications within the 72-hour period prior to the advertised time for the opening of bids, then the opening of bids shall be extended for at least 7 days, but not to exceed 21 days, without the requirement of re-advertising the project. The addendum shall state the revised time and date for the opening of bids. A copy of each addendum shall be submitted to the Office of Community Development at the time the addendum is issued; however, addenda solely pertaining to federal wage rate decisions are excluded from this requirement.

All bids received prior to the opening of bids must remain sealed and in a safe place until the bid opening.

On the date scheduled, the public bid opening should be conducted in a businesslike manner. The bids should be read aloud during bid opening and the apparent low bidder should be determined during the bid opening. However, the bids must also be reviewed for both technical and legal responsiveness of bids. In addition, the bidders must be evaluated as having the capacity to furnish products and/or services required. Minutes of the bid opening, along with a tabulation of bids, should be placed in the contract file; a sample of minutes and bid tabulations is provided in **Exhibit B-24**.

After the bid opening, you must take action within 45 days to either award a contract to the lowest responsible bidder or to reject bids. You and the lowest responsible bidder may, by mutual written consent, agree to extend the deadline for award by one or more extensions of 30 calendar days. Please refer to LRS 38:2215 for any exceptions. A public entity may reject any and all bids for just cause. For more information about “just cause”, see LRS 38:2214B. Also, a contract cannot be awarded with an expired federal wage decision. Make sure your federal wage decision is still current prior to contract award, as described in **Task B-1**.

#### **Task B-4: Developing Procedures for When Bids Exceed Cost Estimates**

In some cases the lowest bid you receive will exceed the amount of funds you have allocated for the project. When this happens you have several options available to you. One option is to reject all bids received. The engineer/architect will then re-work the plans and/or specifications in an effort to lower the cost of the project. It is imperative that the Office of Community Development be consulted as to any proposed changes to the plans and/or specifications. A revised set of plans and specifications and an updated cost estimate may be required to be submitted to the Office of Community Development for review prior to re-advertising the project. Another option is to make up the difference between the available funds and the amount of the lowest bid through the reallocation of LCDBG funds. If the reallocation of LCDBG funds is involved, you must contact your Local Government Representative immediately for Office of Community Development concurrence and to make sure the reallocation does not affect your eligibility status. Another option is to make up the difference between the available funds and the amount of the lowest bid with other sources of funding such as local funds. Still another option is to enter into a contract with the low bidder for the amount of the bid and to, subsequently, execute delete change orders to bring the project within the allocated funds. It is strongly advised that you investigate how exercising this option would affect the other bidders prior to awarding a contract. Please remember that change orders must be approved by the Office of Community Development before execution. Contact the Office of Community Development for consultation before exercising any of these options.

If it is anticipated beforehand that bids received may be higher than the amount of funds budgeted, you may want to include alternate bids in the bid documents. Alternates may be in the form of deductive or additive alternates and the drawings should clearly show what is being considered as an alternate. Please be familiar with the requirements of the Public Bid Law regarding alternates as found in R.S. 38:2212A(3)(e) repeated here for convenience:

“(e) Any proposal shall include no more than three alternates. An alternate bid by any name is still an alternate. Alternates, if accepted, shall be accepted in the order in which they are listed on the bid form. Determination of the low bidder shall be on the basis of the sum of the base bid and any alternates accepted. However, the public entity shall reserve the right to accept alternates in any order which does not affect determination of the low bidder.”

### **Task B-5: Awarding a Contract, Notifying Contractors of Responsibilities and Issuing a Notice to Proceed**

If a contract is awarded, it must be awarded to the “lowest responsible bidder” in accordance with the Public Bid Law. Discretion has been given to public entities to determine bidder responsibility. A Court decision has concluded that, in determining bidder responsibility, the public entity may look to financial ability, skill, integrity, business judgement, experience, reputation, quality of previous work on contracts, and other similar factors bearing on the bidder’s ability to successfully perform the contract. If you propose to disqualify a bidder on the grounds that the bidder is not a “responsible bidder”, you must (1) give written notice of the proposed disqualification to the bidder and include in the notice all reasons for the proposed disqualification, and (2) give the bidder the opportunity to be heard at an informal hearing at which the bidder is afforded the opportunity to refute the reasons for the disqualification.

As described in **Task B-1**, the successful bidder must be cleared by the Office of Community Development (see **Exhibit B-7**). Once the bidder is accepted and a contract has been awarded, you must send a **Notice of Contract Award (Exhibit B-8)** to the Labor Compliance Officer in the Office of Community Development within 30 days. Also, one copy of the **certified and itemized bid tabulation** shall be submitted to the Office of Community Development’s engineer along with the Notice of Contract Award. In addition, an updated LCDBG **Disclosure Report (Exhibit A-47)** must be submitted to your Local Government Representative (LGR) within this 30 day period.

One copy of the certified bid tabulation shall be submitted to the Office of Community Development upon tabulation of the bids.

Following award of the contract, the contract documents and applicable bonding and insurance requirements must be completed and executed. Contract documents include all the items contained in the bid package as well as the executed contract, bid proposal, contractor certifications, and bond and insurance forms. The bonding/surety company or companies used by the contractor must be on the U. S. Department of Treasury's Financial Management Services list of companies approved for federal bonds. They may be contacted by phone at (202) 874-6850, or online at [www.fms.treas.gov/c570/index.html](http://www.fms.treas.gov/c570/index.html). Verification of the status of surety or insurance companies must be carried out by you, and the date and method of verification must be clearly documented in your files. In addition, you must contact the Louisiana Insurance Commissioner's Office by phone at (225) 342-0895, or online at [www.lda.state.la.us](http://www.lda.state.la.us) in order to determine whether or not the agent selling the bond is currently licensed to do business in Louisiana. A form which can be used to

document the phone calls is provided as **Exhibit B-25**. If the status of the company(s) was checked via the internet websites, a copy of the information located at the websites will be sufficient verification.

A pre-construction conference or other means of notification should be accomplished immediately upon contract execution to inform the prime contractor(s) of his/her responsibilities. These responsibilities include labor standards, (covered in **Task B-1**), equal opportunity, (covered in **Task B-2**), other State and local provisions, and technical job requirements. Others who must be aware of these responsibilities are the foreman or construction superintendent, the person who will be preparing payrolls, and all subcontractors identified in the bid.

At this time, you should correct any equal opportunity deficiencies such as Section 3 plans, certificates of compliance, et cetera that have not been submitted by prime contractors and subcontractors. You should also carefully explain contractor and subcontractor responsibilities regarding equal opportunity using the list of commonly asked equal opportunity questions (**Exhibit B-21**) as a guide. Also, requirements for the equal opportunity monitoring during site visits should be explained.

In addition, any subcontractors **not** identified in the bid should provide the data necessary to verify eligibility, sign required certifications, prepare a written Section 3 Plan, etc. All of these contractor/subcontractor responsibilities should be complete prior to start of construction.

After execution of the contract documents and notification of the contractor(s) and subcontractor(s) responsibilities, you should issue a **Notice To Proceed** to each prime contractor. The notice should state the construction start date and the scheduled completion date. Do not submit a copy of the Notice to Proceed to this office.

You should also review the contract file and associated compliance files to make sure documentation is complete. The following is a list of construction contract file requirements:

- Preliminary design and cost estimates;

- Final design documents and cost estimates;

- Evidence that all necessary land or easement acquisition has been completed prior to advertising for bids;

- Bid documents;

- Documentation of submittal to and approval of plans and specifications by the cognizant State/Federal agency having jurisdiction over the project;

- Certification of Compliance with Architectural Barriers Act, if applicable;

- Proof of publication/copy of advertisement for bids;

Minutes of public bid opening;

Tabulation of bids;

Recommendation for award;

Notice of contract award;

Executed contract document;

Certification of insurance/bonding;

Evidence of project sign requirements as shown in **Exhibit B-26**.

### **Task B-6: Monitoring Contractor Progress and Making Progress Payments**

The purpose of this task is to monitor construction contracts to insure compliance with technical specifications and State and Federal requirements, maintain adequate cost and budget controls, and process necessary contract changes in order to bring the contract to completion.

Upon receiving the Notice to Proceed, the contractor must submit a cost breakdown showing the amount assigned to each portion of the work. This breakdown is not required when per unit prices form the basis of payment under the contract. This breakdown must be reviewed by you and your architect/engineer and used as the basis for requests for payment. The breakdown should be submitted within 5-10 days of receipt of the Notice to Proceed.

During construction, you are responsible for monitoring equal opportunity and labor standards requirements as described in **Tasks B-1 and B-2**. You are also responsible for construction management. This may be done by the architect/engineer, and if so, should be included in the scope of services of the professional services contract. Construction management must include inspection and general supervision of construction to check the contractor's work for compliance with the drawings and specifications and quantity and quality control. Written inspection reports must accompany the contractor's requests for partial payment.

The architect/engineer shall furnish a Resident Project Representative (RPR), assistants, and other field staff to assist the engineer in observing the progress and quality of the work. The RPR shall be under the architect/engineer's supervision and shall be a member of the architect/engineer's staff or a contract employee. In either case, the architect/engineer shall attest to the RPR's qualifications and abilities to perform the appropriate duties and responsibilities. The Qualification Certification (Exhibit B-29) must be completed and submitted to the Office of Community Development along with a copy of the RPR's current resume showing his qualifications and work history before construction begins. As part of his duties, the RPR will prepare reports recording, at a minimum, the following information: project name, contractor's name, date, weather conditions, contractor's work

force (indicating work classifications), equipment (in use or idled), quantities of pay items installed, deficiencies in materials or work, general observations, summary of construction activities, and RPR's signature. Each report shall be completely filled out. Furnishing an RPR does not relieve the architect/engineer of the responsibility of making visits to the site at intervals appropriate to the various stages of construction.

Subtasks that are a part of construction management include:

General Supervision -- must include monitoring construction to alert you of the need for adjustments in design as dictated by actual field conditions and the need for contract amendments. All contract amendments affecting alignment and detail or dimensions shown on drawings must include revised drawings.

Quality Control -- must include quality tests as necessary to verify conformance with technical specifications concerning minimum quality requirements.

Quantity Control -- must include verification of in-place quantities and other records reflecting an as-built facility.

Certification of Pay Estimates -- must include inspection reports and copies of field measurement notes; test results used to verify contractor's periodic pay estimates for partial payments should be attached to and filed with the periodic estimate for partial payment.

General -- construction management may involve other responsibilities including, but not limited to, providing horizontal and vertical control in the form of benchmarks and baselines to be used by the contractor in staking the construction, review and approval of shop drawings, and project coordination.

Upon receipt of requests for partial payment and necessary documentation, you must check equal opportunity and labor standards compliance files to insure that all payrolls have been received and checked, any restitution paid, employee interviews have been conducted, and all discrepancies corrected.

In accordance with the Public Bid Law, all change orders must be in writing. Change orders must be prepared and recommended by the architect/engineer. Each change order must be accompanied by a supporting statement which describes why the proposed change is deemed necessary. Preliminary (unexecuted) change orders, containing the signatures of the architect/engineer and the contractor but not the public entity, must be reviewed by the Office of Community Development so that the Office may determine the extent of financial participation eligible through the LCDBG Program. Once this determination has been made the local entity and the architect/engineer will be informed. The fully executed change order will contain the signatures of the architect/engineer, contractor, and local entity. A copy of the fully executed change order must be submitted to the Office of Community Development as soon as possible after execution.

### **Task B-7: Inspecting and Accepting the Work, Closing Out the Project, and Making Final Payment**

When construction work has been completed, the contractor must certify completion of work to you and submit a final request for payment. You must then arrange for a final inspection. You or your architect/engineer should make the final inspection and prepare a written report of the inspection prior to your issuance of a final certificate of payment. In addition, if the project involved the construction of a building, the Office of the State Fire Marshal, Code Enforcement, and Building Safety must issue a Certification of Occupancy.

Before making final payment (less retainage), you must insure that: all weekly payrolls and Statements of Compliance have been received, checked, and any discrepancies resolved; all discrepancies identified via on-site interviews must have been resolved; all other required equal opportunity and labor standards provisions must have been satisfied; all contract submissions must have been received; all claims and disputes involving the contractor must have been resolved; all files must be complete; and as-built plans have been filed. You must also prepare a Final Wage Compliance Report (**Exhibit B-19**) which must be submitted to the State and placed in the Labor Standards Compliance file.

The contractor should file your acceptance of work at the designated location. You can then issue acceptance of work and final payment, less the retainage. After 45 days from the filing of the acceptance and upon submission of a clear lien certificate by the contractor, you may release the retainage to the contractor. If any claims or liens remain after the 45 day lien period, you must take appropriate action for disposition of the retainage and all claims against the bonds in accordance with State law.

In accordance with State law, you may withhold a maximum of ten percent retainage on construction contracts which are less than \$500,000 and a maximum of five percent retainage on construction contracts which are \$500,000 or more.

The items which will be monitored for Section B are listed in **Exhibit H-6**.

### **Task B-8: Restrictions on Fire Protection Projects**

The use of LCDBG funds for garages to house the fire trucks is allowed with the following stipulations. The size of the garage will be based upon the number of operational fire trucks available to be housed there upon completion of the garage; LCDBG funds will not pay for vacant garage space which will be used for truck storage at a future date. LCDBG funds will not pay for kitchens, training rooms, et cetera in garages for volunteer fire departments. While LCDBG funds can be used to install a bathroom in the garage, such monies will only pay for a lavatory and toilet; bathing facilities such as baths and showers are not eligible. LCDBG funds can be used to install a heating system in the garage but cannot be used to install a cooling system.

The acquisition of new and/or used fire trucks to be purchased with LCDBG funds will be in accordance with the current version of the "Procedure Manual, Fire Truck Procurement for Grants

Funded Through the LCDBG Program”. A copy of this document will be furnished to you if your funded project involves the acquisition of fire trucks.

A copy of the title of each truck purchased using LCDBG funds must be sent to the Office of Community Development prior to the grant being conditionally closed out.

If you have any questions regarding the acquisition of fire trucks or design of the garage, please contact Ward Filgo of the Office of Community Development.



## Appointment of Labor Compliance Officer

Grantee \_\_\_\_\_

LCDBG Contract # \_\_\_\_\_

Name of person hereby appointed as the  
Labor Compliance Officer for Grantee \_\_\_\_\_

Name of person appointing the LCO \_\_\_\_\_

Title of person appointing the LCO \_\_\_\_\_

***I hereby appoint the above listed person as the Labor Compliance Officer (LCO) under this Louisiana Community Development Block Grant (LCDBG) contract. The appointed LCO is assigned to oversee the labor portion of the contract and will be responsible for all labor law compliance. The LCO will be responsible for assuring compliance with all federal and LCDBG requirements as explained in the LCDBG Grantee Handbook.***

Signature of person appointing the LCO \_\_\_\_\_

Date \_\_\_\_\_

***I acknowledge and accept the appointment and duties of Labor Compliance Officer under the above mentioned LCDBG contract.***

Signature of newly appointed LCO \_\_\_\_\_

Date \_\_\_\_\_

**Initial Wage Rate Request**

**B-2**

- 1. Grantee \_\_\_\_\_
- 2. LCDBG Contract # \_\_\_\_\_
- 3. Requesting Officer (Grantee’s Labor Compliance Officer) \_\_\_\_\_
- 4. Date of Request \_\_\_\_\_
- 5. Estimated bid opening date \_\_\_\_\_
- 6. Parish \_\_\_\_\_
- 7. Specific description of work \_\_\_\_\_
- 8. General Work type(s): Building, Highway, Heavy or Residential \_\_\_\_\_
- 9. Identify and list estimated percentage of any “auxiliary” work that could require more than one decision. \_\_\_\_\_
- 8. Any utility line connection work on private property? \_\_\_\_\_

9. Based on the above information the following wage decision(s) is authorized by the Labor Compliance Officer of the Office of Community Development for inclusion in the bid documents, if the bid document were compiled today. If compiled at a later date, the latest mod or supersedeas decision of the authorized wage decision number should be used.

Decision Number(s) \_\_\_\_\_  
Number, Date, Mod \_\_\_\_\_

Comments \_\_\_\_\_

By LCO of OCD \_\_\_\_\_

Date \_\_\_\_\_

The Office of Community Development (OCD) will inform the grantee’s Labor Compliance Officer (LCO) by phone, fax, or e-mail of the wage decision number of the authorized decision(s). It will be the responsibility of the grantee’s LCO to download the decision(s) or obtain the decision(s) by other means such as by fax from OCD. The web address is: [www.wdol.gov/index.html](http://www.wdol.gov/index.html)

**Request for Additional Classification and Rate**  
(To be completed by the prime contractor)

- |                              |  |                                   |
|------------------------------|--|-----------------------------------|
| 1. Grant Recipient           |  | To:                               |
| 2. Mayor or Parish President |  | Labor Compliance Officer          |
| 3. LCDBG Contract #          |  | Office of Community               |
| 4. Parish                    |  | Development                       |
| 5. Prime Contractor          |  | Post Office Box 94095             |
| 6. Subcontractor             |  | Baton Rouge, Louisiana 70804-9095 |
| (If request involves a sub)  |  | Comments:                         |
| 7. Project Description       |  |                                   |

8. Wage Decision Number: _____	Dated: _____	Modification Number: _____
9. Bid Opening Date: _____	10. Contract Award Date: _____	
11. Proposed classifications and rates not included in the above wage decision:		
(a) Proposed Classification & Job Description:	(b) Wage Rate:	(c) Fringes:

12. Mark at least one box with an "x". For each classification listed above, attach one Employee Wage Rate Consent Form ( <b>Exhibit B4</b> ), or other documentation.	
<input type="checkbox"/>	(a) The interested parties, employer and employee agree. Consent form(s) attached.
<input type="checkbox"/>	(b) Employee not yet hired or employer not yet mobilized as indicated on attached consent form(s).
<input type="checkbox"/>	(c) The interested parties do not agree. Documentation of disagreement attached.

- |                                     |                         |
|-------------------------------------|-------------------------|
| 13. Prime Contractor Representative | Title or Position _____ |
| 14. Signature, Prime Contractor Rep | Date _____              |

***Instructions for the Request for Additional Classification and Rate (Exhibit B-3)***

1, 2, 3, 4,	Self-explanatory.
5. Prime Contractor	Name of prime contractor requesting additional classification(s).
6. Subcontractor	Name of subcontractor, if any, that is associated with this request. If this request does not involve an employee of a sub then leave blank.
7. Project Description	The main objective(s) of the project as funded under the LCDBG contract. Examples: Sewer treatment and lines, Street reconstruction.
8. Wage Decision Number	The wage decision from the US Dept of Labor (DOL) that is designated as the governing decision for this part of the project. Also the wage decision in effect at the time of the Ten Day Call. Example: State—Louisiana DOL Wage Decision Year—2003 Wage Decision Number—15 Date of Wage Decision—8/27/04 Modification number—4  would be entered on line 8 using the following method: Number <u>LA 03-15</u> Dated <u>8/27/04</u> Modification Number <u>4</u>
9. Bid Opening Date	Date bids were opened for the prime construction contract.
10. Contract Award Date	Date on which the municipality or parish officially awarded contract.
11. Proposed classifications...	Enter (a) proposed classifications and job descriptions (b) proposed hourly wage rates and (c) the proposed hourly fringes. Entries here must agree with entries on the consent form. <b>(Exhibit B-4)</b> Example: (a) Metal Building Erector—Installs framework, siding & roofing. (b) \$11.00 (c) \$0
12. Mark at least...	Mark all boxes that apply but make sure at least one box is marked.
(a) ...agree...	Mark when the employee has been hired and is in agreement. The employer, which may be a prime or a sub, must also be in agreement. Agreement must be evidenced by an attached consent form.
(b) ...not yet hired...	Mark when a request is made before an employee in a requested classification is hired or before mobilization of the employer. Employer's commitment is evidenced by an attached consent form.
(c) ...do not agree	Mark with an "x" when there is no agreement. Attach documentation.
13. ...prime..rep..title	Printed name & title. May be company officer, foreman, etc.
14. Signature and date	Signature of prime contractor representative and date of request.

**Disposition:** Send this form (**Exhibit B-3**) with all applicable consent forms (**Exhibit B-4**) to grant recipient's Labor Compliance Officer—who will forward them to OCD—who will forward them to DOL—who will respond. Allow 60 days response time. While waiting on DOL's response the employer may pay according to proposed rates. DOL responses are retroactive.

**Employee Wage Rate Consent Form**

(To be completed by the employer who may be either the prime or subcontractor)

**Grant Recipient:** \_\_\_\_\_

**LCDBG Contract #:** \_\_\_\_\_

**Construction Contractor:** \_\_\_\_\_  
(may be a subcontractor)

I, \_\_\_\_\_ agree to work for the above  
(Employee name, "not yet hired", or "not yet mobilized")

referenced contractor on the above referenced contract for the rate of \$ \_\_\_\_\_

per hour plus \$ \_\_\_\_\_ in fringe benefits (if applicable) under the additional

classification of \_\_\_\_\_ .

\_\_\_\_\_  
(Employee signature, "not yet hired" or "not yet mobilized")

\_\_\_\_\_  
(Date)

I, \_\_\_\_\_ agree to pay my employee,  
(Employer name)

\_\_\_\_\_ at the rate of \$ \_\_\_\_\_ per hour

plus \$ \_\_\_\_\_ in fringe benefits (if applicable) under the additional classification of

\_\_\_\_\_ .

\_\_\_\_\_  
(Employer Signature)

\_\_\_\_\_  
(Date)

Note: The prime contractor should attach all completed *Employee Wage Rate Consent* forms to a *Request for Additional Classification and Rate* form and send to the grant recipient's Labor Compliance Officer.

**Instructions for Employee Wage Rate Consent Form (Exhibit B-4)**

The *Employee Wage Rate Consent Form (Exhibit B-4)* is to be filled out by the employer of the person who will be working at the proposed additional classification. The employer may be either the prime contractor or a subcontractor. However, the form which must accompany this consent form, the *Request For Additional Classification and Rate Form (Exhibit B-3)*, is to be filled out by the prime contractor only.

- (1) This form must be signed by the affected employee –if he or she is available—and the employer. If the employer has not yet hired the employee who will be working at a particular classification, then enter “not yet hired” where the employee’s name would normally be entered. If the employer has not yet mobilized, then enter “not yet mobilized”. The fact that the employer has not yet hired or mobilized will not prevent this paperwork from being processed.
- (2) Only one consent form per classification should be submitted even if there are multiple workers who will be working at a particular classification.

For example, if there were two employees who were being proposed to work in the classification of “metal building erector” at \$10.00 per hour and \$11.00 per hour respectively –with no fringes—the employer would be required to provide a consent form only for the lowest paid employee. If the proposed rate for the lowest paid of the two “metal building erectors” is approved by DOL, then any higher rate will automatically meet prevailing wage requirements.

- (3) The "Construction Contractor" information will be for a sub-contractor if the request involves an employee of the sub-contractor; otherwise it will be information on the prime contractor.
- (4) The prime contractor will be responsible for attaching all applicable *Employee Wage Rate Consent Form(s) (Exhibit B-4)* to the *Request for Additional Classification and Rate (Exhibit B-3)* and sending the documents to the grant recipient’s Labor Compliance Officer.

CONTRACT DOCUMENTS GUIDE

FOR

LCDBG FUNDED PROJECTS

S A M P L E

(The actual bid/contract document must contain the specific language and procedures required by the State's Bid Law.)

CONTRACT DOCUMENTS GUIDE

1. Specifications
2. Advertisement for Bids
3. Information for Bidders
4. Bonding and Insurance Requirements
5. Bid Bond Forms
6. Bid for Unit Price
7. Bid for Lump Sum
8. Certification of Bidder Regarding Equal Employment Opportunity
9. Certification of Bidder Regarding Section 3 and Segregated Facilities
10. Contractor's/Subcontractor's Section 3 Plan, if required
11. Contractor's/Subcontractor's Section 3 Tables A & B
12. Certification of Proposed Subcontractor Regarding Equal Employment Opportunity
13. Certification of Proposed Subcontractor Regarding Section 3 and Segregated Facilities
15. Contract
16. Certificate of Owner's Attorney
17. Performance Bond
18. Payment Bond
19. General Conditions
20. Supplemental General Conditions
21. Federal Wage Decision

## SPECIFICATIONS

Description of Project

Name of Local Governing Body

List of Contracts

Contract Number

Name and address of engineering consultant, or if prepared by recipient staff, the name of the office to be contacted for information pertaining to project.

Bidder's Experience List

The following are contracts similar in scope to this project which the Contractor has performed within the past five (5) years:

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Subcontractors List

The following are Subcontractors to be employed by the Contractor:

Name

Description of Work

<u>Name</u>	<u>Description of Work</u>
<hr/>	<hr/>

Manufacturers List

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SAMPLE

ADVERTISEMENT FOR BIDS

Project No. \_\_\_\_\_

City of \_\_\_\_\_ (herein referred to as the "Owner")

Sealed bids marked "Sealed Bid -- City of \_\_\_\_\_ Community Development Block Grant Project for Fiscal Year \_\_\_\_ to be financed by the State of Louisiana CDBG Program" will be received by the Owner for the construction of the project described as follows:

Proposals shall be addressed to the City of \_\_\_\_\_, and delivered to the Office of \_\_\_\_\_ located at \_\_\_\_\_ (address) not later than \_\_\_\_ p.m., on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_. Sealed bids to be marked "Sealed Bid -- City of \_\_\_\_\_ Community Development Block Grant Project for Fiscal Year \_\_\_\_ to be financed by the State of Louisiana CDBG Program". All bids must be submitted in triplicate. Any bid received after the specified time and date will not be considered. The sealed bids will be publicly opened and read aloud at \_\_\_\_ p.m. on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, in City Council Room Number \_\_\_\_\_ at the City of \_\_\_\_\_ located at \_\_\_\_\_. The information for Bidders, Form of Bid Proposal, Form of Contract, Plans, Specifications, and Forms of Bid Bond, Performance Bond and Payment Bond, and other contract documents may be examined at the Office of \_\_\_\_\_ located at \_\_\_\_\_. Copies may be obtained at this office upon payment of a deposit of \$\_\_\_\_\_. This deposit will be refunded upon request in accordance with R.S. 38:2212.

The Owner reserves the right to reject any and all bids for just cause; such actions will be in accordance with Title 38 of the Louisiana Revised Statutes.

Each Bidder must deposit with his/her bid, security in the amount, form, and subject to the conditions provided in the Information for Bidders. Sureties used for obtaining bonds must appear as acceptable on the U. S. Department of Treasury Circular 570.

No bidder may withdraw his/her bid within forty-five (45) days after the actual date of the opening thereof.

The Contractor shall begin mobilization and procurement of materials within ten (10) working days of the receipt of the Notice to Proceed.

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 City of \_\_\_\_\_ no later than seven (7) days prior to bid opening.

**IN PARTICULAR, BIDDERS SHOULD NOTE THE REQUIRED ATTACHMENTS AND CERTIFICATIONS TO BE EXECUTED AND SUBMITTED WITH THE BID PROPOSAL.**

## INFORMATION FOR BIDDERS

### 1. Receipt and Opening of Bids

The \_\_\_\_\_ (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. CST, 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.

2. Preparation of Bid: Each bid must be submitted on the prescribed form and accompanied by Certification of Bidder Regarding Equal Employment Opportunity, Form 950.1, Certification by Bidder (Contractor) concerning Labor Standards and Prevailing Wage Requirements, Form 1421, and Certification of Bidder regarding Section 3 and Segregated Facilities. All blank spaces for bid prices must be filled in, in ink or typewritten, in both words and figures, and the foregoing certifications must be fully completed and executed when submitted.

Each bid must be submitted in a sealed envelope bearing on the outside the name of the bidder, his/her 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 or other party to whom it is proposed to award a subcontract under this contract must submit Form 950.2, Certification by Proposed Subcontractor Regarding Equal Employment Opportunity, Certification by Proposed Subcontractor Concerning Labor Standards and Prevailing Wage Requirements, Form 1422, and Certification of Proposed Subcontractor Regarding Section 3 and Segregated Facilities.

Approval of the proposed subcontract award cannot be given by the Owner unless and until the proposed subcontractor has submitted the Certifications and/or other evidence showing that it has fully complied with any reporting requirements to which it is or was subject. Although the bidder is not required to attach such Certifications by proposed subcontractors with his/her bid, the bidder is hereby advised of these requirements so that appropriate action can be taken to prevent subsequent delay in subcontract awards.

4. Telegraphic Modification: Any bidder may modify his/her bid by telegraphic communication at any time prior to the scheduled closing time for receipt of bids, provided such telegraphic communication is received by the Owner prior to the closing time, and provided further, the Owner is satisfied that a written confirmation of the telegraphic modification over the signature of the bidder was mailed prior to the closing time. The telegraphic communication should not reveal the bid price but should provide the addition or subtraction of other modification so that the final prices or terms will not be known by the Owner until the sealed bid is opened. If written confirmation is not received within two days from the closing time, no consideration will be given to the telegraphic modification.
5. Method of Bidding: The Owner invites the following bid(s):

(THIS SECTION MUST BE COMPLETED)

6. 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.
7. Bid Security: Each bid must be accompanied by cash, certified check of the bidder, or a bid bond prepared on the form of bid bond attached hereto, 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. Such cash, 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 cash, checks of 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/she has not been notified of the acceptance of his/her bid.
8. Liquidated Damages for Failure to Enter into Contract: The successful bidder, upon his/her failure or refusal to execute and deliver the contract and bonds within 10 days after he/she receives notice of the acceptance of his/her bid, shall forfeit to the Owner, as liquidated damages for such failure or refusal, the security deposited with his/her bid.
9. Time of Completion and Liquidated Damages: Bidder must agree to commence work on

or before a date to be specified in a written "Notice to Proceed" of the Owner and 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 in the General Conditions.

10. Conditions of Work: Each bidder must inform him/herself 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/her obligation to furnish all materials and labor necessary to carry out the provisions of his/her 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.
11. 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/her bid as submitted. All addenda so issued shall become part of the contract documents.

12. Security for Faithful Performance: Simultaneously with his/her delivery of the executed contract, the Contractor 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, as specified in the General Conditions included herein. 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 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.
13. 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.

14. Notice of Special Conditions: Attention is particularly called to those parts of the contract documents and specifications which deal with the following:
  - a. Inspection and testing of materials.
  - b. Insurance requirements.
  - c. Federal wage determinations.
  - d. Stated allowances.
  
15. 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.
  
16. Method of Award - Lowest Qualified Bidder: If at the time this contract is to be awarded, the lowest base bid submitted by a responsible bidder does not exceed the amount of funds then estimated by the Owner as available to finance the contract, the contract will be awarded on the base bid only. If such bid exceeds such amount, the Owner may reject all bids or may award the contract on the base bid combined with such deductible alternates applied in numerical order in which they are listed in the Form of Bid, as produces a net amount which is within the available funds.
  
17. 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/her bid.
  
18. Safety Standards and Accident Prevention: With respect to all work performed under this contract, the contractor shall:
  - a. Comply with the safety standards provisions of applicable laws, building and construction codes and the "Manual of Accident Prevention in Construction" published by the Associated General Contractors of America, the requirements of the Occupational Safety and Health Act of 1970 (Public Law 91-596), and the requirements of Title 29 of the Code of Federal Regulations, Section 1518 as published in the "Federal Register," Volume 36, No. 75, Saturday, April 17, 1971.
  
  - b. Exercise every precaution at all times for the prevention of accidents and the protection of persons (including employees) and property.
  
  - c. Maintain at his/her office or other well known place at the job site, all articles necessary for giving first aid to the injured, and shall make standing arrangements for the immediate removal to a hospital or a doctor's care of persons (including employees), who may be injured on the job site. In no case shall employees be permitted to work at a job site before the employer has made a standing arrangement for removal of injured persons to a hospital or a doctor's care.

## BONDING AND INSURANCE REQUIREMENTS

1. This attachment sets forth bonding and insurance requirements for grants. No other bonding and insurance requirement shall be imposed other than those normally required by the grantee.
2. Except as otherwise required by law, a grant that requires the contracting (or sub-contracting) for construction of facility improvements shall provide for the grantee to follow its own requirements relating to bid guarantees, performance bonds, and payment bonds unless the construction contract or subcontract exceeds \$100,000. For those contracts or subcontracts exceeding \$100,000, the State may accept the bonding policy and requirements of the grantee provided the State has made a determination that the State's interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:
  - (a) A bid guarantee from each bidder equivalent to five (5) percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his/her bid, execute such contractual documents as may be required within the time specified. (See Section 7 of "Information for Bidders".)
  - (b) A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all of the contractor's obligations under such contract.
  - (c) A payment bond on the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and materials in the execution of the work provided for in the contract.
3. Where the Federal Government guarantees or insures the repayment of money borrowed by the grantee, the State, at its discretion, may require adequate bonding and insurance if the bonding and insurance requirements of the grantee are deemed inadequate to protect the interest of the Federal Government.
4. Where bonds are required in the situations described above, the bonds shall be obtained from companies holding certificates of authority as acceptable sureties (31 CFR 223).

BID BOND FORMS

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.

BID FOR UNIT PRICE CONTRACTS

Place \_\_\_\_\_  
Date \_\_\_\_\_  
Project No. \_\_\_\_\_

Proposal of \_\_\_\_\_,  
hereinafter called "Bidder", (a corporation, organized and existing under the laws of the State of \_\_\_\_\_,  
a partnership, or an individual doing business as \_\_\_\_\_)\* to the \_\_\_\_\_,  
hereinafter called "Owner".

Gentlemen:

The Bidder, in compliance with your invitation for bids for the construction of a

\_\_\_\_\_

\_\_\_\_\_

having examined the plans and specifications with related documents and the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposed project including the availability of materials and labor, hereby proposes to furnish all labor, materials, and supplies, and to construct the project in accordance with the contract documents, within the time set forth therein and at the prices stated below. These prices are to cover all expenses incurred in performing the work required under the contract documents, of which this proposal is a part.

Bidder hereby agrees to commence work under this contract on or before a date to be specified in the written "Notice to Proceed" of the Owner and to fully complete the project within \_\_\_\_ consecutive calendar days thereafter as stipulated in the specifications. Bidder further agrees to pay as liquidated damages the sum of \$\_\_\_\_\_ for each consecutive calendar day thereafter as hereinafter provided in Paragraph 19 of the General Conditions.

Bidder acknowledges receipt of the following addendum: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\*Insert corporation, partnership, or individual whichever is applicable.

Bidder agrees to perform all the \_\_\_\_\_ work

described in the specifications and shown on the plans for the following unit prices:

<u>Item No.</u>	<u>Est. Qty.</u>	<u>Description</u>	<u>Unit Price (Each)</u>	<u>Total</u>
1	_____	_____	_____ Dollars & Cents (\$ _____)	_____ Dollars & Cents (\$ _____)
2	_____	_____	_____ Dollars & Cents (\$ _____)	_____ Dollars & Cents (\$ _____)
3	_____	_____	_____ Dollars & Cents (\$ _____)	_____ Dollars & Cents (\$ _____)

TOTAL OF BID \$ \_\_\_\_\_

(Amounts are to be shown in both words and figures. In case of discrepancy, the amounts shown in words will govern.)

The above unit prices shall include all labor, materials, bailing, shoring, removal, overhead, profit, insurance, etc., to cover the finished work of the several kinds called for.

Bidder understands that the Owner reserves the right to reject any or all bids for just cause.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of 45 calendar days after the scheduled closing time for receiving bids.

Upon receipt of written notice of the acceptance of this bid, Bidder will execute the formal contract attached within 10 days and deliver a Surety Bond or Bonds as required by Paragraph 29 of the General Conditions.

The bid security attached in the sum of \_\_\_\_\_  
(\$ \_\_\_\_\_) is to become the property of the Owner in the event the contract and

bond are not executed within the time set forth above, as liquidated damages for the delay and additional expense to the Owner caused thereby.

Respectfully submitted:

By \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Business Address and Zip Code)

(SEAL - if bid is  
by a corporation)

BID FOR LUMP SUM CONTRACTS

Place \_\_\_\_\_

Date \_\_\_\_\_

Project No. \_\_\_\_\_

Proposal of \_\_\_\_\_  
(hereinafter called "Bidder" a corporation, organized and existing under the laws of the State of \_\_\_\_\_, a partnership, or an individual doing business as \_\_\_\_\_) to the \_\_\_\_\_  
(hereinafter called "Owner").

Gentlemen:

The Bidder, in compliance with your invitation for bids for the construction of a \_\_\_\_\_, having examined the plans and specifications with related documents and the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposed project including the availability of materials and labor, hereby proposes to furnish all labor, materials, and supplies, and to construct the project in accordance with the contract documents, within the time set forth therein and at the prices stated below. These prices are to cover all expenses incurred in performing the work required under the contract documents, of which this proposal is a part.

Bidder hereby agrees to commence work under this contract on or before a date to be specified in written "Notice to Proceed" of the Owner and to fully complete the project within \_\_\_\_\_ consecutive calendar days thereafter as stipulated in the specifications. Bidder further agrees to pay as liquidated damages the sum of \$\_\_\_\_\_ for each consecutive calendar day thereafter as hereinafter provided in Paragraph 19 of the General Conditions.

Bidder acknowledges receipt of the following addendum: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

BASE PROPOSAL: Bidder agrees to perform all of the \_\_\_\_\_ work  
described in the specifications and shown on the plans for the sum of \_\_\_\_\_  
\_\_\_\_\_ (\$ \_\_\_\_\_). (Amount shall be in both  
words and figures. In case of discrepancy, the amount shown in words will govern.)

**ALTERNATE PROPOSALS:**

Alternate No. 1: \_\_\_\_\_

Deduct the sum of \_\_\_\_\_ (\$ \_\_\_\_\_)

Alternate No. 2: \_\_\_\_\_

Deduct the sum of \_\_\_\_\_ (\$ \_\_\_\_\_)

Alternate No. 3: \_\_\_\_\_

Deduct the sum of \_\_\_\_\_ (\$ \_\_\_\_\_)

**UNIT PRICES:**

For changing quantities of work items, those indicated by the contract drawings upon written instructions from the architect/engineer, the following unit prices shall prevail:

1. \_\_\_\_\_ \$ \_\_\_\_\_

2. \_\_\_\_\_ \$ \_\_\_\_\_

3. \_\_\_\_\_ \$ \_\_\_\_\_

The above unit prices shall include all labor, materials, bailing, shoring, removal, overhead, profit, insurance, etc., to cover the finished work of the several kinds called for. Changes shall be processed in accordance with paragraph 17(a) of the General Conditions.

Bidder understands that the Owner reserves the right to reject any or all bids and to waive any informalities in the bidding.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of

45 calendar days after the scheduled closing time for receiving bids.

Upon receipt of written notice of the acceptance of this bid, Bidder will execute the formal contract attached within 10 days and deliver a Surety Bond or Bonds as required by Paragraph 29 of the General Conditions.

The bid security attached in the sum of \_\_\_\_\_  
\_\_\_\_\_ (\$ \_\_\_\_\_) is to become the property of the  
Owner in the event the contract and bond are not executed within the time set forth above, as  
liquidated damages for the delay and additional expense to the Owner caused thereby.

Respectfully submitted:

By \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Business Address and Zip Code)

(SEAL - if bid is  
by a corporation)

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

**CERTIFICATION OF BIDDER REGARDING EQUAL EMPLOYMENT OPPORTUNITY**

**INSTRUCTIONS**

This certification is required pursuant to Executive Order 11246 (30 F. R. 12319-25). The implementing rules and regulations provide that any bidder or prospective contractor, or any of their proposed subcontractors, shall state as an initial part of the bid or negotiations of the contract whether it has participated in any previous contract or subcontract subject to the equal opportunity clause; and, if so, whether it has filed all compliance reports due under applicable instructions.

Where the certification indicates that the bidder has not filed a compliance report due under applicable instructions, such bidder shall be required to submit a compliance report within seven calendar days after bid opening. No contract shall be awarded unless such report is submitted.

**CERTIFICATION BY BIDDER**

NAME AND ADDRESS OF BIDDER *(Include ZIP Code)*

1. Bidder has participated in a previous contract or subcontract subject to the Equal Opportunity Clause.

Yes       No

2. Compliance reports were required to be filed in connection with such contract or subcontract.

Yes       No

3. Bidder has filed all compliance reports due under applicable instructions, including SF-100.

Yes       No       None Required

4. Have you ever been or are you being considered for sanction due to violation of Executive Order 11246, as amended?

Yes       No

NAME AND TITLE OF SIGNER *(Please type)*

SIGNATURE

DATE

SAMPLE

CERTIFICATION OF BIDDER REGARDING SECTION 3  
AND SEGREGATED FACILITIES

\_\_\_\_\_  
Name of Prime Contractor

\_\_\_\_\_  
Project Name and Number

The undersigned hereby certifies that:

- (a) Section 3 provisions are included in the Contract.
- (b) A written Section 3 Plan was prepared and submitted as part of the bid proceedings (if bid equals or exceeds \$100,000).
- (c) Tables A and B were prepared and submitted as part of the bid proceedings.
- (d) No segregated facilities will be maintained as required by Title VI of the Civil Rights Act of 1964.

\_\_\_\_\_  
Name & Title of Signer (Print or Type)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## CONTRACTOR

### Section 3 Plan Format

\_\_\_\_\_ (Name of contractor) \_\_\_\_\_ agrees to implement the following specific affirmative action steps directed at increasing the utilization of lower income residents and businesses within the City of \_\_\_\_\_.

- A. To ascertain from the locality's LCDBG program official the exact boundaries of the Section 3 covered project area and where advantageous, seek the assistance of local officials in preparing and implementing the affirmative action plan.
- B. To attempt to recruit from within the City the necessary number of lower income residents through: local advertising media, signs placed at the proposed site for the project, and community organizations and public or private institutions operating within or serving the project area such as Service Employment and Redevelopment (SER), Opportunities Industrialization Center (OIC), Urban League, Concentrated Employment Program, Hometown Plan, or the U. S .Employment Service.
- C. To maintain a list of all lower income residents who have applied either on their own or on referral from any source, and to employ such persons, if otherwise eligible and if a vacancy exists.
- D. \*To insert this Section 3 Plan in all bid documents, and to require all bidders on subcontracts to submit a Section 3 Plan including utilization goals and the specific steps planned to accomplish these goals.
- E: \*To ensure that subcontracts, which are typically let on a negotiated rather than a bid basis, in areas other than Section 3 covered project areas, are also let on a negotiated basis whenever feasible, if let in a Section 3 covered project area.
- F. To formally contact unions, subcontractors, and trade associations to secure their cooperation for this program.
- G. To ensure that all appropriate project area business concerns are notified of pending subcontractual opportunities.
- H. To maintain records, including copies of correspondence, memoranda, etc., which document that all of the above affirmative action steps have been taken.

\*Loans, grants, contracts, and subsidies for less than \$100,000 will be exempt.

- I. To appoint or recruit an executive official of the company or agency as Equal Opportunity Officer to coordinate the implementation of this Section 3 Plan.
- J. To list on Table A information related to subcontracts to be awarded.
- K. To list on Table B all projected workforce needs for all phases of this project by occupation, trade, skill level, and number of positions.

As officers and representatives of \_\_\_\_\_ (Name of Contractor) \_\_\_\_\_, we the undersigned have read and fully agree to this Section 3 Plan, and become a party to the full implementation of this program.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



**TABLE B  
ESTIMATED PROJECT WORKFORCE BREAKDOWN**

COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5
Job Category	Total Estimated Positions	No. Positions Currently Occupied By Permanent Employees	No. Positions Not Currently Occupied	No. Positions To Be Filled w/LIPAR*
Officers/Supervisors				
Professionals				
Technicians				
Housing Sales/Rental/Mgmt.				
Office Clerical				
Service Workers				
Others				

**TRADE:**

Journeyman				
Apprentices				
Maximum No. Trainees				
Others				

**TRADE:**

Journeyman				
Apprentices				
Maximum No. Trainees				
Others				

\*Lower Income Project Area Residents. Individuals residing within the City of \_\_\_\_\_ whose family income does not exceed 80% of the median income in the State.

Company \_\_\_\_\_

**CERTIFICATION BY PROPOSED SUBCONTRACTOR REGARDING  
EQUAL EMPLOYMENT OPPORTUNITY**

NAME OF PRIME CONTRACTOR

PROJECT NUMBER

**INSTRUCTIONS**

This certification is required pursuant to Executive Order 11246 (30 F. R. 12319-25). The implementing rules and regulations provide that any bidder or prospective contractor, or any of their proposed subcontractors, shall state as an initial part of the bid or negotiations of the contract whether it has participated in any previous contract or subcontract subject to the equal opportunity clause; and, if so, whether it has filed all compliance reports due under applicable instructions.

Where the certification indicates that the subcontractor has not filed a compliance report due under applicable instructions, such subcontractor shall be required to submit a compliance report before the owner approves the subcontract or permits work to begin under the subcontract.

**SUBCONTRACTOR'S CERTIFICATION**

NAME AND ADDRESS OF SUBCONTRACTOR *(Include ZIP Code)*

1. Bidder has participated in a previous contract or subcontract subject to the Equal Opportunity Clause.

Yes                       No

2. Compliance reports were required to be filed in connection with such contract or subcontract.

Yes                       No

3. Bidder has filed all compliance reports due under applicable instructions, including SF-100.

Yes                       No                       None Required

4. Have you ever been or are you being considered for sanction due to violation of Executive Order 11246, as amended?

Yes                       No

NAME AND TITLE OF SIGNER *(Please type)*

SIGNATURE

DATE

SAMPLE

CERTIFICATION OF PROPOSED SUBCONTRACTOR REGARDING  
SECTION 3 AND SEGREGATED FACILITIES

\_\_\_\_\_  
Name of Subcontractor

\_\_\_\_\_  
Project Name and Number

The undersigned hereby certifies that:

- (a) Section 3 provisions are included in the Contract,
- (b) A written Section 3 plan was prepared and submitted as part of the bid proceedings (if bid equals or exceeds \$100,000), and
- (c) Tables A and B were prepared and submitted as part of the bid proceedings.
- (d) No segregated facilities will be maintained as required by Title VI of the Civil Rights Act of 1964.

\_\_\_\_\_  
Name & Title of Signer (Print or Type)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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 Paragraph 1 of 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 Paragraph 19 of 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 Paragraph 25, "Payments to Contractor," of the General Conditions.

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)

(Secretary) By \_\_\_\_\_

(Witness) \_\_\_\_\_  
(Title)

(Seal) \_\_\_\_\_  
(Contractor)

(Secretary) By \_\_\_\_\_

(Witness) \_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Address and Zip Code)

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

CERTIFICATE OF OWNER'S ATTORNEY

I, the undersigned, \_\_\_\_\_, the duly  
authorized and acting legal representative of \_\_\_\_\_

\_\_\_\_\_ do hereby certify as follows:

I have examined the attached contract(s) and surety bonds and the manner of execution thereof, and I am of the opinion that each of the aforesaid agreements have been duly executed by the proper parties thereto acting through their duly authorized representatives; that said representatives have full power and authority to execute said agreements on behalf of the respective parties named thereon; and that the foregoing agreements constitute valid and legally binding obligations upon the parties executing the same in accordance with terms, conditions and provisions thereof.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
TYPE OR PRINT NAME

\_\_\_\_\_  
DATE



## 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 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.

## 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:**

\_\_\_\_\_  
WITNESS AS TO SURETY

\_\_\_\_\_  
SURETY  
  
By: \_\_\_\_\_ (SEAL)  
ATTORNEY-IN-FACT

\_\_\_\_\_  
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.

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.



LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
GENERAL CONDITIONS

1. Contract and Related Contract Documents

The project to be constructed and pursuant to this contract will be financed with the assistance of the Louisiana Community Development Block Grant Program and is subject to all applicable Federal laws and regulations.

The plans, specifications and addenda, hereinafter enumerated in Paragraph 1 of the Supplemental General Conditions shall form part of this Contract and the provisions thereof shall be as binding upon the parties hereto as if they were herein fully set forth. The Table of Contents, titles, headings, running headlines and marginal notes contained herein and in said documents are solely to facilitate reference to various provisions of the Contract Documents and in no way affect, limit or cast light on the interpretation of the provisions to which they refer.

Contents

1. Contract and Related Contract Documents	22. Claims for Extra Cost
2. Definitions	23. Right of Owner to Terminate Contract
3. Additional Instructions and Detail Drawings	24. Construction Schedule and Periodic Estimates
4. Shop or Setting Drawings	25. Payments to Contractor
5. Materials, Services, and Facilities	26. Acceptance of Final Payment Constitutes Release
6. Contractor's Title to Materials	27. Payments by Contractor
7. Inspection and Testing of Materials	28. Insurance
8. "Or Equal" Clause	29. Contract Security
9. Patents	30. Additional or Substitute Bond
10. Surveys, Permits, and Regulations	31. Assignments
11. Contractor's Obligations	32. Mutual Responsibility of Contractor
12. Weather Conditions	33. Separate Contract
13. Protection of Work and Property - Emergency	34. Subcontracting
14. Inspection	35. Architect/Engineer's Authority
15. Reports, Records, and Data	36. Stated Allowances
16. Superintendence by Contractor	37. Use of Premises and Removal of Debris
17. Changes in Work	38. Quantities of Estimate
18. Extras	39. Lands and Rights of Way
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20. Correction of Work	
21. Subsurface Conditions Found Different	

## Contents (Cont'd)

41.	Conflicting Conditions	48.	Use and Occupancy Prior to Acceptance by Owner
42.	Notice and Service Thereof	49.	Photographs of the Project
43.	Provisions Required By Law Deemed Inserted	50.	Suspension of Work
44.	Protection of Lives and Health	51.	Federal Labor Standards Provisions
45.	Subcontracts	52.	A Contractor's Guide to Davis-Bacon
46.	Interest of Member of Delegate to Congress		
47.	Other Prohibited Interests		

### 2. Definitions

The following terms as used in this contract are respectively defined as follows:

- (a) "Contractor": A person, firm or corporation with whom the contract is made by by the Owner.
- (b) "Subcontractor": A person, firm, or corporation supplying labor and materials or only labor for work at the site of the project for, and under separate contract or agreement with the Contractor.
- (c) "Work on (at) the project": Work to be performed at the location of the project, including the transportation of materials and supplies to or from the location of the project by employees of the Contractor and any Subcontractor.

### 3. Additional Instructions and Detail Drawings

The Contractor will be furnished additional instructions and detail drawings. The drawings and instructions thus supplied to the Contractor will coordinate with the Contract Documents and will be so prepared that they can be reasonably interpreted as part thereof. The Contractor shall carry out the work in accordance with the additional detail drawings and instructions. The Contractor and the Architect/Engineer will prepare jointly (a) a schedule, fixing the dates at which special detail drawings will be required, such drawings, if any, are to be furnished by the Architect/Engineer in accordance with said schedule, and (b) a schedule fixing the respective dates for the submission of shop drawings, the beginning of manufacture, testing and installation of materials, supplies and equipment, and the completion of the various parts of the work; each such schedule to be subject to change from time to time in accordance with the progress of the work.

4. Shop or Setting Drawings

The Contractor shall submit promptly to the Architect/Engineer two copies of each shop or setting drawing prepared in accordance with the schedule predetermined as aforesaid. After examination of such drawings by the Architect/Engineer and the return thereof, the Contractor shall make such corrections to the drawings as have been indicated and shall furnish the Architect/Engineer with two corrected copies. If requested by the Architect/Engineer, the Contractor must furnish additional copies.

Regardless of corrections made in or approval given to such drawings by the Architect/Engineer, the Contractor will nevertheless be responsible for the accuracy of such drawings and for their conformity to the Plans and Specifications, unless he notifies the Architect/Engineer in writing of any deviations at the time he furnishes such drawings.

5. Materials, Services, and Facilities

- (a) It is understood that except as otherwise specifically stated in the Contract Documents, the Contractor shall provide and pay for all materials, labor, tools, equipment, water, light, power, transportation, superintendence, temporary construction of every nature, and all other services and facilities of every nature whatsoever necessary to execute, complete, and deliver the work within the specified time.
- (b) Any work necessary to be performed after regular working hours, on Sundays or legal holidays, shall be performed without additional expense to the Owner.

6. Contractor's Title to Materials

No materials or supplies for the work shall be purchased by the Contractor or by a subcontractor subject to any chattel mortgage or under a conditional sale contract or other agreement by which an interest is retained by the seller. The Contractor warrants that he has good title to all materials and supplies used by him in the work, free from all liens, claims or encumbrances.

7. Inspection and Testing of Materials

- (a) All materials and equipment used in the construction of the project shall be subject to adequate inspection and testing in accordance with accepted standards. The laboratory or inspection agency shall be selected by the Owner. The Owner will pay for all laboratory inspection services direct and not as a part of the contract.
- (b) Materials of construction, particularly those upon which the strength and durability of the structure may depend, shall be subject to inspection and testing to establish conformance with specifications and suitability for uses intended.

8. "Or Equal" Clause

Whenever a material, article or piece of equipment is identified on the plans or in the specification by reference to manufacturer's or vendor's names, trade names, catalogue numbers, etc., it is intended merely to establish a standard, and, any material, article, or equipment of other manufacturers and vendors which will perform adequately the duties imposed by the general design will be considered equally acceptable provided the material, article, or equipment so proposed, is, in the opinion of the Architect/ Engineer, of equal substance and function. It shall not be purchased or installed by the contractor without the Architect/Engineer's written approval.

9. 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.

10. Surveys, Permits, and Regulations

Unless otherwise expressly provided for in the Specifications, the Owner will furnish to the Contractor all surveys necessary for the execution of the work.

The Contractor shall procure and pay all permits, licenses and approvals necessary for the execution of his contract.

The Contractor shall comply with all laws, ordinances, rules, orders, and regulations

relating to performance of the work, the protection of adjacent property, and the maintenance of passageways, guard fences or other protective facilities.

11. Contractor's Obligations

The Contractor shall and will, in good workmanlike manner, do and perform all work and furnish all supplies and materials, machinery, equipment, facilities and means, except as herein otherwise expressly specified, necessary or proper to perform and complete all the work required by this contract, within the time herein specified in accordance with the provisions of this contract and said specifications and in accordance with the plans and drawings covered by this contract any and all supplemental plans and drawings, and in accordance with the directions of the Architect/Engineer as given from time to time during the progress of the work. He shall furnish, erect, maintain, and remove such construction plant and such temporary works as may be required.

The Contractor shall observe, comply with, and be subject to all terms, conditions, requirements, and limitations of the contract and specifications, and shall do, carry on, and complete the entire work to the satisfaction of the Architect/Engineer and the Owner.

12. Weather Conditions

In the event of temporary suspension of work, or during inclement weather, or whenever the Architect/Engineer shall direct, the Contractor will, and will cause his subcontractors to protect carefully his and their work and materials against damage or injury from the weather. If, in the opinion of the Architect/Engineer, any work or materials shall have been damaged or injured by reason of failure on the part of the Contractor or any of his Subcontractors to so protect his work, such materials shall be removed and replaced at the expense of the Contractor.

13. Protection of Work and Property - Emergency

The Contractor shall at all times safely guard the Owner's property from injury or loss in connection with this contract. He shall at all times safely guard and protect his own work, and that of adjacent property from damage. The Contractor shall replace or make good any such damage, loss or injury unless such be caused directly by errors contained in the contract or by the Owner, or his duly authorized representatives.

In case of an emergency which threatens loss or injury of property, and/or safety of life, the Contractor will be allowed to act, without previous instructions from the Architect/Engineer, in a diligent manner. He shall notify the Architect/Engineer immediately thereafter. Any claim for compensation by the Contractor due to such extra work shall be promptly submitted to the Architect/Engineer for approval.

Where the Contractor has not taken action but has notified the Architect/Engineer of an emergency threatening injury to persons or damage to the work or any adjoining property, he shall act as instructed or authorized by the Architect/Engineer.

The amount of reimbursement claimed by the Contractor on account of any emergency action shall be determined in the manner provided in Paragraph 17 of the General Conditions.

14. Inspection

The authorized representatives and agents of 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.

15. Reports, Records, and Data

The Contractor shall submit to the Owner such schedule of quantities and cost, progress schedules, payrolls, reports, estimates, records and other data as the Owner may request concerning work performed or to be performed under this contract.

16. Superintendence by Contractor

At the site of the work, the Contractor shall employ a construction superintendent or foreman who shall have full authority to act for the Contractor. It is understood that such representation shall be acceptable to the Architect/Engineer and shall be one who can be continued in that capacity for the particular job involved unless he ceases to be on the Contractor's payroll.

17. Changes in Work

No changes in the work covered by the approved Contract Document shall be made without having prior written approval of the Owner. Charges or credits for the work covered by the approved change shall be determined by one or more, or a combination of the following methods:

- (a) Unit bid prices previously approved.
- (b) An agreed lump sum.
- (c) The actual cost of:
  - 1. Labor, including foremen;
  - 2. Materials entering permanently into the work;
  - 3. The ownership or rental cost of construction plant and equipment during the time of use on the extra work;
  - 4. Power and consumable supplies for the operation of power equipment;
  - 5. Insurance;

6. Social Security and old age and unemployment contributions.  
To the cost under (c) there shall be added a fixed fee to be agreed upon but not to exceed fifteen percent (15%) of the actual cost of the work. The fee shall be compensation to cover the cost of supervision, overhead, bond, profit and any other general expenses.

18. Extras

Without invalidating the contract, the Owner may order extra work or make changes by altering, adding to or deducting from the work, the contract sum being adjusted accordingly, and the consent of the Surety being first obtained where necessary or desirable. All the work of the kind bid upon shall be paid for at the price stipulated in the proposal, and no claims for any extra work or materials shall be allowed unless the work is ordered in writing by the Owner or its Architect/Engineer, acting officially for the Owner, and the price is stated in such order.

19. Time for Completion and Liquidated Damages

It is hereby understood and mutually agreed, by and between the Contractor and the Owner, that the date of beginning and the time for completion as specified in the contract of the work to be done hereunder are ESSENTIAL CONDITIONS of this contract; and it is further mutually understood and agreed that the work embraced in this contract shall be commenced on a date to be specified in the "Notice to Proceed".

The Contractor agrees that said work shall be prosecuted regularly, diligently, and uninterruptedly at such rate of progress as will insure full completion thereof within the time specified. It is expressly understood and agreed, by and between the Contractor and the Owner, that the time for the completion of the work described herein is a reasonable time for the completion of the same, taking into consideration the average climatic range and usual industrial conditions prevailing in this locality.

If the said Contractor shall neglect, fail or refuse to complete the work within the time herein specified, or any proper extension thereof granted by the Owner, then the Contractor does hereby agree, as a partial consideration for the awarding of this contract, to pay to the Owner the amount specified in the contract, not as a penalty but as liquidated damages for such breach of contract as hereinafter set forth, for each and every calendar day that the Contractor shall be in default after the time stipulated in the contract for completing the work.

The said amount is fixed and agreed upon by and between the Contractor and the Owner because of the impracticability and extreme difficulty of fixing and ascertaining the actual damages the Owner would in such event sustain, and said amount is agreed to be the amount of damages which the Owner would sustain and said amount shall be retained from time to time by the Owner from current periodical estimates.

It is further agreed that time is of the essence of each and every portion of this contract and of the specifications wherein a definite and certain length of time is fixed for the performance of any act whatsoever: and where under the contract any additional time is allowed for the completion of any work, the new time limit fixed by such extension shall be of the essence of this contract. Provided, that the Contractor shall not be charged with liquidated damages or any excess cost when the Owner determines that the Contractor is without fault and the Contractor's reasons for the time extension are acceptable to the Owner; Provided, further, that the Contractor shall not be charged with liquidated damages or any excess cost when the delay in completion of the work is due:

- (a) To any preference, priority or allocation order duly issued by the Government;
- (b) To unforeseeable cause beyond the control and without the fault or negligence of the Contractor, including, but not restricted to, acts of God, or of the public enemy, acts of the Owner, acts of another Contractor in the performance of a contract with the Owner, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and severe weather; and
- (c) To any delays of subcontractors or suppliers occasioned by any of the causes specified in subsections (a) and (b) of this article.

Provided, further, that the Contractor shall, within ten (10) days from the beginning of such delay, unless the Owner shall grant a further period of time prior to the date of final settlement of the contract, notify the Owner, in writing of the causes of the delay, who shall ascertain the facts and extent of the delay and notify the Contractor within a reasonable time of its decision in the matter.

## 20. Correction of Work

All work, all materials, whether incorporated in the work or not, all processes of manufacture, and all methods of construction shall be at all times and places subject to the inspection of the Architect/Engineer who shall be the final judge of the quality and suitability of the work, materials, processes of manufacture, and methods of construction for the purposes for which they are used. Should they fail to meet his approval they shall be forthwith reconstructed, made good, replaced and/or corrected, as the case may be, by the Contractor at the Contractor's own expense. Rejected material shall immediately be removed from the site. If, in the opinion of the Architect/ Engineer, it is undesirable to replace any defective or damaged materials or to reconstruct or correct any portion of the work injured or not performed in accordance with the Contract Documents, the compensation to be paid to the Contractor hereunder shall be reduced by such amount as in the judgement of the Architect/Engineer shall be equitable.

21. Subsurface Conditions Found Different

Should the contractor encounter subsurface and/or latent conditions at the site materially differing from those shown on the Plans or indicated in the Specifications, he shall immediately give notice to the Architect/Engineer of such conditions before they are disturbed. The Architect/Engineer will thereupon promptly investigate the conditions, and if he finds that they materially differ from those shown on the Plans and/or in the Specifications, he will at once make such changes in the Plans and/or Specifications as he may find necessary, any increase or decrease of cost resulting from such changes to be adjusted in the manner provided in Paragraph 17 of the General Conditions.

22. Claims for Extra Cost

No claim for extra work or cost shall be allowed unless the same was done in pursuance of a written order of the Architect/Engineer, approved by the Owner, as aforesaid, and the claim presented with the first estimate after the changed or extra work is done. When work is performed under the terms of subparagraph 17(c) of the General Conditions, the Contractor shall furnish satisfactory bills, payrolls and vouchers covering all items of cost and when requested by the Owner, give the Owner access to accounts relating thereto.

23. Right of Owner to Terminate Contract

In the event that any of the provisions of this contract are violated by the Contractor, or by any of his subcontractors, the Owner may serve written notice upon the Contractor and the Surety of its intention to terminate the contract, such notice to contain the reason for such intention to terminate the contract, and unless within ten (10) days after the serving of such notice upon the Contractor, such violation or delay shall cease and satisfactory arrangement of correction be made, the contract shall, upon the expiration of said ten (10) days, cease and terminate. In the event of any such termination, the Owner shall immediately serve notice thereof upon the Surety and Contractor and the Surety shall have the right to take over and perform the contract. Provided, however, that if the Surety does not commence performance thereof within ten (10) days from the date of the mailing to such Surety of notice of termination, the Owner may take over the work and prosecute the same to completion by contract or by force account for the account and at the expense of the Contractor and the Contractor and his Surety shall be liable to the Owner for any excess cost occasioned the Owner thereby, and in such event the Owner may take possession of and utilize in completing the work, such materials, appliances, and plant as may be on the site of the work and necessary therefore.

24. Construction Schedule and Periodic Estimates

Immediately after execution and delivery of the contract, and before the first partial payment is made, the Contractor shall deliver to the Owner an estimated construction progress schedule in form satisfactory to the Owner, showing the proposed dates of commencement and completion of each of the various subdivisions of work required under the Contract Documents and the anticipated amount of each monthly payment that will become due the Contractor in accordance with the progress schedule. The Contractor shall also furnish on forms to be supplied by the Owner (a) a detailed estimate giving a complete breakdown of the contract price and (b) periodic itemized estimates of work done for the purpose of making partial payments thereon. The costs employed in making up any of these schedules will be used only for determining the basis of partial payments and will not be considered as fixing a basis for additions to or deductions from the contract price.

25. Payments to Contractor (This section must be prepared in accordance with the requirements of the State's bid law.)

(a) The Owner shall take measures to facilitate a progress payment to the Contractor not later than 25 days after receipt and approval of a duly certified estimate of work performed. The Owner's approval may be contingent upon the receipt of timely payrolls, written inspection reports, compliance with labor regulations and the Contractor's performance under the terms of the contract. The Owner may withhold up to 10 percent of the contract price on projects of less than \$500,000 and 5 percent of the contract price on projects of \$500,000 or more until the expiration of 45 days after the recordation of formal acceptance of the work, or notice of default by the Contractor or Subcontractor.

(b) In preparing estimates the material delivered on the site and preparatory work done may be taken into consideration.

(c) All material and work covered by partial payments made shall thereupon become the sole property of the Owner, but this provision shall not be construed as relieving the Contractor from the sole responsibility for the care and protection of material and work upon which payments have been made or the restoration of any damaged work, or as a waiver of the right of the Owner to require the fulfillment of all of the terms of the contract.

(d) Owner's Right to Withhold Certain Amounts and Make Application Thereof: The

Contractor agrees that he will indemnify and save the Owner harmless from all claims growing out of the lawful demands of subcontractors, laborers, workmen, mechanics, material men, and furnishers of machinery and parts thereof, equipment, power tools, and all supplies, including commissary, incurred in the furtherance of the performance of this contract. The Contractor shall, at the Owner's request, furnish satisfactory evidence that all obligations of the nature herein above designated have been paid, discharged, or waived. If the Contractor fails so to do, then the Owner may, after having served written notice on the said Contractor, either pay unpaid bills, of which the Owner has written notice, direct, or withhold from the Contractor's unpaid compensation a sum of money deemed reasonably sufficient to pay any and all such lawful claims until satisfactory evidence is furnished that all liabilities have been fully discharged whereupon payment to the Contractor shall be resumed, in accordance with the terms of this contract, but in no event shall the provisions of this sentence be construed to impose any obligations upon the Owner to either the Contractor or his Surety. In paying any unpaid bills of the Contractor, the Owner shall be deemed the agent of the Contractor, and any payment so made by the Owner shall be considered as a payment made under the contract by the Owner to the Contractor and the Owner shall not be liable to the contractor for any such payments made in good faith.

26. Acceptance of Final Payment Constitutes Release

The acceptance by the Contractor of final payment shall be and shall operate as release to the Owner of all claims and all liability to the Contractor for all things done or furnished in connection with this work and for every act and neglect of the Owner and others relating to or arising out of this work. No payment, however, final or otherwise, shall operate to release the Contractor or his sureties from any obligation under this contract or the Performance Bond or the Payment Bond.

27. Payments by Contractor

The Contractor shall pay (a) for all transportation and utility services not later than the 20th day of the calendar month following that in which services are rendered, (b) for all materials, tools, and other expendable equipment to the extent of ninety percent (90%) of the cost thereof, not later than the 20th day of the calendar month following that in which such materials, tools, and equipment are delivered at the site of the project, and the balance of the cost thereof, not later than the 30th day following the completion of that part of the work in or on which such materials, tools, and equipment are incorporated or used, and (c) to each of his subcontractors, not later than the 5th day following each payment to the Contractor, the respective amounts allowed the Contractor on account of the work performed by his subcontractors to the extent of each subcontractor's interest therein.

28. Insurance

The Contractor shall not commence work under this contract until he has obtained all the insurance required under this paragraph and such insurance has been approved by the Owner, nor shall the Contractor allow any subcontractor to commence work on his subcontract until the insurance required of the subcontractor has been so obtained and approved.

- (a) Compensation Insurance: The Contractor shall procure and shall maintain during the life of this contract Workmen's Compensation Insurance as required by applicable State or territorial law for all of his employees to be engaged in work at the site of the project under this contract and, in case of any such work sublet, the Contractor shall require the subcontractor similarly to provide Workmen's Compensation Insurance for all of the latter's employees to be engaged in such work unless such employees are covered by the protection afforded by the Contractor's Workmen's Compensation Insurance. In case any class of employees engaged in hazardous work on the project under this contract is not protected under the Workmen's Compensation Statute, the Contractor shall provide and shall cause each subcontractor to provide adequate employer's liability insurance for the protection of such of his employees as are not otherwise protected.
- (b) Contractor's Public Liability and Property Damage Insurance and Vehicle Liability Insurance: The Contractor shall procure and shall maintain during the life of this contract Contractor's Public Liability Insurance, Contractor's Property Damage Insurance and Vehicle Liability Insurance in the amounts specified in the Supplemental General Conditions.
- (c) Subcontractor's Public Liability and Property Damage Insurance and Vehicle Liability Insurance: The Contractor shall either (1) require each of his subcontractors to procure and to maintain during the life of his subcontract, subcontractor's Public Liability and Property Damage Insurance and Vehicle Liability Insurance of the type and in the amounts specified in the Supplemental General Conditions specified in subparagraph (b) hereof or, (2) insure the activities of his policy, specified in subparagraph (b) hereof.
- (d) Scope of Insurance and Special Hazards: The insurance required under subparagraphs (b) and (c) hereof shall provide adequate protection for the Contractor and his subcontractors, respectively, against damage claims which may arise from operations under this contract, whether such operations be by the insured or by anyone directly or indirectly employed by him and, also against any of the special hazards which may be encountered in the performance of this contract as enumerated in the Supplemental General Conditions.

- (e) Builder's Risk Insurance (Fire and Extended Coverage): Until the project is completed and accepted by the Owner, the Owner, or Contractor (at the Owner's option as indicated in the Supplemental General Conditions, Form HUD-4328-N) is required to maintain Builder's Risk Insurance (fire and extended coverage) on a 100 percent completed value basis on the insurable portion of the project for the benefit of the Owner, the Contractor, subcontractors as their interests may appear. The Contractor shall not include any costs for Builder's Risk Insurance (fire and extended coverage) premiums during construction unless the Contractor is required to provide such insurance: however, this provision shall not release the Contractor from his obligation to complete, according to plans and specifications, the project covered by the contract, and the Contractor and his Surety shall be obligated to full performance of the Contractor's undertaking.
- (f) Proof of Carriage of Insurance: The Contractor shall furnish the Owner with certificates showing the type, amount, class of operations covered, effective date and date of expiration of policies. Such certificates shall also contain substantially the following statement: "The insurance covered by this certificate will not be canceled or materially altered, except after ten (10) days written notice has been received by the Owner."

29. Contract Security

The Contractor shall furnish a performance bond in an amount at least equal to one hundred percent (100%) of the contract prices as security for the faithful performance of this contract and also a payment bond in an amount not less than one hundred percent (100%) of the contract price or in a penal sum not less than that prescribed by State, territorial or local law, as security for the payment of all persons performing labor on the project under this contract and furnishing materials in connection with this contract. The performance bond and payment bond may be in one or in separate instruments in accordance with local law.

30. Additional or Substitute Bond

If at any time the Owner for justifiable cause shall be or become dissatisfied with any surety or sureties then upon the Performance or Payment Bonds, the Contractor shall within five (5) days after notice from the Owner so to do, substitute an acceptable bond (or bonds) in such form and sum and signed by such other surety or sureties as may be satisfactory to the Owner. The premiums on such bond shall be paid by the Contractor. No further payments shall be deemed due nor shall be made until the new surety or sureties shall have furnished such an acceptable bond to the Owner.

31. Assignments

The Contractor shall not assign the whole or any part of this contract or any moneys due or to become due hereunder without written consent of the Owner. In case the Contractor assigns all or any part of any moneys due or to become due under this contract, the instrument of assignment shall contain a clause substantially to the effect that it is agreed that the right of the assignee in and to any moneys due or to become due to the Contractor shall be subject to prior claims of all persons, firms, and/or corporations of services rendered or materials supplied for the performance of the work called for in this contract.

32. Mutual Responsibility of Contractor

If, through acts of neglect on the part of the Contractor, any other Contractor or any subcontractor shall suffer loss or damage on the work, the Contractor agrees to settle with such other Contractor or subcontractor by agreement or arbitration if such other Contractor or subcontractors will so settle. If such other Contractor or subcontractor shall assert any claim against the Owner on account of any damage alleged to have been sustained, the Owner shall notify the Contractor, who shall indemnify and save harmless the Owner against any such claim.

33. Separate Contract

The Contractor shall coordinate his operations with those of other Contractors. Cooperation will be required in the arrangement for the storage of materials and in the detailed execution of the work. The Contractor, including his subcontractors, shall keep informed of the progress and the detail work of other Contractors and shall notify the Architect/Engineer immediately of lack of progress or defective workmanship on the part of the other Contractors. Failure of a Contractor to keep informed of the work progressing on the site and failure to give notice of lack of progress or defective workmanship by others shall be construed as acceptance by him of the status of the work as being satisfactory for proper coordination with his own work.

34. Subcontracting

- (a) The Contractor may utilize the services of specialty subcontractors on those parts of the work which, under normal contracting practices, are performed by specialty subcontractors.
- (b) The Contractor shall not award any work to any subcontractor without prior written approval of the Owner, which approval will not be given until the Contractor submits to the Owner a written statement concerning such information as the Owner may require.

- (c) The Contractor shall be as fully responsible to the Owner for the acts and omissions of his subcontractors, and of persons either directly or indirectly employed by them, as he is for the acts and omissions of persons directly employed by him.
- (d) The Contractor shall cause appropriate provisions to be inserted in all subcontracts relative to the work to bind subcontractors to the Contractor by the terms of the General Conditions and other 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.
- (e) Nothing contained in this contract shall create any contractual relation between any subcontractor and the Owner.

35. Architect/Engineer's Authority

The Architect/Engineer shall give all orders and directions contemplated under this contract and specifications relative to the execution of the work. The Architect/ Engineer shall determine the amount, quality, acceptability, and fitness of the several kinds of work and materials which are to be paid for under this contract and shall decide all questions which may arise in relation to said work and the construction thereof. The Architect/ Engineer's estimates and decisions shall be final and conclusive, except as herein otherwise expressly provided. In case any question shall arise between the parties hereto relative to said contract or specifications, the determination or decision of the Architect/Engineer shall be a condition precedent to the right of the Contractor to receive any money or payment for work under this contract affected in any manner or to any extent by such question.

The Architect/Engineer shall decide the meaning and intent of any portion of the specifications and of any plans or drawings where the same may be found obscure or be in dispute. Any differences or conflicts in regard to their work which may arise between the Contractor under this contract and other Contractors performing work for the Owner shall be adjusted and determined by the Architect/Engineer.

36. Stated Allowances

The Contractor shall include in his proposal the cash allowances stated in the Supplemental General Conditions. The Contractor shall purchase the "Allowed Materials" as directed by the Owner on the basis of the lowest and best bid of at least three competitive bids. If the actual price for purchasing the "Allowed Materials" is more or less than the "Cash Allowance", the contract price shall be adjusted accordingly. The adjustment in contract price shall be made on the basis of the purchase price without additional charges for overhead, profit, insurance or any other incidental expenses. The cost of installation of the "Allowed Materials" shall be included in the applicable sections

of the Contract Specifications covering this work.

37. Use of Premises and Removal of Debris

The Contractor expressly undertakes at his own expense:

- (a) to take every precaution against injuries to persons or damage to property;
- (b) to store his apparatus, materials, supplies and equipment in such orderly fashion at the site of the work as will not unduly interfere with the progress of his work or the work of any other Contractors;
- (c) to place upon the work or any part thereof only such loads as are consistent with the safety of that portion of the work;
- (d) to clean up frequently all refuse, rubbish, scrap materials, and debris caused by his operations, to the end that at all times the site of the work shall present a neat, orderly and workmanlike appearance;
- (e) before final payment to remove all surplus material, false-work, temporary structures, including foundations thereof, plant of any description and debris of every nature resulting from his operations, and to put the site in a neat, orderly condition; and
- (f) to effect all cutting, fitting, and/or patching of his work required to make the same to conform to the plans and specifications and, except with the consent of the Architect/Engineer, not to cut or otherwise alter the work of any other Contractor.

38. Quantities of Estimate

Wherever the estimated quantities of work to be done and materials to be furnished under this contract are shown in any of the documents including the proposal, they are given for use in comparing bids and the right is especially reserved except as herein otherwise specifically limited, to increase or diminish them as may be deemed reasonably necessary or desirable by the Owner to complete the work contemplated by this contract, and such increase or diminution shall in no way vitiate this contract, nor shall any such increase or diminution give cause for claims or liability for damages.

39. Lands and Rights-of-Way

Prior to the start of construction, the Owner shall obtain all lands and rights-of-way necessary for the carrying out and completion of work to be performed under this contract.

40. General Guaranty

Neither the final certificate of payment nor any provision in the Contract Documents, nor partial or entire occupancy of the premises by the Owner, shall constitute an acceptance of work not done in accordance with the Contract Documents or relieve the Contractor of liability in respect to any express warranties or responsibility for faulty materials or workmanship. The Contractor shall remedy any defects in the work and pay for any damage to other work resulting therefrom, which shall appear within a period of one year from the date of final acceptance of the work unless a longer period is specified. The Owner will give notice of observed defects with reasonable promptness.

41. Conflicting Conditions

Any provisions in any of the Contract Documents which may be in conflict or inconsistent with any of the paragraphs in these General Conditions shall be void to the extent of such conflict or inconsistency.

42. Notice and Service Thereof

Any notice to any Contractor from the Owner relative to any part of this contract shall be in writing and considered delivered and the service thereof completed, when said notice is posted, by certified or registered mail, to the said Contractor at his last given address, or delivered in person to the said Contractor or his authorized representative on the work.

43. 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.

44. 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 site, 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 Contracting Authority may determine to be reasonably necessary."

45. Subcontracts

"The Contractor will insert in any subcontracts the Federal Labor Standards Provisions contained herein and such other clauses as the Department of Housing and Urban Development may, by instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts which they may enter into, together with a clause requiring this insertion in any further subcontracts that may in turn be made."

46. Interest of Member of or Delegate to Congress

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.

47. Other Prohibited Interests

No official of the Owner who is authorized in such capacity and on behalf of the Owner to negotiate, make, accept or approve, or to take part in negotiating, making, accepting, or approving any architectural, engineering, inspection, construction or material supply contract or any subcontract in connection with the construction of the project, shall become directly or indirectly interested personally in this contract or in any part hereof. No officer, employee, architect, attorney, engineer or inspector of or for the Owner who is authorized in such capacity and on behalf of the Owner to exercise any legislative, executive, supervisory or other similar functions in connection with the construction of the project, shall become directly or indirectly interested personally in this contract or in any part thereof, any material supply contract, subcontract, insurance contract, or any other contract pertaining to the project.

48. Use and Occupancy Prior to Acceptance by Owner

The Contractor agrees to the use and occupancy of a portion or unit of the project before formal acceptance by the Owner, provided the Owner:

- (a) Secures written consent of the Contractor except in the event, in the opinion of the Architect/Engineer, the Contractor is chargeable with unwarranted delay in final cleanup of punch list items or other contract requirements.
- (b) Secures endorsement from the insurance-carrier and consent of the surety permitting occupancy of the building or use of the project during the remaining period of construction, or,

(c) When the project consists of more than one building, and one of the buildings is occupied, secures permanent fire and extended coverage insurance, including a permit to complete construction. Consent of the surety must also be obtained.

49. Photographs of the Project

If required by the Owner, the Contractor shall furnish photographs of the project, in the quantities and as described in the Supplemental General Conditions.

50. Suspension of Work

Should the Owner be prevented or enjoined from proceeding with work either before or after the start of construction by reason of any litigation or other reason beyond the control of the Owner, the Contractor shall not be entitled to make or assert claim for damage by reason of said delay; but time for completion of the work will be extended to such reasonable time as the Owner may determine will compensate for time lost by such delay with such determination to be set forth in writing.



**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 (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), 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 1(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 Part 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 Part 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 therefore 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 Admin-

istration, 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)(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.

(iii) 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 (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), 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 (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the project). 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 OM B 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 Part 5.5(a)(3)(i). This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1), U.S. Government Printing Office, Washington, DC. 20402. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. (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 maintained under 29 CFR Part 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 paragraph A.3.(ii)(b) of this section.

(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 paragraph A.3.(i) of this section 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 Part 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, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau, 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 Bureau of Apprenticeship and Training 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 Bureau of Apprenticeship and Training, or a State Apprenticeship Agency recognized by the Bureau, 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 this part 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 29 CFR 5.5(a)(1) through (10) and such other clauses as HUD or its designee may by appropriate instructions require, 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 29 CFR Part 5.5.

**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 1010, 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.** 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 he or she is employed on such work to work in excess of eight hours in any calendar day or in excess of forty 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 eight hours in any calendar day or in excess of forty hours in such workweek, whichever is greater.

**(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 eight hours or in excess of the standard workweek of forty 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**

(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 (formerly part 1518) 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).

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

**ATTACHMENT TO FEDERAL LABOR STANDARDS PROVISIONS****SO-CALLED "ANTI-KICKBACK ACT" AND REGULATIONS PROMULGATED  
PURSUANT THERETO BY THE SECRETARY OF LABOR,  
UNITED STATES DEPARTMENT OF LABOR****TITLE 18. U.S.C., Section 874**

(Replaces Section 1 of the Act of June 13, 1934  
(48 Stat. 948, 40 U.S.C., Sec. 276b) pursuant to the Act of June 25, 1948, 62 Stat. 862)

**KICKBACKS FROM PUBLIC WORKS EMPLOYEES**

Whoever, by force, intimidation, or threat of procuring dismissal from employment, or by any other manner whatsoever induces any person employed in the construction, prosecution, completion or repair of any public building, public work, or building or work financed in whole or in part by loans or grants from the United States, to give up any part of the compensation to which he is entitled under his contract of employment, shall be fined not more than \$5,000 or imprisoned not more than five years, or both.

**SECTION 2 OF THE ACT OF JUNE 13, 1934, AS AMENDED**  
(48 Stat. 948, 62 Stat. 862, 63 Stat. 108, 72 Stat. 967, 40 U.S.C., Sec. 276c)

The Secretary of Labor shall make reasonable regulations for contractors and subcontractors engaged in the construction, prosecution, completion or repair of public buildings, public works or buildings or works financed in whole or in part by loans or grants from the United States, including a provision that each contractor and subcontractor shall furnish weekly a statement with respect to the wages paid each employee during the preceding week. Section 1001 of Title 18 (United States Code) shall apply to such statements.

—XXX—

Pursuant to the aforesaid Anti-Kickback Act, the Secretary of Labor, United States Department of Labor, has promulgated the regulations hereinafter set forth, which regulations are found in Title 29, Subtitle A, Code of Federal Regulations, Part 3. The term "this part" as used in the regulations hereinafter set forth, refers to Part 3 last above mentioned. Said regulations are as follows:

**TITLE 29 - LABOR****Subtitle A - Office of the Secretary of Labor****PART 3 CONTRACTORS AND SUBCONTRACTORS ON PUBLIC BUILDING OR PUBLIC WORK FINANCED IN WHOLE  
OR IN PART BY LOANS OR GRANTS FROM THE UNITED STATES****Section 3.1 Purpose and Scope.**

This part prescribes "anti-kickback" regulations under Section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c), popularly known as the Copeland Act. This part applies to any contract which is subject to Federal wage standards and which is for the construction, prosecution, completion, or repair of public buildings, public works or buildings or works financed in whole or in part by loans or grants from the United States. The part is intended to aid in the enforcement of the minimum wage provisions of the Davis-Bacon Act and the various statutes dealing with Federally assisted construction that contain similar minimum wage provisions, including those provisions which are not subject to Reorganization Plan No. 14 (e.g., the College Housing Act of 1950, the Federal Water Pollution Control Act, and the Housing Act of 1959), and in the enforcement of the overtime provisions of the Contract Work Hours Standards Act whenever they are applicable to construction work. The part details the obligation of contractors and subcontractors relative to the weekly submission of statements regarding the wages paid on work covered thereby; sets forth the circumstances and procedures governing the making of payroll deductions from the wages of those employed on such work; and delineates the methods of payment permissible on such work.

**Section 3.2 Definitions.**

As used in the regulations in this part:

- (a) The terms "building" or "work" generally include construction activity as distinguished from manufacturing, furnishing of materials, or servicing and maintenance work. The terms include, without limitation, buildings, structures, and improvements of all types, such as bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, powerlines, pumping stations, railways, airports, terminals, docks, piers, wharves, ways, lighthouses, buoys, jetties, breakwaters, levees, and canals; dredging, shoring, scaffolding, drilling, blasting, excavating, clearing, and landscaping. Unless conducted in connection with and at the site of such a building or work as is described in the foregoing sentence, the manufacture or furnishing of materials, articles, supplies, or equipment (whether or not a Federal or State agency acquires title to such materials, articles, supplies, or equipment during the course of the manufacture or furnishing, or owns the materials from which they are manufactured or furnished) is not a "building" or "work" within the meaning of the regulations in this part.
- (b) The terms "construction", "prosecution", "completion", or "repair", mean all types of work done on a particular building or work at the site thereof, including, without limitation, altering, remodeling, painting and decorating, the transporting of materials and supplies to or from the building or work by the employees of the construction contractor or construction subcontractor, and the manufacturing or furnishing of materials, articles, supplies, or equipment on the site of the building or work, by persons employed at the site by the contractor or subcontractor.
- (c) The terms "public building" or "public work" include building or work for whose construction, prosecution, completion, or repair, as defined above, a Federal agency is a contracting party, regardless of whether title thereof is in a Federal agency.
- (d) The term "building or work financed in whole or in part by loans or grants from the United States" includes building or work for whose construction, prosecution, completion, or repair, as defined above, payment or part payment is made directly or indirectly from funds provided by loans or grants by a Federal agency. The term does not include building or work for which Federal assistance is limited solely to loan guarantees or insurance.
- (e) Every person paid by a contractor or subcontractor in any manner for his labor in the construction, prosecution, completion, or repair of a public building or public work or building or work financed in whole or in part by loans or grants from the United States is "employed" and receiving "wages", regardless of any contractual relationship alleged to exist between him and the real employer.
- (f) The term "any affiliated person" includes a spouse, child, parent, or other close relative of the contractor or subcontractor; a partner or officer of the contractor or subcontractor; a corporation closely connected with the contractor or subcontractor as parent, subsidiary or otherwise, and an officer or agent of such corporation.
- (g) The term "Federal agency" means the United States, the district of Columbia, and all executive departments, independent establishments, administrative agencies, and instrumentalities of the United States and of the District of Columbia, including corporations, all or substantially all of the stock of which is beneficially owned by the United States, by the District of Columbia, or any of the foregoing departments, establishments, agencies, and instrumentalities.

**Section 3.3 Weekly Statement with Respect to Payment of Wages.**

- (a) As used in this section, the term "employee" shall not apply to persons in classifications higher than that of laborer or mechanic and those who are the immediate supervisors of such employees.
- (b) Each contractor or subcontractor engaged in the construction, prosecution, completion, or repair of any public building or public work, or building or work financed in whole or in part by loans or grants from the United States, shall furnish each week a statement with respect to the wages paid each of its employees engaged on work covered by 29 CFR Part 3 and 5 during the preceding weekly payroll period. This statement shall be executed by the contractor or subcontractor or by an authorized officer or employee of the contractor or subcontractor who supervises the payment of wages, and shall be on Form WH 3-18, "Statement of Compliance", or on an identical form on the back of WH 3-17, "Payroll (for Contractors Optional Use)" or on any form with identical wording. Sample copies of WH 3-17 and WH 3-18 may be obtained from the Government contracting or sponsoring agency, and copies of these forms may be purchased at the Government Printing Office.
- (c) The requirements of this section shall not apply to any contract of \$2,000 or less.

- (d) Upon a written finding by the head of a Federal agency, the Secretary of Labor may provide reasonable limitations, variations, tolerances, and exemptions from the requirements of this section subject to such conditions as the Secretary of Labor may specify,

[29 F.R. 95, Jan. 4, 1964, as amended at 33 F.R. 10186, July 17, 1968]

**Section 3.4 Submission of Weekly Statements and the Preservation and Inspection of Weekly Payroll Records.**

- (a) Each weekly statement required under §3.3 shall be delivered by the contractor or subcontractor, within seven days after the regular payment date of the payroll period, to a representative of a Federal or State agency in charge at the site of the building or work, or if there is no representative of a Federal or State agency at the site of the building or work, the statement shall be mailed by the contractor or subcontractor, within such time, to a Federal or State agency contracting for or financing the building or work. After such examination and check as may be made, such statement, or a copy thereof, shall be kept available, or shall be transmitted together with a report of any violation, in accordance with applicable procedures prescribed by the United States Department of Labor.
- (b) Each contractor or subcontractor shall preserve his weekly payroll records for a period of three years from date of completion of the contract. The payroll records shall set out accurately and completely the name and address of each laborer and mechanic, his correct classification, rate of pay, daily and weekly number of hours worked, deductions made, and actual wages paid. Such payroll records shall be made available at all times for inspection by the contracting officer or his authorized representative, and by authorized representatives of the Department of Labor.

**Section 3.5 Payroll Deductions Permissible Without Application to or Approval of the Secretary of Labor.**

Deductions made under the circumstances or in the situations described in the paragraphs of this section, may be made without application to and approval of the Secretary of Labor:

- (a) Any deduction made in compliance with the requirements of Federal, State, or local law, such as Federal or State withholding income taxes and Federal social security taxes.
- (b) Any deduction of sums previously paid to the employee as a bona fide prepayment of wages when such prepayment is made without discount or interest. A "bona fide prepayment of wages" is considered to have been made only when cash or its equivalent has been advanced to the person employed in such manner as to give him complete freedom of disposition of the advanced funds.
- (c) Any deduction of amounts required by court process to be paid to another, unless the deduction is in favor of the contractor, subcontractor or any affiliated person, or when collusion or collaboration exists.
- (d) Any deduction constituting a contribution on behalf of the person employed to funds established by the employer or representatives of employees, or both, for the purpose of providing either from principal or income, or both, medical or hospital care, pensions or annuities on retirement, death benefits, compensation for injuries, illness, accidents, sickness, or disability, or for insurance to provide any of the foregoing, or unemployment benefits, vacation pay, savings accounts, or similar payments for the benefit of employees, their families and dependents: *Provided, however,* That the following standards are met: (1) The deduction is not otherwise prohibited by law; (2) it is either: (i) Voluntarily consented to by the employee in writing and in advance of the period in which the work is to be done and such consent is not a condition either for the obtaining of or for the continuation of employment, or (ii) provided for in a bona fide collective bargaining agreement between the contractor or subcontractor and representatives of its employees; (3) no profit or other benefit is otherwise obtained, directly or indirectly, by the contractor or subcontractor or any affiliated person in the form of commission, dividend, or otherwise; and (4) the deductions shall serve the convenience and interest of the employee.
- (e) Any deduction contributing toward the purchase of United States Defense Stamps and Bonds when voluntarily authorized by the employee.
- (f) Any deduction requested by the employee to enable him to repay loans to or to purchase shares in credit unions organized and operated in accordance with Federal and State credit union statutes.
- (g) Any deduction voluntarily authorized by the employee for the making of contributions to governmental or quasi-governmental agencies, such as the American Red Cross.

- (h) Any deduction voluntarily authorized by the employee for the making of contributions to Community Chests, United Givers Funds, and similar charitable organizations.
- (i) Any deductions to pay regular union initiation fees and membership dues, not including fines or special assessments: *Provided, however,* That a collective bargaining agreement between the contractor or subcontractor and representatives of its employees provides for such deductions and the deductions are not otherwise prohibited by law.
- (j) Any deduction not more than for the "reasonable cost" of board, lodging, or other facilities meeting the requirements of Section 3(m) of the Fair Labor Standards Act of 1938, as amended, and Part 531 of this title. When such a deduction is made the additional records required under §516.27(a) of this title shall be kept.

**Section 3.6 Payroll Deductions Permissible with the Approval of the Secretary of Labor.**

Any contractor or subcontractor may apply to the Secretary of Labor for permission to make any deduction not permitted under §3.5. The Secretary may grant permission whenever he finds that:

- (a) The contractor, subcontractor, or any affiliated person does not make a profit or benefit directly or indirectly from the deduction either in the form of a commission, dividend, or otherwise;
- (b) The deduction is not otherwise prohibited by law;
- (c) The deduction is either (1) voluntarily consented to by the employee in writing and in advance of the period in which the work is to be done and such consent is not a condition either for the obtaining of employment or its continuance, or (2) provided for in a bona fide collective bargaining agreement between the contractor or subcontractor and representatives of its employees; and
- (d) The deduction serves the convenience and interest of the employee.

**Section 3.7 Applications for the Approval of the Secretary of Labor.**

Any application for the making of payroll deductions under §3.6 shall comply with the requirements prescribed in the following paragraphs of this section:

- (a) The application shall be in writing and shall be addressed to the Secretary of Labor.
- (b) The application shall identify the contract or contracts under which the work in question is to be performed. Permission will be given for deductions only on specific identified contracts, except upon a showing of exceptional circumstances.
- (c) The application shall state affirmatively that there is compliance with the standards set forth in the provisions of §3.6. The affirmation shall be accompanied by a full statement of the facts indicating such compliance.
- (d) The application shall include a description of the proposed deduction, the purpose to be served thereby, and the classes of laborers or mechanics from whose wages the proposed deduction would be made.
- (e) The application shall state the name and business of any third person to whom any funds obtained from the proposed deductions are to be transmitted and the affiliation of such person, if any, with the applicant.

**Section 3.8 Action by the Secretary of Labor Upon Applications.**

The Secretary of Labor shall decide whether or not the requested deduction is permissible under provisions of §3.6; and shall notify the applicant in writing of his decision.

**Section 3.9 Prohibited Payroll Deductions.**

Deductions not elsewhere provided for by this part and which are not found to be permissible under §3.6 are prohibited.

**Section 3.10 Methods of Payment of Wages.**

The payment of wages shall be by cash, negotiable instruments payable on demand, or the additional forms of compensation for which deductions are permissible under this part. No other methods of payment shall be recognized on work subject to the Copeland Act.

**Section 3.11 Regulations Part of Contract.**

All contracts made with respect to the construction, prosecution, completion, or repair of any public building or public work or building or work financed in whole or in part by loans or grants from the United States covered by the regulations in this part shall expressly bind the contractor or subcontractor to comply with such of the regulations in this part as may be applicable. In this regard, see §5.5(a) of this subtitle.



# **A Contractor's Guide to Davis- Bacon Wage Requirements & Certified Payroll Reports**

*(Prevailing Wage Requirements for Federal  
and Federally-assisted Construction Projects)*

*March 1997*

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## INTRODUCTION

The purpose of this Guide is to explain in simple and non-bureaucratic terms exactly what is required of contractors and subcontractors working on construction projects covered by Federal Davis-Bacon prevailing wage and reporting requirements. HUD's Office of Labor Relations is providing this Guide as a service to assist you in better understanding your labor standards and compliance responsibilities. This Guide has been developed in consultation with the Department of Labor's Wage and Hour Division.

There are three chapters in this Guide. The first chapter provides a brief description of the laws and regulations associated with Federal labor standards administration and enforcement and discusses both what's in your contract that requires Davis-Bacon compliance as well as your responsibilities. The second chapter deals with labor standards and payroll reporting requirements. The third chapter discusses what can happen in the event there is a dispute about the wage rates that should be (or have been) paid and any back wages that may be due.

This Guide is focused primarily on the requirements and responsibilities associated with HUD-assisted construction work subject to Davis-Bacon wage rates, but the guidance is also generally applicable to Davis-Bacon covered projects administered by other Federal agencies.

Not all HUD construction projects are covered by Davis-Bacon wage rates. For the purpose of this Guide, we shall assume that a determination has already been made that Davis-Bacon wage rates are applicable.



Look for these boxes throughout this Guide for time saving tips, cross references, and other helpful information.

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*Visit the Office of Labor Relations on the World Wide Web HUD Home Page at*

<http://www.hud.gov/>

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## CHAPTER 1 LAWS, REGULATIONS, CONTRACTS AND RESPONSIBILITIES

The following paragraphs describe what the labor standards laws and regulations actually say and what it means to you on HUD projects:

### 1-1 DAVIS-BACON AND OTHER LABOR LAWS.

a. **The Davis-Bacon Act (DBA).** The Davis-Bacon Act requires the payment of prevailing wage rates (which are determined by the U.S. Department of Labor) to all laborers and mechanics on Federal construction projects in excess of \$2,000. Construction includes alteration and/or repair, including painting and decorating, of public buildings or public works.

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 Most HUD construction work *is not* covered by the DBA itself since HUD seldom contracts directly for construction services. Most often, if Davis-Bacon wage rates apply to a HUD project it is because of a labor provision contained in one of HUD's "Related Acts" such as the U. S. Housing Act of 1937, the National Housing Act of 1949, the Housing and Community Development Act of 1974, and the National Affordable Housing Act of 1990, as amended. The *Related Acts* are often referred to as the **Davis-Bacon and Related Acts or DBRA.**

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b. **The Contract Work Hours and Safety Standards Act (CWHSSA).** CWHSSA requires time and one-half pay for overtime (O/T) hours (over 40 in any workweek) worked on the covered project. The CWHSSA applies to both direct Federal contracts and to indirect Federally-assisted contracts *except* where the assistance is solely in the nature of a loan guarantee or insurance. CWHSSA violations carry a liquidated damages penalty (\$10/day per violation). Intentional violations of CWHSSA standards are considered a Federal criminal misdemeanor.

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 The CWHSSA does not apply to *contracts* of \$100,000 or less. Also, not all HUD projects are covered by CWHSSA because some HUD programs only provide loan guarantee or insurance. However, even though CWHSSA overtime pay is not required, Fair Labor Standards Act (FLSA) overtime pay is probably still applicable. (*See also Labor Relations Letter SL-95-01, CWHSSA Coverage threshold for overtime and health and safety provisions.*)

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c. **The Copeland Act (Anti-Kickback Act).** The Copeland Act makes it a crime for anyone to require any laborer or mechanic (employed on a Federal or Federally-assisted project) to *kickback* any part of their wages. The Copeland Act also requires every employer (contractors and subcontractors) to submit weekly certified payroll reports (CPRs).

d. **The Fair Labor Standards Act (FLSA)**. The FLSA contains Federal minimum wage rates and overtime (O/T) requirements. These requirements generally apply to any labor performed and may be *pre-empted* by other Federal standards such as the DBRA prevailing wage requirements and CWHSSA O/T provisions. Only the DOL has the authority to administer and enforce FLSA. HUD will refer to the DOL any possible FLSA violations that are found on HUD projects.

1-2 **DAVIS-BACON REGULATIONS**. The Department of Labor has published rules and instructions concerning Davis-Bacon and other labor laws in the Code of Federal Regulations (CFR). These regulations can be found in *Title 29 CFR Parts 1, 3, 5, 6 and 7*. *Part 1* explains how the DOL establishes and publishes DBA wage determinations and provides instructions on how to use the determinations. *Part 3* describes Copeland Act requirements for payroll deductions and the submission of weekly certified payroll reports. *Part 5* covers the labor standards provisions that are in your contract relating to Davis-Bacon Act wage rates and the responsibilities of contractors and contracting agencies to administer and enforce the provisions. *Part 6* provides for administrative proceedings enforcing Federal labor standards on construction and service contracts. Last, *Part 7* sets parameters for practice before the Wage Appeals Board (*renamed Administrative Review Board*). These regulations are used as the basis for administering and enforcing the laws.

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☺ *DOL Regulations are available on-line on the World Wide Web:*  
*<http://www.dol.gov/dol/esa/public/regs/cfr/whdcfr.htm>*

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1-3 **CONSTRUCTION CONTRACT PROVISIONS**. Each contract subject to Federal (Davis-Bacon) labor standards requirements must contain contract provisions containing labor standards clauses and a Davis-Bacon wage decision. These documents are normally bound into the contract specifications.

a. **The labor standards clauses**. The labor standards clauses describe the responsibilities of the contractor concerning Davis-Bacon wages and obligate the contractor to comply with the labor requirements. The labor standards clauses also provide for remedies in the event of violations, including withholding from payments due to the contractor to ensure the payment of wages or liquidated damages which may be found due. These contract clauses enable the contract administrator to enforce the Federal labor standards applicable to the project. HUD has standard forms that contain contract clauses. For example, the HUD-2554, Supplementary Conditions to the Contract for Construction, which issued primarily for FHA multifamily housing and other construction projects administered by HUD; and the HUD-4010, Federal Labor Standards Provisions, which is used for CDBG and HOME projects.

b. **Davis-Bacon Wage Decisions.** The Davis-Bacon wage decision is a listing of various construction work classifications such as Carpenter, Plumber, and Electrician, for example, and the minimum wage rates (and fringe benefits, where prevailing) that people performing work in those classifications must be paid.

1-4 **RESPONSIBILITY OF THE PRINCIPAL CONTRACTOR.** The principal contractor (also referred to as the *prime or general contractor*) is responsible for the full compliance of all employers (the contractor, subcontractors and any lower-tier subcontractors) with the labor standards provisions applicable to the project. Because of the contractual relationship between a prime contractor and his/her subcontractors, questions to, or from, or about subcontractors should always be channeled through the prime contractor.

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☺ To make this Guide easier to understand, the term "*prime contractor*" will mean the principal contractor; "*subcontractor*" will mean all subcontractors including lower-tier subcontractors; and the term "*employer*" will mean all contractors as a group, including the prime contractor and any subcontractors and lower-tier subcontractors.

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1-5 **RESPONSIBILITY OF THE CONTRACT ADMINISTRATOR.** The *contract administrator*(s) is responsible for the proper administration and enforcement of the Federal labor standards provisions on contracts covered by Davis-Bacon requirements. We use this term to represent the person (or persons) who will provide labor standards preconstruction advice and support to you and other project principals (for example, the owner, sponsor, architect), including providing the proper Davis-Bacon wage decision (see paragraph 2-1, *The Wage Decision*) and ensuring that the wage decision and contract clauses are incorporated into the contract for construction. The contract administrator also monitors labor standards compliance (see paragraph 2-6, *Compliance Reviews*) by conducting interviews with construction workers at the job site and reviewing payroll reports, and oversees any enforcement actions that may be required.

The contract administrator could be an employee of HUD, or of a city or county, or public or Indian housing authority. Some HUD projects are administered directly by HUD staff, usually FHA-insured multifamily projects, where the *contract administrator* will be the HUD Labor Relations field staff. But many HUD-assisted projects are administered by local contracting agencies such as Public and Indian Housing Authorities (PHAs and IHAs) and cities and counties under HUD's Community Development Block Grant (CDBG) and HOME programs, for example. In these cases, the *contract administrator* will likely be local agency staff. In either case, the guidance for you remains the same.

The DOL also has a role in monitoring Davis-Bacon administration and enforcement. A DOL investigator or other DOL representative may visit Davis-Bacon construction sites to interview construction workers or review payroll information.

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☺ All communications to or from the prime contractor concerning the labor standards applicable to a particular contract, or concerning compliance with those standards should go through the contract administrator.

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## CHAPTER 2 HOW TO COMPLY WITH LABOR STANDARDS AND PAYROLL REPORTING REQUIREMENTS

**WHERE TO START?** Now that you know you're on a Davis-Bacon project and you know some of the legal and practical implications, what's next?

### SECTION I THE BASICS

2-1 **THE WAGE DECISION.** Davis-Bacon labor standards stipulate the wage payment requirements for *Carpenters, Electricians, Plumbers, Roofers, Laborers, and other construction work classifications* that may be needed for the project. The ***Davis-Bacon wage decision*** that applies to the project contains a schedule of work classifications and wage rates that must be followed. If you don't have it already (and by now you should), you'll want to get a copy of the applicable ***Davis-Bacon wage decision***.

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🕒 Remember, the wage decision is contained in the contract specifications along with the labor standards clauses. See ¶1-3, *Construction Contract Provisions*.

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a. **The work classifications and wage rates.** A Davis-Bacon wage decision is simply a listing of different work classifications and the minimum wage rates that must be paid to anyone performing work in those classifications. You'll want to make sure that the work classification(s) you need are contained in the wage decision and make certain you know exactly what wage rate(s) you will need to pay. Some wage decisions cover several counties and/or types of construction work (for example, residential and commercial work) and can be lengthy and difficult to read. Contact the *contract administrator* (HUD Labor Relations field staff or local agency staff) if you have any trouble reading the wage decision or finding the work classification(s) you need.

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☺ To make reading lengthy wage decisions easier for you, the contract administrator may prepare a Project Wage Rate Sheet. This Sheet is a one-page transcript that will show only the classifications and wage rates for a particular project. Contact the contract administrator monitoring your project for assistance with a Project Wage Rate Sheet.

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b. **Posting the wage decision.** If you are the prime contractor, you will be responsible for posting a copy of the wage decision (or the Project Wage Rate Sheet) and a copy of a DOL poster called *Notice to Employees* at the job site in a place that is easily accessible to all of the construction workers employed at the project and where the wage decision and poster won't be destroyed by wind or rain, etc. The *Notice to Employees* poster is also available with Spanish text.

2-2 **ADDITIONAL "TRADE" CLASSIFICATIONS AND WAGE RATES. What if the work classification you need isn't on the wage decision?** If the work classification(s) that you need doesn't appear on the wage decision, you will need to request an ***additional classification and wage rate***. This process is usually very simple and you'll want to start the request right away. Basically, you identify the classification you need and recommend a wage rate for DOL to approve for the project. There are a few rules about additional classifications; you'll find these rules in the DOL regulations, Part 5, and in the labor clauses in your contract. The rules are summarized for you here:

a. **Additional classification rules.** Additional classifications and wage rates can be approved if:

- 1) The requested classification is used by construction contractors in the area of the project. (The area is usually defined as the *county* where the project is located).
- 2) The work that will be performed by the requested classification is not already performed by another classification that is already on the wage decision. (In other words, if there already is an Electrician classification and wage rate on the wage decision you can't request another Electrician classification and rate.)
- 3) The proposed wage rate for the requested classification "fits" with the other wage rates already on the wage decision. (For example, the wage rate proposed for a trade classification such as Electrician must be at least as much as the lowest wage rate for other trade classifications already contained in the wage decision.)  
And,
- 4) The workers that will be employed in the added classification (if it is known who the workers are/will be), or the workers' representatives, must agree with the proposed wage rate.

b. **Making the request.** A request for additional classification and wage rate must be made in writing through the contract administrator. (If the contract administrator is a local agency, the agency will send the request to the HUD Labor Relations staff.) If you are a subcontractor, your request should also go through the prime contractor. All you need to do is identify the work classification that is missing and recommend a wage rate (usually the rate that employer is already paying to the employees performing the work) for that classification. You may also need to describe the work that the new classification will perform.

c. **HUD review.** The HUD Labor Relations field staff will review the requested classification and wage rate to determine whether the request meets the DOL rules outlined in paragraph 2-2(a), above. If additional information or clarification is needed, the staff will contact the prime contractor (or contract administrator for local agency projects) for more information, etc. If the Labor Relations review finds that the request meets the rules, the staff will give preliminary approval on the request and refer it to the DOL for final approval. The staff will send to you a copy of the preliminary approval/referral letter to the DOL.

If the HUD Labor Relations staff doesn't think the request meets the rules and if agreement can't be reached on the proper classification or wage rate for the work described, the HUD Labor Relations staff will *not* approve the request. In this case, the staff will send your request to the DOL with an explanation why HUD believes that the request shouldn't be approved. The DOL still has final decision authority. You will receive a copy of the disapproval/referral letter to the DOL.

d. **DOL decision.** The DOL will respond to HUD Labor Relations in writing about the additional classification and wage rate request. HUD Labor Relations will notify you of the DOL decision in writing. If the DOL approves the request, the prime contractor must post the approval notice on the job site with the wage decision.

If the DOL *does not* approve the request, you will be notified about what classification and wage rate should be used for the work in question. You will also receive instructions about how to ask for DOL reconsideration if you still want to try to get your recommendation approved.



It's always a good idea to talk to the contract administrator before submitting an additional classification and wage rate request. The contract administrator can offer suggestions and advice that may save you time and increase the likelihood that DOL will approve your request. Usually, the contract administrator can give you an idea about what the DOL will finally decide.

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2-3 **CERTIFIED PAYROLL REPORTS.** You'll need to submit a weekly certified payroll report beginning with the first week that your company works on the project and for every week afterward until your firm has completed its work. It's always a good idea to number the payroll reports beginning with #1 and to clearly mark your last payroll for the project "Final."

a. **Payroll formats.** The easiest form to use is DOL's WH-347, *Payroll*. A sample copy of the WH-347 is included in the back of this Guide. Also, the contract administrator can provide a few copies of the WH-347 that you can reproduce.

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☺ You are *not required* to use Payroll Form WH-347. You are welcome to use any other type of payroll, such as computerized formats, as long as it contains all of the information that is required on the WH-347.

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b. **Payroll certifications.** The weekly payrolls are called *certified* because each payroll is signed and contains language certifying that the information is true and correct. The payroll *certification* language is on the reverse side of the WH-347. If you are using another type of payroll format you may attach the certification from the back of the WH-347, or you can use the WH-348, *Statement of Compliance* (same certification language as on WH-347), or any other format which contains the same certification language on the WH-347 (reverse) or WH-348. A copy of the WH-348 is included in the back of this Guide. Copies of the WH-348 are also available from the contract administrator.

c. **"No work" payrolls.** "No work" payrolls may be submitted whenever there is a temporary break in your work on the project. (*See Tip Box, below, for "no work" payroll exemption!*) For example, if your firm is not needed on the project right now but you will be returning to the job in a couple of weeks. However, if you know that your firm will not be working on the project for an extended period of time, you may wish to send a short note to the contract administrator to let them know about the break in work and to give an approximate date when your firm will return to the project. If you send a note, you *do not* need to send "no work" payrolls.

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☺ If you number your payroll reports consecutively, you *do not* need to submit "no work" payrolls!

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d. **Payroll review and submission.** The prime contractor should **review** each subcontractor's payroll reports for compliance *prior* to submitting the reports to the contract administrator. Remember, the prime contractor is responsible for the full compliance of all subcontractors on the contract and will be held accountable for any wage restitution that may be found due to any laborer or mechanic that is underpaid *and* for any liquidated damages that may be assessed for overtime violations. All of the payroll reports for any project must be submitted to the contract administrator *through* the prime contractor.

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☺ An alert prime contractor that reviews subcontractor payroll submissions can detect any misunderstandings early, prevent costly underpayments and protect itself from financial loss should underpayments occur.

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e. **Payroll retention.** Every contractor (including every subcontractor) must keep a complete set of their own payrolls and other basic records such as time cards, for a Davis-Bacon project for at least 3 years after the project is completed. The prime contractor must keep a complete set of all of the payrolls for every contractor (including subcontractors) for at least 3 years after completion of the project.

f. **Payroll inspection.** In addition to submitting payrolls to the contract administrator, every contractor (including subcontractors) must make their *own* copy of the payrolls available for review or copying to any authorized representative from HUD or from DOL.

2-4 **DAVIS-BACON DEFINITIONS.** Before we discuss how to complete the weekly payroll forms, we need to review a couple of definitions. These definitions can help you understand what will be required of you:

a. **Laborer or mechanic.** "Laborers" and "mechanics" mean anyone who is performing construction work on the project, including trade journeymen (carpenters, plumbers, sheet metal workers, etc.), apprentices, trainees and, for CWHSSA purposes, watchmen and guards. "Laborers" and "mechanics" are the two groups of workers that must be paid not less than Davis-Bacon wage rates.

1) **Working foremen.** Foremen or supervisors that regularly spend **more** than 20% of their time performing construction work are covered "laborers" and "mechanics" for labor standards purposes.

2) **Exclusions.** People whose duties are primarily administrative, managerial or clerical are not laborers or mechanics. For example, office staff, timekeepers, messengers, etc. (Contact the contract administrator if you have any questions about whether a particular employee is excluded.)

b. **Employee.** Every person who performs the work of a laborer or mechanic is "*employed*" regardless of any contractual relationship which may be alleged to exist between a contractor or subcontractor and such person. This means that even if there is a contract between a contractor and a worker, the contractor must make sure that the worker is paid at least as much as the wage rate on the wage decision for the classification of work they perform.

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 For more information about working subcontractors, ask the contract administrator or your HUD Labor Relations Field Staff for a copy of Labor Relations Letter LR-96-01, *Labor standards compliance requirements for self-employed laborers and mechanics*. Labor Relations Letters and other helpful Labor Relations publications are available at HUD's web site (see *Introduction* at the beginning of this Guide).

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c. **Apprentices and trainees.** The only workers who can be paid less than the wage rate on the wage decision for their work classification are "apprentices" and "trainees" registered in approved apprenticeship or training programs, including *Step-Up* apprenticeship programs designed for Davis-Bacon construction work. Approved programs are those which have been registered with the DOL, Bureau of Apprenticeship and Training (BAT) or with a BAT-recognized State Apprenticeship Agency (SAC). Apprentices and trainees are paid wage rates in accordance with the wage schedule in the approved program.

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 Most often, the apprentice/trainee wage rate is expressed as a series of percentages tied to the amount of time spent in the program. For example, 0-6 months: 65%; 6 months - 1 year: 70%; etc. The percentage is applied to the journeyman's wage rate. On Davis-Bacon projects, the percentage must be applied to the journeyman's wage rate *on the applicable wage decision* for that craft.

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- 1) **Probationary apprentice.** A "probationary apprentice" can be paid as an apprentice (less than the rate on the wage decision) if the BAT or SAC has certified that the person is eligible for probationary employment as an apprentice.
- 2) **Pre-apprentice.** A "pre-apprentice", that is, someone who is not registered in a program and that hasn't been BAT- or SAC-certified for probationary apprenticeship is *not* considered to be an "apprentice" and must be paid the full journeyman's rate on the wage decision for the classification of work they perform.
- 3) **Ratio of apprentices and trainees to journeymen.** The maximum number of apprentices or trainees that you can use on the job site can not be more than the ratio of apprentices or trainees to journeymen allowed in the approved program.

d. **Prevailing wages or wage rates.** Prevailing wage rates are the wage rates listed on the wage decision for the project. The wage decision will list a minimum basic hourly rate of pay for each work classification. Some wage decisions include fringe benefits which are usually listed as an hourly fringe rate. If the wage decision includes a fringe benefit rate for a classification, you will need to add the fringe benefit rate to the basic hourly rate *unless* you provide bona fide fringe benefits for your employees.

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 **Note** that the *total* hourly wage rate paid to any laborer or mechanic (basic wage *or* basic wage plus fringe benefits) may be no less than the total wage rate (basic wage *or* basic wage plus fringe benefits) on the wage decision for their craft. If the value of the fringe benefit(s) you provide is less than the fringe benefit rate on the wage decision, you will need to add the balance of the wage decision fringe benefit rate to the basic rate paid to the employee. For example, if the wage decision requires \$10/hour basic rate plus \$5/hour fringe benefits, you must pay no less than that total (\$15/hour) in the basic rate *or* basic rate plus whatever fringe benefit you may provide.

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e. **Fringe benefits** include health insurance, retirement, life insurance, vacation and some contributions to training funds. Fringe benefits ***do not*** include employer payments or contributions required by other Federal, State or local laws, such as the employer's contribution to Social Security or some disability insurance payments.

f. **Site of work.** The "site of work" is where the Davis-Bacon wage rates apply. Usually, this means the boundaries of the project. "Site of work" can also include other adjacent or nearby property used by a contractor or subcontractor in the construction of the project, like a fabrication site.

g. **Overtime.** Overtime hours are defined as all hours worked on the site of the work in excess of 40 hours in any work week. Overtime hours must be paid at no less than one and one-half times the regular rate of basic pay plus the straight-time rate of any required fringe benefits.

h. **Deductions.** You may make payroll deductions as permitted by DOL Regulations 29 CFR Part 3. These regulations prohibit the employer from requiring employees to "kick-back" any of their earnings. Allowable deductions include employee obligations for income taxes, Social Security payments, insurance premiums, retirement, savings accounts, and any other legally-permissible deduction authorized by the employee. Deductions may also be made for payments on judgements and other financial obligations legally imposed against the employee.

i. **Proper designation of trade.** You must select a work classification on the wage decision for each worker based on the actual type of work he/she performed and you must pay each worker no less than the wage rate on the wage decision for that classification regardless of their level of skill. In other words, if someone is performing carpentry work on the project, they must be paid no less than the wage rate on the wage decision for Carpenters *even* if they aren't considered by you to be fully trained as a Carpenter. ***Remember***, the only people who can be paid less than the rate for their craft is apprentices and trainees registered in approved programs.

1) **Split-classification.** If you have employees that perform work in more than one classification, you can pay the wage rates specified for each classification ***only*** if you maintain accurate time records showing the amount of time spent in each classification of work. If you do not maintain accurate time records, you must pay these employees the *highest* wage rate of all of the classifications of work performed.

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## SECTION II REPORTING REQUIREMENTS

2-5 **COMPLETING A PAYROLL REPORT.** **What information has to be reported on the payroll form?** The weekly payroll form doesn't ask for any information that you don't already need to keep for wage payment and tax purposes. For example, you need to know each employee's *name, address* and *social security number*; his or her *work classification* (who is working for you and what do they do?), the *hours worked* during the week, his or her *rate of pay*, the *gross amount earned* (how much did they earn?), the amounts of any *deductions* for taxes, etc., and the *net amount paid* (how much should the paycheck be made out for?). No more information than you need to know in order to manage your work crew and make certain they are paid properly. And, certainly, no more information than you need to keep for IRS, Social Security and other tax and employment purposes.

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☺ **FOR MOST CONTRACTORS, THE WEEKLY CERTIFIED PAYROLL IS ALL THE PAPERWORK THAT IS REQUIRED FOR A DAVIS-BACON PROJECT!**

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a. **Project and contractor/subcontractor information.** Each payroll should show the contractor or subcontractor's name and address, the project name and number, and the week ending date. Indicate the *dates* in the spaces provided. Numbering payrolls is optional but strongly recommended.

b. **Employee information.** The first payroll on which each employee appears must contain the employee's name, address and Social Security Number. Afterward, the address and Social Security Number only need to be reported if there is a change in this information.

c. **Work Classification.** Each employee must be classified in accordance with the wage decision based on the type of work they actually perform.

1) **Apprentices or Trainees.** The first payroll on which any apprentice or trainee appears must be accompanied by a copy of that apprentice's or trainee's registration in an approved program. A copy of the portions of the approved program pertaining to the wage rates and ratios shall also accompany the first CPR on which the first apprentice or trainee appears.

2) **Split classifications.** For employees in split classifications, list the employees once for each classification, distributing the hours of work accordingly, and reflecting the rate of pay and gross earnings for each classification. Deductions and net pay may be based upon the total gross amount earned for all classifications.

d. **Hours Worked.** The payroll should show ONLY the regular and overtime hours worked on this project. Show both the daily and total weekly hours for each employee. If an employee performs work at job sites other than the project for which the payroll is prepared, those "other job" hours *should not* be reported on the payroll. In these cases, you should list the employee's name, classification, hours for this project only, the rate of pay and gross earnings for this project, and the gross earned for *all projects*. Deductions and net pay may be based upon the employee's total earnings (for all projects) for the week.

e. **Rate of Pay.** Show the basic hourly rate of pay for each employee for this project. If the wage decision includes a fringe benefit and you *do not* participate in approved fringe benefit programs, *add* the fringe benefit rate to the basic hourly rate of pay. Also list the overtime rate if overtime hours were worked.



Remember, the overtime rate is computed at one and one-half times the *basic* rate of pay plus any fringe benefits. For example, if the wage decision requires \$10/hour basic plus \$5/hour fringe benefits, the overtime rate would be:  $(\$10 \times 1\frac{1}{2}) + \$5 = \$20/\text{hour}$ .

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f. **Gross Wages Earned.** Show the gross amount of wages earned for work performed on this project. *Note:* For employees with work hours and earnings on other projects, you may show gross wages for this project over gross earnings all projects (for example, \$425.40/\$764.85) and base deductions and net pay on the "all projects" earnings.

g. **Deductions.** Show the amounts of any deductions from the gross earnings. "Other" deductions should be identified (for example, Savings Account or Loan Repayment). Any voluntary deduction (that is, not required by law or by an order of a proper authority) must be authorized in writing by the employee. A short note signed by the employee is all that is needed and should accompany the first payroll on which the other deduction appears.

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 Only one employee authorization is needed for recurring (e.g., weekly) other deductions.  Written employee authorization is not required for income tax and Social Security deductions.

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h. **Net Pay.** Show the net amount of wages paid.

i. **Statement of Compliance.** The Statement of Compliance is the certification. It is located on the reverse side of a standard payroll form (WH-347) or on form WH-348. Be sure to complete the identifying information at the top, particularly if you are attaching the Statement of Compliance to an alternate payroll form such as a computer payroll. Also, you must check either 4(a) or 4(b) if the wage decision contains a fringe benefit. Checking 4(a) indicates that you are paying required fringe benefits to approved plans or programs; and 4(b) indicates that you are paying any required fringe benefit amounts directly to the employee by adding the fringe benefit rate to the basic hourly rate of pay. If you are paying a portion of the required fringe benefit to programs and the balance directly to the employee, explain those differences in box 4(c).

j. **Signature.** Make sure the payroll is **signed** with an original signature. The payroll must be signed by a principal of the firm (owner or officer such as the President, Treasurer or Payroll Administrator) or by an authorized agent (a person authorized by a principal in writing to sign the payroll reports). Signature authorization (for persons other than a principal) should be submitted with the first payroll signed by such an agent.

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 Only one Statement of Compliance is required for each employer's weekly payroll no matter how many pages are needed to report the employee data.

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### **SECTION III PAYROLL REVIEWS AND CORRECTIONS**

2-6 **COMPLIANCE REVIEWS.** The contract administrator or other inspector may visit the project site and interview some of the workers concerning their employment on the project. In addition, the contract administrator will periodically review payrolls and related submissions, comparing the interview information to the payrolls, to ensure that the labor standards requirements have been met. You will be notified by the contract administrator if these reviews find any discrepancies or errors. You will be given instructions about what steps must be taken to correct any problems.

a. **On-site Interviews.** Every employer (contractor, subcontractor, etc.) must make their employees available for interview at the job site with the contract administrator or other agency representative, or HUD or DOL representative. The interviews are confidential and the employee will be asked about the kind of work they perform and their rate of pay. Every effort will be made to ensure that these interviews cause as little disruption as possible to the on-going work. The interviewer will record the interview information, usually on a form HUD-11, *Record of Employee Interview*, and forward the interviews to the contract administrator.

b. **Project payroll reviews.** The contract administrator will compare the information on the interview forms to the corresponding payrolls to ensure that the workers are properly listed on the payrolls for the days, work classification and rate of pay. The contract administrator will also review the payroll submissions to make certain that the payrolls are complete and signed; that employees are paid no less than the wage rate for the work classification shown; apprentice and trainee certifications are submitted (where needed); employee authorizations for other deductions are submitted (where needed); etc.

2-7 **TYPICAL PAYROLL ERRORS AND REQUIRED CORRECTIONS.** The following paragraphs describe common payroll errors and the corrective steps you must take.

a. **Inadequate payroll information.** If the alternate payroll (such as a computer payroll) does not contain all of the information that would be on the optional form WH-347, the employer will be asked to resubmit the payrolls on an acceptable form.

b. **Missing addresses and Social Security Numbers.** If the first payroll on which an employee appears does not contain the employee's address and Social Security Number, the employer will be asked to supply the missing information. A short note providing the information is all that is needed.

c. **Incomplete payrolls.** If the information on the payroll is not complete, for example, if work classifications or rates of pay are missing, the employer will be asked to send a corrected payroll.

d. **Classifications.** If the payrolls show work classifications that do not appear on the wage decision, the employer will be asked to reclassify the employees in accordance with the wage decision *or* the employer may request an ***additional classification and wage rate*** (See paragraph 2-2). If reclassification results in underpayment (the wage rate paid on the payroll is less than the rate required for the new classification, the employer will be asked to pay ***wage restitution*** to all affected reclassified employees. (See paragraph 2-8 for instructions about wage restitution.)

e. **Wage Rates.** If the wage rates on the payroll are less than the wage rates on the wage decision for the work classification reported, the employer will be asked to pay wage restitution to all affected employees.

f. **Apprentices and trainees.** If a copy of the employee(s) registration or approved program ratio and wage schedule is not submitted with the first payroll on which an apprentice or trainee appears, the employer will be asked to submit a copy of each apprentice's or trainee's registration and/or the approved program ratio and wage schedule. If the ratio of apprentices or trainees to journeymen on the payroll is greater than the ratio in the approved program, the employer will be asked to pay wage restitution to any excess apprentices or trainees. Also, any apprentice or trainee that is *not* registered in an approved program must receive the journeyman's wage rate for the classification of work they performed.

g. **Overtime.** If the employees did not receive at least time and one-half for any overtime hours worked on the project, the following will occur:

1) If the project is subject to *CWHSSA overtime* requirements, the employer will be asked to pay wage restitution for all overtime hours worked on the project (overtime hours worked at other projects are not subject to *CWHSSA*). The employer may also be liable to the United States for liquidated damages computed at \$10 per day per violation. Or,

2) If the project is *not* subject to *CWHSSA*, the employer will be notified of the possible *FLSA overtime* violations. Also, the Labor Relations staff may refer the violations to the DOL for further review.

h. **Computations.** If the payroll computations (hours worked times rate of pay) or extensions (deductions, net pay) show frequent errors, the employer will be asked to take greater care. Wage restitution may be required if underpayments resulted from the errors.

i. **Deductions.** If there are any "Other" deductions that are not identified, or if employee authorization isn't provided, or if there is any unusual (very high, or large number) deduction activity, the employer will be asked to identify the deductions, provide employee authorization or explain unusual deductions, as necessary.

j. **Fringe benefits.** If the wage decision contains fringe benefits but the payroll does not indicate how fringe benefits were paid [neither 4(a) nor 4(b) is marked on the payroll form], the employer may be asked to submit corrected payrolls *and* will be required to pay wage restitution if underpayments occurred. *However*, if the basic hourly rates for the employees are at least as much as the total wage rate on the wage decision (basic hourly rate *plus* the fringe benefit rate), no correction is necessary.

k. **Signature.** If the payroll *Statement of Compliance* is not signed or is missing, the employer will be asked to submit a signed Statement of Compliance for each payroll affected.

l. **On-site interview comparisons.** If the comparison of on-site interviews to the payrolls indicates any discrepancies (for example, the employee does not appear on the payroll for the date of the interview), the employer will be asked to submit a corrected payroll report.

2-8 **RESTITUTION FOR UNDERPAYMENT OF WAGES.** Where underpayments of wages have occurred, the employer will be required to pay wage restitution to the affected employees. Wage restitution must be paid promptly in the full amounts due, less permissible and authorized deductions.

a. **Notification to the prime contractor.** The contract administrator will notify the prime contractor in writing of any underpayments that are found during payroll or other reviews. The notice will describe the underpayments and provide instructions for computing and documenting the restitution to be paid. The prime contractor is allowed 30 days to correct the underpayments. Note that the prime contractor is responsible to the contract administrator for ensuring that restitution is paid. If the employer is a subcontractor, the subcontractor will usually make the computations and restitution payments and furnish the required documentation through the prime contractor.

b. **Computing wage restitution.** Wage restitution is simply the difference between the wage rate paid to each affected employee and the wage rate required on the wage decision for all hours worked where underpayments occurred. The difference in the wage rates is called the *adjustment rate*. The adjustment rate times the number of hours involved equals the gross amount of restitution due.

c. **Correction payrolls.** The employer will be required to report the restitution paid on a correction certified payroll. The correction payroll will reflect the period of time for which restitution is due (for example, Payrolls #1 through #6; or a beginning date and ending date). The correction payroll will list each employee to whom restitution is due and their work classification; the total number of work hours involved (daily hours are usually not applicable for restitution); the adjustment wage rate (the difference between the required wage rate and the wage rate paid); the gross amount of restitution due; deductions and the net amount to be paid. A signed Statement of Compliance must be attached to the correction CPR.

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☺ Employers are no longer required to submit checks (certified or otherwise) to correct underpayments. Restitution payments are reported and certified by the employer on a correction payroll.

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d. **Employee signature.** Each employee who has received restitution signs the correction payroll as evidence of their receipt of the payment.

e. **Review of correction CPR.** The contractor administrator will review the correction payroll to ensure that full restitution was paid. The prime contractor shall be notified in writing of any discrepancies and will be required to make additional payments, if needed, documented on a supplemental correction payroll within 30 days.

f. **Unfound workers.** Sometimes, wage restitution can not be paid to an affected employee because, for example, the employee has moved and can't be located.

In these cases, at the end of the project the prime contractor will be required to place in a deposit or escrow account an amount equal to the total amount of restitution that could not be paid because the employee(s) could not be located. The contract administrator will continue to attempt to locate the unfound workers for 3 years after the completion of the project. After 3 years, any amount remaining in the account for unfound workers will be credited and/or forwarded by the contract administrator to HUD.

## **CHAPTER 3 LABOR STANDARDS DISPUTES, ADMINISTRATIVE REVIEWS, WITHHOLDING AND DEPOSITS AND ESCROW ACCOUNTS**

### **WHAT HAPPENS WHEN THINGS GO WRONG?**

3-1 **INTRODUCTION.** Even in the best of circumstances, things can go wrong. In a Davis-Bacon context, "things going wrong" usually means there's a difference of opinion - a dispute - about whether and to what extent underpayments have occurred. These disputes are usually between the contract administrator and one or more employers (the prime contractor and/or a subcontractor). The dispute may involve something simple such as an additional classification request that is pending before the DOL; or something as significant as investigative findings following a complaint of underpayment. This chapter discusses some of what you may expect and what you can do to make your views known and to lessen any delays.

3-2 **ADMINISTRATIVE REVIEW ON LABOR STANDARDS DISPUTES.** As mentioned in the Introduction, above, a dispute about labor standards and compliance can arise for a number of reasons. The labor standards clauses in your contract and DOL regulations provide for administrative review of issues where there is a difference of views between the contract administrator and any employer. The most common circumstances include:

a. **Additional classifications and wage rates.** Additional classification and wage rate requests are sometimes denied by the DOL. An employer that is dissatisfied with the denial can request reconsideration by the DOL Wage and Hour Administrator. The employer may continue to pay the wage rate, as requested, until a final decision is rendered on the matter. When the final decision is known, the employer will be required to pay any additional wages that may be necessary to satisfy the wage rate that is established.

1) **Reconsideration.** The DOL normally identifies the reasons for denial in its response to the request. Any interested person (*for example*, the contract administrator, employer, representatives of the employees) may request reconsideration on the decision on the additional classification request. The request for reconsideration should be made in writing and should thoroughly address the denial reasons identified by the DOL. Requests for reconsideration should be made through the contract administrator. (*See ¶2-2(d), and also DOL Regulations 29 CFR 1.8.*)

2) **Administrative Review Board.** Any interested party may request a review of the Administrator's decision on reconsideration by the ***Administrative Review Board*** (*formerly, Wage Appeals Board*). DOL regulations 29 CFR Part 7 explain the procedures for such reviews. (*See also 29 CFR 1.9.*)

b. **Findings of underpayment.** Compliance reviews and other investigations may result in findings of underpayment. The primary goal in every case and at every step in this process is to reach agreements about who may have been underpaid and how much wage restitution may be due and, of course, to deliver restitution to any underpaid workers. The contract administrator will usually work informally with you to reach such agreements. You will have an opportunity to provide additional information to the contract administrator that may explain apparent inconsistencies and/or resolve the discrepancies.

If informal exchanges do not result in agreement, the final determination and schedule of wages due will be presented to you in writing and you will be permitted 30 days in which to correct the underpayment(s) *or* to request a hearing on the matter before the DOL. The request for hearing should be made in writing and should explain what findings are in dispute and the reasons. The request should be made through the contract administrator. The contract administrator will submit a report of the findings and the hearing request to the DOL for review and further consideration.

1) **DOL review.** The DOL will review the contract administrator's report and the arguments against the findings presented in the hearing request. The DOL may affirm or modify the findings based upon the materials presented. You will be notified in writing by the DOL of the results of its review; you will be given an opportunity to correct any underpayments *or* to continue with the hearing request. (*See DOL Regulations 29 CFR 5.11 (b) and 29 CFR Part 6, Rules of Practice for Administrative Proceedings....*)

2) **Administrative Review Board.** Contractors and/or subcontractors may request a review by the Administrative Review Board of the decision(s) rendered by the DOL in the administrative hearing process. See DOL regulations 29 CFR Part 7 for more information about this proceeding.

3-3 **WITHHOLDING.** The contract administrator may cause withholding from payments due to the prime contractor to ensure the payment of wages which are believed to be due and unpaid, for example, if wage underpayments or other violations are not corrected within 30 days after notification to the prime contractor. Withholding is considered to be serious and is not taken unless warranted. Very often, the amount kept in retention is sufficient to cover any back wage liability so withholding from payments is not considered necessary. However, if withholding is deemed necessary, you will be notified in writing. Only the amounts necessary to meet the contractor's (and/or subcontractor's) liability shall be withheld.



Remember, the prime contractor is responsible and will be held liable for any wage restitution that is due to any worker employed in the construction of the project, including workers employed by subcontractors and any lower-tier subcontractors. See ¶1-4, *Responsibility of the Principal Contractor*, and ¶2-8(a), *Restitution for underpayment of wages*.

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3-4 **DEPOSITS AND ESCROWS.** In every case, we attempt to complete compliance actions and resolve any disputes before the project is completed and final payments are made. Sometimes, corrective actions or disputes continue after completion and provisions must be made to ensure that funds are available to pay any wage restitution that is ultimately found due. In these cases, we allow the project to proceed to final closings and payments *provided* the prime contractor deposits an amount equal to the potential liability for wage restitution and liquidated damages, if necessary, in a special account. The deposit or *escrow account* is controlled by the contract administrator. When a final decision is rendered, the contract administrator makes disbursements from the account in accordance with the decision. Deposit/escrow accounts are established for one or more of the following reasons:

a. Where the parties have agreed to amounts of wage restitution that are due *but* the employer hasn't furnished evidence yet that all of the underpaid workers have received their back wages. The deposit is equal to the amount of restitution due to workers lacking payment evidence. As proper documentation is received, amounts corresponding to the documentation is returned to the depositor. Amounts for any workers who can not be located are held in the escrow account for three years and disbursed as described in ¶2-8(f) of this Guide.

b. Where underpayments are suspected or alleged and an investigation has not yet been completed. The deposit is equal to the amount of wage restitution and any liquidated damages, if applicable, that is estimated to be due. If the final determination of wages due is less than the amount estimated and placed in the escrow account, the escrow will be reduced to the final amount and the difference will be returned to the depositor. If the parties agree to the investigative findings, the amounts due to the workers will be disbursed from the escrow account in accordance with the schedule of wages due. Amounts for unfound workers will be retained as described above (*See ¶2-8(f) and 3-4(a)*).

If the parties *do not* agree and an administrative hearing is requested, the escrow will be maintained as explained in ¶3-4(c), below.

c. Where the parties are waiting for the outcome of an administrative hearing that has been or will be filed contesting a final determination of wages due. The deposit shall be equal to the amount of wage restitution and liquidated damages, if applicable, that have been determined due. Once a final decision is rendered, disbursements from the escrow account are made in accordance with the decision.

3-5 **DEBARMENT.** Contractors and/or subcontractors that are found by the Secretary of Labor to be in aggravated or willful violation of the labor standards provisions of the Davis-Bacon and Related Acts (DBRA) will be ineligible (*debarred*) to participate in any DBRA or Davis-Bacon Act contracts for up to 3 years. Debarment includes the contractor or subcontractor and any firm, corporation, partnership or association in which the contractor or subcontractor has a substantial interest. Debarment proceedings can be recommended by the contractor administrator or can be initiated by the DOL on its motion. Debarment proceedings are described in DOL regulations 29 CFR 5.12.

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☺ Remember, if you have any questions or need assistance concerning labor standards requirements help is always available. Contact the contract administrator for the project you're working on or the HUD Field Labor Relations staff in your area.

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## SUPPLEMENTAL GENERAL CONDITIONS

1. Enumeration of Plans, Specifications and Addenda
2. Stated Allowances
3. Special Hazards
4. Contractor's and Subcontractor's Public Liability, Vehicle Liability, and Property Damage Insurance
5. Photographs of Project
6. Schedule of Occupational Classifications and Minimum Hourly Wage Rates as Required Under Paragraph 51 of the General Conditions
7. Builder's Risk Insurance
8. Special Equal Opportunity Provisions
9. Certification of Compliance with Air and Water Acts
10. Special Conditions Pertaining to Hazards, Safety Standards, and Accident Prevention
11. Flood Disaster Protection
12. Access to Records - Maintenance of Records
13. Conflict of Interest of Officers or Employees of the Local Jurisdiction, Members of the Local Governing Body or Other Public Officials
14. Minority and Female Contractor Associations

1. ENUMERATION OF PLANS, SPECIFICATIONS AND ADDENDA

Following are the Plans, Specifications and Addenda which form a part of this contract, as set forth in Paragraph 1 of the General Conditions, "Contract and Related Contract Documents":

DRAWINGS:

General Construction:	Nos.	_____
Heating and Ventilating:	"	_____
Plumbing:	"	_____
Electrical:	"	_____
_____	"	_____
_____	"	_____

SPECIFICATIONS:

General Construction:	Page _____ to _____, incl.
Heating and Ventilating:	" _____ to _____, incl.
Plumbing:	" _____ to _____, incl.
Electrical:	" _____ to _____, incl.
	" _____ to _____, incl.
	" _____ to _____, incl.

ADDENDA:

No. _____	Date _____	No. _____	Date _____
No. _____	Date _____	No. _____	Date _____

2. STATED ALLOWANCES

Pursuant to Paragraph 36 of the General Conditions, the Contractor shall include the following cash allowances in his proposal:

- (a) For \_\_\_\_\_ (Page \_\_\_\_\_ of Specifications) \$ \_\_\_\_\_
- (b) For \_\_\_\_\_ (Page \_\_\_\_\_ of Specifications) \$ \_\_\_\_\_
- (c) For \_\_\_\_\_ (Page \_\_\_\_\_ of Specifications) \$ \_\_\_\_\_
- (d) For \_\_\_\_\_ (Page \_\_\_\_\_ of Specifications) \$ \_\_\_\_\_
- (e) For \_\_\_\_\_ (Page \_\_\_\_\_ of Specifications) \$ \_\_\_\_\_
- (f) For \_\_\_\_\_ (Page \_\_\_\_\_ of Specifications) \$ \_\_\_\_\_

3. SPECIAL HAZARDS

The Contractor's and his Subcontractor's Public Liability and Property Damage Insurance shall provide adequate protection against the following special hazards:

4. CONTRACTOR'S AND SUBCONTRACTOR'S PUBLIC LIABILITY, VEHICLE LIABILITY, AND PROPERTY DAMAGE INSURANCE

As required under Paragraph 28 of the General Conditions, the Contractor's Public Liability Insurance and Vehicle Liability Insurance shall be in an amount not less than \$ for injuries, including accidental death, to any one person, and subject to the same limit for each person, in an amount not less than \$\_\_\_\_\_ on account of one accident, and Contractor's Property Damage Insurance in an amount not less than \$\_\_\_\_\_.

The Contractor shall either (1) require each of his subcontractors to procure and to maintain during the life of his subcontract, Subcontractor's Public Liability and Property Damage of the type and in the same amounts as specified in the preceding paragraph, or (2) insure the activities of his subcontractors in his own policy.

5. PHOTOGRAPHS OF PROJECT

As provided in Paragraph 49 of the General Conditions, the Contractor will furnish photographs in the number, type, and stage as enumerated below:

6. SCHEDULE OF OCCUPATIONAL CLASSIFICATIONS AND MINIMUM HOURLY WAGE RATES AS REQUIRED UNDER PARAGRAPH 51 OF THE GENERAL CONDITIONS

Given on Pages \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_.

7. BUILDER'S RISK INSURANCE

As provided in the General Conditions, Paragraph 28(e), the Contractor will/will not\* maintain Builder's Risk Insurance (fire and extended coverage) on a \_\_\_\_\_ percent completed value basis on the insurable portions of the project for the benefit of the Owner, the Contractor, and all subcontractors, as their interest may appear.

\*Strike out one.

8. SPECIAL EQUAL OPPORTUNITY PROVISIONS

A. Activities and Contracts Not Subject to Executive Order 11246, as Amended  
(Applicable to federally assisted construction contracts and related subcontracts of \$10,000 and under.)

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

1. 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.
2. 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.
3. Contractors shall incorporate foregoing requirements in all subcontracts.

B. Executive Order 11246 (contracts/subcontracts above \$10,000)

1. Section 202 Equal Opportunity Clause

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

- (1) 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.
- (2) 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.
- (3) 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.

- (4) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and the rules, regulations, and relevant orders of the Secretary of Labor.
  - (5) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, 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.
  - (6) 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, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
  - (7) The Contractor will include the provisions of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) 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 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 United States.
2. Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (Executive Order 11246). (Applicable to contracts/subcontracts exceeding \$10,000).

- (1) The Offeror's or Bidder's attention is called to the "Equal Opportunity

Clause" and the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" set forth herein.

- (2) The goals and timetables for minority and female participation, expressed in percentage terms for the Contractor's aggregate workforce in each trade on all construction work in the covered area, are as follows:

Goals for minority participation	Goals for female participation
(Insert goals)	(Insert goals for current year)

These goals are applicable to all the Contractor's construction work (whether or not it is federal or federally assisted) performed in the covered area. If the contractor performs construction work in a geographic area located outside of the covered area, it shall apply the goals established for such geographic area where the work is actually performed.

With regard to this second area, the Contractor also is subject to the goals for both its federally involved and non-federally involved construction. The Contractor's compliance with the Executive Order and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a) and its efforts to meet the goals established for the geographical area where the contract resulting from this solicitation is to be performed. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the Contractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from Contractor to Contractor or from project to project for the sole purpose of meeting the Contractor's goals shall be a violation of the contract, the Executive Order, and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

- (3) 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 subcontract; and the geographical area in which the contract is to be performed.

- (4) 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):
3. Standard Federal Equal Employment Opportunity Construction Contract Specifications (Executive Order 11246)
- (1) As used in these specifications:
- a. "Covered area" means the geographical area described in the solicitation from which this contract resulted;
  - b. "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority;
  - c. "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.
  - d. "Minority" includes:
    - (i) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);
    - (ii) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South America or other Spanish Culture or origin, regardless of race);
    - (iii) 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
    - (iiii) 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).
- (2) 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.

- (3) 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 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.
- (4) The Contractor shall implement the specific affirmative action standards provided in paragraphs 7a through 7p 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.
- (5) 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.
- (6) 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.
- (7) 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:

- a. 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.
- b. 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.
- c. 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 therefor, along with whatever additional actions the Contractor may have taken.
- d. 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.
- e. 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 7b above.

- f. 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.
- g. 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.
- h. 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 policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.
- i. 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.
- j. 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.

- k. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.
  - l. 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.
  - m. 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.
  - n. 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.
  - o. 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.
  - p. Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and affirmative action obligations.
- (8) Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (7a through p). 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 7a through p of these specifications provided that the Contractor actively participates in the group, makes every effort to assure that the group has a 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.
- (9) 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).

- (10) 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.
- (11) The Contractor shall not enter into any subcontract with any person or firm debarred from government contracts pursuant to E.O. 11246.
- (12) The Contractor shall not 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.
- (13) 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 7 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.
- (14) 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.
- (15) 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).

C. Certification of Nonsegregated Facilities (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, \*\*transportation and housing facilities provided for employees which are segregated on the basis of race, color, religion, or otherwise. 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).

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\*\*Parking lots, drinking fountains, recreation, or entertainment areas.

D. Civil Rights Act of 1964

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.

E. 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.

F. "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 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).

G. Section 503 Handicapped (for contracts of \$10,000 or Over)

Affirmative Action for Handicapped Workers

- (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.

#### H. 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 federally assisted construction contracts and related subcontracts exceeding \$100,000.)

#### Compliance With Air and Water Acts

During the performance of this contract, 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:

- (1) 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.
- (2) 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.
- (3) 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.
- (4) 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. SPECIAL CONDITIONS PERTAINING TO HAZARDS, SAFETY STANDARDS AND ACCIDENT PREVENTION

A. Lead-Based Paint Hazards

(Applicable to 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.

11. 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.

12. ACCESS TO RECORDS - MAINTENANCE OF RECORDS

The State 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 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 four (4) years from the official date of the State's final closeout of the grant.

13. CONFLICT OF INTEREST OF OFFICERS OR EMPLOYEES OF THE LOCAL JURISDICTION, MEMBERS OF THE LOCAL GOVERNING BODY, OR OTHER PUBLIC OFFICIALS.

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 exercises any function or responsibility with respect to this contract, during 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.

14. MINORITY AND FEMALE CONTRACTOR ASSOCIATIONS

Lists of minority and female owned businesses are available from various sources including the Louisiana Department of Transportation and Development and the U.S. Department of Housing and Urban Development, New Orleans Area Office. These lists are available solely for the benefit of the Contractor for the purpose of assisting him/her in meeting the equal opportunity provisions contained in these supplemental General Conditions. The lists do not contain a complete listing of minority and female businesses. The information may in some cases be out of date.

FEDERAL WAGE DETERMINATION INSERTED HERE

## FORCE ACCOUNT RECORD KEEPING

### Labor Cost Records:

1. Hiring and personnel records to include dates of employment, name, address, social security number, work classification, rate of pay, fringe benefits and other pertinent information.
2. Payroll and time distribution records to include daily time records showing straight and overtime hours worked, project location and description of work, gross wages earned at the end of the payroll period, authorized deductions, net wages to the employees, canceled checks, and proof of payment of fringe benefits and deductions by the Grantee. (Overtime pay will be governed by the Grantee's local policy).

### Equipment Use Record:

1. Daily use records to include description of equipment, project description and location where equipment was used, number of hours used, name of operator, and use rate.
2. Records to support use allowance or depreciation charge.

Materials Procurement Records: (The documentation will vary according to whether or not materials were obtained based upon quotes or competitive bids.)

1. Bid documents including description of materials,
2. Notarized proof of advertisement for bids,
3. Minutes of bid opening,
4. Bidders' proposals,
5. Evaluation and recommendations of award,
6. Resolution of award,
7. Contract documents,
8. Delivery and inventory records (itemized), and
9. Invoice and payment records (itemized).

### Project Execution and Administration Records:

1. Determination to use force account to include opinion of legal counsel,
2. Written approval from Office of Community Development allowing the use of force account.
3. Architect-Engineer Contract,
4. Plans and specifications,
5. Cost Estimates,
6. Work orders and change orders,
7. Inspection reports,
8. Progress payments,
9. Field measurements, test, surveys, etc., and
10. Other documentation related to the force account project (Note: Records to support the Grantee's compliance efforts with respect to other program requirements, equal opportunity, housing, citizen participation, etc., are not described here).

# Verification of Contractor Eligibility **B-7**

\_\_\_\_\_  
Date Received by State

1. Request for Contractor Clearance is hereby made under the following contract:

Grantee Name \_\_\_\_\_

LCDBG Contract # \_\_\_\_\_

2. Identification of the prime contractor for which clearance is requested is as follows:

Contractor Name \_\_\_\_\_

Address \_\_\_\_\_

City and State \_\_\_\_\_

Zip Code \_\_\_\_\_

Phone Number(s) \_\_\_\_\_

3. Name of the principles of the company 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. Type of work to be performed? \_\_\_\_\_

5. Other prime contractor(s) listed on add'l page(s)? Yes \_\_\_\_\_ No \_\_\_\_\_

6. Signed: \_\_\_\_\_ Date \_\_\_\_\_  
Grantee's Labor Compliance Officer (LCO) or CEO

7. (To be completed by the Office of Community Development) Upon receipt, OCD will determine contractor(s) eligibility status, complete and fax or mail the form(s) to the grantee's LCO.

Prime on this page cleared: Yes \_\_\_\_\_ No \_\_\_\_\_ Date \_\_\_\_\_

____ LGR _____
____ Labor Standards _____
____ Labor (Perm) File _____

Signature, State's LCO \_\_\_\_\_

Faxed \_\_\_\_\_ Mailed \_\_\_\_\_ To \_\_\_\_\_

Comments: \_\_\_\_\_

8. Continued from previous page, Verification of Contractor Eligibility: Page \_\_\_\_ of \_\_\_\_

Grantee Name: \_\_\_\_\_ LCDBG Contract

# \_\_\_\_\_

Contractor Name _____	
Address _____	
City, State, and Zip _____	
Phone Number(s) _____	
Name of Principals	Title(s)
_____	_____
_____	_____
Type of work to be performed? _____	
Cleared by State Action? Yes ____ No ____ By _____ Date _____	

Contractor Name _____	
Address _____	
City, State, and Zip _____	
Phone Number(s) _____	
Name of Principals	Title(s)
_____	_____
_____	_____
Type of work to be performed? _____	
Cleared by State Action? Yes ____ No ____ By _____ Date _____	

Contractor Name _____	
Address _____	
City, State, and Zip _____	
Phone Number(s) _____	
Name of Principals	Title(s)
_____	_____
_____	_____
Type of work to be performed? _____	
Cleared by State Action? Yes ____ No ____ By _____ Date _____	

**Instructions for Verification of Contractor Eligibility (Exhibit B-7)**

1. Name, LCDBG Contract #	Self-explanatory.
2. Identification of ...prime....	Information on the prime construction contractor for which clearance is being requested.
3. Identification of principals... and titles...	<p>Since the names are checked against a federal database of debarred names, it is helpful to list the complete name. If a complete name is not known, it is helpful to list a middle initial.</p> <p>Example: John Brown may have many debarment listings or “hits” on the federal debarment site because John Brown is a common name. On the other hand, the full name, John Buford Brown, is not as likely to have so many false “hits”.</p> <p>In the case of corporations, “Principals” are owners or office holders as recorded legally. In sole proprietorships or partnerships, “Principals” are the owner(s).</p> <p>Titles or Position: Examples—President, Vice Pres, Secretary.</p>
4. Type of work to be performed	<p>Examples: sewer lines, street reconstruction, water well, etc.</p> <p>On housing projects examples include: drywall installation, plumbing, electrical, flooring, roofing, etc.</p>
5. Other prime contractors...	Mark the appropriate choice.
6. Signed & Date	<p>The grantee’s Labor Compliance Officer (LCO) is the usual signor of this document. The day on which this form is completed by the grantee’s LCO is the appropriate date.</p> <p>Grantee’s LCO is to mail, fax or e-mail the document(s) to OCD.</p>
7. To be completed by OCD...	<p>The state’s LCO will determine eligibility status of the prime contractor, complete item 7 on the form, sign and date the form, and fax or mail it to the grantee’s LCO. Allow about one week’s turnaround time but if clearance is needed immediately call the state’s LCO at (225) 342-7412.</p>
8. Additional Prime Contractors	Use when there are additional prime contractors. Note: OCD does not clear subcontractors.



# Notice of Contract Award

# B-8

\_\_\_\_\_  
Date Received by State

Note: 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.

**1. The LCDBG Contract:**

Grantee Name \_\_\_\_\_

LCDBG Contract # \_\_\_\_\_

**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 Award (All funds—Local, LCDBG, etc.): \_\_\_\_\_

State Use Only
___ LGR ___
___ Labor Standards
___ Labor (Perm) File
___ Engineer

5. Comments: \_\_\_\_\_

6. Signed \_\_\_\_\_  
Grantee's Labor Compliance Officer or CEO

7. Date \_\_\_\_\_

**8. Complete and fax or mail this form along with a copy of the certified and itemized bid tab to OCD. Documents are to be received by OCD within 30 days of the award date.**

## Instructions for *Notice of Contract Award* (Exhibit B-8)

1. Grantee Name Contract Number	Name of Municipality or Parish that is the recipient of grant funds. Six-digit contract number between the state and grant recipient.															
2. A prime...contract...	Name: of prime contractor. Type of Work: 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="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;"><u>Source</u></th> <th style="text-align: left;"><u>Purpose</u></th> <th style="text-align: right;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>LCDBG</td> <td>Sewer lines, engineering</td> <td style="text-align: right;">500,000.00</td> </tr> <tr> <td>LCDBG</td> <td>Hooks up on private property</td> <td style="text-align: right;">100,000.00</td> </tr> <tr> <td>USDA</td> <td>Sewer treatment plant</td> <td style="text-align: right;">300,000.00</td> </tr> <tr> <td>Local</td> <td>Engineering</td> <td style="text-align: right;">50,000.00</td> </tr> </tbody> </table> <p>Some construction contracts involve only LCDBG funds and have a single purpose. For such cases, use only a one-line entry.</p> <p>Other contracts will require more than a one-line entry. For instance, if there are hook-ups on private property that are under the LCDBG activity of “rehabilitation”, the components will require at least two entries.</p>	<u>Source</u>	<u>Purpose</u>	<u>Amount</u>	LCDBG	Sewer lines, engineering	500,000.00	LCDBG	Hooks up on private property	100,000.00	USDA	Sewer treatment plant	300,000.00	Local	Engineering	50,000.00
<u>Source</u>	<u>Purpose</u>	<u>Amount</u>														
LCDBG	Sewer lines, engineering	500,000.00														
LCDBG	Hooks up on private property	100,000.00														
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 \$950,000.00.															
5. Comments	Comments about any pertinent fact. If none, leave blank.															
6. Signed	The grantee’s Labor Compliance Officer is the usual signor.															
7. Date	The date on which this form is completed is the appropriate date.															
8. Complete and submit...	Obtain the certified and itemized bid tabulation from the engineer. Fax or mail that tabulation and this Notice of Contract Award, together, to the Office of Community Development.															

General Decision Number: LA030009 03/12/2004 LA9

Superseded General Decision Number: LA020009

State: Louisiana

Construction Types: Heavy

Counties: Assumption, Avoyelles, Bienville, Caldwell, Catahoula, Claiborne, Concordia, De Soto, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, La Salle, Lincoln, Madison, Morehouse, Natchitoches, Pointe Coupee, Red River, Richland, Sabine, St Helena, St Mary, Tangipahoa, Tensas, Union, Vermilion, Vernon, Washington, West Carroll, West Feliciana and Winn Counties in Louisiana.

HEAVY CONSTRUCTION PROJECTS (Does not include Elevated Storage Tanks)

Modification Number	Publication Date
0	06/13/2003
1	12/29/2003
2	01/30/2004
3	03/12/2004

\* ELEC0130-007 03/01/2004

ASSUMPTION AND ST. MARY (Northeast of Atchafalaya River) PARISHES:

	Rates	Fringes
Electrician & Cable Splicer....	\$ 22.09	5.92

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ELEC0194-006 09/25/2003

BIENVILLE, CLAIBORNE, DE SOTO, NATCHITOCHEs (Northeast of the Red River) & RED RIVER PARISHES:

	Rates	Fringes
Electrician.....	\$ 20.60	7.28

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\* ELEC0446-004 03/01/2004

CALDWELL, EAST CARROLL, FRANKLIN, JACKSON, LINCOLN, MADISON, MOREHOUSE, RICHLAND, TENSAS, UNION & WEST CARROLL PARISHES:

	Rates	Fringes
Electrician.....	\$ 18.00	5.97

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\* ELEC0576-002 03/01/2004

AVOYELLES, CATAHOULA, CONCORDIA, EVANGELINE, GRANT, LA SALLE, NATCHITOCHEs (Southwest of Red River), SABINE, VERNON & WINN PARISHES:

	Rates	Fringes
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Electrician.....\$ 19.20 4.32

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ELEC0861-004 10/01/2003

IBERIA, ST. MARY (Southwest of Atchafalaya River) & VERMILION PARISHES:

	Rates	Fringes
Cable Splicer.....	\$ 19.59	6.63
Electrician.....	\$ 19.09	6.60

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ELEC0995-002 12/01/2003

EAST FELICIANA, IBERVILLE, POINTE COUPEE, ST. HELENA & WEST FELICIANA PARISHES:

	Rates	Fringes
Electrician & Cable Splicer....	\$ 19.50	5.60

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ELEC1077-001 03/01/2003

ST. TAMMANY, TANGIPAHOA, AND WASHINGTON PARISHES:

	Rates	Fringes
Cable Splicer.....	\$ 18.20	4.65
Electrician.....	\$ 17.20	4.62

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PLUM0060-005 12/01/2003

TANGIPAHOA (Cities of Robert, Hammond, Ponchatoula, Tickfaw, Baptist & Pumpkin Center) & WASHINGTON PARISHES:

	Rates	Fringes
Plumber, Pipefitter, Steamfitter.....	\$ 20.85	5.36

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PLUM0106-002 01/01/2004

IBERIA (West of Hwy 31 & Hwy 83) & VERMILION PARISHES:

	Rates	Fringes
Plumber and Steamfitter.....	\$ 20.75	5.33

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PLUM0141-003 08/01/2000

BIENVILLE, CLAIBORNE, DE SOTO, RED RIVER & SABINE PARISHES; NATCHITOCHEs & VERNON PARISHES (Northwest of a line drawn from Natchitoches to Anacoco through Bellwood & north of Hwy #111 between Anacoco & Haddens); WINN PARISH (West of a line drawn from Winnfield to the junction of the Parish boundaries of Winn, Bienville & Jackson):

	Rates	Fringes
Plumbers and Pipefitters.....	\$ 17.90	5.55

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 PLUM0198-002 06/01/2003

ASSUMPTION, EAST FELICIANA, IBERIA (East of Hwy 31 & Hwy 83),  
 IBERVILLE, POINTE COUPEE, ST. HELENA, ST. MARY, TANGIPAHOA  
 (Excluding Cities of Robert, Hammond, Ponchatoula, Tickfaw,  
 Baptist & Pumpkin Center) & WEST FELICIANA PARISHES:

	Rates	Fringes
Plumber and Steamfitter.....	\$ 26.30	5.19

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 PLUM0247-001 05/01/2002

AVOYELLES, CATAHOULA, CONCORDIA, EVANGELINE, GRANT, LA SALLE,  
 NATCHITOCHEs (City limits of Natchitoches, Hwy #6 to Hagedwood &  
 Hwy #117), & VERNON (Ft. Polk & Hwy #117, south to Leesville)  
 PARISHES:

	Rates	Fringes
Plumbers and Pipefitters.....	\$ 18.00	4.20

-----  
 PLUM0659-001 07/01/2003

CALDWELL, EAST CARROLL, FRANKLIN, JACKSON, LINCOLN, MADISON,  
 MOREHOUSE, OUACHITA, RICHLAND, TENSAS, UNION, WEST CARROLL &  
 WINN (North of Hwy #84) PARISHES:

	Rates	Fringes
Plumber, Pipefitter, Steamfitter.....	\$ 17.90	4.95

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 SULA1987-001 09/01/1987

	Rates	Fringes
Carpenter.....	\$ 10.37	
Ironworker, Structural.....	\$ 8.50	
Laborers:		
Pipelayer.....	\$ 6.46	
Unskilled.....	\$ 5.69	
Piledriverman.....	\$ 9.75	
Power equipment operators:		
Backhoe.....	\$ 9.17	
Bulldozer.....	\$ 8.79	
Front end loader.....	\$ 7.77	
Truck Driver.....	\$ 7.26	
Water Well Driller.....	\$ 8.16	1.36

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WELDERS - Receive rate prescribed for craft performing  
operation to which welding is incidental.  
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Unlisted classifications needed for work not included within  
the scope of the classifications listed may be added after  
award only as provided in the labor standards contract clauses  
(29CFR 5.5 (a) (1) (ii)).

-----  
In the listing above, the "SU" designation means that rates  
listed under the identifier do not reflect collectively  
bargained wage and fringe benefit rates. Other designations  
indicate unions whose rates have been determined to be  
prevailing.  
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#### WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can  
be:

- \* an existing published wage determination
- \* a survey underlying a wage determination
- \* a Wage and Hour Division letter setting forth a position on  
a wage determination matter
- \* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests  
for summaries of surveys, should be with the Wage and Hour  
Regional Office for the area in which the survey was conducted  
because those Regional Offices have responsibility for the  
Davis-Bacon survey program. If the response from this initial  
contact is not satisfactory, then the process described in 2.)  
and 3.) should be followed.

With regard to any other matter not yet ripe for the formal  
process described here, initial contact should be with the  
Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations  
  
Wage and Hour Division  
  
U.S. Department of Labor  
  
200 Constitution Avenue, N.W.  
  
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an  
interested party (those affected by the action) can request  
review and reconsideration from the Wage and Hour Administrator  
(See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator  
  
U.S. Department of Labor  
  
200 Constitution Avenue, N.W.

Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board

U.S. Department of Labor

200 Constitution Avenue, N.W.

Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION





**Instructions for the Wage Rate Sheet (Exhibit B-10)**

Post either (a) the Wage Rate Sheet or (b) Wage Decision in a worker-accessible place.

1, 2.	Self-explanatory.
3. Wage Decision Number Mod, Date	<p>The wage decision from the US Dept of Labor (DOL) that is designated as the governing decision for this part of the project.</p> <p>Example: State—Louisiana DOL Wage Decision Year—2003 Wage Decision Number—15 Date of Wage Decision—8/27/04 Modification number—4</p> <p>Enter the above information using the following method: LA 03-15, Dated 8/27/04, Mod 4</p> <p>If there is more than one wage decision for the project a separate Wage Rate Sheet must be prepared.</p>
4. Name of Prime Contractor	Name of the prime contractor(s) who is subject to the wage decision listed on this Wage Rate Sheet.
5. Classification	<p>List only those classifications from the Wage Decision that are applicable to this project.</p> <p>Each classification must be written on the Wage Rate Sheet exactly as it appears on the Wage Decision.</p> <p>Additional Classification(s), if any, should also be included.</p>
6, 7. Hourly Rate and Fringe Benefit Rate	<p>List exactly as listed on the Wage Decision.</p> <p>Prior to receiving DOL’s response, rates for Additional Classification(s) should be listed at the rates requested by the contractor. After receiving DOL’s response, rates must be listed according to DOL requirements.</p>
8. Total Package Rate	List the total of the hourly rate plus the fringe benefit rate.

# Federal Minimum Wage

**\$4.75** *per hour*  
*beginning October 1, 1996*

**\$5.15** *per hour*  
*beginning September 1, 1997*

Employees under 20 years of age may be paid \$4.25 per hour during their first 90 consecutive calendar days of employment with an employer.

Certain full-time students, student learners, apprentices, and workers with disabilities may be paid less than the minimum wage under special certificates issued by the Department of Labor.

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

## *Overtime Pay*

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

## *Child Labor*

An employee must be at least 16 years old to work in most non-farm jobs and at least 18 to work in non-farm jobs declared hazardous by the Secretary of Labor. Youths 14 and 15 years old may work outside school hours in various non-manufacturing, non-mining, non-hazardous jobs under the following conditions:

No more than –

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

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

## *Enforcement*

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

Fines of up to \$10,000 per violation may be assessed against employers who violate the child labor provisions of the law and up to \$1,000 per violation against employers who willfully or repeatedly violate the minimum wage or overtime pay provisions. This law prohibits discriminating against or discharging workers who file a complaint or participate in any proceedings under the Act.

**Note:**

- Certain occupations and establishments are exempt from the minimum wage and/or overtime pay provisions.
- Special provisions apply to workers in American Samoa.
- Where state law requires a higher minimum wage, the higher standard applies.

*For Additional Information, Contact* the Wage and Hour Division office nearest you — listed in your telephone directory under United States Government, Labor Department.

This poster may be viewed on the world wide web at this address: <http://www.dol.gov/dol/esa/public/minwage/main.htm>

***The law requires employers to display this poster where employees can readily see it.***



# Equal Employment Opportunity is the

# LAW

## Private Employment, State and Local Governments, Educational Institutions

### **Race, Color, Religion, Sex, National Origin:**

Title VII of the Civil Rights Act of 1964, as amended, prohibits discrimination in hiring, promotion, discharge, pay, fringe benefits, and other aspects of employment, on the basis of race, color, religion, sex or national origin.

Applicants to and employees of most private employers, state and local governments and public or private educational institutions are protected. Employment agencies, labor unions and apprenticeship programs also are covered.

### **Age:**

The Age Discrimination in Employment Act of 1967, as amended, prohibits age discrimination and protects applicants and employees 40 years of age or older from discrimination in hiring, promotion, discharge, pay, fringe benefits and other aspects of employment. The law covers most private employers, state and local governments, educational institutions, employment agencies and labor organizations.

### **Sex (wages):**

In addition to sex discrimination prohibited by Title VII of the Civil Rights Act (see above), the Equal Pay Act of 1963, as amended, prohibits sex discrimination in payment of wages to women and men performing substantially equal work in the same establishment. The law covers most private employers, state and local governments and educational institutions. Labor organizations cannot cause employers to violate the law. Many employers not covered by Title VII, because of size, are covered by the Equal Pay Act.

If you believe that you have been discriminated against under any of the above laws, you immediately should contact:

### **The U.S. Equal Employment Opportunity Commission**

2401 E Street, N.W., Washington, D.C. 20507  
or an EEOC field office by calling toll free 800-USA-EEOC.  
(For the hearing impaired, EEOC's TDD number is 202-634-7057.)

## Employers holding Federal contracts or subcontracts

### **Race, Color, Religion, Sex, National Origin:**

Executive Order 11246, as amended, prohibits job discrimination on the basis of race, color, religion, sex or national origin, and requires affirmative action to ensure equality of opportunity in all aspects of employment.

### **Handicap:**

Section 503 of the Rehabilitation Act of 1973, as amended, prohibits job discrimination because of handicap and requires affirmative action to employ and advance in employment qualified handicapped individuals who, with reasonable accommodation, can perform the functions of a job.

### **Vietnam Era and Special Disabled Veterans:**

38 U.S.C. 2012 of the Vietnam Era Veterans Readjustment Assistance Act of 1974 prohibits job discrimination and requires affirmative action to employ and advance in employment qualified

Vietnam era veterans and qualified special disabled veterans.

Applicants to and employees of companies with a Federal government contract or subcontract are protected under the authorities above. Any person who believes a contractor has violated its non-discrimination or affirmative action obligations under Executive Order 11246, as amended, Section 503 of the Rehabilitation Act or 38 U.S.C. 2012 of the Vietnam Era Veterans Readjustment Assistance Act should contact immediately:

**The Office of Federal Contract Compliance Programs (OFCCP)**  
Employment Standards Administration, U.S. Department of Labor,  
200 Constitution Avenue, N.W., Washington, D.C. 20210  
(202) 523-8743, or an OFCCP regional or area office, listed in most telephone directories under U.S. Government, Department of Labor.

## Programs or activities receiving Federal financial assistance

### **Handicap:**

Section 504 of the Rehabilitation Act of 1973, as amended, prohibits employment discrimination on the basis of handicap in any program or activity which receives Federal financial assistance. Discrimination is prohibited in all aspects of employment against handicapped persons who, with reasonable accommodation, can perform the essential functions of a job.

### **Race, Color, National Origin:**

In addition to the protection of Title VII of the Civil Rights Act of 1964, Title VI of the Civil Rights Act prohibits discrimination on the

basis of race, color or national origin in programs or activities receiving Federal financial assistance. Employment discrimination is covered by Title VI if the primary objective of the financial assistance is provision of employment, or where employment discrimination causes or may cause discrimination in providing services under such programs.

If you believe you have been discriminated against in a program which receives Federal assistance, you should contact immediately the Federal agency providing such assistance.

# NOTICE TO ALL EMPLOYEES

## Working on Federal or Federally Financed Construction Projects



- 162 -

### MINIMUM WAGES

You must be paid not less than the wage rate in the schedule posted with this Notice for the kind of work you perform.

### OVERTIME

You must be paid not less than one and one-half times your basic rate of pay for all hours worked over 40 a week. There are some exceptions.

### APPRENTICES

Apprentice rates apply only to apprentices properly registered under approved Federal or State apprenticeship programs.

### PROPER PAY

If you do not receive proper pay, contact the Contracting Officer listed below:

LABOR COMPLIANCE OFFICER  
COMMUNITY DEVELOPMENT SECTION  
DIVISION OF ADMINISTRATION  
POST OFFICE BOX 94095  
BATON ROUGE, LOUISIANA 70804  
(504) 342-7412

or you may contact the nearest office of the Wage and Hour Division, U.S. Department of Labor. The Wage and Hour Division has offices in several hundred communities throughout the country. They are listed in the U.S. Government section of most telephone directories under:  
**U.S. Department of Labor**  
**Employment Standards Administration**





## Verification of Posting Requirements

- 1. Grantee \_\_\_\_\_
- 2. LCDBG Contract Number \_\_\_\_\_
- 3. Project Description \_\_\_\_\_  
\_\_\_\_\_

4. Were the following items posted in a location accessible to workers?

- (a) “Notice to Employees” (concerning wage rates)  
(**Exhibit B-11** in the Grantee Handbook) \_\_\_\_\_ Yes \_\_\_\_\_ No
- (b) “Equal Employment Opportunity is the Law”  
(**Exhibit B-11** in the Grantee Handbook) \_\_\_\_\_ Yes \_\_\_\_\_ No
- (c) Either the Wage Rate Sheet(s) or Wage Decision(s) \_\_\_\_\_ Yes \_\_\_\_\_ No

Comments: \_\_\_\_\_

Signature of Grantee’s Labor Compliance Officer \_\_\_\_\_

Date \_\_\_\_\_





## Comments Regarding the Payroll Form

**General:** Department of Labor Form WH-347 has been made available for the convenience of contractors and is not mandatory. Properly completed, this form will satisfy the requirements of the LCDBG program. Form WH-347 along with instructions in greater detail can be found at: [www.dol.gov/esa/forms/whd/index.htm](http://www.dol.gov/esa/forms/whd/index.htm)

**Heading Information:** Fill in the contractor name, address, payroll number, week ending date, project location, and LCDBG project number.

Payrolls are numbered according to weeks having work activity. Example: Work was done during weeks one and two but the work was stopped due to rain during weeks three and four. Work resumed and the job was completed during week five. The payrolls for the entire project would be numbered 1-initial, 2, and 3-final. The prime contractor should inform the grantee's Labor Compliance Officer, weekly, for any week during which there is no work done. "No work" payrolls are not required.

**Column 1—Name Address, and Social Security Number of Employee:** In this block, enter the complete name, address, and social security number of each employee for the first week the employee works. For subsequent workweeks enter the name and social security number of each employee and you may, optionally, enter the initial address. However, if there is an address change then the new address is a mandatory entry.

**Column 3—Work Classifications:** Enter the classification as it is listed on the applicable Davis-Bacon wage decision. Note that "Operator" is not a proper classification since such a classification does not come directly from any wage decision. However, "Backhoe Operator" may be a proper classification if such a classification is on the applicable wage decision. Employees who work more than one classification require special attention regarding how the classifications are listed on payrolls. Example: John Doe works as a skilled laborer for three hours and as a carpenter for five hours. If such an employee is on your payroll, list the "split classifications" along with the work hours and rate per hour for each classification.

**Columns 4 & 5—Hours Worked and Total Hours:** Only enter hours worked on the LCDBG project—not hours from any other job.

**Column 6—Rate Per Hour:** Enter the rate of pay on the LCDBG project, including any cash paid in lieu of fringe benefits. Enter both straight time (S) and overtime (O) rates, if applicable. Hours worked in excess of 40 in a given workweek are to be designated as overtime hours.

**Column 7—Gross Amount Earned:** This column has blocks which are split into two parts, the upper left and the lower right. In the upper left portion of the block enter the gross amount earned from the LCDBG project. In the lower right portion of the block enter the gross amount earned from all projects.

**Column 8--Deductions and Column 9—Net Wages:** Deductions are to be based on all projects, both LCDBG and non-LCDBG, and will be deducted from the weekly gross amount earned from all projects. Likewise, net wages are based on all projects.

Date \_\_\_\_\_

I, \_\_\_\_\_ do hereby state:  
(Name of signatory party) (Title)

(1) That I pay or supervise the payment of the persons employed by \_\_\_\_\_ on the \_\_\_\_\_; that during the payroll period commencing on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_ and ending the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, all persons employed on said project have been paid the full weekly wages earned, that no rebates have been or will be made either directly or indirectly to or on behalf of said \_\_\_\_\_ from the full weekly wages earned by any person and that no deductions have been made either directly or indirectly from the full wages earned by any person, other than permissible deductions as defined in Regulations, Part 3 (29 CFR Subtitle A), issued by the Secretary of Labor under the Copeland Act, as amended (48 Stat. 948.63 Stat. 108, 72 Stat. 967; 76 Stat. 357; 40 U.S.C. 276c), and described below:

(2) That any payrolls otherwise under this contract required to be submitted for the above period are correct and complete; that the wage rates for laborers or mechanics contained therein are not less than the applicable wage rates contained in any wage determination incorporated into the contract; that the classifications set forth therein for each laborer or mechanic conform with the work he performed.

(3) That any apprentices employed in the above period are duly registered in a bona fide apprenticeship program registered with a State apprenticeship agency recognized by the Bureau of Apprenticeship and Training, United States Department of Labor, or if no such recognized agency exists in a State, are registered with the Bureau of Apprenticeship and Training, United States Department of Labor.

(4) That:

(a) WHERE FRINGE BENEFITS ARE PAID TO APPROVED PLANS, FUNDS, OR PROGRAMS

- In addition to the basic hourly wage rates paid to each laborer or mechanic listed in the above referenced payroll, payments of fringe benefits as listed in the contract have been or will be made to appropriate programs for the benefit of such employees, except as noted in Section 4(c) below.

(b) WHERE FRINGE BENEFITS ARE PAID IN CASH

- Each Laborer or mechanic listed in the above referenced payroll has been paid as indicated on the payroll, an amount not less than the sum of the applicable basic hourly wage rate plus the amount of the required fringe benefits as listed in the contract, except as noted in section 4(c) below.

(c) EXCEPTIONS

EXCEPTION (CRAFT)	EXPLANATION

REMARKS

NAME AND TITLE

SIGNATURE

THE WILFUL FALSIFICATION OF ANY OF THE ABOVE STATEMENTS MAY SUBJECT THE CONTRACTOR OR SUBCONTRACTOR TO CIVIL OR CRIMINAL PROSECUTION SEE SECTION 1001 OF TITLE 18 AND SECTION 231 OF TITLE 31 OF THE UNITED STATES CODE

## **INSTRUCTIONS FOR PREPARATION OF STATEMENT OF COMPLIANCE**

This statement of compliance meets needs resulting from the amendment of the Davis-Bacon Act to include fringe benefits provisions. Under this amended law, the contractor is required to pay fringe benefits as predetermined by the Department of Labor, in addition to payment of the minimum rates. The contractor's obligation to pay fringe benefits may be met by payment of the fringes to the various plans, funds, or programs or by making these payments to the employees as cash in lieu of fringes.

The contractor should show on the face of his payroll all monies paid to the employees whether as basic rates or as cash in lieu of fringes. The contractor shall represent in the statement of compliance that he is paying to others fringes required by the contract and not paid as cash in lieu of fringes. Detailed instructions follow:

### **Contractors who pay all required fringe benefits:**

A contractor who pays fringe benefits to approved plans, funds, or programs in amounts not less than were determined in the applicable wage decision of the Secretary of Labor shall continue to show on the face of his payroll the basic cash hourly rate and overtime rate paid to his employees, just as he has always done. Such a contractor shall check paragraph 4(a) of the statement to indicate that he is also paying to approved plans, funds, or programs not less than the amount predetermined as fringe benefits for each craft. Any exception shall be noted in Section 4(c).

### **Contractors who pay no fringe benefits:**

A contractor who pays no fringe benefits shall pay to the employee and insert in the straight time hourly rate column of his payroll an amount not less than the predetermined rate for each classification plus the amount of fringe benefits determined for each classification in the applicable wage decision. Inasmuch as it is not necessary to pay time and a half on cash paid in lieu of fringes, the overtime rate shall not be less than the sum of the basic predetermined rate, plus the half time premium on the basic or regular rate plus the required cash in lieu of fringes at the straight time rate. To simplify computation of overtime, it is suggested that the straight time basic rate and cash in lieu of fringes be separately stated in the hourly column, thus \$3.25/.40. In addition, the contractor shall check paragraph 4(b) of the statement to indicate that he is paying fringe benefits in cash directly to his employees. Any exceptions shall be noted in Section 4(c).

### **Use of Section 4(c). Exceptions**

Any contractor who is making payment to approved plans, funds, or programs in amounts less than the wage determination requires is obliged to pay the deficiency directly to the employees as cash in lieu of fringes. Any exceptions to Section 4(a) or 4(b), whichever the contractor may check, shall be entered in Section 4(c). Enter in the exception column the craft, and enter in the Explanation column the hourly amount paid the employees as cash in lieu of fringes, and the hourly amount paid to plans, funds, or programs as fringes.

### **No fringe benefits on wage decision:**

When the wage decision utilized for your project indicates that there are no fringe benefits for ALL classifications of laborers and mechanics employed on the LCDBG Project, no box should be checked. But a note in the "Remarks" section of payroll number one only must state that no fringe benefits apply to this project.

## Payroll Deduction Authorization

Name of grant recipient \_\_\_\_\_

LCDBG Contract # \_\_\_\_\_

Employee \_\_\_\_\_

Employer \_\_\_\_\_

One box should be marked with an "x". Occasionally more than one box will be marked. In addition to deductions authorized by law, such as social security and income taxes, the following deduction(s) will be subtracted from the employee's paycheck(s)

- I authorize weekly deduction(s) as described below.
- I authorize a one-time deduction(s), as described below.
- I authorize deduction(s), below, to be subtracted from my paycheck for \_\_\_\_\_ weeks.

<u>Description of Additional Deductions*</u>	<u>Amount</u>

Employee Signature \_\_\_\_\_

Date \_\_\_\_\_

\*Types of deductions may include retirement, health insurance, uniforms, loans and advance on wages. Deductions for garnishments, such as court orders and child support, may be authorized by this form or an appropriate legal document.

## New Employee Information Form

One *New Employee Information Form* is to be completed by the employer for each new employee hired for work on this project during the construction phase of the project.

This is a required form and should accompany the first payroll on which the name of the newly hired employee appears.

- 
1. Name of Grant Recipient \_\_\_\_\_
  2. LCDBG Contract Number \_\_\_\_\_
  3. Name of Employer \_\_\_\_\_
  4. Name of New Employee \_\_\_\_\_
  5. Street Address or P. O. Box # \_\_\_\_\_
  6. City and Zip Code \_\_\_\_\_
  7. Date of Hire of New Employee \_\_\_\_\_
- 

8. Methods of attempting to recruit local persons of low and moderate income include: advertisement in local media, public bulletin board, consideration of all applications received, U.S. employment service, a sign at the project site, and the posting of a notice at the project site. On the line below, list the method(s) used.

\_\_\_\_\_

9. Does the employee live within the corporate limits (boundaries) of the grant recipient listed on line 1? \_\_\_\_\_ Yes \_\_\_\_\_ No

If the answer to question 9 was "Yes" the following two questions should be answered.

10. Total employee family income per year prior to the date of hire, as determined by asking the employee. \_\_\_\_\_
11. Number of persons in employee's family. \_\_\_\_\_

\_\_\_\_\_  
(Signature of Employer or Employer Representative)

\_\_\_\_\_  
(Date)

---

If the answer to 9 is "Yes" and if the family income is less than the "above" category as defined in the original LCDBG application for funding, then the employee is a Section 3 employee.

12. Is the above listed employee a "Section 3" employee? \_\_\_\_\_ Yes \_\_\_\_\_ No

\_\_\_\_\_  
(Signature of Grant Recipient's LCO or Employer)

\_\_\_\_\_  
Date

## Existing Employee Information Form

The *Existing Employee Information Form* is provided as a way for employers to provide a record of employees hired prior to the construction phase of this project or who were hired for a different project elsewhere and transferred to the LCDBG project.

This form is optional under the LCDBG program. If it is used, one form per existing employee should accompany the first payroll on which the name of the employee appears.

- 
1. Name of Grant Recipient \_\_\_\_\_
  2. LCDBG Contract Number \_\_\_\_\_
  3. Name of Employer \_\_\_\_\_
  4. Name of Existing Employee \_\_\_\_\_
  5. Street Address or P. O. Box # \_\_\_\_\_
  6. City and Zip Code \_\_\_\_\_
  7. Approximate hire date \_\_\_\_\_

Comments: \_\_\_\_\_

---

(Signature of Employer or Employer Representative)

---

(Date)

# Employee Interview Record

# B-17

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The information collected in interviews with workers is used to assist in achieving compliance with the prevailing wage requirements of the Davis-Bacon and related Acts.

1. Name of Grant Recipient \_\_\_\_\_
2. LCDBG Contract Number \_\_\_\_\_
3. Contractor or Subcontractor (Employer) \_\_\_\_\_
4. Name of Employee \_\_\_\_\_
5. Home address and zip code \_\_\_\_\_
6. Last day worked before today and number of hours worked on that date \_\_\_\_\_
7. Your hourly pay rate \_\_\_\_\_
8. Your job classification(s) on this project \_\_\_\_\_
9. Your duties on this project \_\_\_\_\_
10. Tools or equipment used \_\_\_\_\_
11. Are you paid time and a half for all hours over 40 weekly? (If salaried put "salary") \_\_\_\_\_
12. On this project, have you been threatened or coerced into giving up any part of pay? \_\_\_\_\_
13. Duties observed by the interviewer (Not applicable for mailed interviews) \_\_\_\_\_
14. Remarks \_\_\_\_\_
15. Date of this interview \_\_\_\_\_
16. Signature of interviewer (Or employee signature if interview is by mail) \_\_\_\_\_

---

The remainder of this form is to be filled out by the Grant Recipient's Labor Compliance Officer during examination of payrolls.

17. Remarks \_\_\_\_\_
18. Date of payroll review \_\_\_\_\_
19. Signature of Payroll Examiner \_\_\_\_\_

# Labor Standards Enforcement Report

# B-18

Required when (a) project restitution is \$1,000 or more, or (b) any overtime violations occur

1. Grantee Name \_\_\_\_\_
2. LCDBG Contract # \_\_\_\_\_
3. Report Number \_\_\_\_\_
4. Prime Contractor \_\_\_\_\_
5. Project Type \_\_\_\_\_
6. Wage Decision(s) \_\_\_\_\_
7. Restitution Paid \_\_\_\_\_
8. Calculated amount of Liquidated Damages \_\_\_\_\_
9. How was the underpayment(s) discovered? \_\_\_\_\_
10. Were any violations willful?  
If yes, explain. \_\_\_\_\_
11. Current status of corrective actions taken or in progress. Explain briefly. \_\_\_\_\_
12. Date of this report \_\_\_\_\_
13. Prepared By \_\_\_\_\_

### Attachments

14. If Liquidated Damages were calculated, provide the following attachments:
  - (a) copy of the communication from the grantee's Labor Compliance Officer to the contractor(s) explaining the calculation of Liquidated Damages and the contractor's responsibility to pay or request a waiver Attached? \_\_\_ Yes \_\_\_ No \_\_\_ Not applicable
  - (b) copy of the contractor(s) response. If the contractor's response involves a disbursement, follow the instructions that are part of Exhibit B-18 for check-handling procedures. Attached? \_\_\_ Yes \_\_\_ No \_\_\_ Not Applicable
15. Attach a Schedule of Restitution and Liquidated Damages, if any. A sample format providing column headings is shown by items 18-23. The preparer must add rows as necessary.

16. Contractor (Prime or Sub)	17. Employee Name	18. Date	19. Payroll #	20. Amount of Restitution	21. Liquidated Damages
-------------------------------------	-------------------------	-------------	---------------------	---------------------------------	------------------------------

**Instructions for the *Labor Standards Enforcement Report (Exhibit B-18)***

<b>Item # and Description</b>	<b><u>Instructions</u></b>
1,2. Name, LCDBG Contract	Self-explanatory.
3. Report Number	Sequentially numbered under the LCDBG contract. Begin with #1.
4. Prime Contractor	Name of one prime contractor only. Do not list any subcontractor in item 4. If there is more than one prime, then prepare multiple reports.
5. Project Type	Examples: fire station, water well, sewer lines
6. Wage Decision(s)	Example: LA 03-09, dated 7/16/04, Mod 5
7. Restitution Paid	Amount associated with this report that has actually been paid.
8. Calculated Amount of Liquidated Damages	Total of amounts under item 21 whether paid or unpaid. (\$10 per person, per day, for each day with overtime underpayments)
9. How was the under--payment(s) discovered?	Indicate who found the underpayment and a description of the occasion(s). Example: John Doe during routine payroll review.
10. Were any of the violations willful? If yes, explain.	Check “yes” or “no” and explain any yes answer. This answer will be from the point of view of the person preparing this report who will often be the grantee’s Labor Compliance Officer (LCO)
11. Current status of corrective actions...	Whether completed or in progress. Example: Restitution complete. Liquidated Damages in progress.
12. Date of this report	This date will be after restitution and action regarding Liquidated Damages have been completed or nearly completed.
13. Prepared By	Usually the grantee’s LCO.
14. (a)—Attachment: Communication to the Contractor	If Liquidated Damages are involved, a written communication must be sent by letter or e-mail from the grantee’s LCO to the prime and may be “copied” to any relevant sub containing the following: calculation of the total amount of Liquidated Damages and an explanation of the requirement of the contractor who underpaid to either pay Liquidated Damages or request a waiver.
14. (b)—Attachment: Contractor’s Response	If Liquidated Damages are involved, the contractor who underpaid, whether a prime or a sub, is the preferred respondent. The response will be a letter requesting a waiver or agreeing to pay. Any letter of agreement is to be accompanied by a monetary disbursement.  <b><u>Disbursements:</u></b> A check from the contractor who underpaid should be made out to the U.S. Department of Housing and Urban Development. Upon receipt, the grantee’s LCO should wrap the check in notebook paper and write on the notebook paper, “C/O Wayne Dale. Do not send to the Office of Finance and Support Services.” Upon receipt, Wayne Dale of OCD will forward to HUD.
15. Attachment—Schedule	Schedule of Restitution (for any wage underpayment) and any Liquidated Damage (regarding overtime) calculation. This schedule pertains to all relevant amounts whether paid or unpaid.
16. Contractor	Contractor who underpaid—whether prime or sub.
17. Employee Name	Employee name as listed on the payroll.
18. Date	Each date on which an underpayment occurred.
19. Payroll #	Payroll number covering the date(s) listed under 18.
20. Amount of Restitution	Amount(s) of restitution for the date(s) listed under 18.
21. Liquidated Damages	Corresponding to the date(s) listed under 18. Liquidated Damages: \$10 per person, per day, for each day with overtime underpayments.

# Final Wage Compliance Report

# B-19

(Not required for Housing grants)

- 1. Grantee Name \_\_\_\_\_
- 2. LCDBG Contract # \_\_\_\_\_
- 3. Fiscal Year of Grant \_\_\_\_\_
- 4. Date of this Report \_\_\_\_\_
- 5. Report Prepared By \_\_\_\_\_

6. Was there any wage underpayment(s)? \_\_\_\_\_ Yes \_\_\_\_\_ No

7. Listing of any contractors associated with underpayment(s):

Prime contractor (above) Sub(s) to this prime (below)	Prime contractor (above) Subs to this prime (below)	Prime contractor (above) Subs to this prime (below)
_____	_____	_____
_____	_____	_____
_____	_____	_____

8. Are any labor issues unresolved? \_\_\_\_\_ Yes \_\_\_\_\_ No If yes, explain on line below:

9. Provide enforcement activity information for each contractor who had underpayment(s) using the format provided in 10-15.

10. Contractor (prime or sub)	11. Type of work	12. # of workers underpaid	13. Restitution under Davis Bacon	14. Restitution under CWHSSA	15. Liquidated Damages collected
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

**Instructions for the Final Wage Compliance Report (Exhibit B-19)**

<b><u>Item # and Description</u></b>	<b><u>Instructions</u></b>
1-4 Name, #, FY, Date	Self-explanatory.
5. Prepared by	Usually the name of the grantee’s Labor Compliance Officer (LCO).
6. Wage underpayment(s)?	Answer “Yes” or “No” based on the duration of the project from start to finish.
7. Listing of contractors....	If the underpayment was to an employee of the prime contractor then list the prime contractor on the “above” line. If the underpayment was to an employee of a subcontractor(s), list both the name of the prime contractor on the “above” line and the name of the subcontractor(s) on the “below” line. If there were no underpayments leave this section blank.
8. Issues unresolved?	Possible issues: An employee due restitution has not yet been located. An ongoing dispute may be in litigation.  Some issues must be resolved prior to grant closeout while others can be resolved after closeout. If there is an unresolved issue, provide enough information for the Office of Community Development to understand the situation. Attach a supplementary page if necessary.
9. Enforcement activity	Include enforcement activity from the start to finish of the project. Some activity may have been previously reported in a Labor Standards Enforcement Report but that does not matter—it must be reported again along with any previously unreported activity.
10. Contractor	List the name of any contractor who underpaid the employee(s) regardless of their status as prime or sub. If there were no underpayment(s) then leave items 10-15 blank.
11. Type of work	Use one or two words to describe the work that most accurately describes what was constructed by the contractor. Examples: water lines, fire station, sewer lines, sewer plant, fence, elevated tank, water well, painting, street reconstruction, etc.
12. Number of workers underpaid	Number of workers, per contractor, for whom wage restitution was disbursed or at least collected and put in escrow (in the event the worker could not be located).
13. Restitution, Davis-Bacon	Total amount of Davis-Bacon restitution per contractor.
14. Restitution, CWHSSA	Total amount of CWHSSA overtime restitution per contractor.
15. Liquidated Damages	Total amount of liquidated damages per contractor collected for CWHSSA overtime violations.

MINORITY PARTICIPATION GOALS

B-20

Minority Goal %	Area	Minority Goal %	Area
	<u>113 New Orleans, LA</u>		<u>Baton Rouge, LA (Cont'd.)</u>
	<u>SMSA</u>	30.4	<u>Non-SMSA Counties</u>
19.2	<u>0920 Biloxi-Gulfport, MS</u> MS Hancock MS Harrison MS Stone		LA Concordia LA E. Feliciana LA Iberville LA Pointe Coupee LA St. Helena LA West Feliciana
31.0	<u>5560 New Orleans, LA</u> LA Jefferson LA Orleans LA St. Bernard LA St. Tammany		MS Adams MS Amite MS Wilkinson
27.7	<u>Non-SMSA Counties</u> LA Assumption LA Lafourche LA Plaquemines LA St. Charles LA St. James LA St. John the Baptist LA Tangipahoa LA Terrebonne LA Washington MS Forrest MS Lamar MS Marion MS Pearl River MS Perry MS Pike MS Walthall		<u>115 Lafayette, LA</u>
		20.6	<u>SMSA</u> <u>3880 Lafayette, LA</u> LA Lafayette
		24.1	<u>Non-SMSA Counties</u> LA Acadia LA Evangeline LA Iberia LA St. Landry LA St. Martin LA St. Mary LA Vermillion
	<u>114 Baton Rouge</u>		<u>116 Lake Charles, LA</u>
	<u>SMSA</u>	19.3	<u>SMSA</u> <u>3960 Lake Charles, LA</u> LA Calcasieu
26.1	<u>076 Baton Rouge, LA</u> LA Ascension LA East Baton Rouge LA Livingston LA West Baton Rouge		

MINORITY PARTICIPATION GOALS (cont'd)

Minority Goal %	Area	Minority Goal %	Area
	<u>Lake Charles, LA (Cont'd.)</u>		<u>Monroe, LA (Cont'd.)</u>
17.8	<u>Non-SMSA Counties</u>  LA Allen LA Beauregard LA Cameron LA Jefferson Davis LA Vernon  <u>117 Shreveport, LA</u>  <u>SMSA</u>	27.9	<u>Non-SMSA Counties</u>  LA Caldwell LA Catahoula LA East Carroll LA Franklin LA Jackson LA LaSalle LA Lincoln LA Madison LA Morehouse LA Richland LA Tensas LA Union LA West Carroll
25.7	<u>0220 Alexandria, LA</u>  LA Grant LA Rapides		
29.3	<u>7680 Shreveport, LA</u>  LA Bossier LA Caddo LA Webster		
29.3	<u>Non-SMSA Counties</u>  LA Avoyelles LA Bienville LA Clairborne LA De Soto LA Natchitoches LA Red River LA Sabine LA Winn  <u>118 Monroe, LA</u>  <u>SMSA</u>		
22.8	<u>5200 Monroe, LA</u>  LA Quachita		

## COMMONLY ASKED QUESTIONS CONCERNING EQUAL OPPORTUNITY

### A PRECONSTRUCTION CONFERENCE HANDOUT

1. What are the responsibilities of the offeror or bidder to ensure equal employment opportunity?

The offeror or bidder must comply with the "Equal Opportunity Clause" and the "Standard Federal Equal Opportunity Construction Contract Specifications".

2. Are contractors required to ensure a comfortable working environment for all employees?

Yes. It is the Contractor's responsibility to provide an environment free of harassment, intimidation, and coercion to all employees and to notify all foremen and supervisors to carry out this obligation, with specific attention to minority or female individuals.

3. To alleviate developing separate facilities for men and women on all sites, can a contractor put all women employees on one site?

No. The Contractor must assign two or more women to each site when possible.

4. Are contractors required to make special outreach efforts to minority and female recruitment sources?

Yes. Contractors must establish a current list of minority and female recruitment sources, notify them when employment opportunities are available including on-the-job training and apprenticeship programs and record responses.

5. Must any efforts be made to record the number of minority and females applying for positions with construction contractors?

Yes. All contractors must maintain a current file of the names, addresses and telephone numbers of all minority and female applicants and document whatever action was taken.

6. What happens if a woman or minority is sent to the union by the Contractor and is not referred back to the Contractor for employment?

If the unions impede the Contractor's responsibility to provide equal employment opportunity, a written notification must be sent to the Director, Office of Federal Contract Compliance Programs, United States Department of Labor.

7. What efforts must be made by contractors to create entry level positions for women and minorities?

Contractors are required to develop on-the-job training programs or participate in training programs, especially those funded by the Department of Labor, to create positions for women and minorities relevant to the Contractor's employment needs.

8. Must any efforts be made by the Contractor to publicize their Equal Employment Opportunity (EEO) Policy?

Yes. The Contractor is responsible for notifying unions and training programs and request their cooperation as well as including it in any policy manual or collective bargaining agreement, and to publicize it in the company newspaper and annual report. Externally, the Contractor is responsible for including the EEO Policy in all media advertisements.

9. Must any in-service training programs be provided for staff to update the EEO Policy?

At least annually a review of the EEO Policy and the affirmative action obligations are required of all personnel employees of a decision making status. A record of the meeting including date, time, location, persons present, subject matter discussed, and disposition of the subject matter shall be maintained.

10. What recruitment efforts are made for minorities and women?

The Contractor must notify both orally and in writing, minority and female recruitment sources one month prior to the date of acceptance for apprenticeship or other training programs. The Contractor must also encourage present minority and female employees to recruit members of their own group.

11. Must any measures be taken to encourage promotions for minorities and women?

Yes. An annual evaluation must be conducted for all minority and female personnel to encourage these employees to seek higher positions.

12. What efforts must be taken to ensure that personnel policies are in accordance with the EEO Policy?

Personnel policies in regard to job practices, work assignments, etc., must be continually monitored to ensure that the EEO Policy is carried out.

13. Can women be excluded from utilizing any facilities available to men?

No. All facilities and company activities are non-segregated except for bathrooms or changing facilities to ensure privacy.

14. What efforts must be made to utilize minority and female contractors and suppliers?

None. However, records must be kept of all offers to minority and female construction contractors.

15. If a contractor participates in a business related association which does not comply with affirmative action standards, does this show his/her failure to comply?

No. The Contractor's obligation to comply is his own. If he makes every effort to assume that this group has a positive impact on EEO Policy and they fail to accept this attitude, it shall not be contrived as noncompliance on the part of the Contractor.

16. Would a contractor be in violation of EEO Policy and affirmative action if he set up one set of goals to include minorities and women?

Yes. There is a single goal for minorities and a separate single goal for women. The Contractor 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.

17. Can a contractor hire a subcontractor who has been debarred from government contracts pursuant to EEO?

No. The Contractor must suspend, terminate or cancel any subcontractor who is in violation of the EEO Policy.

18. What effort must be taken by the Contractor to monitor all employment to ensure the company EEO policy is being carried out?

The Contractor must designate a responsible individual to keep accurate records of all employees which includes specific information required by the government.

ARCHITECT, ENGINEER, OR CONTRACTOR'S CERTIFICATION

COMPLIANCE WITH MINIMUM STANDARDS FOR

ACCESSIBILITY BY THE PHYSICALLY HANDICAPPED

Contract No.: \_\_\_\_\_

Project Name: \_\_\_\_\_

Address: \_\_\_\_\_

Pursuant to the requirements of the Architectural Barriers Act of 1968, 42 U.S.C. 4151, and the regulations issued subsequent thereto, the undersigned certifies that the design of the above-mentioned project is in conformance with the minimum standards contained in the American Standard Specifications for Making Buildings and Facilities Accessible To and Usable By the Physically Handicapped, Number A-117.1R-1971 (as modified by 41 CFR 101-19.603).

Architect, Engineer or \_\_\_\_\_  
Contractor for the Project:  
(Legal Name and Address) \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Registration Number: \_\_\_\_\_

Signature: \_\_\_\_\_  
(Print Name)

Chief Elected Official's  
Signature: \_\_\_\_\_  
(Print Name)

Date: \_\_\_\_\_

# Ten Day Call Form

# B-23

The LCDBG Contract:

---

Grantee Name \_\_\_\_\_

LCDBG Contract # \_\_\_\_\_

Ten Day Call Information:

---

Person making the Call \_\_\_\_\_

Call received by \_\_\_\_\_

Date of Call \_\_\_\_\_

Bid Opening Date \_\_\_\_\_

*(If the Small Purchase method of procurement is used the above entry will be the bid tabulation date.)*

Wage Decision(s):

---

**A** \_\_\_\_\_

Type of work to be done

**B** \_\_\_\_\_

Type of work to be done

\_\_\_\_\_ Decision that was made part of bid documents

\_\_\_\_\_ Decision that was made part of the bid documents

\_\_\_\_\_ Current decision as determined by DOL

\_\_\_\_\_ Current decision as determined by DOL

Action: \_\_\_ None \_\_\_ Mailed  
\_\_\_ Faxed \_\_\_ Downloaded

Action: \_\_\_ None \_\_\_ Mailed  
\_\_\_ Faxed \_\_\_ Downloaded

\_\_\_\_\_ To be received or downloaded by

\_\_\_\_\_ To be received or downloaded by

State Use Only:

\_\_\_ LGR \_\_\_\_\_

\_\_\_ Labor Standards

\_\_\_ Labor (Perm) File

Comments: \_\_\_\_\_

By: \_\_\_\_\_

- Complete this form when the Ten Day Call is made. Retain. Do not send to OCD

SAMPLE

MINUTES OF BID OPENING AND BID TABULATION

Bid Opening for Fifth Street Improvements.

The first bid was opened at 3:05 p.m. April 1, 2005. Bidders and bid amount are listed in order of opening:

Walton Construction	\$235,723.55
South Ark Construction	220,650.75
Big Time Construction	310,375.75

Bid award is scheduled for April 8, 2005.

---

Ellen Smith  
City Secretary

# Verification of Contractor's Bonding/Insurance

# B-25

The LCDBG Contract:

---

Grantee Name \_\_\_\_\_

LCDBG Contract # \_\_\_\_\_

Information regarding prime contractor's bonding entities:

---

Name of Contractor \_\_\_\_\_

Name of Insurance Agent \_\_\_\_\_

Agent's Company Name \_\_\_\_\_

Name of Surety Company \_\_\_\_\_

Location (Domicile) \_\_\_\_\_

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

---

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

With internet verification, print the page that lists the surety company and attach it to this form.  
With telephone verification, list the name of the person you spoke to and the date below:

Name \_\_\_\_\_ Date \_\_\_\_\_

La. Dept of Insurance: [www.lidi.state.la.us/search\\_forms/company\\_search.cfm](http://www.lidi.state.la.us/search_forms/company_search.cfm) or (225) 342-0895

---

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

With internet verification, print the page that lists the surety company and attach it to this form.  
With telephone verification, list the name of the person you spoke to and the date below:

Name \_\_\_\_\_ Date \_\_\_\_\_

---

Bond(s) Cleared? \_\_\_\_\_ Yes \_\_\_\_\_ No By \_\_\_\_\_

Date \_\_\_\_\_

- Retain for your records. Do not send to OCD.

## SIGN REQUIRED AT LCDBG CONSTRUCTION SITE(S)

All recipients of funds under the LCDBG Program must post a sign in each target area for the purpose of informing the public that the work is being financed with a grant from the Louisiana Division of Administration. An exception to this rule pertains to street projects; on projects involving street improvements, a maximum of three signs will be allowed for payment with LCDBG funds.

At a minimum, the sign must identify the U.S. Department of Housing and Urban Development and the Louisiana Division of Administration as the funding sources. The names of Kathleen Babineaux Blanco, Governor, and Jerry Luke LeBlanc, Commissioner, must also be included. A sample format for this sign is provided for your use. The minimum size of this sign must be 42 inches by 60 inches and the maximum size should not exceed 4 feet by 8 feet. The cost of the sign(s) is an eligible LCDBG expense.

For housing rehabilitation projects, one sign in each target area will suffice.

Example:

CITY OF DONNA LINN

THIS PROJECT IS BEING FUNDED BY THE

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

THROUGH THE

LOUISIANA OFFICE OF THE GOVERNOR

DIVISION OF ADMINISTRATION

KATHLEEN BABINEAUX BLANCO  
Governor

JERRY LUKE LEBLANC  
Commissioner

JOHN ROSS  
Mayor

V.I.P. OFFICIALS  
Senator/Rep

"BENEFITING DONNA LINN AND ALL LOUISIANA"

## CONSTRUCTION CONTRACT CHECKLIST

GRANTEE: \_\_\_\_\_ CONTRACT #: \_\_\_\_\_

Dates of Bid Advertisement:

Labor Standards Compliance Officer:

Date of 10-Day Call:

Date of Bid Opening:

Date of Contract Award:

Date Work Began:

Date Contract Executed:

Contract Amount:

Contractor:

Address:

Indicate by a "X" if the contractor can be classified as any of the following.

Minority: \_\_\_\_ Section 3: \_\_\_\_ Female: \_\_\_\_

Contact Person:

Telephone:

- | 1. Pre-Advertisement/Bid Package Review   | Date/By |
|---|---------|
| - Federal wage determination requested    | _____   |
| - Federal wage determination acknowledged | _____   |
| _____                                     |         |
| - Federal wage determination reviewed     | _____   |
| - Federal Labor Standards Provisions      | _____   |
| - Davis-Bacon provisions (\$2,000)        | _____   |

Date/By

- Contract Work Hours and Safety Standards clauses

---

- Copeland Anti-Kickback clause

---

- Employment of Apprentices/Trainees clause

---

- Title VI clause

---

- Compliance with Title VIII Fair Housing

---

- E.O. 11246 standard clause (contracts above \$10,000) OR 3-paragraph equal opportunity provisions (contracts less than \$10,000)

---

- Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (E.O. 11246 -- contracts \$10,000 or more)

---

- Standard Federal Equal Employment Opportunity Construction Contract Specifications and Goals and Timetables (E.O. 11246 -- contracts \$10,000 or more)

---

- Section 109 clause

---

- Section 504 Handicapped (contracts of \$2,500 or more)

---

- Section 3 clause

---

- Age Discrimination Act of 1975

---

- Rehabilitation Act of 1973

---

- Segregated Facilities clause

---

- Clean Air/Water (contracts of \$100,000 or more)

---

- Flood Insurance, if applicable

---

- Lead-Based Paint clause

---

Date/By

- Architect's Certification of Compliance with Architectural Barriers Act of 1968 (copy to DOA) \_\_\_\_\_
- A-102 Bonding Insurance Provisions (\$100,000) \_\_\_\_\_
- Access to Records/Maintenance of Records clauses \_\_\_\_\_
- General Administrative Provisions \_\_\_\_\_
- Review by Attorney \_\_\_\_\_
- Approval of plans and specs by cognizant agency \_\_\_\_\_

2. PRE-AWARD

- Date of 10-day Call \_\_\_\_\_
- Minutes of Bid Opening \_\_\_\_\_
- Tabulation of Bids (*Send one copy to DOA*) \_\_\_\_\_
- Recommendation for Award \_\_\_\_\_
- Verification of Contractor/Subcontractor eligibility with DOA \_\_\_\_\_
- Date of State's Release of Funds \_\_\_\_\_
- Council Authorization of Contract Award \_\_\_\_\_

3. PRECONSTRUCTION

- Executed Contract \_\_\_\_\_
- Notice of Contract Award sent to DOA \_\_\_\_\_
- Notification of Contractor/Subcontractor Responsibilities \_\_\_\_\_
- Contractor's/Subcontractor's Section 3 Plan, if required \_\_\_\_\_

Date/By

- Contractor's Section 3 Tables A & B completed, if required \_\_\_\_\_
- Contractor's Certification Concerning Labor Standards and Prevailing Wage Requirements \_\_\_\_\_
- Subcontractor's Certification Concerning Labor Standards & Prevailing Wage Requirements \_\_\_\_\_
- Contractor's Certification of Equal Employment Opportunity \_\_\_\_\_
- Subcontractor's Certification of Equal Employment Opportunity \_\_\_\_\_
- Contractor's Certification regarding Section 3 and Segregated Facilities \_\_\_\_\_
- Subcontractor's Certification regarding Section 3 and Segregated Facilities \_\_\_\_\_
- Contractor established own Equal Employment Opportunity file \_\_\_\_\_
- Contractor's Guide to Davis-Bacon Wage Requirements & Certified Payroll Reports \_\_\_\_\_
- Requested and received federal wage determination for any classifications not included on wage determination \_\_\_\_\_
- If apprentices are to be used on contract, received copy of contractor's apprentice program certifications \_\_\_\_\_
- If trainees are to be used on contract, received copy of contractor's trainee program certification \_\_\_\_\_
- Bonding/insurance on file \_\_\_\_\_
- Labor Standards enforcement file established \_\_\_\_\_
- Notice to Proceed issued to Contractor \_\_\_\_\_

Date/By

- Notice of Start of Construction sent to DOA \_\_\_\_\_
- Qualification Certification of Resident Project Representative and copy of current resume sent To DOA \_\_\_\_\_

4. CONSTRUCTION/ENFORCEMENT

- Payrolls & Statement of Compliance

Received	Reviewed	Discrepancies	Document on attached sheet, including resolutions and notice to State
----------	----------	---------------	---

- Week 1
- Week 2
- Week 3
- Week 4 (Etc.)

- Project Inspection

Month 1 \_\_\_\_\_  
 Month 2 \_\_\_\_\_  
 Month 3 \_\_\_\_\_  
 Month 4 \_\_\_\_\_

- Complaints, if any, and actions taken \_\_\_\_\_
- Correspondence concerning contractor E.O. compliance \_\_\_\_\_

Project Inspection Checklist

A. Project Site Posting

- 1) Federal Wage Determination(s) \_\_\_\_\_
- 2) Notice to Employees (W.H. 1321) \_\_\_\_\_
- 3) Safety & Health Protection on Job \_\_\_\_\_
- 4) Equal Employment Opportunity Requirements (E.O. 11246) \_\_\_\_\_

B. Employee Interviews

Attach employee interview form for each interview conducted. All classifications

represented on the job must be included in interviews.

C. Inspector's written report (re: posting of site,  
contractor compliance with E.O. specification) \_\_\_\_\_

5. PROJECT COMPLETION

- Files reviewed to determine  
completeness and establish that  
all required restitutions have been  
made and are adequately documented \_\_\_\_\_

- Final Wage Compliance Report(s) \_\_\_\_\_

- Copy of as-built plans received \_\_\_\_\_

**INTERGOVERNMENTAL COOPERATIVE AGREEMENT**

BY AND BETWEEN THE

\_\_\_\_\_  
(Name of Police Jury/Local Government)

STATE OF LOUISIANA

PARISH OF \_\_\_\_\_

AND

\_\_\_\_\_  
(Political subdivision/ Fire District)

THIS AGREEMENT is entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by and between the \_\_\_\_ (police jury/local gov't) \_\_\_\_, a political subdivision of the State of Louisiana, existing under the laws of the State of Louisiana, and the \_\_\_\_\_ (name of fire district) \_\_\_\_\_, a fire district existing under and by virtue of the laws of the State of Louisiana, relative to the expenditure of funds on the FY 19/20\_\_\_\_\_ Louisiana Community Development Block Grant Program, dealing with the proposed \_\_\_\_ (construction; purchase; maintenance; ownership) \_\_\_\_ of \_\_\_\_\_ (trucks, buildings, equipment) \_\_\_\_\_.

The parties do hereby mutually agree to cooperate in the undertaking or assist in undertaking the essential LCDBG activities as proposed in the above referenced Louisiana Community Development Block Grant Program and specifically, under the authority granted by virtue of Louisiana Revised Statute 33:1321, et seq and particular provisions thereof commonly known as the "Intergovernmental Functions Act:, to wit:

1. The \_\_\_\_\_ (police jury/local gov't) \_\_\_\_\_ has received a Louisiana Community Development Block Grant to \_\_\_\_ ( describe project) \_\_\_\_\_ and \_\_\_\_\_ in the jurisdiction of \_\_\_\_\_ (fire district) \_\_\_\_\_. All of the said project is in the jurisdiction of the \_\_\_\_ (police jury/local gov't) \_\_\_\_\_.

2. The \_\_\_\_\_ (police jury/local gov't) \_\_\_\_\_ does hereby assume responsibility for the proper administration, implementation and payment for the said project in conformity with

and under the authority of the Louisiana Division of Administration, Community Development Block Grant Program.

3. The \_\_\_\_\_ (fire district) \_\_\_\_\_ does hereby agree and authorize the \_\_\_\_\_ (police jury/local gov't) \_\_\_\_\_ to (construct/purchase) said project in accordance with the plans and specifications prepared by \_\_\_\_\_ (engineering firm) \_\_\_\_\_ and to use the available land and rights of way as owned by \_\_\_\_\_ (fire district) \_\_\_\_\_.

4. The \_\_\_\_\_ (policy jury/local gov't) \_\_\_\_\_ shall transfer ownership of the project to \_\_\_\_\_ (fire district) \_\_\_\_\_ only on the condition that said \_\_\_\_\_ (fire district) \_\_\_\_\_ shall agree to properly operate and maintain said project in accordance with the terms and geographical boundaries as specified in the application approved on behalf of \_\_\_\_\_ (policy jury/local gov't) \_\_\_\_\_.

5. Specifically, the transfer of ownership shall be limited to the following property and items, to wit: \_\_\_\_\_ (here the trucks, buildings, etc. shall be legally described) \_\_\_\_\_.

6. The \_\_\_\_\_ (fire district) \_\_\_\_\_ also agrees that the items or property listed above will not be transferred between districts or disposed of without LCDBG permission and complying with Federal Regulations concerning disposition of property purchased with LCDBG Funds. ( 24 CFR, Chap. V, Para. 570.489)

THUS DONE AND SIGNED by authority granted as per attached resolutions of the above respective bodies through the undersigned duly authorized officers.

WITNESSES:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(name of police jury/local government)

\_\_\_\_\_  
PRESIDENT/MAYOR

\_\_\_\_\_  
(name of fire district)

\_\_\_\_\_  
PRESIDENT

**INTERGOVERNMENTAL COOPERATIVE AGREEMENT**

BY AND BETWEEN THE

\_\_\_\_\_  
(Name of Police Jury/Local Government)

STATE OF LOUISIANA

PARISH OF \_\_\_\_\_

AND

\_\_\_\_\_  
(Political subdivision/ Fire District)

THIS AGREEMENT is entered into on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the \_\_\_\_ (police jury/local gov't) \_\_\_\_, a political subdivision of the State of Louisiana, existing under the laws of the State of Louisiana, and \_\_\_\_\_, a \_\_\_\_\_ district existing under and by virtue of the laws of the State of Louisiana, relative to the expenditure of funds on the FY 19/20\_\_\_\_ Louisiana Community Development Block Grant Program, dealing with the proposed \_\_\_\_ (construction; purchase; maintenance; ownership) \_\_\_\_ of \_\_\_\_\_.

The parties do hereby mutually agree to cooperate in the undertaking or assist in undertaking the essential LCDBG activities as proposed in the above referenced Louisiana Community Development Block Grant Program and specifically, under the authority granted by virtue of Louisiana Revised Statute 33:1321, et seq and particular provisions thereof commonly known as the "Intergovernmental Functions Act:, to wit:

1. The \_\_\_\_ (police jury/local gov't) \_\_\_\_ has received a Louisiana Community Development Block Grant to \_\_\_\_ ( describe project) \_\_\_\_ and \_\_\_\_\_ in the jurisdiction of \_\_\_\_\_. All of the said project is in the jurisdiction of the \_\_\_\_ (police jury/local gov't) \_\_\_\_\_.

2. The \_\_\_\_ (police jury/local gov't) \_\_\_\_ does hereby assume responsibility for the proper administration, implementation and payment for the said project in conformity with and under the authority of the Louisiana Division of Administration, Community Development Block Grant Program.

3. The \_\_\_\_\_ does hereby agree and authorize the \_\_\_\_\_ (police jury/local gov't) to (construct/purchase) said project in accordance with the plans and specifications prepared by \_\_\_\_\_ (engineering firm) and to use the available land and rights of way as owned by \_\_\_\_\_.

4. The \_\_\_\_\_ (policy jury/local gov't) shall transfer ownership of the project to \_\_\_\_\_ only on the condition that said \_\_\_\_\_ shall agree to properly operate and maintain said project in accordance with the terms and geographical boundaries as specified in the application approved on behalf of \_\_\_\_\_ (policy jury/local gov't).

THUS DONE AND SIGNED by authority granted as per attached resolutions of the above respective bodies through the undersigned duly authorized officers.

WITNESSES:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(name of police jury/local government)

\_\_\_\_\_  
PRESIDENT/MAYOR

\_\_\_\_\_  
(name of political subdivision)

\_\_\_\_\_  
PRESIDENT

**QUALIFICATION CERTIFICATION**  
**FOR**  
**RESIDENT PROJECT REPRESENTATIVE**  
*LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM*

**B-29**

*(To be filled out by the Architect/Engineer – if more than one Resident Project Representative is proposed, fill out one Qualification Certification for each)*

**NOTE:** This Qualification Certification and a copy of the Resident Project Representative's current resume showing qualifications and work history must be submitted to the Office of Community Development before construction begins.

Grantee: \_\_\_\_\_

Type of Project (street, water, sewer, etc.): \_\_\_\_\_

LCDBG Contract Number: \_\_\_\_\_

Architect/Engineering Firm: \_\_\_\_\_

Name of Resident Project Representative: \_\_\_\_\_

Resident Project Representative is (check one):

\_\_\_\_\_ on staff with Arch./Engr. firm, or \_\_\_\_\_ a contract employee with Arch./Engr. firm.

**\*\*\*\*\* CERTIFICATION \*\*\*\*\***

*This is to certify that the person listed above has the qualifications and abilities to perform the appropriate duties and responsibilities of the Resident Project Representative on the proposed LCDBG funded construction project. This individual understands the duties, responsibilities, and authority of the Resident Project Representative; has a good working knowledge of the types of construction materials and practices for this particular project; and will be under my direct supervision for the duration of the construction of the project.*

<p><b>(For State Use Only)</b></p> <p style="font-size: 24pt; font-weight: bold; margin: 10px 0;">A P P R O V E D</p> <hr style="width: 80%; margin: 10px auto;"/> <p style="text-align: center; font-weight: bold;">CDBG</p>
---

\_\_\_\_\_  
*Signature of Architect/Engineer*

\_\_\_\_\_  
*Typed or printed name*

\_\_\_\_\_  
*Date*



**HOUSE-CONNECTION APPLICATION  
FOR HOMEOWNERS**

<b>HOMEOWNER'S NOTIFICATION</b>	<b>AGREEMENT FOR FREE SERVICE LINE</b>																		
<p>The _____ has secured grant funds to install a sewer collection system to serve your neighborhood. The funds will be used to construct a sewer pump station and sewer mains in the right-of-ways of the Village's streets.</p> <p>Once the sewer collection system is installed, it is each homeowner's responsibility to install a sewer service line on your property to connect your house plumbing to the sewer mains.</p> <p>However, if your income is less than the amount noted below for the number of people residing in your home, you may qualify to have the Village install your sewer service line on your property to connect your house plumbing to the new sewer collection system.</p> <p>Check the one that applies based on your total 2002 income, or your current income.</p> <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Number of People in House:</th> <th style="text-align: left; border-bottom: 1px solid black;">Is your Annual Income less than:</th> </tr> </thead> <tbody> <tr><td><input type="checkbox"/> 1 person</td><td>less than \$19,100</td></tr> <tr><td><input type="checkbox"/> 2 persons</td><td>less than \$21,800</td></tr> <tr><td><input type="checkbox"/> 3 persons</td><td>less than \$24,550</td></tr> <tr><td><input type="checkbox"/> 4 persons</td><td>less than \$27,300</td></tr> <tr><td><input type="checkbox"/> 5 persons</td><td>less than \$29,450</td></tr> <tr><td><input type="checkbox"/> 6 persons</td><td>less than \$31,650</td></tr> <tr><td><input type="checkbox"/> 7 persons</td><td>less than \$33,850</td></tr> <tr><td><input type="checkbox"/> 8 persons</td><td>less than \$36,000</td></tr> </tbody> </table> <p>If your total household income is greater than the annual income allowed for the number of people in your house, you do not qualify for the free sewer service line. However, you will still be able to connect to the sewer system, but will have to pay for the sewer service line on your property at your expense, and you do not have to complete this form.</p> <p>If your income is less than the annual income allowed for the number of people in your house, proceed with completing the remainder of this form.</p>	Number of People in House:	Is your Annual Income less than:	<input type="checkbox"/> 1 person	less than \$19,100	<input type="checkbox"/> 2 persons	less than \$21,800	<input type="checkbox"/> 3 persons	less than \$24,550	<input type="checkbox"/> 4 persons	less than \$27,300	<input type="checkbox"/> 5 persons	less than \$29,450	<input type="checkbox"/> 6 persons	less than \$31,650	<input type="checkbox"/> 7 persons	less than \$33,850	<input type="checkbox"/> 8 persons	less than \$36,000	<p>In addition to installing all the sewer mains in the right-of-way and/or utility easement, the Village will hire a contractor/plumber to install the sewer service line from the location of the new sewer mains to the location of your house plumbing (including the connection) at no cost to residents which qualify as low-to-moderate income households. The Village will pay a contractor/plumber to install this sewer service line at no cost to you, if you qualify based on the income limits, and sign and return this form requesting the sewer service line with the proper income documentation.</p> <p>I am the owner of the listed property and desire the sewer service line to be installed by the Village. I agree to allow the _____ Officials, Engineers, and Contractors access to my property to install the sewer service line and connect it to my house plumbing.</p> <p>I, as the owner, understand that the Contractor/Plumber is required to dig and install a sewer service line. He will use laborers, equipment, tools, materials, PVC sewer service lines and fittings.</p> <p>I also know that the property will be disturbed, but the Contractor/Plumber will try and restore the property to as close to its original condition as possible. When the work is finished, I as the Owner, agree to maintain the sewer service line on my property.</p> <p>Village Officials and Engineers will inspect the work to see that the job is done correctly, accept the project when completed, and pay for the sewer service line and connection to my house.</p> <p>I hereby certify that I am a low-to-moderate income household and that the total annual household income at this address is less than the limits (to the left) allowed based on the total number of people living in the house and I am providing documentation to support this.</p> <p><input type="checkbox"/> I do qualify for the free sewer service line and have completed Parts A, B and C on the back of this form (including attaching the appropriate supporting information on our income) and that all of this information is correct and true.</p> <hr/> <p style="display: flex; justify-content: space-between;"> <span>Signature of Homeowner</span> <span>Date</span> </p>
Number of People in House:	Is your Annual Income less than:																		
<input type="checkbox"/> 1 person	less than \$19,100																		
<input type="checkbox"/> 2 persons	less than \$21,800																		
<input type="checkbox"/> 3 persons	less than \$24,550																		
<input type="checkbox"/> 4 persons	less than \$27,300																		
<input type="checkbox"/> 5 persons	less than \$29,450																		
<input type="checkbox"/> 6 persons	less than \$31,650																		
<input type="checkbox"/> 7 persons	less than \$33,850																		
<input type="checkbox"/> 8 persons	less than \$36,000																		

**(Over)**

► **PART A - TO BE COMPLETED BY ALL RESIDENTS REQUESTING THE FREE SEWER SERVICE LINE**

Print Name of Homeowner

Address Where Sewer Service Line is Desired

Mailing Address

Phone Number

► **PART B - ALL RESIDENTS REQUESTING THE FREE SEWER SERVICE LINE MUST PROVIDE A LEAST ONE OF THE FOLLOWING:**

I am attaching at least one of the following for everyone in my household to document our income:

- A copy of our 2002 Federal Income Tax Return for everyone who lives in the house; or
- A copy of our latest report on Food Stamps or Social Security Benefits; or
- A copy of all of the government checks for everyone who lives in the house; or
- A copy of other information such as a W-2 form to document our current income.

► **PART C - TO BE COMPLETED BY ALL RESIDENTS REQUESTING THE FREE SEWER SERVICE LINE**

INCOME INFORMATION LIST ALL RESIDENTS AND THEIR INCOME		
Residents Name	Income Source	Amount (\$)

CENSUS INFORMATION		
HEAD OF HOUSEHOLD		
PLEASE CHECK ALL BOXES THAT APPLY TO THE HEAD OF THE HOUSEHOLD	<input type="checkbox"/>	Female
	<input type="checkbox"/>	Handicap
	<input type="checkbox"/>	White
	<input type="checkbox"/>	Black
	<input type="checkbox"/>	Asian/Other
TOTAL PEOPLE IN HOME		
PLEASE WRITE THE NUMBER OF PEOPLE	<input type="text"/>	Occupants in the House
	<input type="text"/>	Handicap/Disabled

RETURN THIS FORM TO:

# SEWER COLLECTION SYSTEM

## HOUSE-CONNECTION APPLICATION FOR RENTERS

RENTER'S NOTIFICATION	AGREEMENT FOR FREE SERVICE LINE																		
<p>The Village of _____ has secured grant funds to install a sewer collection system to serve your neighborhood. The funds will be used to construct the sewer pump station and sewer mains in the right-of-ways of the Village's streets.</p> <p>Once the sewer collection system is installed, it is each property owner's responsibility to install a sewer service line on your property to connect your house plumbing to the sewer mains.</p> <p>However, for rental houses, if the tenant's income is less than the amount noted below for the number of people residing in the rental unit, you may qualify to have the Village install the sewer service line on your property to connect your house plumbing to the new sewer collection system.</p> <p>Check the one that applies based on the tenant's total 2002 income, or the tenants current income.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Number of People in House:</th> <th style="text-align: left; border-bottom: 1px solid black;">Is your Annual Income less than:</th> </tr> </thead> <tbody> <tr><td><input type="checkbox"/> 1 person</td><td>less than \$19,100</td></tr> <tr><td><input type="checkbox"/> 2 persons</td><td>less than \$21,800</td></tr> <tr><td><input type="checkbox"/> 3 persons</td><td>less than \$24,550</td></tr> <tr><td><input type="checkbox"/> 4 persons</td><td>less than \$27,300</td></tr> <tr><td><input type="checkbox"/> 5 persons</td><td>less than \$29,450</td></tr> <tr><td><input type="checkbox"/> 6 persons</td><td>less than \$31,650</td></tr> <tr><td><input type="checkbox"/> 7 persons</td><td>less than \$33,850</td></tr> <tr><td><input type="checkbox"/> 8 persons</td><td>less than \$36,000</td></tr> </tbody> </table> <p>If the tenant's total household income is greater than the annual income allowed for the number of people in your rent house, as a landlord you do not qualify for the free sewer service line. However, you will still have to connect your rental property to the sewer system, but will have to pay for the sewer service line on your property at your expense, and you do not have to complete this form.</p> <p>If your tenant's income is less than the annual income allowed for the number of people in your rent house, proceed with completing the remainder of this form.</p>	Number of People in House:	Is your Annual Income less than:	<input type="checkbox"/> 1 person	less than \$19,100	<input type="checkbox"/> 2 persons	less than \$21,800	<input type="checkbox"/> 3 persons	less than \$24,550	<input type="checkbox"/> 4 persons	less than \$27,300	<input type="checkbox"/> 5 persons	less than \$29,450	<input type="checkbox"/> 6 persons	less than \$31,650	<input type="checkbox"/> 7 persons	less than \$33,850	<input type="checkbox"/> 8 persons	less than \$36,000	<p>In addition to installing all the sewer mains in the right-of-way and/or utility easement, the Village will hire a contractor/plumber to install the sewer service line from the location of the new sewer mains to the location of your house plumbing (including the connection) at no cost to the tenant or property owner which qualify as low-to-moderate income households. The Village will pay a contractor/plumber to install this sewer service line at no cost to you, if the tenant qualifies based on the income limits, and the property owner and tenant sign and return this form requesting the sewer service line with the proper income documentation.</p> <p>We are the tenant and the owner of the listed rental property and desire the sewer service line to be installed by the Village. We agree to allow the Village of _____ Officials, Engineers, and Contractors access to the property to install the sewer service line and connect it to the house plumbing.</p> <p>We understand that the Contractor/Plumber is required to dig and install a sewer service line. He will use laborers, equipment, tools, materials, PVC sewer service lines and fittings.</p> <p>We also know that the property will be disturbed, but the Contractor/Plumber will try and restore the property to as close to its original condition as possible. When the work is finished, I as the property owner/landlord, agree to maintain the sewer service line on my property.</p> <p>Village Officials and Engineers will inspect the work to see that the job is done correctly, accept the project when completed, and pay for the sewer service line and connection to my house.</p> <p>I, as the tenant, hereby certify that I am a low-to-moderate income household and that the total annual household income at this address is less than the limits (to the left) allowed based on the total number of people living in the house and I am providing documentation to support this.</p> <p><input type="checkbox"/> I, as the tenant, <i>do</i> qualify for the free sewer service line and have completed Parts A, B and C on the back of this form (including attaching the appropriate supporting information on our income) and that all of this information is correct and true.</p> <hr/> <p style="display: flex; justify-content: space-between;"><span>Signature of Tenant (Renter)</span><span>Date</span></p> <hr/> <p style="display: flex; justify-content: space-between;"><span>Signature of Property Owner (Landlord)</span><span>Date</span></p>
Number of People in House:	Is your Annual Income less than:																		
<input type="checkbox"/> 1 person	less than \$19,100																		
<input type="checkbox"/> 2 persons	less than \$21,800																		
<input type="checkbox"/> 3 persons	less than \$24,550																		
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<input type="checkbox"/> 6 persons	less than \$31,650																		
<input type="checkbox"/> 7 persons	less than \$33,850																		
<input type="checkbox"/> 8 persons	less than \$36,000																		

► **PART A - TO BE COMPLETED BY TENANT REQUESTING THE FREE SEWER SERVICE LINE**

Print Name of Tenant (Renter)

Print Name of Owner (Landlord)

Address Where Sewer Service Line is Desired

Mailing Address of Tenant

Mailing Address of Landlord

Phone Number of Tenant

Phone Number of Landlord

► **PART B - ALL TENANTS REQUESTING THE FREE SEWER SERVICE LINE MUST PROVIDE A LEAST ONE OF THE FOLLOWING:**

I am attaching at least one of the following for everyone in my household to document our income:

- A copy of our 2002 Federal Income Tax Return for everyone who lives in the house; or
- A copy of our latest report on Food Stamps; or Social Security Benefits; or
- A copy of all of the government checks for everyone who lives in the house; or
- A copy of other information such as a W-2 form to document our current income.

► **PART C - TO BE COMPLETED BY ALL TENANTS REQUESTING THE FREE SEWER SERVICE LINE**

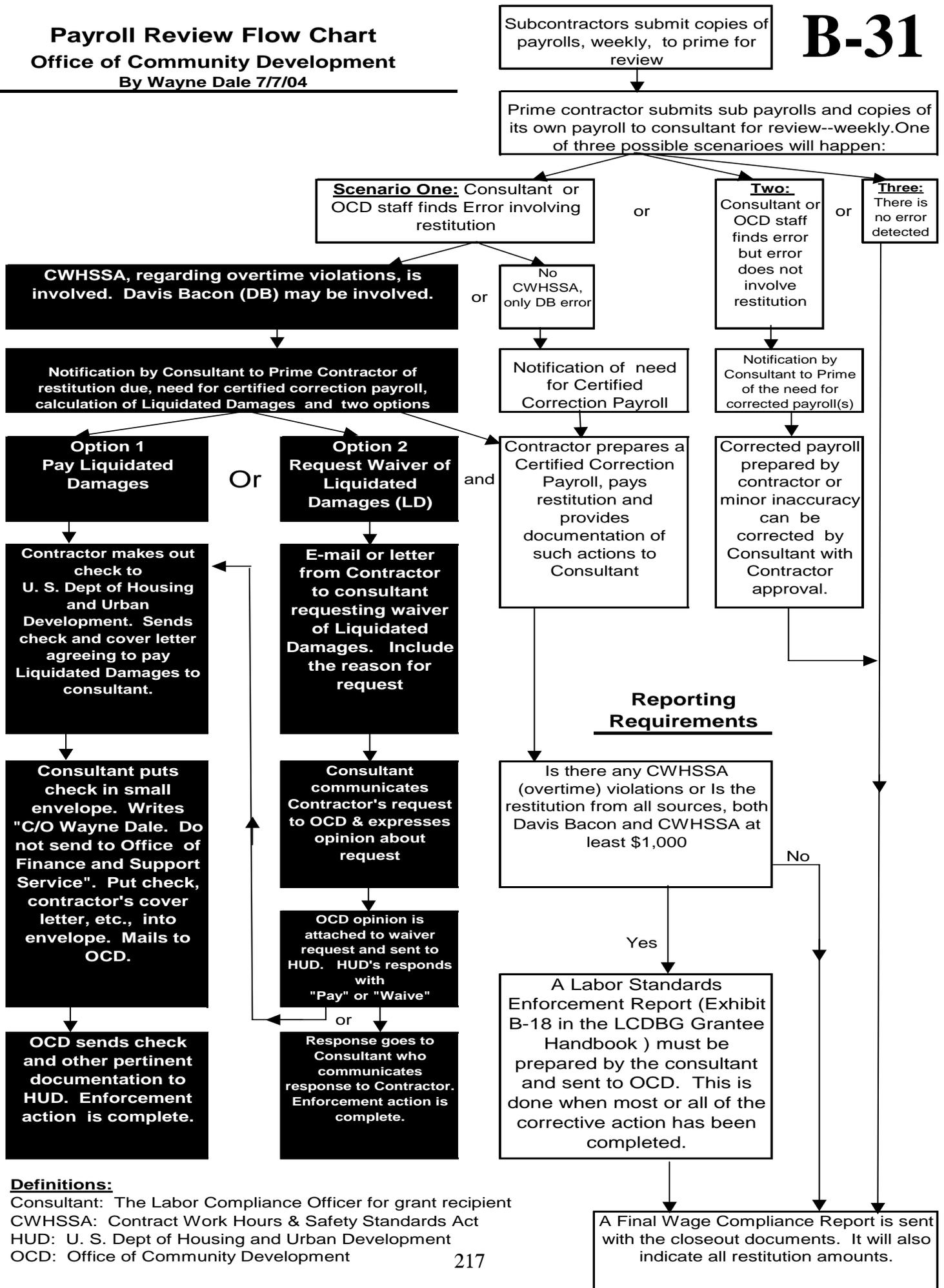
INCOME INFORMATION LIST ALL RESIDENTS AND THEIR INCOME		
Residents Name	Income Source	Amount (\$)

CENSUS INFORMATION		
HEAD OF HOUSEHOLD		
PLEASE CHECK ALL BOXES THAT APPLY TO THE HEAD OF THE HOUSEHOLD	<input type="checkbox"/>	Female
	<input type="checkbox"/>	Handicap
	<input type="checkbox"/>	White
	<input type="checkbox"/>	Black
	<input type="checkbox"/>	Asian/Other
TOTAL PEOPLE IN HOME		
PLEASE WRITE THE NUMBER OF PEOPLE	<input type="text"/>	Occupants in the House
	<input type="text"/>	Handicap/Disabled

RETURN THIS FORM TO:

**Payroll Review Flow Chart**  
**Office of Community Development**  
 By Wayne Dale 7/7/04

**B-31**



**Definitions:**

Consultant: The Labor Compliance Officer for grant recipient  
 CWHSSA: Contract Work Hours & Safety Standards Act  
 HUD: U. S. Dept of Housing and Urban Development  
 OCD: Office of Community Development