

# HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

809 North Broadway  
Milwaukee, Wisconsin 53202

## REQUEST FOR SERVICES PRICING

Quote #9905 – Replace Roof

Today's Date: 06/06/2023

This DOES NOT represent a commitment to buy. Any ACTUAL order resulting from this solicitation will be confirmed by a Housing Authority Purchase Order

**ALL SERVICES REQUIRE COMMERCIAL AND PUBLIC LIABILITY INSURANCE IS ON FILE IN THE PURCHASING UNIT OF THE HOUSING AUTHORITY OF THE CITY OF MILWAUKEE BEFORE COMMENCING WITH ANY WORK.**

### Description

Furnish labor, material and service necessary to remove/replace roof at 3211 North 20<sup>th</sup> Street, Milwaukee, WI 53206, as per the following scope:

Note: Contractors shall perform work in accordance with all lead and asbestos removing procedures including, but not limited to, the containment and removal of materials on the ground.

Contractor shall provide a dumpster for the containment of debris at commencement of project. Bagging is not acceptable. Contractor will be responsible for any damages done to lawn, or to neighbor's property. Site should be cleaned up DAILY.

Storage of materials on site is not allowed. Contractor is responsible for providing a power source.

Overall job is to be professional and done in a workmanlike manner.

**You are strongly encouraged to visit the address to ensure the responsiveness of your bid and meet the scope of work.**

**Kelly Duncan at 414-286-5797 or Kelly.Duncan@hacm.org – Scattered Sites Manager**

### ROOF

1. Safeguard property from falling objects coming from the roof.
2. Remove existing shingles, drip edge, de-icing systems, vents and any damaged or rotted roof sheathing and/or deck board on house.
3. Re-sheet roof with 4'X8'x7/16" OSB
4. Dispose of any cable lines, antenna and satellite dishes, etc.
5. Install new gutter apron in guttered areas and new drip edge on eaves as applicable. Space Gutter apron to receive gutter behind the flashing, or install gutter when installing gutter apron flashing.
6. Install new 3' wide ice and water shield at base of roof covering gutter apron on roof. Install 18" wide ice and water shield on eaves covering top of drip edge flashing.

7. Install engineered roof barrier/membrane. GAF Shingle Mate or equivalent compatible with chosen roofing system.
8. Install starter strips at base of roof and roof eaves. Step flashing (4x4x8 galvanized) should be used at all edges, chimneys and where else applicable. Note: flashing shall be installed under the shingles. All joints must be fitted tightly, accurately, and strapped securely to house and garage. Not to secure roof straps on shingles.
9. Install ridge vent. CertainTeed 12" Filtered Exhaust Vent or approved equivalent compatible with roofing system. Seal openings from any prior venting. Use manufacturer supplied cap shingles of matching color to dimensional shingles for ridge caps. Any exposed nail heads to be covered with roof caulk or tar.
10. Install new lead vent stack covers for all existing plumbing roof vents.
11. Install 30-year dimensional shingles Landmark CertainTeed, or approved equivalent. PROJECT MANAGER MUST APPROVE THE COLOR BEFORE INSTALLATION. Contractor shall use a minimum of 4 nails per shingle; nails to be sufficient in length to secure shingle, and install at a 90-degree angle to surface. Installation to follow manufacturers guidelines.
12. Provide minimum 30-year manufacturers' warranty on installed roofing system.

NOTE: Specify which wires or boxes (such as cable, phone, electrical boxes) were removed and which should be re-installed.

**GUTTERS**

1. Remove existing gutters, and install new seamless, aluminum gutters and downspouts. Ensure brackets are secured to fascia, and pitched correctly to drain. Downspout and extensions must be directed away from the building and sidewalks. Gutters to be 5", Downspouts shall be 3x4" and extended a minimum of 4 feet. Match existing downspout route and drainage.
2. If gutters go into cement receptacle, and into the sewer, make sure there is an adapter/transition fitting/cap (example: Gages adapter) to seal opening.

Work shall commence within 10 business days of contract award and completed within 2 weeks of start date (weather permitting). Management Office must be notified, so tenants can be notified.

Contractor will be held liable for any damage caused to the building and ancillary structure, and/or injury to the occupants resulting from the execution of the work or from not exercising proper precautionary protective measures. Any cost of repair/replacement resulting from damages shall be at the contractor's expense.

**TOTAL COST OF BID**.....\$\_\_\_\_\_

**WARRANTY:** \_\_\_\_\_

You will be required to pay your employees Davis Bacon Wage Rate WI20230027, Modification Number 1, Publication Date 06/02/2023. Payrolls must be submitted electronically before payment will be processed. (See attached Certified Payroll Electronic Submission)

Contractor shall comply with all applicable state, federal and local codes, and pay all permits, licenses and certificates, and other fees as required by the work.

**NOTE:** Contractor is responsible to obtain and close City permit for this job. Permit must be submitted to Purchasing before commencement of work.

**Attachments:**

Terms and Conditions

Insurance

Davis Bacon Wage Decision WI20230027, Modification Number 1, Publication Date 06/02/2023

General Contract Conditions for Small Construction/Development Contracts

Certified Payroll Electronic Submission

Hazardous Materials (Asbestos and Lead) – Requirements and Disclosure

Hazardous Materials (Asbestos and Lead) – Procedures for Repair and Modernization

Hazardous Materials (Asbestos and Lead) – Quick Reference

EBE Provisions

Section 3 Plan/Policy/Compliance Forms Package (**Complete/sign applicable pages and return with bid**) **If you have any Section 3 and/or EBE questions, please contact Konita Jude at 414-286-2940 or [Kpjude@hacm.org](mailto:Kpjude@hacm.org)**

Contact Person: Stacey Shaw

Phone: 414-286-2942

Fax: 414-286-5502

**Please sign and fax to: 414-286-5502 by or email [sshawi@hacm.org](mailto:sshawi@hacm.org) by Tuesday, June 13th, 2023 at 12:00 P.M.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Phone

\_\_\_\_\_  
Fax

\_\_\_\_\_  
Company Name & Address

**NOTE:** Contractor is responsible to obtain and close City permit for this job. Permit must be submitted to Purchasing before commencement of work.

**Attachments:**

Terms and Conditions

Table 5.1

Insurance

Davis Bacon Wage Decision WI20230027, Modification Number 1, Publication Date 06/02/2023

General Contract Conditions for Small Construction/Development Contracts

Certified Payroll Electronic Submission

Hazardous Materials (Asbestos and Lead) – Requirements and Disclosure

Hazardous Materials (Asbestos and Lead) – Procedures for Repair and Modernization

Hazardous Materials (Asbestos and Lead) – Quick Reference

EBE Provisions

Section 3 Plan/Policy/Compliance Forms Package (**Complete/sign applicable pages and return with bid**) If you have any **Section 3** and/or **EBE** questions, please contact Konita Jude at 414-286-2940 or [Kpjude@hacm.org](mailto:Kpjude@hacm.org)

Contact Person: Stacey Shaw

Phone: 414-286-2942

Fax: 414-286-5502

**Please sign and fax to: 414-286-5502 by or email [sshawi@hacm.org](mailto:sshawi@hacm.org)  
by Tuesday, June 13th, 2023 at 12:00 P.M.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Phone

\_\_\_\_\_  
Fax

\_\_\_\_\_  
Company Name & Address

## TERMS AND CONDITIONS

- I. The Housing Authority reserves the right to: reject any and all quotations; waive informalities, technical defects, and minor irregularities; accept the quotation (if any) deemed most advantageous to and in the best interests of the Housing Authority. Award will be based on price, contractor's availability to provide the specified services when required, and contractor's expertise and past performance.
- II. Contractor shall not proceed with work until directed to do so by the Housing Authority or its agent.
- III. Work shall be conducted Monday through Friday, 8:00 AM to 4:30 PM, except for Housing Authority holidays.
- IV. Work shall commence within 10 business days of award of contract. Work shall be completed within 2 weeks of start date, weather permitting.
- V. Liquidated damages in the amount of \$50.00 may be assessed for each day of delay.
- VI. Contractor shall comply with all provisions (including labor standards) of the "General Contract Conditions for Small Construction/Development Contracts". Wage interviews will be conducted on site by Housing Authority staff. Contractors and its employees shall cooperate fully with these wage interviews.
- VII. Contractor shall provide lien waiver to Housing Authority of the City of Milwaukee, Attention: Stacey Shaw, 809 North Broadway, Milwaukee, WI 53202.
- VIII. "If the successful bidder was in existence during or prior to the slavery era (i.e. before 1865), then the bidder shall complete an Affidavit Of Compliance For Disclosure Of Participation In Or Profits Derived From Slavery By Contractors affidavit in accordance with Milwaukee Code of Ordinance 310-14 before a purchase order or contract can be executed (unless such an affidavit has already been submitted and it is on file with the Business Operations Division of the City of Milwaukee). For details on this requirement, see the following website:  
<http://city.milwaukee.gov/Directory/Procurement/Forms.htm#.U4oSpKMo71I>"
- IX. With respect to Contractor's records, it is to be understood that the Housing Authority is bound by the Wisconsin Public Records Law, and as such, all of the terms of this Agreement are subject to and conditioned on the provisions of Wis. Stat. 19.21, *et seq.* The Contractor acknowledges that it is obligated to assist the Housing Authority in retaining and producing records that are subject to Wisconsin Public Records Law, and that the failure to do so shall constitute a material breach of this Agreement, and that the Contractor must defend and hold the Housing Authority harmless from liability under that law. Except as otherwise authorized, those records shall be maintained for a period of seven years after receipt of final payment under this Agreement. This seven-year period supersedes the three-year period indicated in Clause 9, Examination and Retention of Contractor's Records, in the General Contract Conditions for Small Construction/Development Contracts.
- X. TERMINATION FOR CAUSE AND FOR CONVENIENCE (contracts of \$10,000 or more). (a) HACM may terminate this contract in whole, or from time to time in part, for the HACM's convenience or the failure of the Contractor to fulfill the contract obligations (cause/default). The HACM shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the

termination. Upon receipt of the notice, the Contractor shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to the HACM all information, reports, papers, and other materials accumulated or generated in performing the contract, whether completed or in process.

(b) If the termination is for the convenience of the HACM, the HACM shall be liable only for payment for services rendered before the effective date of the termination.

(c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (cause/default), the HACM may (1) require the Contractor to deliver to it, in the manner and to the extent directed by the HACM, any work described in the Notice of Termination; (2) take over the work and prosecute the same to completion by contract of otherwise, and the Contractor shall be liable for any additional cost incurred by the HACM; and (3) withhold any payments to the Contractor, for the purpose of setoff or partial payment, as the case may be, of amounts owned by the HACM by the Contractor. In the event of termination for cause/default, the HACM shall be liable to the Contractor for reasonable costs incurred by the Contractor before the effective date of the termination. Any dispute shall be decided by the Procurement and Contracts Director or designee

**XI. Contractor shall comply with all applicable state, federal and local codes, and pay all permits, licenses and certificates, and other fees as required by the work.**

## **INSURANCE REQUIREMENTS**

**Before starting work**, the Contractor will provide the Housing Authority of the City of Milwaukee ("HACM") proof of Worker's Compensation and Commercial and Public Liability Insurance. The insurance carrier must be licensed to do business in the State of Wisconsin and HACM must be named as an additional insured on general liability.

- The Contractor will carry Worker's Compensation Insurance for all employees engaged in work at the site, in accordance with State or Territorial Worker's Compensation Laws.
- Commercial and Public Liability with bodily injury and property damage limits will be at a combined single limit of at least \$500,000 to protect the contractor and each subcontractor against claims for injury to or death of one or more persons.
- Automobile Liability on owned and non-owned motor vehicles used on the site(s), or in connection with the sites, for a combined single limit for bodily injury and property damage of not less than \$500,000 per occurrence.
- Professional Liability \$1,000,000 per occurrence (if applicable).

Contractor will not allow insurance coverage to lapse and will provide HACM with updated Certificates of Insurance as necessary.

All policies must provide that at least thirty (30) days' notice of cancellation will be given to the HACM and the contractor.

The certificate holder must be noted as:

Housing Authority of the City of Milwaukee  
809 N. Broadway  
Attn: Purchasing/Contract Services  
Milwaukee, WI 53202

The Insurance agent's contact name, phone, fax number, and e-mail address should be on the Certificate of Insurance.

**For any questions regarding insurance, please contact Dana Shepherd,  
Purchasing Support Agent, at 414-286-5891 or [dlsheph@hacm.org](mailto:dlsheph@hacm.org)**

"General Decision Number: WI20230027 06/02/2023

Superseded General Decision Number: WI20220027

State: Wisconsin

Construction Type: Residential

County: Milwaukee County in Wisconsin.

RESIDENTIAL CONSTRUCTION PROJECTS (consisting of single family homes and apartments up to and including 4 stories).

Note: Contracts subject to the Davis-Bacon Act are generally required to pay at least the applicable minimum wage rate required under Executive Order 14026 or Executive Order 13658. Please note that these Executive Orders apply to covered contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but do not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60).

If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022:	<ul style="list-style-type: none"><li>. Executive Order 14026 generally applies to the contract.</li><li>. The contractor must pay all covered workers at least \$16.20 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2023.</li></ul>
If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022:	<ul style="list-style-type: none"><li>. Executive Order 13658 generally applies to the contract.</li><li>. The contractor must pay all covered workers at least \$12.15 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on that contract in 2023.</li></ul>

The applicable Executive Order minimum wage rate will be



adjusted annually. If this contract is covered by one of the Executive Orders and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must still submit a conformance request.

Additional information on contractor requirements and worker protections under the Executive Orders is available at <http://www.dol.gov/whd/govcontracts>.

Modification Number	Publication Date
0	01/06/2023
1	06/02/2023

CARP0264-006 06/01/2016

	Rates	Fringes
CARPENTER.....	\$ 35.78	22.11

-----  
 ELEC0494-004 06/01/2021

	Rates	Fringes
ELECTRICIAN.....	\$ 29.84	13.35

-----  
 \* ENGI0139-009 05/31/2023

	Rates	Fringes
OPERATOR: Power Equipment		
Backhoe/Excavator (130,000		
lbs. and over).....	\$ 42.92	25.00
Backhoe/Excavator (under		
130,000 lbs.), Bulldozer;		
Roller.....	\$ 42.17	25.00

-----  
 LABO0113-007 06/01/2022

	Rates	Fringes
LABORER: Mason Tender - Brick...	\$ 19.42	16.20

-----  
 PLUM0075-011 06/01/2016

	Rates	Fringes
PLUMBER.....	\$ 40.27	21.47

-----

ROOF0065-001 06/01/2022

	Rates	Fringes
ROOFER.....	\$ 38.00	24.05

-----  
SHEE0018-026 06/01/2021

	Rates	Fringes
SHEET METAL WORKER (Including HVAC Duct Installation; Excluding HVAC System Installation)		
(1) Three stories & under...	\$ 28.97	23.59
(2) Four stories.....	\$ 45.44	29.12

-----  
SUWI2012-011 04/04/2012

	Rates	Fringes
CEMENT MASON/CONCRETE FINISHER...	\$ 23.10	4.59
LABORER: Common or General.....	\$ 16.24	7.25
OPERATOR: Bobcat/Skid Steer/Skid Loader.....	\$ 24.95	9.05
OPERATOR: Loader.....	\$ 25.70	9.58
SHEET METAL WORKER (HVAC Unit Installation).....	\$ 24.83	0.00

-----  
WELDERS - Receive rate prescribed for craft performing  
operation to which welding is incidental.

=====  
  
Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other

health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at <https://www.dol.gov/agencies/whd/government-contracts>.

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)).

-----

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of ""identifiers"" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

#### Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than ""SU"" or ""UAVG"" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

#### Survey Rate Identifiers

Classifications listed under the ""SU"" identifier indicate that no one rate prevailed for this classification in the survey and

the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

#### Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

---

#### 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

National Office because National Office has 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.

=====  
END OF GENERAL DECISIO"

# General Contract Conditions for Small Construction/Development Contracts

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB Approval No. 2577-0157 (exp. 3/31/2020)

**Applicability.** The following contract clauses are applicable and must be inserted into small construction/development contracts, greater than \$2,000 but not more than \$150,000.

## 1. Definitions

Terms used in this form are the same as defined in form HUD-5370

## 2. Prohibition Against Liens

The Contractor is prohibited from placing a lien on the PHA's property. This prohibition shall apply to all subcontractors at any tier and all materials suppliers. The only liens on the PHA's property shall be the Declaration of Trust or other liens approved by HUD.

## 3. Disputes

- (a) Except for disputes arising under the **Labor Standards** clauses, all disputes arising under or relating to this contract, including any claims for damages for the alleged breach thereof which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the Contracting Officer for a written decision. A claim by the PHA against the Contractor shall be subject to a written decision by the Contracting Officer.
- (c) The Contracting Officer shall, within 30 days after receipt of the request, decide the claim or notify the Contractor of the date by which the decision will be made.
- (d) The Contracting Officer's decision shall be final unless the Contractor (1) appeals in writing to a higher level in the PHA in accordance with the PHA's policy and procedures, (2) refers the appeal to an independent mediator or arbitrator, or (3) files suit in a court of competent jurisdiction. Such appeal must be made within 30 days after receipt of the Contracting Officer's decision.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under or relating to the contract, and comply with any decision of the Contracting Officer.

## 4. Default

- (a) If the Contractor refuses or fails to prosecute the work, or any separable part thereof, with the diligence that will insure its completion within the time specified in this contract, or any extension thereof, or fails to complete said work within this time, the Contracting Officer may, by written notice to the Contractor, terminate the right to proceed with the work (or separable part of the work) that has been delayed. In the event, the PHA may take over the work and complete it by contract or otherwise, and may take possession of and use any materials, equipment, and plant on the work site necessary for completing the work. The Contractor and its sureties shall be liable for any damage to the PHA resulting from the Contractor's refusal or failure to complete the work within the specified time, whether or not the Contractor's right to proceed with the work is terminated. This liability includes any increased costs incurred by the PHA in completing the work.

- (b) The Contractor's right to proceed shall not be terminated or the Contractor charged with damages under this clause if –
  - (1) The delay in completing the work arises from unforeseeable causes beyond the control and without the fault or negligence of the Contractor; and
  - (2) The Contractor, within 10 days from the beginning of such delay notifies the Contracting Officer in writing of the causes of delay. The Contracting Officer shall ascertain the facts and the extent of the delay. If, in the judgment of the Contracting Officer, the findings of Fact warrant such action, time for completing the work shall be extended by written modification to the contract. The findings of the Contracting Officer shall be reduced to a written decision which shall be subject to the provisions of the **Disputes** clause of this contract.
- (c) If, after termination of the Contractor's right to proceed, it is determined that the Contractor was not in default, or that the delay was excusable, the rights and obligation of the parties will be the same as if the termination had been for convenience of the PHA.

## 5. Termination for Convenience

- (a) The Contracting Officer may terminate this contract in whole, or in part, whenever the Contracting Officer determines that such termination is in the best interest of the PHA. Any such termination shall be effected by delivery to the Contractor of a Notice of Termination specifying the extent to which the performance of the work under the contract is terminated, and the date upon which such termination becomes effective.
- (b) If the performance of the work is terminated, either in whole or in part, the PHA shall be liable to the Contractor for reasonable and proper costs resulting from such termination upon the receipt by the PHA of a properly presented claim setting out in detail: (1) the total cost of the work performed to date of termination less the total amount of contract payments made to the Contractor; (2) the cost (including reasonable profit) of settling and paying claims under subcontracts and material orders for work performed and materials and supplies delivered to the site, payment for which has not been made by the PHA to the Contractor or by the Contractor to the subcontractor or supplier; (3) the cost of preserving and protecting the work already performed until the PHA or assignee takes possession thereof or assumes responsibility therefore; (4) the actual or estimated cost of legal and accounting services reasonably necessary to prepare and present the termination claim to the PHA; and (5) an amount constituting a reasonable profit on the value of the work performed by the Contractor.
- (c) The Contracting Officer will act on the Contractor's claim within days (60 days unless otherwise indicated) of receipt of the Contractor's claim.
- (d) Any disputes with regard to this clause are expressly made subject to the provisions of the **Disputes** clause of this contract.

## 6. Insurance

- (a) Before commencing work, the Contractor and each subcontractor shall furnish the PHA with certificates of insurance showing the following insurance is in force and will insure all operations under the Contract:

(1) Workers' Compensation, in accordance with state or Territorial Workers' Compensation laws.

(2) Commercial General Liability with a combined single limit for bodily injury and property damage of not less than \$ \_\_\_\_\_ [Contracting Officer insert amount] per occurrence to protect the Contractor and each subcontractor against claims for bodily injury or death and damage to the property of others. This shall cover the use of all equipment, hoists, and vehicles on the site(s) not covered by Automobile Liability under (3) below. If the Contractor has a "claims-made" policy, then the following additional requirements apply: the policy must provide a "retroactive date" which must be on or before the execution date of the Contract; and the extended reporting period may not be less than five years following the completion date of the Contract.

(3) Automobile Liability on owned and non-owned motor vehicles used on the site(s) or in connection therewith for a combined single limit for bodily injury and property damage of not less than \$ \_\_\_\_\_ [Contracting Officer insert amount] per occurrence.

(b) Before commencing work, the Contractor shall furnish the PHA with a certificate of insurance evidencing that Builder's Risk (fire and extended coverage) Insurance on all work in place and/or materials stored at the building site(s), including foundations and building equipment, is in force. The Builder's Risk Insurance shall be for the benefit of the Contractor and the PHA as their interests may appear and each shall be named in the policy or policies as an insured. The Contractor in installing equipment supplied by the PHA shall carry insurance on such equipment from the time the Contractor takes possession thereof until the Contract work is accepted by the PHA. The Builder's Risk Insurance need not be carried on excavations, piers, footings, or foundations until such time as work on the superstructure is started. It need not be carried on landscape work. Policies shall furnish coverage at all times for the full cash value of all completed construction, as well as materials in place and/or stored at the site(s), whether or not partial payment has been made by the PHA. The Contractor may terminate this insurance on buildings as of the date taken over for occupancy by the PHA. The Contractor is not required to carry Builder's Risk Insurance for modernization work which does not involve structural alterations or additions and where the PHA's existing fire and extended coverage policy can be endorsed to include such work.

(c) All insurance shall be carried with companies which are financially responsible and admitted to do business in the State in which the project is located. If any such insurance is due to expire during the construction period, the Contractor (including subcontractors, as applicable) shall not permit the coverage to lapse and shall furnish evidence of coverage to the Contracting Officer. All certificates of insurance, as evidence of coverage, shall provide that no coverage may be canceled or non-renewed by the insurance company until at least 30 days prior written notice has been given to the Contracting Officer.

## 7. Contract Modifications

(a) Only the Contracting Officer has authority to modify any term or condition of this contract. Any contract modification shall be authorized in writing.

(b) The Contracting Officer may modify the contract unilaterally (1) pursuant to a specific authorization stated in a contract clause (e.g., Changes); or (2) for administrative matters which

do not change the rights or responsibilities of the parties (e.g., change in the PHA address). All other contract modifications shall be in the form of supplemental agreements signed by the Contractor and the Contracting Officer.

(c) When a proposed modification requires the approval of HUD prior to its issuance (e.g., a change order that exceeds the PHA's approved threshold), such modification shall not be effective until the required approval is received by the PHA.

## 8. Changes

(a) The Contracting Officer may, at any time, without notice to the sureties, by written order designated or indicated to be a change order, make changes in the work within the general scope of the contract including changes:

(1) In the specifications (including drawings and designs);

(2) In the method or manner of performance of the work;

(3) PHA-furnished facilities, equipment, materials, services, or site; or,

(4) Directing the acceleration in the performance of the work.

(b) Any other written order or oral order (which, as used in this paragraph (b), includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this clause; provided, that the Contractor gives the Contracting Officer written notice stating (1) the date, circumstances and source of the order and (2) that the Contractor regards the order as a change order.

(c) Except as provided in this clause, no order, statement or conduct of the Contracting Officer shall be treated as a change under this clause or entitle the Contractor to an equitable adjustment.

(d) If any change under this clause causes an increase or decrease in the Contractor's cost of, or the time required for the performance of any part of the work under this contract, whether or not changed by any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing. However, except for an adjustment based on defective specifications, no proposal for any change under paragraph (b) above shall be allowed for any costs incurred more than 20 days (5 days for oral orders) before the Contractor gives written notice as required. In the case of defective specifications for which the PHA is responsible, the equitable adjustment shall include any increased cost reasonably incurred by the Contractor in attempting to comply with the defective specifications.

(e) The Contractor must assert its right to an adjustment under this clause within 30 days after (1) receipt of a written change order under paragraph (a) of this clause, or (2) the furnishing of a written notice under paragraph (b) of this clause, by submitting a written statement describing the general nature and the amount of the proposal. If the facts justify it, the Contracting Officer may extend the period for submission. The proposal may be included in the notice required under paragraph (b) above. No proposal by the Contractor for an equitable adjustment shall be allowed if asserted after final payment under this contract.

(f) The Contractor's written proposal for equitable adjustment shall be submitted in the form of a lump sum proposal supported with an itemized breakdown of all increases and decreases in the contract in at least the following details:

(1) Direct Costs. Materials (list individual items, the quantity and unit cost of each, and the aggregate cost); Transportation and delivery costs associated with materials; Labor

breakdowns by hours or unit costs (identified with specific work to be performed); Construction equipment exclusively necessary for the change; Costs of preparation and/ or revision to shop drawings resulting from the change; Worker's Compensation and Public Liability Insurance; Employment taxes under FICA and FUTA; and, Bond Costs - when size of change warrants revision.

- (2) Indirect Costs. Indirect costs may include overhead, general and administrative expenses, and fringe benefits not normally treated as direct costs.
- (3) Profit. The amount of profit shall be negotiated and may vary according to the nature, extent, and complexity of the work required by the change.

The allowability of the direct and indirect costs shall be determined in accordance with the Contract Cost Principles and Procedures for Commercial Firms in Part 31 of the Federal Acquisition Regulation (48 CFR 1-31), as implemented by HUD Handbook 2210.18, in effect on the date of this contract. The Contractor shall not be allowed a profit on the profit received by any subcontractor. Equitable adjustments for deleted work shall include a credit for profit and may include a credit for indirect costs. On proposals covering both increases and decreases in the amount of the contract, the application of indirect costs and profit shall be on the net-change in direct costs for the Contractor or subcontractor performing the work.

- (g) The Contractor shall include in the proposal its request for time extension (if any), and shall include sufficient information and dates to demonstrate whether and to what extent the change will delay the completion of the contract in its entirety.
- (h) The Contracting Officer shall act on proposals within 30 days after their receipt, or notify the Contractor of the date when such action will be taken.
- (i) Failure to reach an agreement on any proposal shall be a dispute under the clause entitled Disputes herein. Nothing in this clause, however, shall excuse the Contractor from proceeding with the contract as changed.
- (j) Except in an emergency endangering life or property, no change shall be made by the Contractor without a prior order from the Contracting Officer.

#### 9. Examination and Retention of Contractor's Records

The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until three years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

#### 10. Rights in Data and Patent Rights (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials, and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

#### 11. Energy Efficiency

The Contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

#### 12. Procurement of Recovered Materials

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

#### 13. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)

- (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.

#### 14. Labor Standards - Davis-Bacon and Related Acts

##### (a) Minimum Wages.

(1) All laborers and mechanics employed under this contract in the construction or development of the project(s) involved 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 regular 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 in the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the Contractor and its subcontractors at the site of the work in

a prominent and accessible place where it can be easily seen by the workers.

- (2) (i) Any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when all the following criteria have been met:
  - (a) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
  - (b) The classification is utilized in the area by the construction industry; and
  - (c) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
- (ii) 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 shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employee Standards Administration, U.S. Department of Labor, Washington, DC 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.
- (iii) 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 of the Wage and Hour Division 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.
- (iv) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (a)(2)(ii) or (iii) of this clause 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.
- (3) 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.
- (4) 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.

(b) **Withholding of Funds.** 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 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, 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.

(c) **Payrolls and Basic Records.**

(1) Payrolls and basic records relating thereto shall be maintained by the Contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working 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 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.

- (2) (i) The Contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the Contracting Officer 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 subparagraph (c)(1) of this clause. This information may be submitted in any form desired. Optional Form WH-347 (Federal Stock Number 029-005-00014-1) is available for this purpose and may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 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 1214-0149.)
- (ii) 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:
- (A) That the payroll for the payroll period contains the information required to be maintained under paragraph (c)(1) of this clause and that such information is correct and complete;
- (B) 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; and
- (C) 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.
- (iii) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirements for submission of the "Statement of Compliance" required by subparagraph (c)(2)(ii) of this clause.
- (iv) 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 3729 of Title 31 of the United States Code.
- (3) The Contractor or subcontractor shall make the records required under subparagraph (c)(1) available for inspection, copying, or transcription by authorized representatives of HUD or its designee, the Contracting Officer, 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, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

---

(d) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services (OATELS), or with a State Apprenticeship Agency recognized by OATELS, 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 OATELS 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 in this paragraph, 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 journeyman 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 of the Wage and Hour Division determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event OATELS, or a State Apprenticeship Agency recognized by OATELS, 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.

(e) 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 in 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 in 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 in the wage determination for the classification of 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 in 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.

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

(g) Compliance with Copeland Act Requirements. The Contractor shall comply with the requirements of 29 CFR Part 3, which are hereby incorporated by reference in this contract.

(h) Contract Termination; Debarment. A breach of the labor standards clauses in this contract may be grounds for termination of the contract and for debarment as a Contractor and a subcontractor as provided in 29 CFR 5.12.

(i) 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.

(j) Disputes Concerning Labor Standards. Disputes arising out of the labor standards provisions of this clause 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 the PHA, HUD, the U.S. Department of Labor, or the employees or their representatives.

(k) Certification of Eligibility.

(1) 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 contracts by the United States Government by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a United States Government

---

contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(3) The penalty for making false statements is prescribed in the U. S. Criminal Code, 18 U.S.C. 1001.

(l) Subcontracts. The Contractor or subcontractor shall insert in any subcontracts all the provisions contained in this clause, and such other clauses as HUD or its designee may by appropriate instructions require, and also a clause requiring the subcontractors to include these provisions in any lower tier subcontracts. The prime Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all these provisions.

(m) Non-Federal Prevailing Wage Rates. Any prevailing wage rate (including basic hourly rate and any fringe benefits), determined under State law to be prevailing, with respect to any employee in any trade or position employed under the contract, is inapplicable to the contract and shall not be enforced against the Contractor or any subcontractor, with respect to employees engaged under the contract whenever such non-Federal prevailing wage rate exceeds:

- (i) the applicable wage rate determined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 3141 et seq.) to be prevailing in the locality with respect to such trade;
- (ii) an applicable apprentice wage rate based thereon specified in an apprenticeship program registered with the U.S. Department of Labor (DOL) or a DOL-recognized State Apprenticeship Agency; or
- (iii) an applicable trainee wage rate based thereon specified in a DOL-certified trainee program.

## **CERTIFIED PAYROLL ELECTRONIC SUBMISSION**

### **Electronic Submission of Certified Payrolls**

Each contractor and every lower-tier subcontractor will be required to submit certified payrolls and labor compliance documentations electronically via the software LCPtracker™.

The LCPtracker™ service is a paperless, online system of entering Certified Payroll Reports. Payroll data may be entered directly into the system or uploaded from major construction accounting and payroll programs. The service eliminates the need for contractors to submit paper prevailing wage documents and forms while providing an online database of all certified payroll reports. The service also generates audits, logs and correspondence.

All contract-specific wage rates and worker classifications are online, within the system, and contractors select classifications from a menu. Worker information is entered once and then remains in the system accessible to all of the Housing Authority's public works contract activity. Potential errors in wage rates or worker classification entries are flagged to contractors preemptively, allowing contractors to correct data prior to submittal.

Electronic submission will be a web-based system, accessed on the World Wide Web by a web browser. Each contractor will be given a log-in identification and password to access the Housing Authority's reporting system.

Use of the system may entail additional data entry of weekly payroll information including; employee identification, labor classification, total hours worked and hours worked on this project, wage and benefit rates paid etc. The contractor's payroll and accounting software might be capable of generating a 'comma delimited file' that will interface with the software.

This requirement will be 'flowed down' to every lower-tier subcontractor required to provide labor compliance documentation.

There is no cost to contractors for this service. The successful bidder will be given access to the system. An email with instructions to set up a user name and password and to activate an account will be sent to contractors once they are assigned to a contract in LCPtracker.

On-line training is provided at no cost. Contractors may access the training after activating their accounts. Training options include computer-based training courses (pre-recorded videos) and web-based training sessions (online training sessions facilitated by LCPtracker support staff and requiring a computer with Internet access, an email address, and access to a telephone).

Questions may be directed to Dana Shepherd at 414-286-5891 at the Housing Authority or emailed to [sshaw@hacm.org](mailto:sshaw@hacm.org). Complete and full support is also offered directly to contractors by LCPtracker for any technical questions on the use of the service. Contact LCPtracker Support at 714-669-0052, #4 or [support@lcptracker.com](mailto:support@lcptracker.com).

**HOUSING AUTHORITY OF THE CITY OF MILWAUKEE**  
**HAZARDOUS MATERIALS (ASBESTOS AND LEAD) PROCEDURES**  
**FOR REPAIR AND MODERNIZATION**

**AUGUST 2010**

**INTRODUCTION**

Air-borne asbestos fibers and lead compounds have been determined to be hazardous to one's health. This simple fact greatly affects the way the Housing Authority does business and manages its properties. In particular, repair and modernization efforts must comply with strict rules governing the handling of asbestos, lead, and other hazardous materials. These rules have important implications for staff, procurement, risk management, and legal liability. As an owner of properties that contain hazardous materials, the Housing Authority is responsible for the testing, disclosure, abatement, and disposition of those hazardous materials.

**HAZARDOUS MATERIALS DATABASE**

All Housing Authority sites, excluding Scattered Sites, were tested for asbestos in the late 1990s. All sites, including Scattered Sites, were tested for lead at the same time. At that time, all components required by regulation to be tested were tested.

Modernization & Development Services (MDS) has records of all test results as well as all work done since testing.

All sites have a copy of the database on a CD with asbestos and lead results, and the database is available on the Housing Authority FTP server.

Quality Assurance and Scattered Sites have summarized hard copies of all lead results.

**NEW RULES GOVERNING ASBESTOS AND LEAD**

New rules that have been implemented over the last decade for both asbestos and lead (and especially those implemented over the last two years) have increased the number of components that have to be tested as well as increased the risk involved in not properly identifying materials prior to doing repair or modernization work.

The new rules essentially boil down to this: if you do not know for certain that a component is free of asbestos or lead as indicated by a test result, then you have to assume that the component does contain asbestos or lead until you obtain a test result proving otherwise. Although not universally true, this is the safest starting point in terms of contemplating how to proceed with a repair or modernization project.

For both asbestos and lead, the potential exists for steep civil penalties for both the individual and the organization. In the case of asbestos, knowingly not complying with the regulations can result in up to 5 years jail time. There is currently an apartment manager in Wisconsin under indictment for such a charge.

## **IMPLEMENTATION**

The rules do not significantly affect day-to-day operations and normal maintenance. All Housing Authority staff are properly trained, and most daily maintenance does not disturb any hazardous material in a way that would trigger the implementation of these regulations. Activities such as replacing fixtures, clogs, minor carpentry repairs, patching holes, etc., are almost never an issue.

Our primary concern is any major modernization project that includes the removal/replacement of a number of/large quantity of building materials. If we do not have test results for those materials, then they must be tested. We must disclose all known hazardous materials when we seek bids for the work.

Heretofore, the most common concerns for asbestos have been flooring, plumbing fittings, and occasionally ceiling materials and wall materials. The new rules for asbestos include materials that are common in many areas and until recently were not thought of as hazardous. This includes any mastic, adhesive, caulk, grout, glaze, sink liners, mortar, cement, and brick.

Heretofore, the most common concerns for lead have been essentially any painted or lacquered surface. The new rules for lead make any window or door repair/replacement a potential issue, as well as any other painted surface in the home.

When contemplating repair/modernization, the following procedures should be followed:

- Identify as specifically as possible the scope of work to be accomplished.
- Consult the database to determine if any materials can be identified that have already been tested and could be a potential issue.
- Contact MDS to discuss the scope of work to ensure that all hazardous materials concerns are addressed.
- If a purchase requisition for the work is sent to Purchasing, it should indicate whether or not the scope of work has already been reviewed by MDS. If it has not been, then Purchasing will consult MDS. If the work disturbs known hazardous materials, then a disclosure of those materials must be made in the bid documents. In addition, appropriate wording should be added to the bid documents requiring specific compliance with the regulations and requiring additional licensing.
- If the work is not coordinated by MDS but does disturb hazardous materials, then MDS should be informed when the work is scheduled so that a third party clearance can be arranged if necessary and so that the database can be updated.
- If there is an emergency that requires immediate repair/restoration and the materials have not already been tested or cannot be tested, then we must assume that the materials contain asbestos and/or lead and handle them in the appropriate manner based on that assumption. In most cases this will entail implementing common sense precautions to abate the emergency condition and then contacting MDS to determine what may be necessary to complete the repairs or clean-up during normal hours.

Questions regarding this matter may be directed to MDS at 286-5127.

**HOUSING AUTHORITY OF THE CITY OF MILWAUKEE**

**HAZARDOUS MATERIALS (ASBESTOS AND LEAD)  
REQUIREMENTS AND DISCLOSURE**

**AUGUST 2010**

Airborne asbestos fibers and lead compounds, if encountered, have been determined to be hazardous to one's health.

Contractor's attention is directed to the most recent version of all applicable federal, state, and local regulations, codes, and ordinances, including but not limited to the following:

<b>Asbestos</b>	<b>Lead</b>
<b>29 CFR 1910.134</b>	<b>29 CFR 1910.134</b>
<b>29 CFR 1926.1101</b>	<b>29 CFR 1926.62</b>
<b>40 CFR Part 61, Subpart M (NESHAP)</b>	<b>40 CFR Part 745</b>
<b>WI DHS HFS-159</b>	<b>WI DHS HFS-163</b>
<b>Milwaukee Code of Ordinances 66-10-19</b>	<b>Milwaukee Code of Ordinances 66-20-29</b>
<b>Wisconsin Administrative Code, Chapter NR447</b>	<b>HUD Lead-Paint Guidelines, Chapter 8</b>

It is the responsibility of the Contractor to employ any and all necessary precautions and to conduct work in accordance with all applicable requirements. All associated costs for safe work conditions and for proper removal of hazardous materials (if required as part of the specified work) shall be borne by the Contractor.

The Contractor is to be alert to any additional hazardous materials not disclosed herein that may be hidden and discovered during construction. The Contractor shall report any suspect hazardous materials to the Housing Authority, suspending work if necessary. The Housing Authority will provide testing of any suspect material and, if found to be hazardous, will provide abatement.

Products containing asbestos or lead may not be used in this work without the written permission of the Housing Authority.



**HOUSING AUTHORITY OF THE CITY OF MILWAUKEE**

**HAZARDOUS MATERIALS (ASBESTOS AND LEAD)**  
**QUICK REFERENCE**

**AUGUST 2010**

Below is a summary of materials that often contain asbestos or lead. This is not exhaustive or indicative of every site. It is merely a quick reference for materials that could contain hazardous materials and should be checked when contemplating repair or modernization. Always consult the hazardous materials database for actual tested materials at a specific site. Untested materials should be assumed to contain asbestos or lead until determined otherwise.

Questions regarding this matter may be directed to Modernization & Development Services (MDS) at 286-5127.

\*\*\*\*\*

The following materials commonly contain asbestos in most Housing Authority developments (but not Scattered Sites) built prior to 1999 and should be checked:

- 9" x 9" floor tile and associated mastic
- spray-on acoustical ceiling material
- plumbing fittings that cover joints in plumbing
- metal/aluminum sink liners
- older ceiling tiles
- exterior window/door/repair caulk
- material contained inside fire-rated doors
- roofing materials

In most cases, the hazardous materials database will have test results for these materials, except for the sink liners, roofing material, and caulk. If test results are not in the database, contact MDS. These materials are not necessarily asbestos-containing but often are and must be verified.

The following materials are common in Housing Authority buildings, may contain asbestos, and may not have been tested:

- any caulk/adhesive applied prior to 1999
- any mortar, brick, or concrete

**Arlington Court is the ONLY development in which the drywall material in the units contains asbestos. All others are asbestos-free.**

**Parklawn is the ONLY development that has a universal condition of lead-based paint encapsulated by polymer throughout the development. At other family developments with older porches/windows/doors, the frames and posts clad in metal/aluminum may be encapsulating lead-based paint.**

#### **Scattered Sites:**

##### **Lead**

**All Scattered Sites were tested for Lead. Quality Assurance and Scattered Sites management have summaries of these results. Complete data are housed at MDS. The current law (40 CFR Part 745) requires: (1) that every window and door, regardless of its apparent material, be treated as if it contains lead unless there is a test result or manufacturer's statement proving otherwise; and (2) that every painted or lacquered surface be assumed to contain lead unless there is a result proving otherwise. Therefore, prior to proceeding with any work that will affect a painted surface at Scattered Sites, the test results should be reviewed. Housing Authority staff has received training necessary for normal operations/maintenance. Most Housing Authority carpenters and painters hold advanced licensing to execute repairs up to 4 square feet using plastic, wet methods, and proper clean-up.**

##### **Asbestos**

**Most Scattered Sites have not been tested for asbestos. HFS-159 requires that all materials that are not "wood, glass, fiberglass, or metal" must be tested if they are to be affected by repair, renovation, or demolition. This does not affect most day-to-day maintenance. However, whenever contemplating a major repair/renovation, the following materials should be tested prior to bidding out work: flooring; plumbing fittings; any spray on material; any caulk or adhesive; drywall and plaster; brick; mortar; cement; concrete; roofing material; sink liners.**

**HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM)**

**PRIME CONTRACTOR FORMAL CONTRACT PROVISIONS  
FOR SUBCONTRACTING WITH EMERGING BUSINESS ENTERPRISES**

**I. GENERAL**

A. The HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM) is its own Contracting Officer and shall make every feasible effort to ensure that Emerging Business Enterprises (EBEs) shall participate in all formal contract activities. EBEs include Minority-Owned Business Enterprises (MBEs), Women-Owned Business Enterprises (WBEs), Disadvantaged Business Enterprises (DBEs), Small Business Enterprises (SBEs), Veteran Owned Business Enterprises (VOBs), and other designations as determined by the source of contract dollars as explained below.

1. Where Federal (HUD) funding is involved, these provisions shall ensure MBEs and/or WBEs in accordance with Public Law 95-507 and 2 CFR 200.321. The target participation percentage is 20% or more or any combination thereof. MBEs and WBEs must be currently certified by race and gender-based certification program such as the State of Wisconsin Department of Administration (DOA), other Wisconsin government entities, or entities within the Federal Government.
2. Where Non-Federal funding is involved, the target participation percentage is 20% or more of MBE, WBE, DBE, EBE, SBE, VOB, or any combination thereof. These firms must be certified by a Wisconsin governmental entity.
3. Where mixed funding is involved, i.e. Federal (HUD) and Wisconsin Housing and Economic Development Authority (WHEDA), the target participation percentage is 25%, of which 20% must be MBE, WBE, or any combination thereof, and the remaining 5% may be any designation recognized by WHEDA (e.g. MBE, WBE, DBE, EBE, SBE, VOB)

B. This contract calls for:

- Federal (HUD) 20 % MBE, WBE, or any combination thereof subcontract participation.
- Non-Federal 20 % MBE, WBE, DBE, EBE, SBE, VOB, or any combination thereof subcontract participation.
- Mixed Funding (HUD and WHEDA) 25 % overall EBE subcontract participation, of which 20% must be MBE, WBE (HUD), or any combination thereof, and the remaining 5% may be any designation recognized by WHEDA (e.g. MBE, WBE, DBE, EBE, SBE, VOB) or any combination thereof.

C. The Prime Contractor shall prepare and submit timely and accurate EBE utilization forms and reports to HACM. The forms and reports shall include but not be limited to the following:

1. Form A: Prime Contractor Affidavit of Compliance (contractor's commitment to EBE percent participation)
2. Form B: Prime Contractor List of EBE Subcontractors
3. Electronic Vendor Compliance Reporting System: HACM's Electronic Vendor Compliance Reporting System at <https://hacm.diversitycompliance.com> (B2Gnow) will be utilized during the term of this contract. The Prime Contractor and its subcontractors must provide all necessary information, when requested, for account setup and shall report all payments in the system. In addition, the Prime Contractor and its subcontractors shall provide all required compliance data with respect to any applicable EBE requirements via the electronic system. The Prime Contractor and its subcontractors shall be responsible for responding to any requests for data or information by the noted response due dates, and shall check the electronic system on a regular basis to manage contact information and contract records. The Prime Contractor shall also be responsible for ensuring that all subcontractors have completed all requested items with complete and accurate information and that their contact information is current.

Failure to submit the required forms and reports fully completed to HACM may result in actions, such as rejection of the bid or proposal, delay of payments, or other appropriate actions. Final contract payments shall not be made until final EBE subcontractor payment certification forms are on file with HACM.

## HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

- D. During the performance of this contract, HACM reserves the right to conduct compliance reviews of the Prime Contractor and EBE subcontractors and require documentation that will indicate levels of compliance by the Prime Contractor and EBE subcontractors. If a contractor is not in compliance with the specifications, HACM will notify the contractor in writing of the need to take corrective action. If the contractor fails or refuses to take corrective action as directed, HACM may take one or more of the following actions:
1. Terminate or cancel the contract, in whole or in part.
  2. Recommend HUD debarment of the Prime Contractor from award of a Federally-funded contract.
  3. Withhold payments on the contract.
  4. Any other remedy available to HACM at law or in equity.

## II. DEFINITIONS

- A. *Disadvantaged Business Enterprise (DBE)* means a small business concern that is owned, operated, and controlled by one or more disadvantaged individuals. The disadvantaged individuals must have day-to-day operational and managerial control, as well as, interest in capital, financial risks, and earnings commensurate with the percentage of their ownership.
- B. *Disadvantaged Individual*, means a person who is a citizen or lawful permanent resident of the United States and who has experienced and who continues to experience substantial difficulty in achieving business-related success.
- C. *Minority Business Enterprise (MBE)*, means a small business concern that is at least fifty-one percent (51%) owned by one or more minorities (as defined below) and whose management and daily operations are controlled by one or more minority owners.
- D. *Minority*, means a person who is a citizen or a lawfully admitted permanent resident of the United States who is a member of one of the following groups:
1. *Black Americans*, includes persons having origins in any of the Black racial groups of Africa.
  2. *Hispanic Americans*, includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.
  3. *Native Americans*, includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;
  4. *Asian-Pacific Americans*, includes persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the U.S. Trust Territories of the Pacific, and the Northern Marianas;
  5. *Asian-Indian Americans*, includes persons whose origins are from India, Pakistan, and Bangladesh.
  6. *Hasidic Jewish Americans*, In conjunction with HUD and the community, recognized membership in this group will be addressed on a case-by-case basis.
- E. *Women Business Enterprise (WBE)*, means a small business concern that is at least fifty-one percent (51%) owned by one or more women and whose management and daily business operation are controlled by one or more women owners.
- F. *Minority/Women Business Enterprise (M/WBE)*, means a small business concern that is at least fifty-one percent (51%) owned by one or more minority women and whose management and daily business operations are controlled by one or more minority women owners.
- G. *Small Business Enterprise* means a business that is independently owned, not dominant in its field of operation, and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in 13 CFR Part 121 should be used to determine business size.
- H. *Joint Venture* shall be eligible under this program if the EBE or partners own at least fifty-one percent (51%) of the joint venture and share to an equivalent percent in the management responsibilities, risks, and profits of the joint venture, as well as being responsible for a clearly defined portion of the work performed.

## HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

- I. *Owned, Operated, and Controlled*, means a business that meets one of the following:
1. A sole proprietorship legitimately owned and controlled by an EBE.
  2. A partnership or joint venture legitimately owned, operated, and controlled by disadvantaged individuals, minority individuals, or women who own at least 51% of the beneficial ownership interests in the enterprise and who hold at least 51% of the voting interests of the enterprise.
  3. A corporation legitimately owned, operated, and controlled by one or more minority individuals or women, if applicable, who own at least 51% of the outstanding shares and who hold at least 51% of the voting interests of the corporation.

### III. EBE UTILIZATION REQUIREMENTS

A. MBE, WBE (Federal)

Twenty percent (20%) or more MBE and/or WBE participation. Note that MBE and/or WBE participation pertains to the base bid excluding specified allowances, but including, alternates and change orders. MBE and WBE commitments relative to contract award shall be based upon the approved Form B, "Prime Contractor List of EBE Subcontractors."

B. MBE, WBE, DBE, EBE, SBE, VOB (Non-Federal)

Twenty percent (20%) or more MBE, WBE, DBE, EBE, SBE, and/or VOB participation. Note that MBE, WBE, DBE, EBE, SBE, and/or VOB participation pertains to the base bid excluding specified allowances, but including, alternates and change orders. MBE, WBE, DBE, EBE, SBE and/or VOB commitments relative to contract award shall be based upon the approved Form B, "Prime Contractor List of EBE Subcontractors."

C. Mixed Funding (HUD and WHEDA)

Twenty-five percent (25%) or more overall EBE subcontract participation, of which 20% must be MBE, WBE (HUD), or any combination thereof, and the remaining 5% may be any designation recognized by WHEDA (e.g. MBE, WBE, DBE, EBE, SBE, VOB) or any combination thereof. Note that EBE participation pertains to the base bid excluding specified allowances, but including, alternates and change orders. EBE commitments relative to contract award shall be based upon the approved Form B, "Prime Contractor List of EBE Subcontractors."

D. The determination of an EBE shall be based on the following criteria:

1. The firms identified as EBE by the Prime Contractor on Form B, "Prime Contractor List of EBE Subcontractors," must be certified by one of the specified agencies prior to bid opening.
2. The Prime Contractor shall pay special attention to the area(s) specified as the business specialty by the applicant business in the certification application. New or expanded business specialties are subject to certification review by the certifying agency.
3. The Prime Contractor shall be credited for the entire expenditure to an EBE only if all of the identified scope of work has a commercially useful function in the actual work of the contract and is performed directly by the certified EBE.
4. The Prime Contractor shall be credited for the expenditure to an EBE manufacturer only if the manufacturer produces goods from raw materials or substantially alters material for resale. Twenty-percent (20%) or less of the overall EBE participation goal may be expended for EBE suppliers that do not operate or maintain a store, warehouse, or other establishment in which the materials or supplies are kept in stock and regularly sold to the public in the usual course of business. A regular dealer in such bulk items as steel, cement, gravel, stone, and petroleum products need not keep such products in stock if it owns or operates distribution equipment. Brokers and packagers shall not be regarded as manufacturers or regular dealers within the meaning of this section.
5. The Prime Contractor shall count toward the EBE participation goal only expenditures to EBEs that perform a commercially useful function in the actual work of the contract. EBEs are required to notify the SECTION 3 COORDINATOR in writing if they will further subcontract out work on the contract SECTION 3

## HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

COORDINATOR shall be notified in writing of labor shortages, if any, affecting the contract work. The HACM CONTRACTING OFFICER OR DESIGNEE and SECTION 3 COORDINATOR will make the final determination and evaluation of whether or not the firm is performing a commercially useful function on the contract.

6. The Prime Contractor shall be credited one hundred percent (100%) of expenditures to an EBE delivery service, hauler, or trucker of materials and supplies required on a job site, but not the cost of the materials and supplies.
  7. The Prime Contractor shall count toward the EBE participation goals only expenditures to EBEs that perform a commercially useful function in the actual work of the contract. The Prime Contractor is required to notify the HACM CONTRACTING OFFICER OR DESIGNEE if its EBEs will further subcontract out work on the contract. Credit will be given based on actual participation by the EBEs. Credit will not be given for work subcontracted by EBEs without prior approval from SECTION 3 COORDINATOR.
- E. The Form A, "Prime Contractor Affidavit of Compliance," must be submitted with the bid or proposal, indicating the appropriate EBE percent (%) participation.
- F. The Form B, "Prime Contractor List of EBE Subcontractors," may be submitted with the bid or proposal. The deadline date for receipt of the list by HACM is the third (3rd) business day following the date of the bid or proposal opening unless by special arrangement with SECTION 3 COORDINATOR. Revision to the initial list is due the second (2<sup>nd</sup>) business day following receipt of the initial list.
- G. Information on Form B shall include but not be limited to:
1. Each EBE subcontractor's name, address, telephone number, and authorized contact person(s) for the EBEs that will participate on the contract.
  2. A description of the scope of work to be performed by each EBE on the contract.
  3. Each EBE subcontractor's dollar values and corresponding percentages that the dollar values represent of the total contract amount.
  4. Listing of EBEs on Form B shall constitute a representation that the Prime Contractor has communicated directly with the EBEs listed, and agreed to the specified work and dollar values. If awarded the contract, the bidder or offeror shall enter into a written subcontract with each EBE for its portion of the work as indicated.
- H. Failure to submit an Affidavit of Compliance (Form A) may render the bid or offer non-responsive and could result in an award recommendation to the next apparent low bidder or offeror.
- I. Only EBEs that have been certified as such by the specified certification agency may be listed on Form B. The firms shall be counted towards the targeted percentage on this project. Directories of certified firms may be obtained from the specified certification agencies. Copies of EBE's certifications must be submitted with Form B.
- J. After execution of the contract, if for any reason, an EBE cannot perform the specified work, the Prime Contractor shall immediately provide the HACM CONTRACTING OFFICER with a written explanation detailing the reason, and including a request for approval from SECTION 3 COORDINATOR to substitute another certified firm or approval of an EBE if a replacement has been identified.
- K. Approval to delete or replace initial EBEs must be obtained from SECTION 3 COORDINATOR prior to making the deletion or replacement. Any difference in the cost occasioned by such substitution, deletion, or replacement shall be borne by the Prime Contractor.
- L. If the Prime Contractor has a problem in meeting the EBE goal or if any other issues relative to EBEs arise during the completion of this project, the Prime Contractor shall immediately inform the HACM CONTRACTING OFFICER in writing with a copy to SECTION 3 COORDINATOR detailing the issues.
- M. Certification as an EBE from programs other than from those agencies specified is neither accepted by HACM nor has any bearing whatsoever on the eligibility criteria established by the specified certification agencies.

**BIDDER/OFFEROR INSTRUCTIONS  
FOR COMPLETING EMERGING BUSINESS ENTERPRISES FORMS**

---

**PRIME CONTRACTOR AFFIDAVIT OF COMPLIANCE (FORM A)  
PRIME CONTRACTOR LIST OF EBE SUBCONTRACTORS (FORM B)**

---

**Step 1:**

Thoroughly review the “Prime Contractor Formal Contract Provisions for Subcontracting with Emerging Business Enterprises”

**Step 2:**

Note the type of business(es) targeted for participation on this project. See Article I, Paragraph A, on Page 1 of the Provisions (“This contract calls for...”). This section specifies the type of business(es) and the target participation percentage(s) for this particular contract.

**Step 3:**

On the Prime Contractor Affidavit of Compliance (Form A), fill in the subcontract percentage participation on the lines(s) that correspond to the type of targeted business(es) indicated at Article I, Paragraph A, on Page 1 of the Provisions.

For example, if the Provisions call for 20% MBE and/or WBE participation, you may indicate the following on the Affidavit of Compliance:

- A. MBEs at 20%; OR
- B. WBEs at 20%; OR
- C. MBEs at 10% and WBEs at 10% (or any combination of percentages totaling the overall target percentage).

Note that the Prime Contractor Affidavit of Compliance is a part of the bid or request for proposals and requires submission with the bid or proposal.

**Step 4:**

On the Prime Contractor List of EBE Subcontractors (Form B) list businesses that correspond to the type of targeted business(es) indicated at Article I, Paragraph A, on Page 1 of the Provisions. Provide copies of all EBE certifications on Form B.

**Note:** The Prime Contractor List of EBE Subcontractors (Form B) may be submitted with the bid or proposal but must be submitted within three (3) business days following the bid or proposal opening.

**Questions regarding EBE participation or reporting forms may be directed to:  
Evans Gant, Section 3 Coordinator, at (414) 286-2940 or [evgant@hacm.org](mailto:evgant@hacm.org)**

**PRIME CONTRACTOR AFFIDAVIT OF COMPLIANCE  
FOR PARTICIPATION IN THE HACM EMERGING BUSINESS ENTERPRISE PROGRAM**

**Official Notice #** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Project Description:** \_\_\_\_\_

The bidder/offeror's commitment for MBE participation on this project is ..... \_\_\_\_\_%

The bidder/offeror's commitment for WBE participation on this project is ..... \_\_\_\_\_%

The bidder/offeror's commitment for DBE participation on this project is ..... \_\_\_\_\_%

The bidder/offeror's commitment for Other participation on this project is ..... \_\_\_\_\_%

For Other, indicate type (e.g. EBE, SBE, VOB): \_\_\_\_\_

HACM may reject and disqualify any bid or proposal that does not include the Emerging Business Enterprise Program. HACM may reject and disqualify any bid if the contractor fails to consider the "Prime Contractor Formal Contract Provisions for Subcontracting with Emerging Business Enterprises."

The undersigned hereby states that he/she has not discriminated in any manner on the basis of race, sex, or national origin in any manner in the preparation of the attached bid or proposal or in the selection of subcontractors or material suppliers for such bid/proposal.

The undersigned acknowledges, understands, and agrees that submission of a bid or proposal shall commit the bidder or offeror to comply with HACM's Emerging Business Enterprise Program, including the submittal of Forms A and B.

The undersigned also states that all the above information is true and correct to the best of his/her knowledge.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Authorized Signature and Title

\_\_\_\_\_  
Printed Name

STATE OF \_\_\_\_\_, COUNTY OF \_\_\_\_\_

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_, who acknowledges that he/she executed the foregoing document for the purpose therein contained for and on behalf of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public \_\_\_\_\_, State of \_\_\_\_\_, County of \_\_\_\_\_

My Commission Expires: \_\_\_\_\_



**PRIME CONTRACTOR LIST OF EBE SUBCONTRACTORS**

Date Form B Submitted \_\_\_\_\_ Initial List/Date \_\_\_\_\_   
 Revised List/Date \_\_\_\_\_

**This form must be fully completed. The deadline for submission of this document to the HACM, by the Prime Contractor, is three (3) business days following the bid or proposal opening date, or with the bid or proposal.**

Official Notice # \_\_\_\_\_ Date: \_\_\_\_\_

Project Description: \_\_\_\_\_

Prime Contractor \_\_\_\_\_

Total Bid/Proposal Amount \$: \_\_\_\_\_

**Consult Article I, Paragraph A, on Page 1 of the Provisions to determine target subcontract percentage and targeted types of business(es) for this particular solicitation.**

MBE \$'s: \_\_\_\_\_ / % of Total Bid DBE \$'s: \_\_\_\_\_ / % of Total Bid

WBE \$'s: \_\_\_\_\_ / % of Total Bid Other \$'s: \_\_\_\_\_ / % of Total Bid

**List all proposed subcontractor(s) and material supplier(s) for this project. It is the bidder or offeror's obligation to obtain the appropriate EBE Participation. Copies of EBE certifications must be submitted with this form.**

Firm Name, Address, Phone, Email, and Contact Person	M B E	W B E	D B E	Other (indicate type)	Work to be Performed / Material Supplied	% of Total Bid or Proposal	Amount	Signature of EBE owner or representative needed to confirm all information herein

**HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM)**

**PRIME CONTRACTOR FORMAL CONTRACT PROVISIONS  
FOR SUBCONTRACTING WITH EMERGING BUSINESS ENTERPRISES**

**I. GENERAL**

A. The HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM) is its own Contracting Officer and shall make every feasible effort to ensure that Emerging Business Enterprises (EBEs) shall participate in all formal contract activities. EBEs include Minority-Owned Business Enterprises (MBEs), Women-Owned Business Enterprises (WBEs), Disadvantaged Business Enterprises (DBEs), Small Business Enterprises (SBEs), Veteran Owned Business Enterprises (VOBs), and other designations as determined by the source of contract dollars as explained below.

1. Where Federal (HUD) funding is involved, these provisions shall ensure MBEs and/or WBEs in accordance with Public Law 95-507 and 2 CFR 200.321. The target participation percentage is 20% or more or any combination thereof. MBEs and WBEs must be currently certified by race and gender-based certification program such as the State of Wisconsin Department of Administration (DOA), other Wisconsin government entities, or entities within the Federal Government.
2. Where Non-Federal funding is involved, the target participation percentage is 20% or more of MBE, WBE, DBE, EBE, SBE, VOB, or any combination thereof. These firms must be certified by a Wisconsin governmental entity.
3. Where mixed funding is involved, i.e. Federal (HUD) and Wisconsin Housing and Economic Development Authority (WHEDA), the target participation percentage is 25%, of which 20% must be MBE, WBE, or any combination thereof, and the remaining 5% may be any designation recognized by WHEDA (e.g. MBE, WBE, DBE, EBE, SBE, VOB)

B. This contract calls for:

- Federal (HUD) 20 % MBE, WBE, or any combination thereof subcontract participation.
- Non-Federal 20 % MBE, WBE, DBE, EBE, SBE, VOB, or any combination thereof subcontract participation.
- Mixed Funding (HUD and WHEDA) 25 % overall EBE subcontract participation, of which 20% must be MBE, WBE (HUD), or any combination thereof, and the remaining 5% may be any designation recognized by WHEDA (e.g. MBE, WBE, DBE, EBE, SBE, VOB) or any combination thereof.

C. The Prime Contractor shall prepare and submit timely and accurate EBE utilization forms and reports to HACM. The forms and reports shall include but not be limited to the following:

1. Form A: Prime Contractor Affidavit of Compliance (contractor's commitment to EBE percent participation)
2. Form B: Prime Contractor List of EBE Subcontractors
3. Electronic Vendor Compliance Reporting System: HACM's Electronic Vendor Compliance Reporting System at <https://hacm.diversitycompliance.com> (B2Gnow) will be utilized during the term of this contract. The Prime Contractor and its subcontractors must provide all necessary information, when requested, for account setup and shall report all payments in the system. In addition, the Prime Contractor and its subcontractors shall provide all required compliance data with respect to any applicable EBE requirements via the electronic system. The Prime Contractor and its subcontractors shall be responsible for responding to any requests for data or information by the noted response due dates, and shall check the electronic system on a regular basis to manage contact information and contract records. The Prime Contractor shall also be responsible for ensuring that all subcontractors have completed all requested items with complete and accurate information and that their contact information is current.

Failure to submit the required forms and reports fully completed to HACM may result in actions, such as rejection of the bid or proposal, delay of payments, or other appropriate actions. Final contract payments shall not be made until final EBE subcontractor payment certification forms are on file with HACM.

## HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

- D. During the performance of this contract, HACM reserves the right to conduct compliance reviews of the Prime Contractor and EBE subcontractors and require documentation that will indicate levels of compliance by the Prime Contractor and EBE subcontractors. If a contractor is not in compliance with the specifications, HACM will notify the contractor in writing of the need to take corrective action. If the contractor fails or refuses to take corrective action as directed, HACM may take one or more of the following actions:
1. Terminate or cancel the contract, in whole or in part.
  2. Recommend HUD debarment of the Prime Contractor from award of a Federally-funded contract.
  3. Withhold payments on the contract.
  4. Any other remedy available to HACM at law or in equity.

## II. DEFINITIONS

- A. *Disadvantaged Business Enterprise (DBE)* means a small business concern that is owned, operated, and controlled by one or more disadvantaged individuals. The disadvantaged individuals must have day-to-day operational and managerial control, as well as, interest in capital, financial risks, and earnings commensurate with the percentage of their ownership.
- B. *Disadvantaged Individual*, means a person who is a citizen or lawful permanent resident of the United States and who has experienced and who continues to experience substantial difficulty in achieving business-related success.
- C. *Minority Business Enterprise (MBE)*, means a small business concern that is at least fifty-one percent (51%) owned by one or more minorities (as defined below) and whose management and daily operations are controlled by one or more minority owners.
- D. *Minority*, means a person who is a citizen or a lawfully admitted permanent resident of the United States who is a member of one of the following groups:
1. *Black Americans*, includes persons having origins in any of the Black racial groups of Africa.
  2. *Hispanic Americans*, includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.
  3. *Native Americans*, includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;
  4. *Asian-Pacific Americans*, includes persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the U.S. Trust Territories of the Pacific, and the Northern Marianas;
  5. *Asian-Indian Americans*, includes persons whose origins are from India, Pakistan, and Bangladesh.
  6. *Hasidic Jewish Americans*, In conjunction with HUD and the community, recognized membership in this group will be addressed on a case-by-case basis.
- E. *Women Business Enterprise (WBE)*, means a small business concern that is at least fifty-one percent (51%) owned by one or more women and whose management and daily business operation are controlled by one or more women owners.
- F. *Minority/Women Business Enterprise (M/WBE)*, means a small business concern that is at least fifty-one percent (51%) owned by one or more minority women and whose management and daily business operations are controlled by one or more minority women owners.
- G. *Small Business Enterprise* means a business that is independently owned, not dominant in its field of operation, and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in 13 CFR Part 121 should be used to determine business size.
- H. *Joint Venture* shall be eligible under this program if the EBE or partners own at least fifty-one percent (51%) of the joint venture and share to an equivalent percent in the management responsibilities, risks, and profits of the joint venture, as well as being responsible for a clearly defined portion of the work performed.

## HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

I. *Owned, Operated, and Controlled*, means a business that meets one of the following:

1. A sole proprietorship legitimately owned and controlled by an EBE.
2. A partnership or joint venture legitimately owned, operated, and controlled by disadvantaged individuals, minority individuals, or women who own at least 51% of the beneficial ownership interests in the enterprise and who hold at least 51% of the voting interests of the enterprise.
3. A corporation legitimately owned, operated, and controlled by one or more minority individuals or women, if applicable, who own at least 51% of the outstanding shares and who hold at least 51% of the voting interests of the corporation.

### III. EBE UTILIZATION REQUIREMENTS

A. MBE, WBE (Federal)

Twenty percent (20%) or more MBE and/or WBE participation. Note that MBE and/or WBE participation pertains to the base bid excluding specified allowances, but including, alternates and change orders. MBE and WBE commitments relative to contract award shall be based upon the approved Form B, "Prime Contractor List of EBE Subcontractors."

B. MBE, WBE, DBE, EBE, SBE, VOB (Non-Federal)

Twenty percent (20%) or more MBE, WBE, DBE, EBE, SBE, and/or VOB participation. Note that MBE, WBE, DBE, EBE, SBE, and/or VOB participation pertains to the base bid excluding specified allowances, but including, alternates and change orders. MBE, WBE, DBE, EBE, SBE and/or VOB commitments relative to contract award shall be based upon the approved Form B, "Prime Contractor List of EBE Subcontractors."

C. Mixed Funding (HUD and WHEDA)

Twenty-five percent (25%) or more overall EBE subcontract participation, of which 20% must be MBE, WBE (HUD), or any combination thereof, and the remaining 5% may be any designation recognized by WHEDA (e.g. MBE, WBE, DBE, EBE, SBE, VOB) or any combination thereof. Note that EBE participation pertains to the base bid excluding specified allowances, but including, alternates and change orders. EBE commitments relative to contract award shall be based upon the approved Form B, "Prime Contractor List of EBE Subcontractors."

D. The determination of an EBE shall be based on the following criteria:

1. The firms identified as EBE by the Prime Contractor on Form B, "Prime Contractor List of EBE Subcontractors," must be certified by one of the specified agencies prior to bid opening.
2. The Prime Contractor shall pay special attention to the area(s) specified as the business specialty by the applicant business in the certification application. New or expanded business specialties are subject to certification review by the certifying agency.
3. The Prime Contractor shall be credited for the entire expenditure to an EBE only if all of the identified scope of work has a commercially useful function in the actual work of the contract and is performed directly by the certified EBE.
4. The Prime Contractor shall be credited for the expenditure to an EBE manufacturer only if the manufacturer produces goods from raw materials or substantially alters material for resale. Twenty-percent (20%) or less of the overall EBE participation goal may be expended for EBE suppliers that do not operate or maintain a store, warehouse, or other establishment in which the materials or supplies are kept in stock and regularly sold to the public in the usual course of business. A regular dealer in such bulk items as steel, cement, gravel, stone, and petroleum products need not keep such products in stock if it owns or operates distribution equipment. Brokers and packagers shall not be regarded as manufacturers or regular dealers within the meaning of this section.
5. The Prime Contractor shall count toward the EBE participation goal only expenditures to EBEs that perform a commercially useful function in the actual work of the contract. EBEs are required to notify the SECTION 3 COORDINATOR in writing if they will further subcontract out work on the contract SECTION 3

## HOUSING AUTHORITY OF THE CITY OF MILWAUKEE

COORDINATOR shall be notified in writing of labor shortages, if any, affecting the contract work. The HACM CONTRACTING OFFICER OR DESIGNEE and SECTION 3 COORDINATOR will make the final determination and evaluation of whether or not the firm is performing a commercially useful function on the contract.

6. The Prime Contractor shall be credited one hundred percent (100%) of expenditures to an EBE delivery service, hauler, or trucker of materials and supplies required on a job site, but not the cost of the materials and supplies.
  7. The Prime Contractor shall count toward the EBE participation goals only expenditures to EBEs that perform a commercially useful function in the actual work of the contract. The Prime Contractor is required to notify the HACM CONTRACTING OFFICER OR DESIGNEE if its EBEs will further subcontract out work on the contract. Credit will be given based on actual participation by the EBEs. Credit will not be given for work subcontracted by EBEs without prior approval from SECTION 3 COORDINATOR.
- E. The Form A, "Prime Contractor Affidavit of Compliance," must be submitted with the bid or proposal, indicating the appropriate EBE percent (%) participation.
- F. The Form B, "Prime Contractor List of EBE Subcontractors," may be submitted with the bid or proposal. The deadline date for receipt of the list by HACM is the third (3rd) business day following the date of the bid or proposal opening unless by special arrangement with SECTION 3 COORDINATOR. Revision to the initial list is due the second (2<sup>nd</sup>) business day following receipt of the initial list.
- G. Information on Form B shall include but not be limited to:
1. Each EBE subcontractor's name, address, telephone number, and authorized contact person(s) for the EBEs that will participate on the contract.
  2. A description of the scope of work to be performed by each EBE on the contract.
  3. Each EBE subcontractor's dollar values and corresponding percentages that the dollar values represent of the total contract amount.
  4. Listing of EBEs on Form B shall constitute a representation that the Prime Contractor has communicated directly with the EBEs listed, and agreed to the specified work and dollar values. If awarded the contract, the bidder or offeror shall enter into a written subcontract with each EBE for its portion of the work as indicated.
- H. Failure to submit an Affidavit of Compliance (Form A) may render the bid or offer non-responsive and could result in an award recommendation to the next apparent low bidder or offeror.
- I. Only EBEs that have been certified as such by the specified certification agency may be listed on Form B. The firms shall be counted towards the targeted percentage on this project. Directories of certified firms may be obtained from the specified certification agencies. Copies of EBE's certifications must be submitted with Form B.
- J. After execution of the contract, if for any reason, an EBE cannot perform the specified work, the Prime Contractor shall immediately provide the HACM CONTRACTING OFFICER with a written explanation detailing the reason, and including a request for approval from SECTION 3 COORDINATOR to substitute another certified firm or approval of an EBE if a replacement has been identified.
- K. Approval to delete or replace initial EBEs must be obtained from SECTION 3 COORDINATOR prior to making the deletion or replacement. Any difference in the cost occasioned by such substitution, deletion, or replacement shall be borne by the Prime Contractor.
- L. If the Prime Contractor has a problem in meeting the EBE goal or if any other issues relative to EBEs arise during the completion of this project, the Prime Contractor shall immediately inform the HACM CONTRACTING OFFICER in writing with a copy to SECTION 3 COORDINATOR detailing the issues.
- M. Certification as an EBE from programs other than from those agencies specified is neither accepted by HACM nor has any bearing whatsoever on the eligibility criteria established by the specified certification agencies.

**BIDDER/OFFEROR INSTRUCTIONS  
FOR COMPLETING EMERGING BUSINESS ENTERPRISES FORMS**

---

**PRIME CONTRACTOR AFFIDAVIT OF COMPLIANCE (FORM A)  
PRIME CONTRACTOR LIST OF EBE SUBCONTRACTORS (FORM B)**

---

**Step 1:**

Thoroughly review the “Prime Contractor Formal Contract Provisions for Subcontracting with Emerging Business Enterprises”

**Step 2:**

Note the type of business(es) targeted for participation on this project. See Article I, Paragraph A, on Page 1 of the Provisions (“This contract calls for...”). This section specifies the type of business(es) and the target participation percentage(s) for this particular contract.

**Step 3:**

On the Prime Contractor Affidavit of Compliance (Form A), fill in the subcontract percentage participation on the lines(s) that correspond to the type of targeted business(es) indicated at Article I, Paragraph A, on Page 1 of the Provisions.

For example, if the Provisions call for 20% MBE and/or WBE participation, you may indicate the following on the Affidavit of Compliance:

- A. MBEs at 20%; OR
- B. WBEs at 20%; OR
- C. MBEs at 10% and WBEs at 10% (or any combination of percentages totaling the overall target percentage).

Note that the Prime Contractor Affidavit of Compliance is a part of the bid or request for proposals and requires submission with the bid or proposal.

**Step 4:**

On the Prime Contractor List of EBE Subcontractors (Form B) list businesses that correspond to the type of targeted business(es) indicated at Article I, Paragraph A, on Page 1 of the Provisions. Provide copies of all EBE certifications on Form B.

**Note:** The Prime Contractor List of EBE Subcontractors (Form B) may be submitted with the bid or proposal but must be submitted within three (3) business days following the bid or proposal opening.

**Questions regarding EBE participation or reporting forms may be directed to:  
Evans Gant, Section 3 Coordinator, at (414) 286-2940 or evgant@hacm.org**

**PRIME CONTRACTOR AFFIDAVIT OF COMPLIANCE  
FOR PARTICIPATION IN THE HACM EMERGING BUSINESS ENTERPRISE PROGRAM**

**Official Notice #** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Project Description:** \_\_\_\_\_

The bidder/offeror's commitment for MBE participation on this project is ..... \_\_\_\_%

The bidder/offeror's commitment for WBE participation on this project is ..... \_\_\_\_%

The bidder/offeror's commitment for DBE participation on this project is ..... \_\_\_\_%

The bidder/offeror's commitment for Other participation on this project is ..... \_\_\_\_%

For Other, indicate type (e.g. EBE, SBE, VOB): \_\_\_\_\_

HACM may reject and disqualify any bid or proposal that does not include the Emerging Business Enterprise Program. HACM may reject and disqualify any bid if the contractor fails to consider the "Prime Contractor Formal Contract Provisions for Subcontracting with Emerging Business Enterprises."

The undersigned hereby states that he/she has not discriminated in any manner on the basis of race, sex, or national origin in any manner in the preparation of the attached bid or proposal or in the selection of subcontractors or material suppliers for such bid/proposal.

The undersigned acknowledges, understands, and agrees that submission of a bid or proposal shall commit the bidder or offeror to comply with HACM's Emerging Business Enterprise Program, including the submittal of Forms A and B.

The undersigned also states that all the above information is true and correct to the best of his/her knowledge.

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Authorized Signature and Title

\_\_\_\_\_  
Printed Name

STATE OF \_\_\_\_\_, COUNTY OF \_\_\_\_\_

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_\_, who acknowledges that he/she executed the foregoing document for the purpose therein contained for and on behalf of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public \_\_\_\_\_, State of \_\_\_\_\_, County of \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**PRIME CONTRACTOR LIST OF EBE SUBCONTRACTORS**

Date Form B Submitted \_\_\_\_\_

Initial List/Date \_\_\_\_\_

Revised List/Date \_\_\_\_\_

**This form must be fully completed. The deadline for submission of this document to the HACM, by the Prime Contractor, is three (3) business days following the bid or proposal opening date, or with the bid or proposal.**

Official Notice # \_\_\_\_\_

Date: \_\_\_\_\_

Project Description: \_\_\_\_\_

Prime Contractor \_\_\_\_\_

Total Bid/Proposal Amount \$: \_\_\_\_\_

**Consult Article I, Paragraph A, on Page 1 of the Provisions to determine target subcontract percentage and targeted types of business(es) for this particular solicitation.**

MBE \$'s: \_\_\_\_\_ / % of Total Bid

DBE \$'s: \_\_\_\_\_ / % of Total Bid

WBE \$'s: \_\_\_\_\_ / % of Total Bid

Other \$'s: \_\_\_\_\_ / % of Total Bid

**List all proposed subcontractor(s) and material supplier(s) for this project. It is the bidder or offeror's obligation to obtain the appropriate EBE Participation. Copies of EBE certifications must be submitted with this form.**

Firm Name, Address, Phone, Email, and Contact Person	M B E	W B E	D B E	Other (indicate type)	Work to be Performed / Material Supplied	% of Total Bid or Proposal	Amount	Signature of EBE owner or representative needed to confirm all information herein





## SECTION 3 POLICY

### HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM)

P.O. BOX 324

MILWAUKEE, WI 53201

Office: (414) 286-2940

Website: <https://www.hacm.org>

#### INTERNAL PROCEDURES, INSTRUCTIONS, and FORMS

This packet is designed to comply with the New HUD Section 3 Final Rule issued September 29, 2020, and became effective November 30, 2020. Therefore, these documents and instructions are related to the "Hours Worked Benchmarks" as called for in the 24 CFR Part 75 regulation. Most importantly, the rule does not require the hiring or contracting of any person or business that is not fully qualified to perform the work as would be charged. However, the rule makes clear that HUD is intent on ensuring Section 3 persons employed under the new rule receive measurable and sustainable employment. Therefore, Section 3 employees can be counted for up to five full years from the date of certification or hire respectively. HUD is expected to issue continued guidance on the new rule in the future so these documents may change in accordance with the rule.

If you should have any questions on this packet, please contact our Compliance Consultant:

J. Keith Swiney, President/CEO Motivation, Inc.

678-794-3066 [keiths@motivation-inc.com](mailto:keiths@motivation-inc.com)

# SECTION 3 NEW RULE 24 CFR

## Part 75

On November 30, 2020, HUD put into effect a New and Final Section 3 Rule for all recipients. This rule is drastically different from the old rule and therefore, we want everyone to know these requirements and plan accordingly.

✱ New Requirements Summary	3
✱ Monthly Reporting Instructions	4
✱ Section 3 Business Self-Certification Forms	5
✱ Section 3 Individual Self-Certification Forms	6
✱ Hours Worked Reporting Form	7
✱ Acknowledgment and Affidavit Form	8

## HACM Annual "Section 3 Benchmarks" Requirement Summary

---

- \* Twenty (20) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in a HA's fiscal year are Section 3 workers; and
- \* Five (5) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in a HA's fiscal year are Section 3 workers;
- \* There are No specific hiring or contracting goals under this new rule.
- \* There is No Section 3 Business Preference under the new rule and no points awarded for being a Section 3 Business.
- \* The rule does not require the hiring or contracting of any person or business that is not fully qualified to perform the work.

The two new categories of Section 3 are now referred to as:

- \* Section 3 Worker - Any low or very low-income persons residing in the housing authority MSA
- \* Targeted Section 3 Worker - Public Housing, Voucher Holder, YouthBuild participant

Contractors will provide these three (3) data sets to the HACM's Section 3 Consultant within 45 days of the month after the hours have been worked by EVERY person that worked directly on the contract. No back-office staff hours are counted:

- \* Total Hours Worked by all workers
- \* Total Hours Worked by Section 3 Workers (Individual Self-Certification Form Required)
- \* Total Hours worked by Targeted Section 3 Workers (Individual Self-Certification Form Required)

There are new definitions of how to be a Section 3 Business Concern:

- \* It is at least 51 percent owned by low- or very low-income persons; with businesses at least 6 months old
- \* Over 75 percent of the labor hours performed for the business are performed by low- or very low-income persons; or (Based on the prior 90 days of full business payrolls)
- \* It is a business at least 51 percent owned by current public housing residents or residents who currently live in Section 8-assisted housing, with businesses at least 6 months old.

## MONTHLY REPORTING INSTRUCTIONS

---

### STEP ONE

Enter your company name and the name of the contract or task you are performing in the appropriate lines at the top of the form.

### STEP TWO

Determine which workers qualify as Section 3 by having each complete a Section 3 Individual Low- Income Person Self-Certification Form. This form is submitted once per Section 3 employee or those that believe they meet the definition of a Section 3 employee.

The form is to be completed by the individual and stress to the employee that the form is Voluntary:

1. Complete contact info section
2. Check the box that describes your situation
3. Sign and date the form
4. Complete the employer information
5. Return to your employer

### STEP THREE

After determining which workers are Section 3, determine their classification based on what they check in the box on the form as **Non-Targeted** or **Targeted**:

**Non-Targeted** are those Section 3 income-qualified workers who are low-income and reside in the MSA.

**Targeted** are those Section 3 income-qualified workers who are low-income and reside in public housing, Section 8 or YouthBuild

### STEP FOUR

Enter the monthly dates of reporting on the first line, then proceed as follows:

1. Enter total hours worked by ALL contract or project level staff with exceptions as noted above\*
2. Enter total hours worked by all Section 3 staff **Non-Targeted**
3. Enter total hours worked by all Section 3 staff **Targeted**

List ONLY the individual names of the workers who have self-certified as Section 3 (**Non-Targeted** and **Targeted**) along with their total hours for this month's report only.

Submit the Section 3 Hours Worked Reporting Form on a monthly basis to the contact person noted on your reporting form above.

SECTION 3 BUSINESS

# Voluntary Self-Certification Form

IN COMPLIANCE WITH SECTION 3 OF THE HUD ACT OF 1968 UPDATED 24 CFR PART 75 11/30/2020

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 Business Certification requirements. To count as a Section 3 Business your company/firm must meet one of the listed categories below. Each category will require additional documentation to support the election. You must provide that supporting documentation with this form properly completed to be confirmed as a Section 3 business. If this form is submitted without the required supplemental data, your certification will not be processed.

CATEGORY	DOCUMENTATION REQUIRED	YOUR ELECTION
a business at least 51 percent owned by low- or very low-income persons;	Proof of ownership showing all owners and their percentages and a completed Section 3 Individual Self-Certification form for all low- and very low-income owners	← I N I T I A L ←
Over 75 percent of the labor hours performed for the business are performed by low- or very low-income persons; or	Provide the last 90 days full payrolls for the entire company, make a list of the names from the payrolls of the Section 3 workers, and provide a completed Section 3 Individual Self-Certification for all low- and very low-income workers you list	← H E R E ←
It is a business at least 51 percent owned by current public housing residents or residents who currently live in Section 8-assisted housing.	Proof of ownership showing all owners and their percentages and a Section 3 Individual Self-Certification form for all public housing and/or Section 8 owners	←

I hereby certify to the US Department of Housing and Urban Development (HUD) that all of the information on this form is true and correct. I attest under penalty of perjury that my business meets the elected definition and understand proof of this information may be requested. If found to be inaccurate, I understand that I may be disqualified as a certified Section 3 business.

Full Name: \_\_\_\_\_

Company Name: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# Voluntary Self-Certification Form

IN COMPLIANCE WITH SECTION 3 OF THE HUD ACT OF 1968 UPDATED 24 CFR PART 75 11/30/2020

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 self-certification income requirements. To count as a Section 3 individual, any legal resident of the United States annual income must not exceed the HUD income limits for the year before they were hired, or, the individual's current year income annualized for the year they are being confirmed as low-income.

Print Name \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

County \_\_\_\_\_

State \_\_\_\_\_

Zip \_\_\_\_\_

To qualify as a Section 3 Person, you must meet one of the standards in the brackets below and your individual annual income must not exceed the number in the box below.

Check only one box below that describes your situation:

I am a HACM Public Housing or Section 8 Resident

My employer will certify that I am employed by a Section 3 business

I am a current YouthBuild participant

I am a low or very low-income person residing within the Milwaukee County MSA

**My Individual Annual Income does not exceed: \$52,850\***

The Milwaukee-Waukesha-West Allis, WI MSA contains the following areas: Milwaukee County, WI; Ozaukee County, WI; Washington County, WI; and Waukesha County, WI.

I hereby certify to the US Department of Housing and Urban Development (HUD) that all of the information on this form is true and correct. I attest under penalty of perjury that my total income is as shown above, and that proof of this information may be requested. If found to be inaccurate, I understand that I may be disqualified as an applicant and/or a certified Section 3 individual. Finally, I authorize including my name on a list of Section 3 Residents seeking employment and to include my contact information so that contractors may contact me directly for any employment opportunities.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

SECTION 3

# Hours Worked Reporting Form

IN COMPLIANCE WITH SECTION 3 OF THE HUD ACT OF 1968 UPDATED 24 CFR PART 75 11/30/2020

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 tracking of hours worked by all person's employed by \_\_\_\_\_(company name) on the\_\_\_\_\_ contract including those meeting the Section 3 income requirements as low- or very low-income.

**Section 3 Employees are now defined to as:**

**Section 3 Workers** - are those Section 3 income-qualified workers who are low-income and reside in the MSA.

**Targeted Section 3 Workers** - are those Section 3 income-qualified workers who are low-income and reside in public housing, Section 8 or YouthBuild.

If your company employs any person you believe is low income now or was when they were hired within the past five years, please have them complete the SECTION 3 INDIVIDUAL LOWINCOME PERSON SELF-CERTIFICATION FORM" and return it immediately.

All hours worked by everyone on the project must be reported monthly electronically. If you have questions please contact the projects Section 3 Consultant:

Motivation Compliance and Training, Inc. (M-CAT) [compliance@m-cat.co](mailto:compliance@m-cat.co)  
678-794-3066

In the software, you will report this information for your team as they apply.

- ✱ Total Hours Worked by non-Section 3 staff
- ✱ Total hours worked by all **Non-targeted Section 3** employees
- ✱ Total hours worked by all **Targeted** Section 3 employee

**The reporting system website is: To Be Provided Separately**  
Housing Authority of the City of Milwaukee

**Section 3 New Rule Contractor Acknowledgement and Affidavit**

*(Return this form with your Bid/Quote/Response)*

Company Name: \_\_\_\_\_

Contract or Project Name: \_\_\_\_\_

Trade Work/Classification: \_\_\_\_\_

I hereby certify to the US Department of Housing and Urban Development (HUD) that I have read all of the information in this policy package and agree to follow the requirements for complying with the order of prioritization in 75.19 and reporting of all labor hours associated with my contract as required. I further understand that failure to comply with these requirements will cause my payments to be held and not processed or not released until I come into full compliance with this policy.

**Monthly**, I will be required to provide these data points for all contract staff working directly on the contract **not including any back-office staff**:

- Total Hours Worked by all employees (Section 3 and regular employees)
- Total Hours Worked by All **Non-Targeted Section 3 employees** (Low-Income persons residing in the service area of a one-mile radius of the project where a 5,000 person population exists)
- Total Hours Worked by All **Targeted Section 3 employees** (Public Housing, Section 8, YouthBuild)

**You are required to enter the names and hours worked by each Section 3 employee individually.**

Signature: \_\_\_\_\_ Print: \_\_\_\_\_ Date: \_\_\_\_\_





## SECTION 3 POLICY

### HOUSING AUTHORITY OF THE CITY OF MILWAUKEE (HACM)

P.O. BOX 324

MILWAUKEE, WI 53201

Office: (414) 286-2940

Website: <https://www.hacm.org>

#### INTERNAL PROCEDURES, INSTRUCTIONS, and FORMS

This packet is designed to comply with the New HUD Section 3 Final Rule issued September 29, 2020, and became effective November 30, 2020. Therefore, these documents and instructions are related to the "Hours Worked Benchmarks" as called for in the 24 CFR Part 75 regulation. Most importantly, the rule does not require the hiring or contracting of any person or business that is not fully qualified to perform the work as would be charged. However, the rule makes clear that HUD is intent on ensuring Section 3 persons employed under the new rule receive measurable and sustainable employment. Therefore, Section 3 employees can be counted for up to five full years from the date of certification or hire respectively. HUD is expected to issue continued guidance on the new rule in the future so these documents may change in accordance with the rule.

If you should have any questions on this packet, please contact our Compliance Consultant:

J. Keith Swiney, President/CEO Motivation, Inc.  
678-794-3066 [keiths@motivation-inc.com](mailto:keiths@motivation-inc.com)

## COMPLIANCE FORMS PACKAGE-

# SECTION 3 NEW RULE 24 CFR

## Part 75

On November 30, 2020, HUD put into effect a New and Final Section 3 Rule for all recipients. This rule is drastically different from the old rule and therefore, we want everyone to know these requirements and plan accordingly.

✱ New Requirements Summary	3
✱ Monthly Reporting Instructions	4
✱ Section 3 Business Self-Certification Forms	5
✱ Section 3 Individual Self-Certification Forms	6
✱ Hours Worked Reporting Form	7
✱ Acknowledgment and Affidavit Form	8

## HACM Annual "Section 3 Benchmarks" Requirement Summary

---

- \* Twenty (20) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in a HA's fiscal year are Section 3 workers; and
- \* Five (5) percent or more of the total number of labor hours worked by all workers employed with public housing financial assistance in a HA's fiscal year are Section 3 workers;
- \* There are No specific hiring or contracting goals under this new rule.
- \* There is No Section 3 Business Preference under the new rule and no points awarded for being a Section 3 Business.
- \* The rule does not require the hiring or contracting of any person or business that is not fully qualified to perform the work.

The two new categories of Section 3 are now referred to as:

- \* Section 3 Worker - Any low or very low-income persons residing in the housing authority MSA
- \* Targeted Section 3 Worker - Public Housing, Voucher Holder, YouthBuild participant

Contractors will provide these three (3) data sets to the HACM's Section 3 Consultant within 45 days of the month after the hours have been worked by EVERY person that worked directly on the contract. No back-office staff hours are counted:

- \* Total Hours Worked by all workers
- \* Total Hours Worked by Section 3 Workers (Individual Self-Certification Form Required)
- \* Total Hours worked by Targeted Section 3 Workers (Individual Self-Certification Form Required)

There are new definitions of how to be a Section 3 Business Concern:

- \* It is at least 51 percent owned by low- or very low-income persons; with businesses at least 6 months old
- \* Over 75 percent of the labor hours performed for the business are performed by low- or very low-income persons; or (Based on the prior 90 days of full business payrolls)
- \* It is a business at least 51 percent owned by current public housing residents or residents who currently live in Section 8-assisted housing, with businesses at least 6 months old.

## MONTHLY REPORTING INSTRUCTIONS

---

### STEP ONE

Enter your company name and the name of the contract or task you are performing in the appropriate lines at the top of the form.

### STEP TWO

Determine which workers qualify as Section 3 by having each complete a Section 3 Individual Low- Income Person Self-Certification Form. This form is submitted once per Section 3 employee or those that believe they meet the definition of a Section 3 employee.

The form is to be completed by the individual and stress to the employee that the form is Voluntary:

1. Complete contact info section
2. Check the box that describes your situation
3. Sign and date the form
4. Complete the employer information
5. Return to your employer

### STEP THREE

After determining which workers are Section 3, determine their classification based on what they check in the box on the form as **Non-Targeted** or **Targeted**:

**Non-Targeted** are those Section 3 income-qualified workers who are low-income and reside in the MSA.

**Targeted** are those Section 3 income-qualified workers who are low-income and reside in public housing, Section 8 or YouthBuild

### STEP FOUR

Enter the monthly dates of reporting on the first line, then proceed as follows:

1. Enter total hours worked by ALL contract or project level staff with exceptions as noted above\*
2. Enter total hours worked by all Section 3 staff **Non-Targeted**
3. Enter total hours worked by all Section 3 staff **Targeted**

List ONLY the individual names of the workers who have self-certified as Section 3 (**Non-Targeted** and **Targeted**) along with their total hours for this month's report only.

Submit the Section 3 Hours Worked Reporting Form on a monthly basis to the contact person noted on your reporting form above.

SECTION 3 BUSINESS

# Voluntary Self-Certification Form

IN COMPLIANCE WITH SECTION 3 OF THE HUD ACT OF 1968 UPDATED 24 CFR PART 75 11/30/2020

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 Business Certification requirements. To count as a Section 3 Business your company/firm must meet one of the listed categories below. Each category will require additional documentation to support the election. You must provide that supporting documentation with this form properly completed to be confirmed as a Section 3 business. If this form is submitted without the required supplemental data, your certification will not be processed.

CATEGORY	DOCUMENTATION REQUIRED	YOUR ELECTION
a business at least 51 percent owned by low- or very low-income persons;	Proof of ownership showing all owners and their percentages and a completed Section 3 Individual Self-Certification form for all low- and very low-income owners	← I N I T I A L ← H E R E ←
Over 75 percent of the labor hours performed for the business are performed by low- or very low-income persons; or	Provide the last 90 days full payrolls for the entire company, make a list of the names from the payrolls of the Section 3 workers, and provide a completed Section 3 Individual Self-Certification for all low- and very low-income workers you list	
It is a business at least 51 percent owned by current public housing residents or residents who currently live in Section 8-assisted housing.	Proof of ownership showing all owners and their percentages and a Section 3 Individual Self-Certification form for all public housing and/or Section 8 owners	

I hereby certify to the US Department of Housing and Urban Development (HUD) that all of the information on this form is true and correct. I attest under penalty of perjury that my business meets the elected definition and understand proof of this information may be requested. If found to be inaccurate, I understand that I may be disqualified as a certified Section 3 business.

Full Name: \_\_\_\_\_

Company Name: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# Voluntary Self-Certification Form

IN COMPLIANCE WITH SECTION 3 OF THE HUD ACT OF 1968 UPDATED 24 CFR PART 75 11/30/2020

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 self-certification income requirements. To count as a Section 3 individual, any legal resident of the United States annual income must not exceed the HUD income limits for the year before they were hired, or, the individual's current year income annualized for the year they are being confirmed as low-income.

Print Name \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

County \_\_\_\_\_

State \_\_\_\_\_

Zip \_\_\_\_\_

To qualify as a Section 3 Person, you must meet one of the standards in the brackets below and your individual annual income must not exceed the number in the box below.

Check only one box below that describes your situation:

I am a HACM Public Housing or Section 8 Resident

My employer will certify that I am employed by a Section 3 business

I am a current YouthBuild participant

I am a low or very low-income person residing within the Milwaukee County MSA

**My Individual Annual Income does not exceed: \$52,850\***

The Milwaukee-Waukesha-West Allis, WI MSA contains the following areas: Milwaukee County, WI; Ozaukee County, WI; Washington County, WI; and Waukesha County, WI.

I hereby certify to the US Department of Housing and Urban Development (HUD) that all of the information on this form is true and correct. I attest under penalty of perjury that my total income is as shown above, and that proof of this information may be requested. If found to be inaccurate, I understand that I may be disqualified as an applicant and/or a certified Section 3 individual. Finally, I authorize including my name on a list of Section 3 Residents seeking employment and to include my contact information so that contractors may contact me directly for any employment opportunities.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## SECTION 3

# Hours Worked Reporting Form

IN COMPLIANCE WITH SECTION 3 OF THE HUD ACT OF 1968 UPDATED 24 CFR PART 75 11/30/2020

The purpose of this form is to comply with Section 3 of the HUD Act of 1968 tracking of hours worked by all person's employed by \_\_\_\_\_(company name) on the \_\_\_\_\_ contract including those meeting the Section 3 income requirements as low- or very low-income.

### Section 3 Employees are now defined to as:

**Section 3 Workers** - are those Section 3 income-qualified workers who are low-income and reside in the MSA.

**Targeted Section 3 Workers** - are those Section 3 income-qualified workers who are low-income and reside in public housing, Section 8 or YouthBuild.

If your company employs any person you believe is low income now or was when they were hired within the past five years, please have them complete the SECTION 3 INDIVIDUAL LOWINCOME PERSON SELF-CERTIFICATION FORM" and return it immediately.

All hours worked by everyone on the project must be reported monthly electronically. If you have questions please contact the projects Section 3 Consultant:

Motivation Compliance and Training, Inc. (M-CAT) [compliance@m-cat.co](mailto:compliance@m-cat.co)

678-794-3066

In the software, you will report this information for your team as they apply.

- ✱ Total Hours Worked by non-Section 3 staff
- ✱ Total hours worked by all **Non-targeted Section 3** employees
- ✱ Total hours worked by all **Targeted** Section 3 employee

**The reporting system website is: To Be Provided Separately**  
Housing Authority of the City of Milwaukee

**Section 3 New Rule Contractor Acknowledgement and Affidavit**

*(Return this form with your Bid/Quote/Response)*

Company Name: \_\_\_\_\_

Contract or Project Name: \_\_\_\_\_

Trade Work/Classification: \_\_\_\_\_

I hereby certify to the US Department of Housing and Urban Development (HUD) that I have read all of the information in this policy package and agree to follow the requirements for complying with the order of prioritization in 75.19 and reporting of all labor hours associated with my contract as required. I further understand that failure to comply with these requirements will cause my payments to be held and not processed or not released until I come into full compliance with this policy.

**Monthly**, I will be required to provide these data points for all contract staff working directly on the contract **not including any back-office staff**:

- Total Hours Worked by all employees (Section 3 and regular employees)
- Total Hours Worked by All **Non-Targeted Section 3 employees** (Low-Income persons residing in the service area of a one-mile radius of the project where a 5,000 person population exists)
- Total Hours Worked by All **Targeted Section 3 employees** (Public Housing, Section 8, YouthBuild)

**You are required to enter the names and hours worked by each Section 3 employee individually.**

Signature: \_\_\_\_\_ Print: \_\_\_\_\_ Date: \_\_\_\_\_