



**Kent County
Community Action**

HOUSING REHABILITATION PROGRAM CONTRACTOR POLICIES AND CONTRACTOR ACKNOWLEDGEMENT

Introduction

The principle purpose of Kent County's Housing Rehabilitation Program is to maintain or improve the structural condition and safety of homes belonging to low and moderate income households within Kent County. The Program is funded with Federal Community Development Block Grant funds from the U.S. Department of Housing and Urban Development. (CFDA #14.218)

The Program provides funding to homeowners in the form of deferred payment loans, installment loans and grants. Deferred payment loans do not accrue interest nor do they require a monthly payment, such loans only are due in full upon sale or transfer of property. Installment loans accrue interest at 3% per year of the unpaid principle balance of the loan. Monthly payments are based on the term of the loan not to exceed twenty years. Grants do not require repayment.

Eligible work includes the correction of code violations, accessibility improvements, hazard abatement, necessary plumbing and heating improvements, weatherization, energy efficiency improvements, etc. Emergency funds are also available when health and safety issues must be immediately addressed to allow the homeowner to remain in the property.

I. CONTRACTOR ELIGIBILITY

To be eligible to participate in projects funded with HUD CDBG funds, a contractor must register as a vender with the Kent County Purchasing Department, satisfying all requirements and agreeing to the County's Terms and Conditions.

Requirements and terms include:

1. The Vender must be an equal opportunity employer. See Attachment A.
2. No member of the County or pertinent local unit of government who exercises decision-making functions, or responsibilities in connection with the planning and implementation of this program or any immediate family or household member of such persons shall directly or indirectly be eligible as a vender for this program. For the purpose of this program, immediate family member includes: father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister.

A licensed contractor with a vested interest in the contract property cannot bid on a rehabilitation job pertaining to the property in which they have an interest.

3. Insurance minimums:

Commercial General Liability – Occurrence form, including coverage for bodily injury, personal injury, property damage (broad form), premises/operations, blanket contractual, and products/completed operations. Coverage shall be endorsed to name the County as an additional insured for work performed and materials provided by the Vendor in accordance with this Agreement.

Minimum Limits:

1. \$1,000,000 per occurrence/\$2,000,000 general aggregate
2. \$2,000,000 aggregate for products and completed operations
3. \$1,000,000 personal and advertising injury

Automobile – Motor Vehicle Liability Insurance including Michigan "no-fault" coverage, and residual automobile liability, comprehensive form, covering owned, hired, and non-owned automobiles.

Minimum limits:

1. No-fault coverages – statutory
2. Additional coverages:
 - a. \$500,000 per person/\$1,000,000 per accident – bodily injury and \$500,000 per occurrence – property damage, or
 - b. A combined single limit of \$1,000,000 per occurrence.

Workers' Compensation and Employer's Liability – Statutory coverage or proof acceptable to the County of approval as a self-insurer by the State of Michigan.

Minimum Limits:

1. Employer's Liability - \$100,000

4. The Vendor shall at all times observe and comply with all federal, state and local laws, ordinances, rules and regulations that may in any manner affect the safety of equipment or material provided under or used in accordance with this Program, those employed on the work, and the conduct of the work. The Vendor shall indemnify and hold harmless the County against any claim or liability arising from the violation of any such provisions.

5. Contractors must obtain all permits that are required to perform the work. The contractor must also schedule and facilitate all inspections pertinent to the project. In addition, all contractors and subcontractors must possess such licenses as are required by state and local authorities in order to perform such functions as are subject to licensing.

II. REHABILITATION STANDARDS

The property rehabilitation standards for this program shall consist of the most comprehensive of the following:

1. All applicable building, electrical, mechanical, plumbing, fire, housing codes, and applicable state codes.
2. FHA Housing Quality Standards.
3. The Uniform Building Code.
4. The National Manufactured Housing Construction and Safety Standards Act of 1974.

The County will give emergency priority to a property exhibiting a housing condition (or incipient condition) which is an immediate hazard to the continued occupancy, safety, or health of the occupants or to the safety, or health of the public. The overall goal is to rehabilitate housing units as early as possible to minimize costs, minimize hazards, and spread available funds to as many units as possible.

When it is estimated that an expenditure of maximum program assistance will fail to address all necessary improvements, a property may be considered ineligible for the program.

The extent of repair made to a structure is dependent on the general availability of program funds and established loan limits. In cases where the cost of repairs exceeds the funding permitted under the program, the execution and cost of completing work items, beyond what is addressed by the Housing Rehabilitation Program, is the sole responsibility of the property owner.

III. HISTORIC PROPERTIES

The Secretary of the Interior's Standards for Rehabilitation of Historic Properties or similar standards must be considered if the property proposed for rehabilitation is under the jurisdiction of a historic district or is a registered historic property. Special requirements must be met under the National Environmental Policy Act and the National Historic Preservation Act of 1966, as amended. If exterior alterations are proposed to historically significant structures more than 50 years old a formal application will be submitted for review to the property's governing Historic Preservation Office.

IV. PROPERTY IMPROVEMENTS

All improvements must be physically attached to the property and permanent in nature. Luxury and beautification items are not permitted. All work must be performed by a licensed contractor. All work must comply with federal CDBG regulations.

Eligible Activities include, but are not limited to, the following:

1. Work necessary to meet local building code requirements.
2. Work necessary to meet locally adopted rehabilitation standards.
3. Energy saving improvements.
4. Lead-based paint hazard abatement/mitigation. All hazard abatement must comply with federal regulations. When work is performed on a home built prior to 1978, the owners and occupant must be provided with the proper disclosure notification concerning lead-based paint hazards.

5. Disability access and ADA repairs.
6. Repair or replacement of major structural and mechanical systems (i.e., roofing, windows, foundations, HVAC, electrical, plumbing, etc.).
7. Pest abatement.
8. Emergency repairs needed to address an immediate threat to the integrity of the structure or the health and safety of the occupants.

Examples of the above items include but are not limited to, the following:

1. Structural defects (foundation, walls, partitions or load-bearing structures, roof structure and sheathing, exterior finish walls, doors, dry rot and termite damage repair and/or fumigation).
2. Electrical and lighting defects.
3. Plumbing and septic system defects.
4. Heating/air conditioning system defects.
5. Entrance, exit, and garage door defects.
6. Repair or replace kitchen stove and similar built-in appliances. Purchase and installation of built-in appliances are limited to appliances that are permanently affixed to the dwelling, and that are unsafe or unsanitary. All personal property is excluded from this program.
7. Replacement, improvement, or correction of unsafe or unsanitary conditions including, but not limited to walls, floors, ceilings, etc.
8. Removal and appropriate replacement of materials and architectural barriers that restrict the mobility and accessibility of disabled persons.
9. Installation of smoke detectors and other fire prevention or protection equipment to meet UBC Code and local Ordinances.
10. In the case of modular homes, affixing to permanent stem wall foundation systems, and/or other items necessary to bring the home into compliance with local zoning code requirements and/or HUD code requirements.

V. PROPERTY INSPECTIONS

Initial inspection of the structure shall be conducted by the Housing Rehabilitation Specialist in conjunction with or approval of the homeowner. The Housing Rehabilitation Specialist will verify all items identified for repair or replacement by the homeowner. An environmental review of the property will be conducted at this time. Additional items may be added to the rehabilitation scope if safety or code violations are determined to be present. At the point of initial inspection, the Housing Rehabilitation Specialist will complete a work write up which is to be approved by the homeowner. This document will be the basis upon which all rehabilitation bids and cost estimates are determined.

Depending on the age and nature of the building and/or the age of the building's occupants, an inspection by a certified lead inspector may be required. The Housing Rehabilitation Specialist may conduct inspections throughout the project to qualify any request for payment. Upon completion of the project the Housing Rehabilitation Specialist will complete a Final Inspection Report which is to be approved by the homeowner.

VI. BID PROCESS

Upon completion of the work specifications, the project will be available for review on the Kent County Purchasing web site. Contractors who are registered as a vender in the category of the project will receive automatic notification of the request for sealed bids. The property will be made available for a scheduled walk-through. Bids must provide line item prices for each specified area of work. All bids received by the specified date will be opened by the Housing Rehabilitation Specialist and the homeowners. Contractor selection will be based on the lowest sealed bid provided there are no reasonable objections to the bid or the contractor.

A. Inquiries

1. Questions regarding a request are to be submitted at the County website by clicking the Inquires icon. From date of issuance, and to the award announcement and all other firms are notified, all communications between the County and the respondent or any of their individual members, shall be formal and only with the Kent County Purchasing Division. Formal communications shall include, but not be limited to: (1) general inquiries, (2) presubmittal written questions and answers, (3) site visits, and (4) addenda addressed to contact information provided. No informal communication shall occur regarding this procurement, including requests for information, comments, speculation, etc., between the firm, or any of their individuals, and any County employee. Kent County reserves the right to publish and/or respond to an inquiry, respond directly to the inquirer without publishing, or not respond to the inquiry, at its sole discretion. Kent County's decision to respond or not to respond to an inquiry shall not be the basis for a protest of award.
2. Opportunity to submit questions is provided 48 hours prior to RFP's, RFI's, Bid opening times and 24 hours prior to RFQs and Reverse Auction opening times. It is the respondent's sole responsibility to monitor all inquiries to properly prepare for a request.
3. It is the respondent's responsibility to become familiar with and fully informed regarding the terms, conditions and specifications of a request. Lack of understanding and/or misinterpretation of any portions of a request shall not be cause for withdrawal after opening or for subsequent protest of award.

B. Purchasing Department Terms and Conditions

1. Addendums to bid request will only be published on Kent County's website. It will be the respondent's sole responsibility to monitor the website up to 48 hours before the scheduled opening for addendums and/or all posted inquiries to properly prepare for a request.
2. Kent County reserves the right to require that its standard terms and conditions apply to any actual order placed in response to respondent's quote. No attempt to modify Kent County's Standard Terms and Conditions shall be binding absent agreement on such modification, in writing and signed by Kent County.
3. Each payment obligation of Kent County is conditioned upon the availability of government funds appropriated or allocated for the payment of this obligation. If funds are not allocated and available for continuance of the services or product performed herein, either party may terminate an Agreement at the end of the period for which funds are available. Kent County shall notify the vendor at the earliest possible time of the services that will or may be affected by the shortage of funds. No penalty shall accrue to either party in the event this provision is exercised, and neither party shall be obligated or liable for any further payments due or for any damages as a result of termination.

4. Submissions may be withdrawn by written request only if the request is received on or before the date and time specified.

5. No payment shall be made to the respondent for any extra material or services, or of any greater amount of money than stipulated to be paid in the contract, unless changes in or additions to the contract requiring additional outlay by the homeowner shall first have been expressly authorized and ordered in writing by contract amendment and approved by Kent County as the project lender.

6. The respondent certifies that the response submitted has not been made or prepared in collusion with any other respondent and the prices, terms or conditions thereof have not been communicated by or on behalf of the respondent to any other respondent prior to the official opening of this request. This certification may be treated for all purposes as if it were a sworn statement made under oath, subject to the penalties for perjury. Moreover, it is made subject to the provisions of 18 U.S.C. Section 1001, relating to the making of false statements.

7. The respondent shall not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.

8. The respondent shall observe and comply with all applicable federal, state and local laws, ordinances, rules and regulations which shall be deemed to include, but not be limited to, the Elliott-Larsen Civil Rights Act and the Persons with Disabilities Civil Rights Act.

9. Kent County encourages and solicits participation of qualified minority and women businesses consistent with the principle of utilizing the most highly qualified and competitive firms.

10. Vendor Representation and Warranty Regarding Federal Excluded Parties List: The Vendor acknowledges that the County may be receiving funds from or through the Federal Government and that such funds may not be used to pay, directly or indirectly, any vendor on the Federal Excluded Parties List (EPLS). The Vendor represents and warrants to the County that they are not on the Federal EPLS. If the Vendor is in non-compliance at any time during execution or term of this agreement (including any extensions thereof), the Vendor shall be in breach and the County shall be entitled to all remedies available to it at law or equity, specifically including but not limited to recovery of all moneys paid to the Vendor, all consequential damages (including the lost of grant funding or the requirement that grant funding be returned), and attorneys fees (including the costs of in-house counsel) sustained as a result of the Vendor's non-compliance with this warranty and representation.

11. The Freedom of Information Act (FOIA) provides the public body with five (5) business days to respond to the request with a provision for an additional ten (10) day extension. The Kent County Purchasing Division may request extensions for any FOIA requests received during a solicitation process. The FOIA Request Form is located on the County website.

12. Information submitted in this request is subject to the Michigan Freedom of Information Act and may not be held in confidence after the sealed bid is opened. The bid will be available for review after staff has evaluated it, or fifteen (15) business days after the opening date, whichever comes first.

13. Kent County cannot assure that any of the information submitted as part of, peripheral to, your response will be kept confidential. Any language designated as confidential may be considered void. Kent County is subject to the Michigan Freedom of Information Act, which prohibits it from concealing information on or associated with responses, successful or unsuccessful, once they are opened.

14. Freight Terms: F.O.B. Destination, Freight Paid.

15. Kent County is tax exempt. A copy of the Tax Certificate of Exemption is posted on the County website.

16. Insurance requirements are posted on the County website. Form "Insurance Requirements, Standard" apply to all responses other than professional services. Form "Insurance Requirements, Professional Services" applies to professional services.

17. Kent County reserves the right to request additional information it may deem necessary after the request has been received. Kent County will not be liable for any costs incurred by the respondent as a result of this request.

C. Evaluation and Award

1. Kent County and the Homeowner, at their sole discretion, shall select the responsive and responsible bidders and evaluate all responsive responses based on the requirements and criteria set forth in this request. Kent County reserves the right to reject any and all responses as a result of this request.

2. Kent County and the homeowner reserve the right to award by line item when applicable, and to accept or reject any or all parts of the request.

3. Kent County appreciates your interest, effort and the time your firm has spent in responding to this request. Award notifications are posted on the Purchasing Department's Solicitation Status Page of the County website.

4. Kent County Community Action reserves the right to reject any and all submissions as a result of this request. Kent County Community Action, at its sole discretion, reserves the right to award a contract to the respondent whose response is deemed most advantageous to Kent County.

5. Note that all contracts for rehabilitation services will be between the selected contractor and the homeowner. Kent County is the project lender, and merely uses its bidding system to collect sealed bids as a convenience to its borrowers and to ensure that any direct or indirect payment from the borrowed government funds is paid to program-qualified vendors. Kent County also audits the rehabilitation services for compliance with HUD requirements.

D. Submission

1. Responses shall be submitted electronically by selecting Submit Online icon at the County website.

2. Accelerated discounts should be so stated on the submission form. If quick pay discounts are offered, Kent County reserves the right to include that discount as part of the award criteria. Prices must, however, be based upon payment in thirty (30) days after receipt, inspection and acceptance. In all cases, quick pay discounts will be calculated from the date of the invoice or the date of acceptance, whichever is later.

3. Kent County confirms electronic responses by email following successful submission (contact the Kent County Purchasing Division prior to solicitation opening if confirmation

is not received by Respondent). Respondent is responsible to view the confirmation to confirm submission is received and accessible.

4. The time required to upload attachments following submission may vary. Online responses must be submitted and confirmed prior to the solicitation opening. By utilizing this service, the respondent assumes all risks associated with electronic submission (including all possible technical issues) and deems the County and its service provider harmless and without fault regardless the reason.

5. Kent County is not responsible for delays caused by any occurrence. The time/date stamp clock located in the Purchasing Division (or any other designated area) shall serve as the official authority to determine lateness of any response. Under no circumstances shall responses submitted after the time specified be considered. The decision to refuse or consider a response that is received beyond the date/time established in the solicitation shall not be the basis for a protest.

6. Late, faxed or emailed response will NOT be considered. To be considered timely, a complete response must be submitted before the stated due date and time.

VII. CONTRACTOR OBLIGATION DURING CONSTRUCTION

A. Payment of Construction Related Items

Unless otherwise specified in the construction contract, the contractor shall provide and pay for all materials, labor, tools, equipment, water, light, heat and power, transportation, superintendence, temporary construction of every nature, taxes legally payable because of contract work, and all other services and facilities of every nature whatsoever necessary to perform the Work Specifications and deliver the Project complete in every respect within the specified time.

B. Project Management and Verification of Data and Calculations

The contractor shall supervise the Work, and shall have a competent superintendent/project manager on the Work at all times with full authority to act for the contractor. The contractor shall also provide a staff adequate to coordinate and expedite his/her Work and that of his/her Subcontractors to ensure compliance with construction contract requirements. The contractor shall lay out the Work and be responsible for all lines, levels, and measurements of all Work executed under the construction contract. He/she shall verify the figures before laying out the Work and will be held responsible for any error resulting from his failure to do so.

C. Protection of Property

The contractor shall take proper means to protect the owner's property and adjacent properties from damage caused by contracted work. The contractor must also ensure its sub-contractors take proper means to protect the owner's property and adjacent properties from damage caused by contracted work. The contractor shall be liable for any work related damage on account of its failure to fully protect such property.

D. Clean Work Area

The contractor shall at all times keep the work area, including storage areas, free from accumulations of waste materials. After completing the Work and before Final Inspection, the contractor shall:

1. Remove from the premises all scaffolding, equipment, tools, and materials (including rejected materials) that are not the property of the homeowner and all rubbish caused by its work.
2. Leave the work area in a clean, neat, and orderly condition satisfactory to the Housing Rehabilitation Specialist.

3. Perform all specified tests.
4. Deliver the installation in complete and operating condition.

The contractor shall confine all operations (including storage of materials) on Property owner's premises to areas authorized by the Homeowner and the Housing Rehabilitation Specialist.

E. Health, Safety and Accident Prevention

In fulfilling his/her obligations during the construction, the contractor shall:

1. Ensure that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his/her health and/or safety.
2. Protect the lives, health, and safety of other persons.
3. Prevent damage to property, materials, supplies, and equipment.
4. Provide appropriate safety barricades, signs, and signal lights.
5. As appropriate, furnish, install, and maintain ample sanitary facilities for the workers. These facilities shall be sufficient to meet the Project needs and be located to the satisfaction of the Housing Rehabilitation Specialist. All such facilities and services shall be furnished in strict accordance with governing health regulations; and, include the terms of this clause in every subcontractor that such terms will be binding on each subcontractor.

VIII. CHANGE ORDERS

The Contractor agrees that no alteration of materials, substitutions, or additions to the original work specifications described in the contract shall take place unless agreed in writing by the homeowner, contractor and the County Housing Rehabilitation Specialist as the project lender. Any change order request must be recorded on the County supplied change order form and kept in the project file. All approved change orders will be bound by the terms of the contract and subject to the same requirements, policies, and standards as described in this document.

IX. PAYMENT

All invoices submitted by the contractor will be reviewed by the Housing Rehabilitation Specialist before payment is released. The Housing Rehabilitation Specialist may inspect the property to confirm that all billed items are completed satisfactorily. The contractor must sign a lien waiver prior to receiving any payment. This will be required of the contractor at every payment request. It is the contractor's responsibility to obtain Lien Waivers from its sub-contractors, material suppliers and any other affiliates associated with the project. The contractor shall protect, defend, and indemnify Kent County and the homeowner from all claims of unpaid work, labor, or materials.

10% of the contract price will be retained prior to the final payment. Final payment will be authorized when all final inspections are complete, all punch list items are resolved, a final invoice and full waiver is submitted, and the Final Inspection Report has been completed by the Housing Rehabilitation Specialist and approved by the homeowner.

X. PROGRAM COMPLAINT AND APPEAL PROCEDURE

Complaints concerning Kent County’s Housing Rehabilitation Program should first be made to the Housing Rehabilitation Specialist. The Housing Rehabilitation Specialist will act as mediator between the homeowner and the General Contractor, and attempt to resolve any disputes and adverse situations. If unresolved in this manner, a complaint or appeal can be made in writing and filed with Kent County Community Action. The Community Action Director’s written response will be made within fifteen (15) working days.

XI. CONTRACTOR SUSPENSION OR DISQUALIFICATION

Contractors may be suspended or disqualified from participating in the program for any of the following reasons:

1. Failure to comply with Housing Rehabilitation Program Guidelines.
2. Falsifying any information provided on or with the contractor application.
3. Failure to pay employees, subcontractors or suppliers.
4. Failure to maintain proper insurance coverage.
5. Consistently poor workmanship.
6. Failure to complete a contract or to make every effort to meet the contract obligations.
7. Failure to maintain a professional working relationship with any homeowner or Kent County staff.
8. Criminal activity.
9. Working without proper licensing.
10. Violating any Federal guideline regulating this program.
11. Appearing on the Federal Excluded Parties List.

XII. ATTACHMENTS

The following documents are attached and form part of these policies.

- A. Equal opportunity clause

ACKNOWLEDGED AND AGREED TO BY:

CONTRACTOR: _____

By: _____

Name: _____

Its: _____

ATTACHMENT A

EQUAL OPPORTUNITY CLAUSE

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

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

(3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the Contractors' commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The Contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The Contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each Subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a Subcontractor or vendor as a result of such direction by the contracting agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

STANDARD FEDERAL EQUAL EMPLOYMENT OPPORTUNITY
CONSTRUCTION CONTRACT SPECIFICATIONS
(EXECUTIVE ORDER 11246)

1. As used in these specifications:

a. "Covered area" means the geographical area described in the solicitation from which this contract resulted.

b. "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority.

c. "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.

d. "Minority" includes:

(I) Black (all persons having origins in any of the Black African racial groups [and] not of Hispanic origin);

(II) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race);

(III) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands.

(IV) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).

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

3. If the Contractor is participating (pursuant to 41 CFR 60-4.5) in Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each Contractor or Subcontractor participating in an approved Plan is individually required to comply with its obligations under the EEO clause and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other Contractors or Subcontractors toward a goal in approved Plan does not excuse any covered Contractor's or Subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.

4. The Contractor shall implement the specific affirmative action standards provided in paragraphs 7a through p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. The Contractor is expected to make substantially uniform progress toward its goals in each craft during the period specified.

5. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor's obligations under these specifications. Executive Order 11246, or the regulations promulgated pursuant thereto.

6. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.

7. The Contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Contractor shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:

a. Ensure and maintain a working environment free of harassment, intimidations, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible will assign two or more women to each construction project. The Contractor shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the Contractor's obligations to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

b. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.

c. Maintain a current file of the names, addresses and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source or community organization and of what action was taken with respect to each such individual, if such individual was sent to the union hiring hall for referral and was not employed by the Contractor, this shall be documented in the file with the reason therefore, along with whatever additional actions the Contractor may have taken.

d. Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement has not referred to the Contractor a minority person or woman sent by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.

e. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall provide notice of these programs to the sources compiled under 7b above.

f. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations by including it in any policy manual and collective bargaining agreement by publicizing it in the company newspaper, and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.

g. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions including specific review of these items with on-site supervisory personnel

such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

h. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Contractor's EEO policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.

i. Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selections process.

j. Encourage present minority and female employees to recruit other minority persons and women and where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of a Contractor's workforce.

k. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.

l. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunity and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.

m. Ensure that seniority practices, job classifications, work assignments and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations under these specifications are being carried out.

n. Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.

o. Document and maintain a record of all solicitations or offers for Subcontractors from minority and female construction Contractors and suppliers including circulation or solicitations to minority female contractor associations and other business associations.

p. Conduct a review, at least annually, of all supervisors adherence to and performance using the Contractor's EEO policies and affirmative action obligations.

8. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (7a through p). The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the Contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 7a through p of these Specifications provided that the Contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female workforce participation makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation to comply, however, is the Contractor's and failure of such a group to fulfill an obligation shall not be a defense for the Contractor's noncompliance.

9. A single goal for minorities and a separate single goal for women have been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action

for all minority groups both male and female and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).

10. The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.

11. The Contractor shall not enter into any subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 112.

12. The Contractor shall carry out such sanctions and penalties for violations of these specifications and of the Equal Opportunity Clause, including suspension, termination and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any Contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.

13. The Contractor, in fulfilling its obligations under these specifications shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.

14. The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out to submit reports relating to the provisions hereof as may be required by the Government and to keep records. Records shall at least include for each employee the name, employee identification number when assigned, social security number, race, sex, status, (e.g. mechanic, apprentice, trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, Contractors shall not be required to maintain separate records.

15. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).