BID PACKAGE

ROOFING REPLACEMENT AT BURTON VILLAGE

REHOBOTH BEACH, SUSSEX COUNTY, DELAWARE

HUD PROJECT NO.
DE004000004

OWNER:

DELAWARE STATE HOUSING AUTHORITY
18 THE GREEN
DOVER, DELAWARE 19901

Issue Date: October 2026

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INVITATION TO BID

The Delaware State Housing Authority (DSHA) is soliciting bids from qualified contractors for Roofing Replacement at Burton Village, 37511 Burton Village Ave, Rehoboth Beach, DE.

Bids on the total price of the work will be accepted until 2:00 p.m., local time on Tuesday, November 10, 2026, at the offices of DSHA, 18 The Green, Dover, Delaware 19901. No bids will be accepted after 2:00 p.m., local time. No telephone, facsimile or oral bids will be accepted, nor will photocopies be accepted.

A pre-bid meeting will be held at Burton Village community building, Monday October 26, 2026, at 10:00 a.m. At the meeting, participants will review the scope of work and establish a listing of all subcontractor categories to be included in the bids

Construction documents are available to review online for free at http://bids.delaware.gov. Contractors may obtain bid packages from Jim Bishop at the offices of DSHA for the non-refundable fee of $50.00 PAYABLE BY CHECK ONLY. Each bid shall be submitted in duplicate, in an opaque, sealed envelope with the following endorsement typed or printed in the lower left corner:

SEALED BID – DO NOT OPEN
ROOFING PROJECT AT BURTON VILLAGE

DSHA will not be responsible for any bids opened prematurely because of an improper endorsement. No bid will be considered unless accompanied by a certified check from a solvent bank or trust company in the amount of ten (10) percent of the bid, or a bid bond in a like amount, drawn to the order of the Delaware State Housing Authority. The bid bond must be issued by a surety licensed in Delaware and appearing on the U.S. Treasury Department's list of acceptable sureties. A satisfactory performance bond (100%) and payment bond (100%) will be required to be executed by the bidder who is awarded the contract, said bonds to be issued by a surety licensed in Delaware and appearing on the U.S. Treasury Department's list of acceptable sureties.

This project is funded by the U.S. Department of Housing and Urban Development and Davis-Bacon wage rates will apply.

Bids will not be subject to discrimination on the basis of race, creed, color, sex, sexual orientation, gender identity or national origin in consideration of this award, and Minority Business Enterprises, Disadvantaged Business Enterprises, Women-Owned Business Enterprises and Veteran-Owned Business Enterprises will be afforded full opportunity to submit bids on this contract. https://business.delaware.gov/osd/

If you have any questions, please contact Jim Bishop at (302) 739-4263 or via e-mail at Jim.Bishop@delaware.gov

Delaware State Housing Authority
Telephone (302) 739-4263
Equal Opportunity Employer
Equal Housing Opportunity

INSTRUCTIONS TO BIDDERS

BID DOCUMENTS:	Bid documents for Roofing Replacement at Burton Village will be available for pick-up for the non-refundable fee of $50.00 PAYABLE BY CHECK ONLY at the Delaware State Housing Authority, 18 The Green, Dover, Delaware 19901. Construction documents are available to review online for free at http://bids.delaware.gov.
BID DUE DATE:	Tuesday, November 10, 2026, local time. Submit bids to the Delaware State Housing Authority, 18 The Green, Dover, Delaware 19901. Bidder guarantees bids to be valid for not less than 60 days from bid due date.
INSTALLATION:	To be determined between Owner and successful bidder prior to formal contract award.
CONTRACT DOCUMENTS:	Copies of all referenced forms are included in these specifications.

1.01 OWNER: The Delaware State Housing Authority (DSHA) is the Owner and shall herein be referred to as the Owner.

1.02 CONTRACTOR: The Prime Contractor shall be a recognized Contractor who shall bear the complete responsibility for completion of all Work as described in these Specifications and/or indicated on the Drawings.

1.03 DEFINITIONS:

A. "Bid Documents" include the Invitation to Bid, Instructions to Bidders, General and Supplementary Conditions, the Bid Proposal Form, other sample bidding and contract forms, Representations, Certifications, and Other Statements of Bidders-HUD Form 5369A, Section 3 Requirements and the "Contract Documents," including any addenda issued prior to receipt of bids.

B. Contract Documents consist of the following:
   1. Bid Package dated October 2026.
   2. Executed "Bid Proposal Form," including the Subcontractors List, and all documents required to be submitted with the bid.
   3. Bid Bond.
   4. Performance and Payment Bond.
   5. The executed Owner-Contractor Contract Form with attachments.
   6. All addenda issued prior to and all modifications issued after execution of the Contract.

7. Completed and signed Form HUD-5369A, Representations, Certifications and Other Statements of Bidders.
8. Delaware Business License.
9. Certificate of Insurance.
10. Appendix No. 3 - Section 3 Certification.
11. Technical Specification.

1.04 BIDDERS REPRESENTATIONS: Each bidder by making his/her bid represents that:

A. He/she has read and understands the Bidding Documents and his/her bid is made in accordance therewith. The certification appearing in paragraph 13 of Form HUD-5369A, Representations, Certifications, and Other Statements of Bidders must be completed and signed.

B. His/her bid is based upon the materials, systems, and equipment required by the Bidding Documents without exception.

C. The Contractor has visited the projects to thoroughly familiarize themselves with the site and the buildings, including, but not limited to, access routes, parking, delivery and storage areas, and compliance of existing conditions with the Documents. Notify the Owner in writing (a minimum of seven {7} calendar days prior to the Bid Due Date) of any condition which deviates from the Documents. Extras will not be allowed for failure to report deviations, if any.

1.05 PRE-BID MEETING AND SITE VISIT: A pre-bid meeting will be held at the Burton Village community building on Monday, October 26, 2026, at 10:00 a.m. At the meeting, the participants will review the scope of work and establish a listing of all subcontractor categories to be included in the bids.

1.06 BIDDING PROCEDURE:

A. Form and Style of Bids: Bids shall be submitted IN DUPLICATE on the form included with these Bidding Documents. All blanks on the bid form shall be filled in by typewriter or manually in ink. The signed Certification Form HUD-5369A must be included with the bid.

Each copy of the Bid shall include the legal name of the Bidder and a statement that the Bidder is a sole proprietor, a partnership, a corporation, or some other legal entity. Each copy shall be signed by the person or persons legally authorized to bind the Bidder to a contract. (Copy of Bid Proposal form is attached.)

B. Modification or Withdrawal of Bid: A Bid may not be modified, withdrawn or canceled by the Bidder for a period of sixty (60) days following the time and date designated for the receipt of Bids, and each Bidder so agrees in submitting his Bid.

C. All bids must include a Subcontractors List, whether or not any subcontractors are used.

1.07 CONSIDERATION OF BIDS:

A. Opening of Bids: The properly identified Bids received on time will be opened and read aloud publicly at 2:00 p.m. local time, Tuesday, November 10, 2026. NO BIDS WILL BE ACCEPTED AFTER 2:00 P.M., LOCAL TIME, Tuesday, November 10, 2026.

B. Rejection of Bids: The bidder acknowledges that the Owner shall have the right to waive any informalities or to reject any or all bids, or to reject a bid not accompanied by the required bid security or by other data required by the Bid Documents, or to reject a bid which is in any way incomplete or irregular.

C. Acceptance of Bid: It is the intent of the Owner to award a Contract to the **lowest qualified**, **responsive Bidder** provided the Bid has been submitted in accordance with the requirements of the Bid Documents and does not exceed the funds available.

D. Bid Submittal:

1.The Bidder shall assume full responsibility for timely delivery of the bid at the location designated for receipt of bids. Oral, fax, or telephone bids are invalid and will not receive consideration. Each bid shall be submitted in original in an opaque, sealed envelope with the following endorsement typed or printed in the lower left-hand corner:

SEALED BID – DO NOT OPEN
ROOFING REPLACEMENT AT BURTON VILLAGE

2.Bids submitted by mail shall be enclosed in an outer envelope addressed to The Delaware State Housing Authority (Owner) with the endorsement in the lower left-hand corner. If a bid is submitted in an envelope which does not contain the aforementioned endorsement, the bid will be subject to rejection by the Owner. Any bid which is prematurely opened because it does not contain the aforementioned endorsement will be rejected by the Owner.

1.08 CONTRACTOR'S PREQUALIFICATION STATEMENT AND QUESTIONNAIRE:
Not used.

1.09 SECURITY AND BOND REQUIREMENTS: Each proposal shall be accompanied by a Bid Bond utilizing The American Institute of Architects AIA Document A310 or by a certified check from a solvent bank or trust company, made payable to the Owner in an amount equal to 10% of the amount of the proposal, as an evidence of good faith, and to the effect that, if the proposal of the Bidder is accepted, the Bidder will enter into the Contract. Certified checks, or bonds, of unsuccessful Bidders will be returned (a) after the Contract is executed, or (b) when the specified time has elapsed so that bids may be withdrawn, or (c) when all bids have been rejected. If a Surety Bond is submitted with the proposal, the Attorney-in-fact who executes the bond on behalf of the Surety shall affix to the bond a certified and current copy of his Power of Attorney. All bonds must be provided by a corporate surety company licensed to provide bonding in the State of Delaware and whose name appears on the U.S. Treasury's Department's list of acceptable surety companies. The Owner reserves the right to retain the security of the

three (3) lowest Bidders until the lowest qualified Bidder executes a contract or until sixty (60) days after Bid opening, whichever period is shorter. The bid security of all other Bidders will be returned upon award of contract. Should a successful Bidder refuse or neglect to execute a formal Contract after the award is given him, the bid security deposited by the successful Bidder shall be taken and will become the absolute property of the Owner as liquidated damages. The Owner shall forthwith proceed to collect the Bid Bond taken. The Owner may then award the Contract to the next lowest Bidder or advertise for new bids.

1.10 PERFORMANCE AND PAYMENT BOND: Prior to execution of the Contract, the Bidder shall furnish bonds covering the faithful performance of the Contract and the payment of all obligations arising thereunder in an amount equal to 100% of the amount of the Contract. The Bonds shall be submitted utilizing The American Institute of Architects AIA Document A312. Bonds may be secured through the Bidder's usual sources, but must be provided by a corporate surety company licensed to provide bonding in the State of Delaware, and the cost shall be included in the bid (see Supplementary Conditions). The surety must also be listed on the U.S. Treasury Department's list of acceptable sureties.

1.11 SUBCONTRACTORS LIST: The bidders shall complete and submit with his/her bid the Subcontractors List Form. A copy of this document is attached.

1.12 PREVIOUS PARTICIPATION CERTIFICATE: not used.

1.13 NON-COLLUSIVE CERTIFICATION: Attach Certification to completed Bid Proposal Form. A copy of this document is attached.

1.14 OSHA COMPLIANCE CERTIFICATION: Attach Certification to completed Bid Proposal Form. A copy of this document is attached.

1.15 SECTION 3 EMPLOYMENT AND CONTRACTING PLAN: The bidders shall complete and submit with his/her bid a completed Schedule A Form, signed Schedule A Acknowledgement, completed Existing Employee List Form and a narrative plan on your firm’s letterhead for the outreach, implementation, monitoring and enforcement of the Section 3 Program.

1.16 EQUAL OPPORTUNITY AND AFFIRMATIVE ACTION: Each bidder shall comply with equal opportunity provisions of the Contract and any other Affirmative Action Requirements including Executive Order 11246 and HUD Regulations issued pursuant to Section 3 of the Housing and Urban Development Act of 1968.

1.17 WAGE RATES: All contractors and subcontractors shall be required to pay no less than the prevailing wage rates as determined by the U.S. Department of Labor wage rates. A copy of the wage rate document is included.

END OF INSTRUCTIONS TO BIDDERS

BID PROPOSAL FORM

TO: **Delaware State Housing Authority**
18 The Green
Dover, DE 19901

PRE-BID MEETING: **Monday October 26, 2026, 10:00 a.m. at Burton Village Community Bldg**

DUE DATE: **Tuesday, November 10, 2026, 2:00 p.m., local time at the Delaware State Housing Authority Office, 18 The Green**

PROJECT: ROOFING REPLACEMENT **AT BURTON VILLAGE**
Project No. DE004000004

The undersigned proposes to provide all necessary labor and materials as required and called for in the Contract Documents, dated October 2026. This proposal shall be valid for a period of sixty (60) days after bid due date. Pursuant to and in compliance with the Advertisement for Bids posted on the Delaware State Housing Authority's website and the Information for Bidders relating thereto, the undersigned hereby offers to furnish all plant, labor, materials, supplies, equipment, and other facilities and things necessary, proper, or incidental to the Roofing Replacement at Burton Village, as required by and in strict accordance with the applicable provisions of the Plans and Specifications and all Addenda issued by the Delaware State Housing Authority or its Architect, for the amount bid based on the following lump-sum prices:

Contract Time:	130	Calendar Days
Liquidated Damages:	$100.00	Per Calendar Day

Base Bid

Total Amount of Lump Sum Base Bid : $_____

Total Amount Bid Written Out, Base Bid: (write out amount below)

_____

_____

SIGNATURE **NAME & TITLE (TYPE OR PRINT)**

_____

BID DATE **COMPANY NAME**

I acknowledge receipt of each addendum to this solicitation as follows:

LIST EACH ADDENDUM RECEIVED: _____

FIRM NAME _____
AUTHORIZED SIGNATURE _____
TYPED NAME AND TITLE _____
BUSINESS ADDRESS _____
TELEPHONE NO. _____ FAX NO. _____ DATE_____
EMAIL _____

ATTACHMENTS:

(1) Bid Bond or certified check in an amount equal to 10% of the amount of the proposal.
(2) Subcontractors List.
(3) Change Orders.
(4) Signed Certification, Form HUD-5369A.
(5) Non-collusion Certification.
(6) OSHA Compliance Certification.
(7) Schedule A Employment Needs Form, Schedule A Acknowledgement, Section 3 Narrative Plan, Existing Employee List
(8) Construction Plan
(9) Construction Schedule with milestones for each building, including Gantt Chart with Critical Path to Substantial Completion

PROJECT NAME: ROOFING REPLACEMENT AT BURTON VILLAGE

SUBCONTRACTORS LIST

In accordance with Title 29, Chapter 6962 (d)(10)b Delaware Code, the following sub-contractor listing must accompany the bid submittal. The name and address of the sub-contractor must be listed for each category where the bidder intends to use a sub-contractor to perform that category of work. In order to provide full disclosure and acceptance of the bid by the *Owner*, it is required that bidders list themselves as being the sub-contractor for all categories where he/she is qualified and intends to perform such work.

Subcontractor Category	**Subcontractor**	**Address (City & State)**
1. Laborer: General	_____	_____
2. Laborer: Unskilled	_____	_____
3. Carpenter	_____	_____
4. Electrician	_____	_____
5. Framer	_____	_____
6. Plumber	_____	_____
7. Roofer	_____	_____
8.	_____	_____
9.	_____	_____
10.	_____	_____

BY:_____

TITLE: _____

CHANGE ORDERS

Except for items for which Unit Prices have been stated as required herein, in the event that an adjustment must be made to the Contract Sum because of Change Orders or Construction Change Directives, as described in Section 29 of the General Conditions, the bidder shall not exceed the following combined percentage mark-ups for overhead and profit.

1. For the Contractor, for Work performed by the Contractor's own forces, Fifteen percent, 15% of the cost.

2. For the Contractor, for Work performed by the Contractor's Subcontractor, Five percent, 5% of the cost.

3. DSHA Change Order Requirements

A. Approval: All change orders must receive written approval by DSHA which must be prior to the initiation of work described in the change order. All change orders must be approved by the architect, contractor, and DSHA where applicable.

B. Document Form: Change orders must be submitted on standard AIA forms and be initiated by the architect at the request of DSHA or the contractor.

C. Changes to Plan and Specifications: All material changes in the plans and specifications require a change order regardless of cost.

D. Reconciliation of Allowances: All allowances included in the contracted price must be accounted for and reconciled with a change order.

E. Change Order Substantiation:

1. A detailed breakdown of all materials, labor, and mark-up must be provided for all change orders and submitted to the architect for review prior to initiation of the change order. This allows DSHA, the architect and the contractor to quickly determine if the appropriate charges are included in the change order.

2. All materials must be billed at and supported by invoices or estimates or suppliers estimates. All labor must be billed at cost. Specific amounts of materials and labor must be shown on the proposal from the subcontractor.

F. General Contractor and Sub-contractor Mark-up: The maximum percentages for general contractor and subcontractor mark-up are included in this form above.

G. Example: An example of a properly documented change order is given below:

1. Example Mark-up Percentages

   a. Subcontractor performs work: 15% maximum

   b. General Contractor Mark-up on Subcontractor work for overhead and general requirements: 5% maximum

   c. General Contractor performs work himself: 15% maximum

2. Subcontractor of General Contractor performing the work:

Materials		
200 Standard outlet boxes @ $2.05 each		$410.00
100 Duplex outlets @ $1.50 each		$150.00
100 single pole switches @ $1.64 each		$164.00
1000 lin. Ft. of 12/2 wire @ $0.24/lf		$240.00
	Subtotal	**$964.00**
Labor		
8 hrs. labor each unit @ $45/hr. x 35 units		$12,600.00
	Subtotal Labor and Materials	**$13,564.00**
Mark-up (15% Maximum)		2,034.60
	Sub or General Contractor Total	**$15,598.60**

3. General Contractor Mark-up on Subcontractor Work:

Subcontractor Total (from section 2 above)	$15,598.60
Mark-up (5% Maximum)	779.93
General Contractor Total	**$16,378.53**

BID SUBMITTAL CHECKLIST

BID INFORMATION

1. Bidder: _____

2. Project Name: Roofing Replacement at Burton Village

3. Project Location: 37511 Burton Village Ave, Rehoboth Beach, De

4. Owner: Delaware State Housing Authority

5. HUD Project Number DE004000004

6. Architect/Engineer: Studio Jaed

BIDDER'S CHECKLIST

In an effort to assist the Bidder in properly completing all documentation required, the following checklist is provided for the Bidder's convenience. The Bidder is solely responsible for verifying compliance with bid submittal requirements as outlined in the 'Instructions to Bidders' section of this manual.

- ☐ Used the Bid Form provided in the Project Manual.
- ☐ Prepared the Bid Form as required by the Instructions to Bidders.
- ☐ Indicated on the Bid Form: the Addenda received.
- ☐ Indicated on the Bid Form: Base Bid Lump Sum.
- ☐ Bid envelope: Bid submitted in original in an opaque, sealed envelope with proper endorsements title typed or printed in lower left-hand corner per Bid Submittal instructions.
- ☐ "SEALED BID – DO NOT OPEN"
- ☐ "PROJECT NAME"
- ☐ Bid envelope shows name and address of the Bidder.
- ☐ Bid envelope shows time and day of Bid Opening.
- ☐ Attached to Bid Form: Bid Bond or a Certified Check for the amount required.

☐ Verified as Included in bid submittal – from Section 3 Employment and Contracting Plan; Completed Schedule 'A' Form.

☐ Verified as Included in bid submittal – from Section 3 Employment and Contracting Plan; Signed Schedule 'A' Acknowledgement.

☐ Verified as Included in bid submittal – from Section 3 Employment and Contracting Plan; Complete Existing Employee List Form.

☐ Verified as Included in bid submittal – from Section 3 Employment and Contracting Plan; Completed Narrative Plan on Bidder's Company letterhead outlining the outreach, implementation, monitoring and enforcement of the Section 3 program.

☐ Verified that the Bidder can provide Certificates of Insurance in the amounts indicated.

☐ Verified that the Bidder can provide executed 100% Performance and 100% Payment Bond.

☐ Included in bid submittal: Bidder's OSHA Compliance Certification.

☐ Included in bid submittal: Bidder's Non-Collusion Certification.

☐ Included in bid submittal: Completed HUD-5369A.

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Representations, Certifications, and Other Statements of Bidders

Public and Indian Housing Programs

Representations, Certifications, and Other Statements of Bidders

Public and Indian Housing Programs

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1. Certificate of Independent Price Determination

(a) The bidder certifies that--

(1) The prices in this bid have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder or competitor relating to (i) those prices, (ii) the intention to submit a bid, or (iii) the methods or factors used to calculate the prices offered;

(2) The prices in this bid have not been and will not be knowingly disclosed by the bidder, directly or indirectly, to any other bidder or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a competitive proposal solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the bidder to induce any other concern to submit or not to submit a bid for the purpose of restricting competition.

(b) Each signature on the bid is considered to be a certification by the signatory that the signatory--

(1) Is the person in the bidder's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(l) through (a)(3) above; or

(2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(l) through (a)(3) above.

_____ [insert full name of person(s) in the bidder's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the bidder's organization];

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the bidder deletes or modifies subparagraph (a)2 above, the bidder must furnish with its bid a signed statement setting forth in detail the circumstances of the disclosure.

[x] [Contracting Officer check if following paragraph is applicable]

(d) Non-collusive affidavit. (applicable to contracts for construction and equipment exceeding $50,000)

(1) Each bidder shall execute, in the form provided by the PHA/IHA, an affidavit to the effect that he/she has not colluded with any other person, firm or corporation in regard to any bid submitted in response to this solicitation. If the successful bidder did not submit the affidavit with his/her bid, he/she must submit it within three (3) working days of bid opening. Failure to submit the affidavit by that date may render the bid nonresponsive. No contract award will be made without a properly executed affidavit.

(2) A fully executed "Non-collusive Affidavit" [ ] is, [ ] is not included with the bid.

2. Contingent Fee Representation and Agreement

(a) Definitions. As used in this provision:

"Bona fide employee" means a person, employed by a bidder and subject to the bidder's supervision and control as to time, place, and manner of performance, who neither exerts, nor proposes to exert improper influence to solicit or obtain contracts nor holds out as being able to obtain any contract(s) through improper influence.

"Improper influence" means any influence that induces or tends to induce a PHA/IHA employee or officer to give consideration or to act regarding a PHA/IHA contract on any basis other than the merits of the matter.

(b) The bidder represents and certifies as part of its bid that, except for full-time bona fide employees working solely for the bidder, the bidder:

(1) [ ] has, [ ] has not employed or retained any person or company to solicit or obtain this contract; and

(2) [ ] has, [ ] has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(c) If the answer to either (a)(1) or (a)(2) above is affirmative, the bidder shall make an immediate and full written disclosure to the PHA/IHA Contracting Officer.

(d) Any misrepresentation by the bidder shall give the PHA/IHA the right to (1) terminate the contract; (2) at its discretion, deduct from contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the contract.

3. Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (applicable to contracts exceeding $100,000)

(a) The definitions and prohibitions contained in Section 1352 of title 31, United States Code, are hereby incorporated by reference in paragraph (b) of this certification.

(b) The bidder, by signing its bid, hereby certifies to the best of his or her knowledge and belief as of December 23, 1989 that:

(1) No Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with the awarding of a contract resulting from this solicitation;

(2) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress on his or her behalf in connection with this solicitation, the bidder shall complete and submit, with its bid, OMB standard form LLL, "Disclosure of Lobbying Activities;" and

(3) He or she will include the language of this certification in all subcontracts at any tier and require that all recipients of subcontract awards in excess of $100,000 shall certify and disclose accordingly.

(c) Submission of this certification and disclosure is a prerequisite for making or entering into this contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than $10,000, and not more than $100,000, for each such failure.

(d) Indian tribes (except those chartered by States) and Indian organizations as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B) are exempt from the requirements of this provision.

4. Organizational Conflicts of Interest Certification

The bidder certifies that to the best of its knowledge and belief and except as otherwise disclosed, he or she does not have any organizational conflict of interest which is defined as a situation in which the nature of work to be performed under this proposed contract and the bidder's organizational, financial, contractual, or other interests may, without some restriction on future activities:

(a) Result in an unfair competitive advantage to the bidder; or,

(b) Impair the bidder's objectivity in performing the contract work.

[ ] In the absence of any actual or apparent conflict, I hereby certify that to the best of my knowledge and belief, no actual or apparent conflict of interest exists with regard to my possible performance of this procurement.

5. Bidder's Certification of Eligibility

(a) By the submission of this bid, the bidder certifies that to the best of its knowledge and belief, neither it, nor any person or firm which has an interest in the bidder's firm, nor any of the bidder's subcontractors, is ineligible to:

(1) Be awarded contracts by any agency of the United States Government, HUD, or the State in which this contract is to be performed; or,

(2) Participate in HUD programs pursuant to 24 CFR Part 24.

(b) The certification in paragraph (a) above is a material representation of fact upon which reliance was placed when making award. If it is later determined that the bidder knowingly rendered an erroneous certification, the contract may be terminated for default, and the bidder may be debarred or suspended from participation in HUD programs and other Federal contract programs.

6. Minimum Bid Acceptance Period

(a) "Acceptance period," as used in this provision, means the number of calendar days available to the PHA/IHA for awarding a contract from the date specified in this solicitation for receipt of bids.

(b) This provision supersedes any language pertaining to the acceptance period that may appear elsewhere in this solicitation.

(c) The PHA/IHA requires a minimum acceptance period of [Contracting Officer insert time period] calendar days.

(d) In the space provided immediately below, bidders may specify a longer acceptance period than the PHA's/IHA's minimum requirement. The bidder allows the following acceptance period: calendar days.

(e) A bid allowing less than the PHA's/IHA's minimum acceptance period will be rejected.

(f) The bidder agrees to execute all that it has undertaken to do, in compliance with its bid, if that bid is accepted in writing within (1) the acceptance period stated in paragraph (c) above or (2) any longer acceptance period stated in paragraph (d) above.

7. Small, Minority, Women-Owned Business Concern Representation

The bidder represents and certifies as part of its bid/ offer that it --

(a) [ ] is, [ ] is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.

(b) [ ] is, [ ] is not a women-owned business enterprise. "Women-owned business enterprise," as used in this provision, means a business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.

(c) [ ] is, [ ] is not a minority business enterprise. "Minority business enterprise," as used in this provision, means a business which is at least 51 percent owned or controlled by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals. For the purpose of this definition, minority group members are:

(Check the block applicable to you)

[ ] Black Americans	[ ] Asian Pacific Americans
[ ] Hispanic Americans	[ ] Asian Indian Americans
[ ] Native Americans	[ ] Hasidic Jewish Americans

8. Indian-Owned Economic Enterprise and Indian Organization Representation (applicable only if this solicitation is for a contract to be performed on a project for an Indian Housing Authority)

The bidder represents and certifies that it:

(a) [ ] is, [ ] is not an Indian-owned economic enterprise. "Economic enterprise," as used in this provision, means any commercial, industrial, or business activity established or organized for the purpose of profit, which is at least 51 percent Indian owned. "Indian," as used in this provision, means any person who is a member of any tribe, band, group, pueblo, or community which is recognized by the Federal Government as eligible for services from the Bureau of Indian Affairs and any "Native" as defined in the Alaska Native Claims Settlement Act.

(b) [ ] is, [ ] is not an Indian organization. "Indian organization," as used in this provision, means the governing body of any Indian tribe or entity established or recognized by such governing body. Indian "tribe" means any Indian tribe, band, group, pueblo, or

community including Native villages and Native groups (including corporations organized by Kenai, Juneau, Sitka, and Kodiak) as defined in the Alaska Native Claims Settlement Act, which is recognized by the Federal Government as eligible for services from the Bureau of Indian Affairs.

9. Certification of Eligibility Under the Davis-Bacon Act (applicable to construction contracts exceeding $2,000)

(a) By the submission of this bid, the bidder certifies that neither it nor any person or firm who has an interest in the bidder'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).

(b) No part of the contract resulting from this solicitation shall be subcontracted to any 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).

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

10. Certification of Nonsegregated Facilities (applicable to contracts exceeding $10,000)

(a) The bidder's attention is called to the clause entitled **Equal Employment Opportunity** of the General Conditions of the Contract for Construction.

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

(c) By the submission of this bid, the bidder certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The bidder agrees that a breach of this certification is a violation of the Equal Employment Opportunity clause in the contract.

(d) The bidder further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) prior to entering into subcontracts which exceed $10,000 and are not exempt from the requirements of the Equal Employment Opportunity clause, it will:

(1) Obtain identical certifications from the proposed subcontractors;

(2) Retain the certifications in its files; and

(3) Forward the following notice to the proposed subcontractors (except if the proposed subcontractors have submitted identical certifications for specific time periods):

Notice to Prospective Subcontractors of Requirement for Certifications of Nonsegregated Facilities

A Certification of Nonsegregated Facilities must be submitted before the award of a subcontract exceeding $10,000 which is not exempt from the provisions of the Equal Employment Opportunity clause of the prime contract. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

Note: The penalty for making false statements in bids is prescribed in 18 U.S.C. 1001.

11. Clean Air and Water Certification (applicable to contracts exceeding $100,000)

The bidder certifies that:

(a) Any facility to be used in the performance of this contract [ ] is, [ ] is not listed on the Environmental Protection Agency List of Violating Facilities:

(b) The bidder will immediately notify the PHA/IHA Contracting Officer, before award, of the receipt of any communication from the Administrator, or a designee, of the Environmental Protection Agency, indicating that any facility that the bidder proposes to use for the performance of the contract is under consideration to be listed on the EPA List of Violating Facilities; and,

(c) The bidder will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract.

12. Previous Participation Certificate (applicable to construction and equipment contracts exceeding $50,000)

(a) The bidder shall complete and submit with his/her bid the Form HUD-2530, "Previous Participation Certificate." If the successful bidder does not submit the certificate with his/her bid, he/she must submit it within three (3) working days of bid opening. Failure to submit the certificate by that date may render the bid nonresponsive. No contract award will be made without a properly executed certificate.

(b) A fully executed "Previous Participation Certificate"

[ ] is, [ ] is not included with the bid.

13. Bidder's Signature

The bidder hereby certifies that the information contained in these certifications and representations is accurate, complete, and current.

_____
(Signature and Date)

_____
(Typed or Printed Name)

_____
(Title)

_____
(Company Name)

(Company Address)

NON-COLLUSION CERTIFICATION

Bidder's Name: _____

Address: _____

Project: _____

Project No.: _____

This is to certify that neither the above named Bidder, nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, has in any way colluded, conspired, connived or agreed, directly or indirectly, with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any Bidder, firm or person to fix the price or prices in the attached Bid or of any other Bidder, or to fix any overhead, profit or cost element of the Bid price of the Bid price of any other Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the Owner or any person interested in the proposed Contract; and the price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the bidder or any of its agents, representatives, owners, employees, or parties in interest.

(Signed)_____

_____
Title

_____
Date

SEAL - If Bidder is a Corporation

ATTEST: _____

STATEMENT OF COMPLIANCE WITH
THE OCCUPATIONAL SAFETY AND HEALTH ACT

_____ (Contractor) proposes to perform work for the Delaware State Housing Authority and hereby certifies to the following:

1. The Contractor has knowledge of the Occupational Safety and Health Act with additions, revisions, and/or modifications, as well as any State and Local regulations and requirements.

2. Our employees and equipment will comply with the Act and/or additions, revisions, and/or modifications and any present or future State and Local regulations or requirements.

3. Our company will be responsible for any infraction of the Occupational Safety and Health Act requirements, additions, revisions and/or modifications and any State and Local regulations or requirements.

_____
Company

By _____

Title _____

ATTEST:

_____ Date _____

DELAWARE STATE HOUSING AUTHORITY

SECTION 3 EMPLOYMENT AND CONTRACTING PLAN

MARCH 1, 2010

GENERAL ORDER NO. 546 ADOPTING
A SECTION 3 EMPLOYMENT AND
CONTRACTING PLAN

WHEREAS, the Delaware State Housing Authority's (DSHA) Affirmative Action Plan previously covered Section 3 employment and contracting in general terms; and

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) now requires a separate Plan adopting specific detailed policies DSHA will enforce with respect to Section 3 Compliance.

NOW THEREFORE BE IT ORDERED AS FOLLOWS:

1. The attached Section 3 Employment and Training Plan is adopted effective March 1, 2010.

2. Any substantive amendments to the Plan will be accomplished by a subsequent General Order.

_____ _____

Anas Ben Addi Date
Director

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I. Purpose

II. DSHA/HUD Programs Subject to Section 3

III. Goals

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VII. DSHA Section 3 Enforcement

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I. Purpose

- The general purpose of the Section 3 Program is to ensure that economic opportunities generated by certain HUD funded projects shall, to the greatest extent feasible, and consistent with existing Federal and State laws, be directed to low- and very low-income persons (particularly those receiving assistance for housing), and to the businesses that provide economic opportunities to these persons.

- The purpose of this Plan is to describe the policies DSHA will follow to ensure its compliance with Section 3 requirements. DSHA is responsible for new employment, training, contracting opportunities created during the expenditures of covered construction funding noted below.

II. DSHA/HUD Programs Subject to Section 3

- Public Housing Operations program
- Capital Fund program
- Community Development Block Grant program
- HOME Investment Partnerships program
- Neighborhood Stabilization program
- Resident Opportunity and Supportive Services

Note: Programs such as HOPWA and ESG do not meet the minimum dollar threshold for Section 3 Compliance.

III. Goals

The federal goals for employment and contracting are as follows:

- 30 percent of new hires for DSHA and contractors/subcontractors;
- 10 percent of all construction contracts
- 3 percent of all other contracts

IV. Certification Procedures for Section 3 Residents and Businesses

- Section 3 Residents: Residents of Public Housing, or low- and very low-income persons residing in Kent and Sussex Counties, and New Castle County as applicable. A Section 3 resident will complete the Resident Certification form found under Attachment A.

- Section 3 Businesses: Businesses who are 51 percent owned by Section 3 residents, whose workforce includes 30 percent of these Section 3 residents as employees, or who claim Section 3 status by subcontracting 25 percent of the dollars awarded to a qualified Section 3 business. A Section 3 business will complete the Section 3 Business Certification form found under Attachment B.

V. Notification Procedures

- As a Moving To Work (MTW) participant, DSHA provides numerous opportunities for training (see MTW Plan).

- The Section 3 Coordinator will maintain lists of certified Section 3 residents and businesses.

- Identified Section 3 residents/businesses will be personally notified by the Section 3 Coordinator.

- The Section 3 Coordinator is Doris Hall, Housing Management Specialist.

- Contractors/Subcontractors will be notified of the Section 3 requirements in bid/proposal packages, reviewed during pre-bid meetings and workshops and provided a copy of this Section 3 Employment and Contracting Plan and certify its receipt.

VI. Procurement

- The Section 3 clause is included as part of the standard federal contract language via DSHA's Procurement Policy, standard CDBG contract form, HUD forms 5370 and 5369-A, and DSHA's Supplementary Conditions for Construction Contracts (see Attachment C, Section 3 Contract Clause).

- The Section 3 needs of contractors will be assessed at the time of contract award, and coordinated by DSHA with certified Section 3 residents and businesses as applicable. See Attachment D, Section 3 Procurement – only those bidders in compliance with this part will be considered "responsible bidders".

VII. DSHA Section 3 Enforcement

- The key to DSHA Section 3 contractor/subcontractor compliance will be better upfront communication of Section 3 requirements, the certification of contractors with respect to whether new hires are required, the identification of "core" employees at contract award, and the monitoring of contractor/subcontractor's payrolls to document the certification at time of contract.

- Penalties for contractor/subcontractor noncompliance will be:
    a. Written warning;
    b. Suspension from DSHA contracting for six (6) months;
    c. And finally, debarment from DSHA contracting opportunities.

- Any such actions of suspension/debarment will be posted on DSHA's web site.

VII. DSHA Recordkeeping

DSHA will keep records of the following:

- Notification and recruitment;
- Vacancy position announcements for both DSHA and its contractors/subcontractors;
- Participation in local events, eg. Section 3 workshops, training, etc.
- Signed contracts;
- Annual Form 60002 submission by 1/10; HUD/CPD annual submissions will be accomplished with the Consolidated Annual Performance Evaluation Report.
- Section 3 program policies, forms, lists, etc. to be added to web site;
- Monitoring reports to explicitly cover Section 3 compliance of subrecipients, contractors, and subcontractors; see Attachment E.

ATTACHMENT A:

SECTION 3 RESIDENT CERTIFICATION FORM

DELAWARE STATE HOUSING AUTHORITY (DSHA)
SECTION 3 RESIDENT CERTIFICATION FORM

Eligibility for Preference

A Section 3 resident seeking the preference in training and employment provided by this part shall certify, or submit evidence to the recipient contractor or subcontractor, if requested, that the person is a Section 3 resident, as defined in Section 135.5. (An example of evidence of eligibility for the preference is evidence of receipt of public assistance, or evidence of participation in a public assistance program.)

Certification for Resident Seeking Section 3 Preference in Training and Employment

I, _____, am a legal resident of the _____ and meet the income eligibility guidelines for a low- or very-low-income person as published on the reverse.

My permanent address is:

I have attached for following documentation as evidence of my status.

- Copy of lease
- Copy of Evidence of participation in a public assistance program
- Copy of receipt of public assistance
- Other evidence

Signature

Print Name Date

SECTION 3 INCOME LIMITS

All residents of public housing developments of DSHA qualify as Section 3 residents. Additionally, individuals residing in Kent and Sussex Counties who meet the income limits, can also qualify for Section 3 status.

A picture identification card and proof of current residency is required.

ATTACHMENT B:

SECTION 3 BUSINESS CERTIFICATION FORM

DELAWARE STATE HOUSING AUTHORITY (DSHA)
SECTION 3 BUSINESS CERTIFICATION FORM

Name of Business_____

Address of Business_____

Type of Business: Corporation Partnership
Sole Proprietorship Joint Venture

Attached is the following documentation as evidence of status:

For Business claiming status as Section 3 resident-owned enterprise:

Copy of resident lease
Copy of evidence of participation in a Public assistance program
Copy of receipt of public assistance
Other evidence

For business entity as applicable:

Copy of Articles of Incorporation
Assumed Business Name Certificate
List of owners/stockholders and % ownership of each
Organization chart with names and titles and brief function statement
Certificate of Good Standing
Partnership Agreement
Corporation Annual Report
Latest Board minutes appointing officers
Additional documentation

For business claiming Section 3 status by subcontracting 25 percent of the dollar awarded to qualified Section 3 business:

List of subcontracted Section 3 business(es) and subcontract amount

For business claiming Section 3 status, claiming at least 30 percent of their workforce are currently Section 3 residents or were Section 3 eligible residents within 3 years of date of first employment with the business:

List of all current full-time employees
PHA/HA Residential lease less than 3 years from day of employment
List of employees claiming Section 3 status
Other evidence of Section 3 status less than 3 years from date of employment

Evidence of ability to perform successfully under the terms and conditions of the proposed contract:

Current financial statement
Statement of ability to comply with public policy
List of owned equipment
List of all contracts for the past two years

_____
Authorizing Name and Signature

Attested by:_____

ATTACHMENT C:

SECTION 3 CONTRACT CLAUSE

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

A. This Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, (12 USC 1701u) as amended, the HUD regulations issued pursuant thereto at 25 CFR Part 135, and any applicable rules and orders of HUD issued thereunder prior to the execution of this Contract. The Section 3 clause, set forth in 24 CFR, 135.20 (b) provides.

a.) The work to be performed under this Contract is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Development Act of 1968, as amended, 12 USC 1701u. Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the projects to be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.

b.) The parties of the Contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this Contract. The parties to the Contract certify and agree that they are under no contractual or other disability which that they are under no contractual or other disability which would prevent them from complying with these requirements.

c.) The CONTRACTOR will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization of workers representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

d.) The CONTRACTOR will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR 135. The CONTRACTOR will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

e.) Compliance with the provisions of Section 3, the regulations set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of the Contract, shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors

and assigns to those sanctions specified by the grant or loan agreement or contract through which Federal assistance is provided, and to such sanctions as are specified by 24 CFR 135.135.

f.) Business concerns located within Section 3 covered project area means those business concerns located within the relevant Section 3 covered project area as determined pursuant to par. 135.15 and which qualify as socially or economically disadvantaged small business concerns. Business concerns which are at least 51% owned by a person(s) residing within the relevant Section 3 covered project areas as determined pursuant to par 135.15. Socially or economically disadvantaged small business means a business concern which qualified as small under the small business size standards of the SBA and whose principal owners participation in the free enterprise system has been hampered because of such factors as low income, unfavorable location as in areas impacted with low income housing or depressed rural area and areas of high unemployment or under employment; limited education, physical or other special handicap; inability to compete effectively in the market place because of prevailing or past restrictive practices. Such principal owners may include, but are not limited to, Black, Hispanic, Asian or Pacific Islander, American Indian or Alaskan Native and Women.

B. Prior to the signing of the Contract, the CONTRACTOR shall provide a preliminary statement of work force needs (skilled, semi-skilled, unskilled labor and trainees category) where known; where not known, such information shall be applied to the signing of any contract between the CONTRACTOR and subcontractor.

a.) Trainees

1.) Utilizing the maximum number of persons in the various training categories in all phases of such work to be performed under the Section 3 covered project, and

2.) Filling all vacant training positions with lower income project area residents except for those training positions which remain unfilled after a good faith effort has been made.

3.) "Manpower Utilization Table" - See Appendix No. 1.

b.) Residents as Employees

Each CONTRACTOR and subcontractor shall fulfill his obligation to utilize lower income project area residents as employees to the greatest extent feasible by:

1.) Identifying the number of positions in the various occupational categories included skilled, semi-skilled, and unskilled labor needed to perform each phase of the Section 3 covered project.

2.) Identifying the number of positions currently occupied by regular, permanent employees.

3.) Establishing the positions not currently occupied by regular, permanent employees.

4.) Establishing the positions identified in paragraph (3) of this Part, a goal which is consistent with this subpart within each occupational category of the number of positions to be filled by lower income residents of the Section 3 covered project area.

5.) "Work Force Needs Table" - See Appendix No. 1.

c.) Utilization of Businesses

Each CONTRACTOR and subcontractor undertaking work on a Section 3 covered project shall assure that to the greatest extent feasible, contracts for work to be performed in connection with the project are awarded to business concerns located within the Section 3 covered project area or business concerns owned in substantial part by persons residing in the Section 3 covered area.

1.) "Business Utilization Table" - See Appendix No. 2.

C. GOOD FAITH EFFORT

Each CONTRACTOR and subcontractor seeking to establish that a good faith effort, as required by Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u, has been made to fill all training positions with lower income area residents; and fill all employment positions identified in Section B, paragraph b, subparagraphs (3) and (4) shall:

a.) Attempt to recruit from the appropriate areas the necessary number of lower income residents through local advertising media, signs placed at the proposed site and community organizations and public and private institutions operating within or serving the project area, such as State Employment Office and Opportunities Industrialization Center (OIC).

b.) Maintain a list of all lower-income area residents who have applied either on their own or on referral from any source, and employ such persons if otherwise eligible and/or qualified and if a vacancy exists. If no vacancies exist, the eligibility and/or qualifications of the applicant shall be considered and listed for the first available opening.

c.) Any CONTRACTOR or subcontractor which fills vacant apprentice and trainee positions and/or employment positions, identified in subparagraph b above, but more specifically identified in Section 3 of the Housing and Urban Development Act of 1968, 12 USC 1701u, Section 135.40 and Section 135.55, in this organization immediately prior to undertaking work pursuant to a Section 3 covered contract shall set forth evidence acceptable to the Secretary that its action were not an attempt to circumvent these regulations.

D. AFFIRMATIVE ACTION

a.) An Affirmative Action Plan pursuant to a Section 3 covered contract shall:

1.) Set forth the appropriate number and estimated dollar value of contracts to be awarded to eligible businesses and entrepreneurs within each category over the duration of this contract.

2.) Ensure that the appropriate business concerns are notified of pending contractual opportunities either personally or through locally utilized media.

b.) Each CONTRACTOR and subcontractor seeking to establish that a good faith effort has been made shall, as a minimum, attempt to recruit from the appropriate areas the necessary eligible business concerns through:

1.) Local advertising

2.) Signs placed at the site

3.) Community organizations, public and private institutions operating or serving within the project area such as P.A.C., OIC and State Employment Offices.

E. CERTIFICATES OF COMPLIANCE

The CONTRACTOR shall execute the Certificate of Compliance (Appendix No. 3) and cause all subcontractors undertaking work in connection with this contract to furnish the same.

APPENDIX NO. 1

WORK FORCE UTILIZATION TABLE

OCCUPATION	TOTAL WORK FORCE	SKILLED	TRAINEES	NO. OF PROJECT AREA RESIDENTS TO BE UTILIZED	
(write list)				Skilled	Trainee
TOTAL					

EMPLOYMENT CERTIFICATION

A. The Company hereby certifies that the above table represents the appropriate number of employee positions required in the execution of Contract No. _____ and also represents the number of lower income project area residents that the company proposes to employ.

B. The Company certifies that it will make a good faith effort to employ the number of lower income employees stated above utilizing such community based organizations and service agencies as _____, Opportunities Industrialization Center (OIC); and on the site company employment posters.

C. The Company certifies that the employee goals listed in the above table approximate the ratio of lower income residents to the total population of the project area.

_____
Company

By: _____
Authorized Signature

Title: _____
Date: _____

APPENDIX NO. 2

UTILIZATION OF SECTION 3 PROJECT BUSINESSES

The Company shall utilize business concerns located in _____, Project No. _____, in contracting for work to be performed in connection with the completion of the contract. To this end, the Company shall require the services of companies in the project area engaged in the business of _____

_____

SUBCONTRACTS (write list)	TOTAL SUBCONTRACT DOLLAR AMOUNT	PROPOSED SECTION 3 BUSINESSES AVAILABLE FOR USE	TOTAL SUBCONTRACTOR SECTION 3 BUSINESS DOLLAR AMOUNT

_____
Company

By: _____
Authorized Signature

Title: _____
Date: _____

APPENDIX NO. 3

SECTION 3 CERTIFICATION

TRAINING, EMPLOYMENT AND CONTRACTING OPPORTUNITIES
FOR BUSINESS AND LOWER INCOME PERSONS

A. The project assisted under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC of 1701u. Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the project.

B. Notwithstanding any other provision of this contract, the Contractor shall carry out the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary set forth in 24 CFR Part 135 (published in 38 Federal Register 29220, October 23, 1973) and all applicable rules and orders of the Secretary issued thereunder prior to the execution of this contract. The requirements of said regulations include but are not limited to development and implementation of an affirmative action plan for utilizing business concerns located within or owned in substantial part by persons residing in the area of the project; the making of a good faith effort, as defined by the regulations, to provide training, employment, and business opportunities required by Section 3; and incorporation of the "Section 3 Clause" specified by Section 135.20 (b) of the regulations in all contracts for work in connection with the project. The Contractor contracts for work in connection with the project. The Contractor certifies and agrees that it is under no contractual or other disability which would prevent it from complying with these regulations.

C. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Secretary issued thereunder prior to approval by the Government of the application for this contract shall be a condition of the Federal financial assistance provided to the project, binding upon the Contractor, its contractors and subcontractors, its successors, and assigns to the sanctions specified by this Contract and to such sanctions as are specified by 24 CFR Section 135.135.

_____
Company

By: _____
Authorized Signature

Title: _____
Date: _____

ATTACHMENT D:

SECTION 3 PROCUREMENT

SECTION 3 PROCUREMENT NOTICE

The purpose of Section 3 of the Housing and Urban Development Act of 1968 is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons.

The Contractor will be required to hire Section 3 employees as 30% of all new hires. A new hire is defined as any persons hired after the signing of the contract. At the time of contract negotiation specific new hires will be determined based on the contractor's plan/schedule for completing the job. Positions for new hires shall not be filled immediately prior to undertaking work in order to circumvent regulations set forth in 24 C.F.R. Part 135.

Procurement Documents

Each bidder/proposer must include a Section 3 Plan and Schedule A, which indicates its commitment to meet the DSHA's resident hiring requirement.

If a bidder/proposer fails to submit a Section 3 Plan and Schedule A and the related data along with the bid/proposal, such bid/proposal will be declared as non-responsive.

Section 3 Plan

The proposal submitted by the interested bidder shall include a Section 3 Plan outlining the plan of the company for incorporating Section 3 as part of the contract. Prior to the award of any contract, the contractor shall negotiate with DSHA the number of DSHA residents or other Section 3 residents to be trained or employed through the contract. This number shall be subject to DSHA's approval and shall be a minimum of 30% of new hires. The resulting provision will be incorporated into the contract and shall obligate the contractor to achieve the stated goal. DSHA reserves the right to review the plan and request additional information and/or changes to the plan. This plan shall include the following:

- A narrative of the steps that will be taken to aggressively pursue and comply with Section 3.

- Job categories of construction trade, administrative or other jobs that will be necessary on this project (Column 1 on Schedule A).

- Total number of expected hours to be spend on the job in each of the above employee/trade categories provided throughout the life of the contract. These numbers should reflect both existing and new employee time (Column 2 & 3 on Schedule A).

- Total number of expected new hires in each category. These numbers should reflect the total number of expected employees in each category, minus the number of existing employees in each category (Column 7 on Schedule A).

- Total number of expected Section 3 new hires in each category. This number should reflect all the low- and very low-income individuals the contractor intends to hire in order to comply with the numerical goals of Section 3 which is 30% of all new hires (Column 8 & 9 on Schedule A).

- Expected hire date(s) of new hires by category. This should reflect the progression of work on the project, i.e., when the workers will be needed on the project for concrete work, framing, plumbing, finish work, etc.

- Total number of expected Section 3 new hires that the contractor will aggressively pursue. In order to maximize the contractor efforts to recruit and hire Qualified Section 3 residents (see definition), the following order of priority will apply:

    1. DSHA public housing residents referred through training/social service programs
    2. DSHA Section 8 residents referred through training/social service programs
    3. Any low- or very low- income candidates referred through training/social service programs
    4. Any low- or very low- income candidates from any source
    5. Any candidate through training/social service programs
    6. Any candidate from any source

- List of any anticipated needed training relating to this project. This training does not have to be exclusive to construction.

- Type of training available and the number of expected training hours available by the contractor per the training category.

- Narrative plan for the outreach, implementation, monitoring and enforcement of the Section 3 program.

- <u>A list of core employees with the bid package. This list is to include the names and dates of hire of all employees, including clerical, supervisory, warehouse and other staff for the General Contractor and all Sub-Contractors.</u>

<u>Compliance</u>

DSHA will monitor contractor compliance over the life of the contract as follows:

1. Review compliance monthly and cumulatively.
2. Monitor contractor response to deficiencies in compliance.

The contractor shall provide a status report identifying its progress in meeting the Section 3 goals established in this Schedule A on a monthly basis throughout the contract period. The monthly status report shall be submitted no later than 15 days after the end of each calendar month of the contract (e.g. April 15 for March). The status report shall provide at least the same detail, as the approved Schedule A. For any goal not met, the report shall identify any other economic opportunities, which the contractor has provided or intends to provide to DSHA residents. This report will provide DSHA with all information required to monitor compliance with its Section 3 plan including, but not limited to, new hires, core employees, certified payroll, workforce utilization and other relevant data to be specified.

The contractor will be required to appoint a Section 3 contact.

The contractor and sub-contractors will be required to be in compliance with the Owner's Section 3 Plan throughout the duration of the contract.

Alternative Compliance

Contractors may demonstrate compliance with Section 3 by committing to employ Section 3 residents as 30% of the aggregate number of new hires for the duration of the contract.

Definitions

Core Employee – The core crew employee is an individual who is a bonafide employee of the contractor at the time the contract is awarded, and was employed by the contractor not less than 120 days prior to the contract award or worked not less than 350 hours during the 120 days preceding the contract award. The contractor is responsible for verifying that core employees are defined by and meet the criteria of the Housing Authority.

New Hires – Any person hired after the signing of the contract or who is not a core employee.

Low Income Persons – Families (including single persons) whose incomes do not exceed 80 percent of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the Secretary's finding that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families.

Very Low Income Persons – Families (including single persons) whose incomes do not exceed 50 percent of the median family income for the area, as determined by the Secretary with adjustment for smaller or larger families, except that the Secretary may establish income ceilings higher or lower than 50 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low income family incomes.

Qualified Section 3 Resident

Any individual who meets the low-income or very low-income criteria, who is 18 years of age or older, who is a resident in good standing of public housing, whose name appears on the lease, or who is a resident of the surrounding community. Qualified Section 3 Residents will receive recruiting and hiring opportunity in the following order:

1. DSHA residents
2. DSHA Section 8 residents
3. Other low- or very low- income residents

30% of New Hires/Employees – 30% of new hires/employees is calculated by dividing the total hours worked by all new hires into the total hours worked by Section 3 new hires. The result must be greater than or equal to 30% for compliance.

SCHEDULE A

EMPLOYMENT NEEDS

Job Classification	# of Positions Needed	Total # Hours Expected	# of Positions Currently Filled			# of Positions to be Filled	Hiring Goals	
			Total Persons Currently on Payroll	Lower Income Kent/Sussex Co. Residents	DSHA Residents		# of Lower Income DSHA Residents to be Hired	# of Lower Income Kent/Sussex Co. Residents to be Hired

SCHEDULE A ACKNOWLEDGEMENT

NAME OF CONTRACTOR:_____

RESIDENT EMPLOYMENT AND TRAINING CONTRACT COMPLIANCE

I. EMPLOYMENT AND TRAINING FOR DSHA RESIDENTS AND LOW- AND VERY LOW-INCOME AREA RESIDENTS

A. The contractor hereby agrees to comply with all provisions of Section 3 as set forth in 24 CFR 135.38 and Owner's Section 3 requirements. The contractor hereby submits this Schedule A as its Section 3 Plan. The contractor agrees to appoint a Section 3 contact for the duration of the project.

B. The contractor shall provide a status report identifying its progress in meeting the Section 3 goals established in this Schedule A on a monthly basis throughout the contract period. The monthly status report shall be submitted no later than 15 days after the end of each calendar month of the contract (e.g. April 15 for March). The status report shall provide at least the same level of detail as the approved Schedule A. For any goal not met, the report shall identify any other economic opportunities, which the contractor has provided or intends to provide to DSHA residents.

C. Each Bidder/Proposer for a construction or labor related contract shall complete this Schedule A and submit all relevant information required herein. A prime contractor through his/her subcontractors may satisfy the Owner's resident hiring requirements. Please complete the Employment Needs on the attached page with the following:

   a. Job categories of construction trade, administrative, or other jobs that will be necessary on this project.
   b. Total number of expected hours to be spent on the job in each of the above employee/trade categories provided throughout the life of the contract. These numbers should reflect both existing and new employee time.
   c. Total number of expected new hires in each category. These numbers should reflect the total number of expected employees in each category, minus the number of existing employees in each category.
   d. Total number of expected Section 3 new hires in each category. This number should reflect all the low- and very low-income individuals the contractor intends to hire in order to comply with the numerical goals of Section 3 which is 30% of all new hires.

II. SECTION 3 BUSINESSES – SUBCONTRACTING OPPORTUNITIES

In a one-page letter on your firm's letterhead please provide the following:

A. Your company's goals, expressed in terms of percentage of planned subcontracting dollars, for the use of Section 3 business concerns as subcontractors.

B. A statement of the total dollar amount to be subcontracted, total dollar amount to be subcontracted to Section 3 business concerns for building trades, and total dollar amount to be subcontracted to Section 3 business concerns for other than building trades work (maintenance, repair, modernization and redevelopment).

C. A description of the method used to develop the goals above and the efforts to be undertaken by the contractor to meet those goals.

III. COMPLIANCE

A. Positions shall not be filled immediately prior to undertaking work in order to circumvent regulations set forth in 24 CFR Part 135 et seq., as amended.

B. Each bidder/proposer must include a Section 3 Plan and a Schedule A, which indicates its commitment to meet the Owner's resident hiring requirement.

C. If a bidder/proposer fails to submit a Section 3 Plan and a Schedule A and the related data along with the bid/proposal, such bid/proposal will be declared as non-responsive.

D. Failure of the contractor to comply with the approved plan shall be a material breach of the contract.

Acknowledged By:

_____	_____
Name of President or Authorized Officer	Company Name
_____	_____
Signature and Title	Date

FORM 1

EXISTING EMPLOYEE LIST

A. PROJECT NAME AND LOCATION:_____

B. DEVELOPER/CONTRACTOR/APPLICANT:_____ C. DATE:_____

EMPLOYEE NAME/ADDRESS	SOCIAL SECURITY NUMBER	JOB CATEGORY/TRADE

EXISTING EMPLOYEE LIST WORKSHEET

INSTRUCTIONS FOR COMPLETION OF FORM-1

A. Project Name/Location: Self-explanatory

B. Developer/Contractor/Applicant

C. Date: Self-explanatory

Please complete FORM-1 by providing a list of current employees anticipated to work on these projects that are not new hires. Be advised that anyone not listed on this submission is presumed to be a "NEW HIRE" on this project for the purpose of Section 3 requirements. NOTE: If you need additional space, please reproduce or copy FORM-1 and attach to the original.

FORM 3

CONTRACTING PLAN

List Each and Describe Briefly (A)	Approximate Dollar Value (B)	Construction (C) or Non-Construction (NC) (C)	Section 3 Business Concern (Y/N) (D)	Ethnic/Racial Code (E)	Female Owned Business (Y/N) (F)
1.	$				
2.	$				
3.	$				
4.	$				
5.	$				
6.	$				
7.	$				

Gender/Ethnic/Racial Codes:

1. White American
2. African American
3. Native American
4. Hispanic American
5. Asian Pacific American
6. Hasidic Jew
7. Women Owned

SUBCONTRACTOR ACTIVITY REPORT
WORKSHEET

Are there any contracts or subcontracts let as a result of this project?
(Please circle your answer).

YES NO

If the response was YES, please complete FORM-4

F. INSTRUCTIONS FOR COMPLETION OF FORM-4

A. Contract Number: List Contract Number of project.
B. HUD Funding Source: List HUD source of funds.
C. Date: List today's date.
D. Contractor: Write the name and address of your general contractor.
E. Project Name and Location.
F. Actual Construction Start Date: State the date the construction began.
G. Name of Subcontractor: List the names of the subcontractors separately.
H. Amount of Contract: State dollar amount of the contract with each subcontractor.
I. Ethnic/Racial Code: Using the Ethnic/Racial Codes listed at the bottom of the page, please indicate the ethnic/racial composition of each subcontractor.
J. Gender Code: Using the Gender Codes listed at the bottom of the page, please indicate the gender of each subcontractor.
K. Section 3 Business Concern: For each subcontractor, indicate whether the subcontractor is a Section 3 Business Concern. Each Contractor or subcontractor identified and documented as a Section 3 Business Concern will provide evidence of a commitment to subcontract in excess of twenty-five (25) percent of the dollar award of all subcontracts to be awarded.
L. Types of Services Provided: For each subcontractor, indicate the type(s) of services provided by the subcontractors. (Including construction and supplies)
M. Anticipated Start Date: Indicate the anticipated start and completion date of each subcontract.

FORM 4

SUBCONTRACTOR ACTIVITY REPORT

Contract Number: (A)	HUD Funding Source: (B)				Date: (C)	
Contractor: (D)	Address:					
Project Name and Location: (E)				Actual Construction Start Date: (F)		
Name of Subcontractor Complete Address and Tax ID Number (G)	Amount of Contract (H)	Ethnic/Racial Code (I)	Gender Code (J)	Section 3 Business Concern (Y/N) (K)	Type(s) of Services Provided (Including Supplies) (L)	Anticipated Start and Completion Date: (M)
#:	$					From: To:
#:	$					From: To:
#:	$					From: To:
#:	$					From: To:
#:	$					From: To:

Gender/Ethnic/Racial Codes:

1. White American
2. African American
3. Native American
4. Hispanic American
5. Asian Pacific American
6. Hasidic Jew
7. Women Owned

ATTACHMENT E:

DSHA SECTION 3 MONITORING CHECKLIST

DSHA SECTION 3 MONITORING CHECKLIST

Reviewer:_____ Date:_____

1. Section 3 residents and businesses notified about training and employment opportunities generated by Section 3 covered assistance?

_____ Yes _____ No _____N/A

2. Section 3 business concerns notified about availability of contracting opportunities generated by Section 3 covered assistance?

_____ Yes _____ No _____N/A

3. Contractors notified of their Section 3 responsibilities during work completion?

_____ Yes _____ No _____N/A

4. The Section 3 Clause was included on all covered solicitations and contracts?

_____ Yes _____ No _____N/A

5. Recipient/subrecipient documented actions to comply with Section 3, including facilitating:

The training/employment of Section 3 residents,

_____ Yes _____ No _____N/A

The award of contracts to Section 3 businesses,

_____ Yes _____ No _____N/A

Refraining from entering into contracts with contractors not in compliance,

_____ Yes _____ No _____N/A

And, by submitting Annual Report information to DSHA.

_____ Yes _____ No _____N/A

HUD Income Limits

As Established by the U.S. Department of Housing & Urban Development

(as of 4/01/21)

New Castle County (Median Income=$94,500)

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30%	19,850	22,700	25,550	28,350	31,040	35,580	40,120	44,660
50%	33,100	37,800	42,550	47,250	51,050	54,850	58,600	62,400
80%	52,950	60,500	68,050	75,600	81,650	87,700	93,750	99,800

Kent County (Median Income=$69,000)

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30%	14,500	17,420	21,960	26,500	31,040	35,580	41,120	44,660
50%	24,150	27,600	31,050	34,500	37,300	40,050	42,800	45,550
80%	38,650	44,200	49,700	55,200	59,650	64,050	68,450	72,900

Sussex County (Median Income=$75,100)

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30%	15,800	18,050	21,960	26,500	31,040	35,580	40.120	44,660
50%	26,300	30,050	33,800	37,550	40,600	43,600	46,600	49,600
80%	42,100	48,100	54,100	60,100	64,950	69,950	74,550	79,350

General Order No. 560 Establishing
A Supplier Diversity Action Plan

WHEREAS, Governor's Executive Order No. 14, Council on Housing Resolution No. 398, and existing U.S. Department of Housing and Urban Development regulations provide the framework for the Supplier Diversity Action Plan; and

WHEREAS, the Delaware State Housing Authority (DSHA) desires to adopt its Supplier Diversity Action Plan to ensure that minority and/or women business enterprises are afforded full, equitable, and fair opportunities to compete for DSHA purchasing dollars; and

WHEREAS, this Supplier Diversity Action Plan updates and replaces DSHA's previous Minority and Women Business Enterprise Program.

NOW THEREFORE BE IT ORDERED AS FOLLOWS:

1. The attached DSHA Supplier Diversity Action Plan is adopted effective 8/1/10.

2. All substantive revision to the Supplier Diversity Action Plan will be accomplished via a subsequent General Order.

Anas Ben Addi
Director

8/11/2010
Date

Delaware State Housing Authority (DSHA)
Supplier Diversity Action Plan

Purpose and Definitions

- The purpose of DSHA's Supplier Diversity Action Plan is to ensure that minority and/or women business enterprises are afforded full, equitable, and fair opportunities to compete for DSHA purchasing dollars.

- A minority and/or women business enterprise means a for profit business which is at least 51percent owned and managed by a minority and/or women business enterprise certified by the State Office of Minority and Women Business Enterprise (OMWBE).

- The definition of a minority follows that of the U.S. Census Bureau.

- This DSHA Supplier Diversity Action Plan has been drafted in accordance with Governor's Executive Order No. 14, Council on Housing Resolution No. 398, and U.S. Department of Housing and Urban Development (HUD) requirements.

Scope of Plan

- The scope of DSHA's Supplier Diversity Action Plan includes all direct procurement accomplished by the agency, both federal and non-federal. For specific HUD requirements see in particular legislative mandates (Attachment C), including 24 CFR Part 85.36, 24 CFR Part 92.351, and HUD CPD Notice 2010-005.

- It is recognized that DSHA reporting of its supplier diversity efforts will necessarily be a combination of expenditures in both the state system and DSHA's internal accounting system.

- DSHA will also encourage its partners in non-direct assistance programs to also provide opportunities for Minority and Women Business Enterprises, consistent with the intent of Council on Housing Resolution No. 398.

Supplier Diversity Outreach Efforts

- DSHA will participate in annual state events such as the Governor's Enterprise Conference and the Delaware Economic Development Office's Diversity Summit, and will research the opportunities to organize similar type events to the state's housing providers consistent with the intent of Council on Housing Resolution No. 398.

- DSHA will disseminate information on state supplier diversity initiatives to its contractors.

- DSHA will identify and recruit minority and women business enterprises for certification by the OMWBE.

- DSHA will also consult the OMWBE Directory in its own procurement.

Reporting

- DSHA will track the participation of minority and women business enterprises, and annually evaluate DSHA's efforts. HUD goals are currently 5 percent participation of Minority and Women Business Enterprises.

- DSHA submits HUD Form 2516 on contractor/subcontractor MBE/WBE activity by federal fiscal year basis in October for HUD Public Housing and Community Planning and Development programs.

- A copy of DSHA's annual evaluation of all DSHA programs will provided to OMWBE on a state fiscal year basis.

Procurement Procedures

- For procurements paid through the state financial system, notices for proposals/bids will be posted on the state central portal www.bidsdelaware.gov , as well as DSHA's web site www.destatehousing.com, and qualified MBE/WBE contractors will be notified using the State MBE/WBE Directory.

- For procurements paid through DSHA's internal financial system, notices for proposals/bids will be posted on DSHA's web site, and qualified MBE/WBE contractors will be notified using the State MBE/WBE Directory.

- Notices for all procurements will encourage proposals from minority and women business enterprises.

DSHA Liason/Contact

- John Conley, State Contract Procurement Officer, is the appointed liaison/contact for minority and women business enterprise contracting.

Attachments

A: Governor's Executive Order No. 14
B: Council on Housing Resolution No. 398
C: Federal Requirements

ATTACHMENT A:

GOVERNOR'S EXECUTIVE ORDER NO. 14

STATE OF DELAWARE

EXECUTIVE DEPARTMENT
DOVER

EXECUTIVE ORDER
NUMBER FOURTEEN

TO: HEADS OF ALL STATE DEPARTMENTS AND AGENCIES

RE: INCREASING SUPPLIER DIVERSITY INITIATIVES WITHIN STATE GOVERNMENT

WHEREAS, the State is committed to assuring that all practices in all areas of State procurement provide suppliers equal access to procurement opportunities; and

WHEREAS, the State benefits from an inclusive business environment that includes the creation and expansion of minority and/or women business enterprises; and

WHEREAS, in a December 2007 report titled Economic Development State Policies for Minority and Women Business Development, the Insight Center for Community Economic Development noted that business inclusive initiatives have been recognized by the Federal Government and a majority of states in our nation as strategic and good for sustained economic growth; and

WHEREAS, the State of Delaware benefits from a successful Women and Minority Business community as a part of the general public, in addition to being a procurer of goods and services from a competitive marketplace wherein successful Women and Minority Businesses prosper; and

WHEREAS, the State has made significant advances in transparency through the online posting of bid opportunities as well as the establishment of the online checkbook; and

WHEREAS, publishing awarded advertised contracts will further increase transparency, accountability and competitiveness in State procurement; and

WHEREAS, the coordinated efforts of the public and private sectors are necessary to significantly increase the participation of minority and/or women business enterprises in all aspects of State contracting and procurement.

NOW THEREFORE, I JACK A. MARKELL, by virtue of the authority vested in me as Governor of the State of Delaware, do hereby DECLARE and ORDER the following:

1. Definition. As used in this order "Minority and/or women business enterprise" means a for profit business which is at least 51 percent owned and at least 51 percent managed by a minority and/or woman certified by the Office of Minority and Women Business Enterprise or DelDOT's Disadvantaged Business Enterprise ("DBE") Program.

2. The Executive Branch will provide leadership and support to ensure that all minority and/or women business enterprises are afforded full, equitable and fair opportunities to compete for State purchasing dollars.

3. The Office of Minority and Women Business Enterprise within the Office of Management and Budget shall have, as its mission, to assist minority and/or women business enterprises in competing for the provision of commodities, services, and construction to State departments, agencies, authorities, school districts, higher education institutions and all businesses.

4. The Office of Minority and Women Business Enterprise shall have the following powers, duties and functions:

(a) The Executive Director of the Office of Minority and Women Business Enterprise will be responsible for providing strategic advice to the Director of the Office of Management and Budget and the Governor pertaining to supplier diversity;

(b) Monitor and evaluate each respective Executive Branch Agency Supplier Diversity Action Plan;

(c) Certify minority and/or women business enterprises and create and maintain a State directory of minority and/or women business enterprises that have been certified; and

(d) Educate minority and/or women business enterprises on how to conduct business with the State of Delaware.

5. Each Department and Agency within the Executive Branch (collectively "Executive Branch Agencies") shall designate, within thirty (30) days of the issuance of this Order, a Minority and Women Business Enterprise Liaison, who shall have direct access to his or her Secretary, department head, or similar cabinet-level official concerning minority and/or women business enterprise program matters.

6. Minority and Women Business Enterprise Liaisons shall:

(a) Assist the Executive Director of the Office of Minority and Women Business Enterprise and the Governor's Supplier Diversity Council, as created in this Executive Order, in their efforts to maximize supplier diversity among State agencies;

(b) Direct and coordinate supplier diversity initiatives within their respective agency, including but not limited to discussing best practices and educating staff;

(c) Assist in the development and implementation of their agency's Supplier Diversity Action Plan, as identified in this Executive Order;

(d) Prepare reports for the Governor's Supplier Diversity Council; and

(e) Undertake such additional tasks relating to this Executive Order as required from time to time by the Governor.

7. The Office of Minority and Women Business Enterprise, in conjunction with Government Support Services of the Office of Management and Budget, shall develop the format and best practices content of a Supplier Diversity Action Plan. The goal of the Supplier Diversity Action Plan shall be to maximize the contracting opportunities for minority and/or women business enterprises, as well as increase transparency for subcontracting opportunities. Each Executive Branch Agency is responsible for expanding upon this framework for agency-specific interests and fulfilling the tasks within its respective finalized plan. Agencies' completed plans shall be submitted to the Office of Minority and Women Business Enterprise and Government Support Services in the Office of Management and Budget for final approval no later than July 30th of each calendar year. Agencies' approved Supplier Diversity Action Plans shall be filed annually with the Governor no later than September 30th of each calendar year.

8. In an effort to further increase transparency in State procurement practices, the Director of the Office of Management and Budget and the Secretary of State shall develop policies and procedures that provide for a central, online publication of all advertised and awarded State contracts, including information on whether such contracts were awarded to minority and/or women owned businesses.

9. The Governor's Public Works and Procurement Opportunity Council is abolished, and the Governor's Supplier Diversity Council (hereinafter "Council") is hereby created.

10. The purpose of the Council shall be to:

(a) Advocate for the State of Delaware's supplier diversity initiatives;

(b) Offer training and information on the tools necessary for successfully doing business with the State of Delaware as a minority and/or women business enterprises;

(c) Help maximize supplier diversity among the State agencies, and help increase contracting opportunities for qualified minority and/or women business enterprises;

(d) Develop criteria for evaluation of supplier diversity initiatives pursuant to this Executive Order.

(e) Identify potential impediments if any, concerning supplier diversity within State government, and develop strategies to eliminate these impediments;

(f) Provide advice and recommendations to the Governor concerning supplier diversity strategies; and

(g) Research and report back to the Governor no later than December 31, 2010 on the feasibility of conducting a disparity study to evaluate the buying practices of the State of Delaware, focusing on the use of minority and/or women business enterprises.

11. The Council shall consist of eleven (11) members who shall be citizens of the State and shall be appointed by the Governor. The Governor shall appoint a Chairperson from among its members who shall serve at the Governor's pleasure. The members of the Council shall be appointed subject to the following qualifications:

(a) Two members of the Council shall be representatives of local, private or federal minority and/or women business assistance programs or community development programs;

(b) Five members of the Council shall be representatives of the minority and/or women private business sector, among whom at least two shall be women and at least two (2) shall be minority persons;

(c) One representative shall be from a private sector company located in the State of Delaware that administers a supplier diversity program;

(d) The Executive Director of the Office of Management and Budget ("OMB") or his/ her designee;

(e) The Executive Director of the Delaware Economic and Development Office ("DEDO") or his/her designee; and

(f) One representative of the Governor's Office.

12. Each appointed Council member shall serve for a term of four (4) years from the date of appointment. Vacancies on the Council for any cause shall be filled by the Governor for the unexpired term and until a successor shall qualify. The Governor may appoint members for terms shorter than four (4) years where that is necessary to ensure that no more than three

Council members' terms expire in one given year. The Council shall adopt internal procedures or bylaws necessary for efficient operations.

13. OMB shall provide technical assistance and strategic support, as may be necessary. OMB shall provide an Executive Director for the Council who shall be the Executive Director for the Office of Minority and Women Business Enterprise.

14. These directives are not intended in any way to limit the application of additional creativity at the agency level. They are designed to promote economic growth and eliminate any potential impediments to an equitable procurement process. Each cabinet secretary shall evaluate the performance of his or her agency in implementing these directives. Accordingly, the Office of Minority and Women Business Enterprise, in cooperation with each cabinet secretary and through the Director of the Office of Management and Budget, shall provide semiannual reports to the Governor regarding the State of Delaware's progress in enhancing opportunities for minority and/or women business enterprises. The reports shall delineate the State of Delaware's spending in detail by gender, ethnicity, industry classification, and agency.

15. Executive Order No. twenty-three (23) dated December 10, 2001 is hereby rescinded.

16. No provision of this Order shall be intended to create any individual right or legal cause of action, which does not currently exist under State or Federal law.

APPROVED this 22 day of December, 2009

Jack Markell

Governor

ATTEST:

Secretary of State

ATTACHMENT B:

COUNCIL ON HOUSING RESOLUTION NO. 398

COUNCIL ON HOUSING

RESOLUTION NO. 398

WHEREAS, despite the accelerated growth in the number of minority-owned firms in recent years, minority businesses remain significantly under-represented in the State of Delaware; and

WHEREAS, the State of Delaware's minority and women business enterprise spending for fiscal year 2009 amounted to $41 million which represents an extremely small amount of the State's procurement budget; and

WHEREAS, minorities now comprise nearly 45% of the Delaware population, but represent only 7% of the State's businesses and receive 2.2% of total sales; and

WHEREAS, the Council on Housing is committed to encouraging equal employment opportunities to all Delawareans; and

WHEREAS, the Council on Housing is committed to maintaining a high quality workforce that draws upon the talents of the state's diverse citizens to participate in the state's economy; and

WHEREAS, the Delaware State Housing Authority (DSHA) is actively engaged in the administration of the American Recovery and Reinvestment Act of 2009 (ARRA) funds as well as other federal and state funds; and

WHEREAS, the Council on Housing's long-term strategy is the promotion of safe and affordable housing, both rental and homeownership, but understands that minority business enterprise development presents an historic and dynamic growth opportunity for the State's economy and should not be marginalized, under-utilized or ignored.

NOW, THEREFORE, the Council on Housing encourages DSHA to do the following:

1. DSHA shall strive through its outreach efforts and coordination with the Council, and the Office of Minority and Women-Owned Business Enterprises to maximize the number of qualified minorities and women as components of its supply chain.

2. Each project administered by DSHA, and being developed by not-for profit and for profit developer partners shall, in accordance with applicable federal and state executive orders and laws, attempt to maximize the participation of women and minority-owned construction firms and professional service firms during the course of a project.

3. Increase diversity of: contractors and their subcontractors, public funding recipients, vendors in the purchasing of materials, non-professional services, professional services or a combination thereof by requesting all contractors and their subcontractors and public funding recipients to actively solicit quotes from minority and/or women business enterprises in a good faith effort to satisfy supplier diversity.

Adopted
12/9/09

ATTACHMENT C:

FEDERAL REQUIREMENTS

Small and Disadvantaged Business Utilization
Marketing to HUD
Outreach Events
News
Goals & Accomplishments
Small Business Policies
About OSDBU
Forms

HUD news

Homes

Resources

Communities

Working with HUD

Tools
Webcasts
Mailing lists
RSS Feeds
Help

USA.gov Government Made Easy

OSDBU Legislative Mandates

The Office of Small and Disadvantaged Business Utilization (OSDBU) is governed by and administers a number of laws, regulations and policy directives. A brief summary and of these and their application to OSDBU follows:

Information by State
Print version

1. **Public Law 95-507, The Small Business Act**

On October 24, 1978, President Carter signed Public Law 95-507 amending the Small Business Act and the Small Business Investment Act of 1958, making federal procurement contracting more readily accessible to all small businesses. PL 95-507 stipulates that it is the policy of the Government to provide maximum practicable opportunities in its acquisitions to small businesses, small disadvantaged businesses and women-owned businesses. This stipulation also extends to having the maximum practicable opportunity to participate as subcontractors in contracts awarded by any executive agency.

The head of each agency is responsible for effectively implementing the small business programs within his agency, including setting and achieving yearly procurement opportunity program (POP) goals for small and small disadvantaged business contracting.

Office of Federal Procurement Policy (OFPP) Letter No. 79-1, dated March 7, 1979 on the implementation of Section 15(k) of the SBA Act requires each agency with contracting authority to establish an OSDBU, and appoint a director, who reports to the agency head (or deputy), and who will have responsibility for carrying out the purposes of the Act. Specifically the OFPP directs that the position of OSDBU director include the following:

- Responsibility for the implementation and execution of the functions and duties of Section 8 and 15 of the SBA Act. [Section 15 states that a fair proportion of the total purchases and contracts for property and services for the Government are to be placed with small business concerns. Because the law requires the Government to buy at competitive prices, contracts are set-aside only when at least two qualified small businesses are expected to bid. Section 8(a) of the SBA Act authorizes the SBA to enter into contracts with other Federal agencies to supply needed goods and services. SBA then subcontracts the actual performance of the work to small businesses owned and controlled by socially and economically disadvantaged individuals. The objective of the 8(a) program is to assist eligible small firms to become independently competitive.]
- Assigning a small business technical advisor who shall be a full time employee of the procuring activity and whose principal duty shall be to assist the SBA procurement representative in his duties related to Section 8 and 15.
- Cooperate and consult on a regular basis with SBA with respect to carrying out the functions and duties of Sections 8 and 15.
- Developing systematic procedures for insuring the effective execution of the SBA Act, as amended.
- Recommending agency goals.
- Training and education of agency staff whose duties and functions relate to Sections 8 and 15.
- Conducting outreach, liaison, source listings and seminars for small and disadvantaged business.
- Publishing required information brochures and documents.
- Interagency liaison of program procurement activities relating to small and disadvantaged businesses.
- Oversight of the implementation of Section 223(a) of P.L. 95-507.

[This section requires that for any contract being let by a Federal agency, the agency will provide to any small business upon request a copy of the bid specifications; the name and telephone number of a employee to answer questions with respect to the contract and adequate citations to each major Federal law or agency rule to which the business must comply in performing the contract.

In addition to these duties, Section 211 of P.L. 95-507 requires the OSDBU to review all subcontractor plans submitted by prime contractors to ensure compliance. This Section directs that the successful offeror or bidder on contracts valued at $500,000 or more must submit, before an award is made, a subcontracting plan setting percentage and dollar goals for the award of subcontracts to small and disadvantaged businesses.

2. **Public Law 100-656, The Business Opportunity Development Reform Act of 1988**

Public Law 100-656 amends the SBA Act for the purpose of reforming the Capital Ownership Development (Section 8(a) Program). This legislation basically tightened the requirements of the 8(a) program to among other things, reduce the time it took to enter the program, established time frames for staying in the program and established requirements for GAO program reviews and periodic SBA reviews of 8(a) certified firms. The law established civil penalties in response to documented cases of kickbacks, misrepresentation of minority status and manipulation of the program by majority controlled firms participating in the 8(a) program. , P.L. 100-656 refocused the intent of the program as one of making small and disadvantaged firms more competitive in the marketplace as opposed to merely one of facilitating the award of contracts. The law also set $5 million and $3 million as thresholds for competitive 8(a) grants, established a requirement that agencies publicize to the small business community their annual contracting forecasts and set government wide contracting goals of 20% for small business (increased to 23% by the SBA Reauthorization Act of 1999) and 5% for small disadvantaged business.

3. **Federal Acquisition Streamlining Act (FASA)**

The FASA repeals or substantially modifies more than 225 provisions of law to reduce paperwork burdens, facilitate the acquisition of commercial products, enhances the use of simplified procedures for small purchases and introduces an initiative for doing procurement through electronic data interchange. Specific references to small businesses include:

- An increased thresholds for small business set-asides. All Federal purchases greater than $2,500 but not greater than $100,000 will be reserved for small businesses, unless the contracting officer is unable to obtain offers from two or more capable small firms.
- A new 5% government wide procurement goal is established for women-owned businesses.
- The authorization to create a government-wide initiative to give civilian agencies authority to set-aside certain contracts for small disadvantaged businesses (SDB) or to apply a 10% price evaluation for SDBs in unrestricted procurement.
- Creation of a "Small Business Advisory Council", composed of representatives from Federal agencies to give high level attention and focus to small business procurement issues.

4. **Executive Order 11625**

President Nixon issued Executive Order 11625 on October 13, 1971 authorizing the Secretary of Commerce to coordinate plans, programs and operations of the Federal government which would affect Minority Business Enterprises (MBE). Heads of Federal agencies are to furnish information, assistance and reports on MBE activity as requested by the Secretary of Commerce as well as develop and implement systematic data collection processes which will provide the Office of Minority Business Enterprise Information Center current data helpful to evaluating and promoting MBE

efforts.

5. **Executive Order 12138 (WBE)**

On May 18, 1979, President Carter issued Executive Order 1238 creating a National Women's Business Enterprise Policy and prescribing arrangements for developing, coordinating and implementing a national program for Women's Business Enterprise. The Order directs each Federal agency to take appropriate action to facilitate, preserve and strengthen women's business enterprise by ensuring their participation in all business related activities including procurement. The head of each agency is to designate a high level official to have responsibility for the participation and cooperation of that agency in carrying out the Order.

In addition, the Order established the Interagency Committee on Women's Business Enterprise, with a Chairperson to be appointed by the President and members to include a representative of a number of listed Federal agencies, one of which is HUD. The Committee is to meet quarterly to promote, coordinate and monitor the plans, programs and operations of the departments and establish policies and procedures for implementation, interpretation and application of the Order.

In regard to grants making and cooperative agreements, this Executive Order 12138 directs Federal agencies to issue regulations requiring the recipient of such assistance to take appropriate affirmative action in support of Women's Business Enterprise and to prohibit actions or policies which discriminate against women's business enterprise on the basis of sex.

6. **Executive Order 12432**

President Reagan signed Executive Order 12432 on July 14, 1983 directing each Federal agency having substantial procurement or grant making authority to:

- develop a minority business development plan and establish programs concerning provision of direct assistance, procurement assistance and management and technical assistance to MBEs.
- establish MBE programs consistent with Section 211 of P.L. 95-507 to develop and implement incentive techniques to encourage greater minority business subcontracting by Federal prime contractors.
- encourage recipients of Federal grants and cooperative agreements to achieve reasonable minority business participation in contracts let as a result of its grants and agreements.
- furnish an annual report regarding the implementation of their program to the Secretary of Commerce.

7. **Executive Order 12928**

President Clinton signed Executive Order 12928 on September 16, 1994 promoting procurement with small businesses owned and controlled by socially and economically disadvantaged individuals, Historically Black Colleges and Universities (HBCU) and Minority Institutions (MI). Federal agencies are to assist these entities to develop viable, self sustaining businesses capable of competing on an equal basis in the mainstream of the economy. The Executive Order establishes a contracting goal of 5% for these entities but mainly reaffirms existing laws, Executive Orders and regulations relevant to minority participation while chastising some Federal agencies for not aggressively supporting them. The Order devotes an entire Section to OSDBU, reaffirming the legal requirement that it report to the Secretary or Deputy and that agencies comply with OFPP letter No. 79-1 which provides guidance on Sec 15k of the SBA Act and the organizational placement and functions of the OSDBU.

8. **Historically Underutilized Business Zone (HUBZone) Program**

The HUBZone Act of 1997, Title VI of Public Law 105135, created the

HUBZone Program. This program provides Federal contracting opportunities for qualified small business concerns located in economically distressed communities. The goal of the HUBZone Program is to provide federal contracting assistance for qualified small business concerns located in HUBZone areas in order to increase employment opportunities, stimulate capital investments in those areas, and empower communities through economic leveraging. HUDZone areas, which roughly correspond with the census tracts for which there are low income housing tax credits, are determined by census track data including income levels, unemployment rates and Native American reservation boundaries. In order to qualify as a HUBZone business, the business must be small; owned by a US citizen; the principal office must be located in a HUBZone; and at least 35% of the employees must reside in a HUBZone. The SBA formally certifies firms as HUBZone businesses. HUBZone businesses can receive sole-source or set-aside federal contracts or receive a price preference up to 10% when competing for full and open competition procurements. A HUBZone firms must have its principal office in the HUBZone. The principal office must be the location where the greatest number of the company's employees works. The HUBZone program is race, ethnicity and gender neutral. The federal goal for HUBZone contracts was 1% for Fiscal Year 1999, rising by one half percent per year to a maximum of 3% in 2003.

9. **Veteran-owned Small Businesses**

Public Law 106.50, the Veterans Entrepreneurship and Small Business Development Act of 1999, amended the Small Business Act by adding Small Businesses owned and controlled by service-disabled veterans to the categories of small businesses for which the federal agencies develop prime contract goals. Federal agencies also establish goals and collect data regarding subcontracts awarded by prime contractors to veteran-owned small businesses. Small businesses owned by service-disabled veterans are small businesses that are at least 51 percent owned and controlled by one or more service-disabled veterans or in the case of a veteran with permanent or severe disability, the spouse or permanent caregiver of such veteran. P.L. 106.50 established a 3% goal for government contracting with businesses owned by service disabled veterans. No specific goal is identified for sub contracting with businesses owned by veterans.

10. **Federal Acquisition Regulation (FAR)**

The FAR establishes uniform policies and procedures for acquisition (procurement). FAR Part 19 establishes policy regarding small businesses and small disadvantaged businesses including subcontracting requirements for contracts valued at $500,000 or more and actions necessary to strengthen WBEs. While the FAR elaborates on P.L. 95-507, it cites one significant additional role in discussing OSDBU responsibilities. Specifically, OSBDU is to make recommendations as to whether a particular acquisition should be awarded as a set-aside or 8(a) award. Furthermore, the contracting officers shall consider recommendations of the OSDBU and will document the contract file whenever the OSDBU Director's recommendations are not accepted.

11. **HUD Acquisition Regulations (HUDAR)**

HUDAR, dated January 21 2000, Parts 2419 and 2426 describe HUD's procurement policy regarding small and small and disadvantaged businesses, set-asides for small businesses, subcontracting with small businesses and small disadvantaged businesses and contracting opportunities for women-owned businesses. In regard to MBE participation in its procurement programs, the HUDAR describes HUD policy toward voluntary certification by contractors, bidders, or offerors as to their MBE status and the role of the OSDBU.

12. **24 CFR, Part 85 Section 36(e), dated May 1996**

This portion of the CFR provides the required affirmative steps HUD grantees and subgrantees shall take to assure that minority firms are used when possible.

85.36 Procurement
(e)"Contracting with small and minority firms, women's business enterprise and labor surplus area firms. (1)The grantee and subgrantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible. (2) Affirmative steps shall include:

(i)Placing qualified small and minority business enterprises on solicitation lists;
(ii)Assuring that small and minority businesses are solicited whenever they are potential sources;
(iii) Dividing total requirements, when economically feasible to permit maximum participation by small and minority business and women's business enterprises;
(iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises.
(v) Using the services of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and
(vi) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (e) (2)(i) through (v) of this section.

13. **HUD Handbook 2210.3 Revision 3, "Procurement Policies and Procedures"**

Chapter 3 of the Handbook contains implementing policies and procedures regarding socioeconomic procurement programs.

14. **Minority Media**

The Department buys advertising for Fair Housing billboard displays, the Property Disposition Program, Section 202 Housing for the Elderly and other program activities. The total expenditures for advertising under these activities and the portion of total dollars spent with the minority media is reported semi-annually to OSDBU.

15. **Regulatory Flexibility Act, Public Law 96-354**

Congress passed P.L. 96-354 on September 19, 1980. Its purpose is to encourage Federal agencies to utilize innovative administrative procedures in dealing with individuals, small businesses, small organizations and small governmental bodies that would otherwise be unnecessarily adversely affected by Federal regulations. The Act defines "small business" as having the same meaning as is found in the Small Business Act; "small organization" as any not for profit enterprise which is independently owned and not dominant in its field and; "small governmental jurisdiction" as the government of cities, counties, towns, townships, villages, school districts or special districts with a population of less than fifty thousand.

Unless the agency head certifies that the proposed rule will not have a significant impact on any small business or organization or that uniform requirements are mandated by statute, the Act requires Federal agencies to add the following information to that currently required when an agency publishes in the Federal Register general Notice of Proposed Rulemaking:

- a description of an estimate of the number of individuals, businesses, organizations and governmental jurisdictions to which the proposed rule would apply;
- a statement that the agency will seek and consider alternatives to the proposed rule which would substantially reduce the economic impact on individuals, small businesses, small organizations and small governmental jurisdictions;
- an agency prepared analysis of the proposed rule which constitutes a preliminary agency assessment of the impact of the proposed rule on individuals, small businesses, small organizations and small governmental jurisdictions. The analysis must contain a description of alternatives to the proposed rule which accomplish the stated objectives of applicable statutes and which minimize the significant

economic effect of the rule on such individuals, businesses, organizations and governments. [The final rule requires "a description of any alternative proposals to the proposed rule which were considered and a statement of the reasons for adopting the final rule rather than any of the alternative proposals which would have had a lesser adverse economic impact".]

- a statement as to the record keeping requirements the agency anticipates requiring, including their purpose, form, length, proposed use, the skills necessary to prepare the information and an estimate of the time required to comply.

Congress passed P.L. 96-354 because it felt Executive Order 12044, issued in March 1978 on the subject of "Improving Government Regulations" didn't go far enough to reduce the burden of regulation on small entities since the Order did not improve public participation in the process or provide for an assessment of alternative regulatory strategies in light of their impact on small concerns. regulations.

16. **The Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA)**

On March 29, 1996 President Clinton signed Public Law 104-121, the SBREFA. The Act reinforces the requirements of the Regulatory Flexibility Act (RFA) with the significant addition of the provision that permits judicial review of agencies' compliance with the RFA. Since the RFA's passage, small business advocates have told Congress that many agencies neglected to comply with the law because there were no provisions in the original legislation for enforcement. The SBREFA now provides that if an agency fails to comply with the RFA in its Rulemaking, a small business that is adversely affected or aggrieved may seek review by the courts. The court can invalidate rules with inappropriate regulatory flexibility analyses or rules that have been improperly certified as having no significant effect on small businesses.

To bolster a small business' access to information, agencies are required to establish a program for responding to small business requests for informal guidance on specific rules, and to develop "small entity compliance guides". As the name implies, the guides are intended to explain the actions a small entity is required to take to comply with a rule. The program for informal guidance is to be established by March 29, 1997 with a progress report due to Congress by March 29, 1998. Both the informal guidance and the compliance guides may be considered as evidence of the reasonableness of any proposed fines or penalties in any civil or administrative action challenged by a small entity.

Section 223 of the SBREFA requires each agency regulating the activities of small entities to establish a policy or program by March 29, 1997, to reduce or, where appropriate, waive civil penalties against small entities for violations of a statutory or regulatory requirement. It also requires a progress report to Congress by March 29, 1998 on the scope of the policy or program, the number of enforcement actions that qualified or failed to qualify for the policy or program and the total amount of penalty reductions and waivers. In practice, the programs mostly likely to have a regulatory impact on small business are Manufactured Housing, RESPA, Interstate land sales, Lead Based Paint Abatement and Fair Housing.

17. **Executive Order 12866**

President Clinton signed Executive Order 12866, "Regulatory Planning and Review" on September 30, 1993 with the intent of making the regulatory process more efficient. In addressing the Principles of Regulations, Section 1 (11) states that each agency shall tailor its regulations to impose the least burden on society including individuals, businesses of differing sizes and other entities (including small communities and governmental entities), consistent with obtaining the regulatory objectives, taking into account, among other things, the cost of cumulative regulations.

18. **Section 3 of the Housing and Community Development Act of 1992.**

Section 3 requires that when HUD Federal assistance generates the need for the recipient of HUD funding to increase internal employment or let contracts, the recipient must give preference in hiring to low and very low income persons and must give preference in contracting to businesses owned by these persons or that substantially employ low and very low income persons.

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worship, employment centers, fair housing groups, or housing counseling agencies);

iv. Records that will be kept describing actions taken by the participating jurisdiction and by owners to affirmatively market units and records to assess the results of these actions; and

v. A description of how the participating jurisdiction will annually assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met.

3. A State that distributes HOME funds to units of general local government must require each unit of general local government to adopt affirmative marketing procedures and requirements that meet the requirement in paragraphs (a) and (b) of this section.

b. *Minority outreach.* A participating jurisdiction must prescribe procedures acceptable to HUD to establish and oversee a minority outreach program within its jurisdiction to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including, without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts entered into by the participating jurisdiction with such persons or entities, public and private, in order to facilitate the activities of the participating jurisdiction to provide affordable housing authorized under this Act or any other Federal housing law applicable to such jurisdiction. Section 85.36(e) of this title describes actions to be taken by a participating jurisdiction to assure that minority business enterprises and women business enterprises are used when possible in the procurement of property and services.

§ 92.352 Environmental Review

a. *General*. The environmental effects of each activity carried out with HOME funds must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA) and the related authorities listed in HUD's implementing regulations at 24 CFR parts 50 and 58.

b. *Responsibility for review.*

1. The jurisdiction (e.g., the participating jurisdiction or State recipient) or insular area must assume responsibility for environmental review, decisionmaking, and action for each activity that it carries out with HOME funds, in accordance with the requirements imposed on a recipient under 24 CFR part 58. No funds may be committed to a HOME activity or project before the completion of the environmental review and approval of the request for release of funds and related certification, except as authorized by 24 CFR part 58.

2. A State participating jurisdiction must also assume responsibility for approval of requests for release of HOME funds submitted by State recipients.

6. *Program administration records.*

   i. Records demonstrating compliance with the written agreements required by § 92.504.

   ii. Records demonstrating compliance with the applicable uniform administrative requirements required by § 92.505.

   iii. Records documenting required inspections, monitoring reviews and audits, and the resolution of any findings or concerns.

7. *Records concerning other Federal requirements.*

   i. *Equal opportunity and fair housing records.*

      A. Data on the extent to which each racial and ethnic group and single-headed households (by gender of household head) have applied for, participated in, or benefited from, any program or activity funded in whole or in part with HOME funds.

      B. Documentation of actions undertaken to meet the requirements of 24 CFR Part 135 which implements section 3 of the Housing Development Act of 1968, as amended (12 U.S.C. 1701u).

      C. Documentation of the actions the participating jurisdiction has taken to affirmatively further fair housing.

   ii. *Affirmative marketing and MBE/WBE records.*

      A. Records demonstrating compliance with the affirmative marketing procedures and requirements of § 92.351.

      B. Documentation and data on the steps taken to implement the jurisdiction's outreach programs to minority-owned (MBE) and female-owned (WBE) businesses including data indicating the racial/ethnic or gender character of each business entity receiving a contract or subcontract of $25,000 or more paid, or to be paid, with HOME funds; the amount of the contract or subcontract, and documentation of participating jurisdiction's affirmative steps to assure that minority business and women's business enterprises have an equal opportunity to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction, and services.

   iii. Records demonstrating compliance with the environmental review requirements of § 92.352 and 24 CFR part 58, including flood insurance requirements.

   iv. Records demonstrating compliance with the requirements of § 92.353 regarding displacement, relocation, and real property acquisition, including project occupancy lists identifying the name and address of all persons occupying the real property on the date described in § 92.353(c)(2)(i)(A),

Small and Disadvantaged Business Utilization

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Summary:
This program ensures that small and disadvantaged businesses, minority firms, and women-owned businesses can compete for and win a fair share of the contracts that HUD awards.

Purpose:
HUD's Office of Small and Disadvantaged Business Utilization (OSDBU) serves as an ombudsman for small businesses, minority firms, businesses owned by disadvantaged persons, and women-owned firms ("target businesses") to make sure that they get a fair share of HUD's Federal contract awards—as mandated by the Small Business Act (SBA). Under this Act, every Federal agency must have an OSDBU that pursues this contracting goal.

Type of Assistance:
The Federal Government's goal under SBA is to award 23 percent of its prime contracts to small businesses. Within this goal, there is a subgoal of 5 percent for small, disadvantaged businesses and minority businesses, and 5 percent for women-owned small businesses.

To meet these SBA goals, HUD's program for small and small disadvantaged businesses and women-owned businesses includes many activities. The program:

- Sets and tracks progress toward HUD's SBA contracting goals.
- Ensures that all contracts over $500,000 ($1 million if public facility construction) include subcontracting goals.
- Implements contract set-aside procedures for each HUD program.
- Oversees HUD staff insofar as their duties relate to SBA.
- Serves as a liaison with businesses of all sizes to ensure that target businesses are adequately considered for HUD procurement.
- Coordinates SBA enforcement with HUD procurement staff.
- Serves as a Federal intra- and interagency representative for target business matters.
- Evaluates HUD's performance under SBA and reports to the SBA and other Federal agencies.
- Helps target businesses understand SBA requirements.
- Conducts assertive outreach to the small business community.
- Participates in Government-industry conferences to assist target businesses.
- Helps develop, implement, and review automated contracting systems for SBA compliance.
- Assists HUD's program managers and contracting officers in complying with SBA.
- 1.0 percent of prime contracts for HUBZone small businesses for FY1999 and not less than 1.5 percent for FY2000, 2 percent for FY2001, and 2.5 percent for FY2002 and 3 percent for FY2003 and each year thereafter;
- 3 percent of prime and subcontracts for service-disabled veteran-owned small businesses.

Along with these basic activities, the program also puts a priority on women-owned businesses and coordinates HUD's efforts regarding the Small Business Regulatory Enforcement Act. OSDBU reviews HUD regulations for their potential impact on small businesses and serves as an ombudsman and honest broker for small businesses in clarifying and applying these regulations.

Eligible Grantees:
Not applicable

Eligible Customers:
Owners, managers, and staff members of small and disadvantaged businesses, minority firms, and women-owned businesses can benefit from this program's activities.

Application:
Not applicable.

Funding Status:
Not applicable.

Technical Guidance:
This program is authorized by Sections 8 and 15 of the Small Business Act, as amended (15 U.S.C. 637(a)). Program regulations are in 24 CFR 85.36 and Parts 241 and 242b of the HUD Acquisition Regulation. The program is administered by HUD's Office of Small and Disadvantaged Business Utilization. The contact persons are Meishoma Hayes and Arnette McGill-Moore at (202) 708-1428.

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U.S. Department of Housing and Urban Development

Los Angeles Field Office, Region IX
611 W. 6th Street, Suite 1100
Los Angeles, CA 90017

HUD Office of Community Planning and Development	Information Bulletin Issue No. CPD-2010-005 Date: November 30, 2009

MEMORANDUM FOR: All Consolidated Plan Coordinators

// s //
FROM: William Vasquez, Director, Office of Community Planning and Development, 9DD

SUBJECT: Minority Business Enterprise Contract and Subcontract Activity
Report HUD-2516 and Section 3 Reporting
Due Date: December 30, 2009

The Department of Housing and Urban Development (HUD) is committed to supporting minority business growth and development. By acknowledging our grantees' support of minority business enterprises, we can recognize the importance of a growing number of successful minority entrepreneurs. The Office of Community Planning and Development (CPD) provides data on the amount of minority contracting entered into by grantees to HUD's Office of Small and Disadvantaged Business Utilization (OSDBU). OSDBU consolidates the data on a Department-wide basis for submission to the Minority Business Development Agency of the Department of Commerce. In addition, this information has been valuable to OSDBU when responding to Congressional and interest group inquiries.

I. Minority Business Enterprise (MBE) Reporting

Community Planning and Development activities to be reported include public works, economic development, affordable housing, and special needs assistance. Grantees are required to report contract and subcontract activities of $10,000 or more on the HUD 2516 form. Contracts/subcontracts of less than $10,000 may be reported only if it represents a significant portion of the grantee's total contracting activity.

The report must cover contracts executed during the recently completed Federal Fiscal Year (October 1, 2008 – September 30, 2009). This report summarizes the racial/ethnic codes, racial/ethnic categories, contract amount and number of contractors identified in the HUD–2516 form. If there has been no contract activity during the reporting period, please submit a negative summary report. This report is required to be completed and submitted to the our Office by December 30, 2009.

Grantees are advised grantees to access the form from the website cited, copy and save the form to their hard drives, complete data input, and then submit the completed forms via e-mail or mail to their local HUD Field Office.

The HUD form 2516 is in excel format to assist grantees in providing accurate calculations of their accomplishments.

http://www.hud.gov/offices/osdbu/forms.cfm

Please be aware of the following when completing the HUD 2516 form:

Column 7a – Grantees should use the applicable CPD grant number based on which program year's funds were expended. Grantees are erroneously using all types of numbers like the IDIS project number, FHA or PIH grant numbers, etc.

Column 7b - Grantee should only report the part of the contract amount that reflects CPD funds.

Column 7c - There are only three options to choose from for this category (i.e., education training, new construction and other). The "other" categories include: supply, professional services, rehabilitation, Architectural/ Engineering, and all other activities except construction and educational/training activities.

Column 7d - OMB changed its racial and ethnic categories. In effect, grantees had to collect race *and* ethnic data for Hispanic persons. HUD 2516 does not appear to be updated to reflect the new OMB requirements. The form as it is asks for either race *or* ethnic, but not race *and* ethnic data.

The Office of Small and Disadvantaged Business Utilization has not yet revised form 2516 to reflect racial and ethnic categories. Therefore, grantees must select one of the options provided.

Grantees are reminded that 24CFR Part 85.36 (e) (1) Contracting with small and minority firms, Women's business enterprise and labor surplus area firms states that: The grantee and sub-grantee will take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible, and affirmative steps shall include:

1. Placing qualified small and minority business enterprises on solicitation lists;

2. Assuring that small and minority businesses are solicited whenever they are potential sources;

3. Dividing total requirements, when economically feasible into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises.

5. Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and

6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraph e (2) (i) through (v) of this section.

The completed HUD form 2516 and Summary Report should be submitted to the attention of:

Frank.Caballero@hud.gov or

U.S. Department of Housing and Urban Development
Los Angeles Field Office
ATTN: Frank G. Caballero, Senior Financial Analyst,
Office of Community Planning and Development, 9DD
611 W. Sixth Street, Suite 1000
Los Angeles, CA 90017-3127
Phone 1-213-534-2559

II. Section 3. Employment and Business Opportunity for Low Income Persons-Reporting requirements.

Section 3 contract reports are required when a grantee's project exceeds $200,000 and a prime or subcontract exceeds $100,000. Both thresholds have to be met for the same project. These requirements are in accordance with 24CFR Part 135.3. Grantees using HUD-2516 form to report Section 3 contract data must also use Part I of form HUD-60002, Section 3 Summary Report, for reporting employment and training opportunities data. The Section 3 Summary Report System is an online system designed to simplify the submission of form HUD-60002.

The web site is http://www.hud.gov/offices/fheo/section3/section3.cfm

If you do not have access to the Internet or are using a browser other than Netscape 4.x or higher, then a hardcopy of the completed form HUD-60002 must be submitted to HUD Washington D.C. via FAX to 202-708-1286. If you have questions regarding the submission of the Section 3 Summary Report, please contact Anna Gutierrez, Program Compliance, Office of Fair Housing and Equal Opportunity at (213) 534-2594.

J: team 2 , fomula correspondence, MBE information notice 2009

Contract and Subcontract Activity

U.S. Department of Housing and Urban Development

OMB Approval No.: 2535-0117 (exp. 11/30/2009)

Public Reporting Burden for this collection of information is estimated to average .50 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is voluntary. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB Control Number.

Executive Order 12421 dated July 14, 1983, directs the Minority Business Development Plans shall be developed by each Federal Agency and that these annual plans shall establish minority business development objectives. The information is used by HUD to monitor and evaluate MBE activities against the total program activity and the designated minority business enterprise (MBE) goals. The Department requires the information to provide guidance and oversight for programs for the development of minority business enterprise concerning Minority Business Development. If the information is not collected HUD would not be able to establish meaningful MBE goals nor evaluate MBE performance against these goals.
While no assurances of confidentiality is pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information request.

Privacy Act Notice - The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in this form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. It will not be disclosed or released outside the United States Department of Housing and Urban Development without your consent, except as required or permitted by law.

1. Grantee/Project Owner/Developer/Sponsor/Builder/Agency	Check if: PHA ☐ IHA ☐	2. Location (City, State, ZIP Code)
3a. Name of Contact Person	3b. Phone Number (Including Area Code)	4. Reporting Period ☐ Oct. 1 - Sept. 30 (Annual-FY)
		5. Program Code (Not applicable for CPD programs.) See explanation of codes at bottom of page. Use a separate sheet for each program code.
		6. Date Submitted to Field Office

Grant/Project Number or HUD Case Number or other identification of property, subdivision, dwelling unit, etc. 7a.	Amount of Contract or Subcontract 7b.	Type of Trade Code (See below) 7c.	Contractor or Subcontractor Business Racial/Ethnic Code (See below) 7d.	Woman Owned Business (Yes or No) 7e.	Prime Contractor Identification (ID) Number 7f.	Sec. 3 7g.	Subcontractor Identification (ID) Number 7h.	Sec. 3 7i.	Contractor/Subcontractor Name and Address 7j. Name	Street	City	State	Zip Code

CPD:
1 = New Construction
2 = Education/Training
3 = Other

7c: Type of Trade Codes:
Housing/Public Housing:
1 = New Construction
2 = Substantial Rehab.
3 = Repair
4 = Service
5 = Project Mangt.
6 = Professional
7 = Tenant Services
8 = Education/Training
9 = Arch./Engrg. Appraisal
0 = Other

7d: Racial/Ethnic Codes:
1 = White Americans
2 = Black Americans
3 = Native Americans
4 = Hispanic Americans
5 = Asian/Pacific Americans
6 = Hasidic Jews

5: Program Codes (Complete for Housing and Public and Indian Housing programs only):
1 = All insured, including Section 8
2 = Flexible Subsidy
3 = Section 8 Noninsured, Non-HFDA
4 = Insured (Management
5 = Section 202
6 = HUD-Held (Management)
7 = Public/Indian Housing

Previous editions are obsolete.

form **HUD-2516** (8/98)

This report is to be completed by grantees, developers, sponsors, builders, agencies, and/or project owners for reporting contract and subcontract activities of $10,000 or more under the following programs: Community Development Block Grants (entitlement and small cities); Urban Development Action Grants; Housing Development Grants; Multifamily Insured and Noninsured; Public and Indian Housing Authorities; and contracts entered into by recipients of CDBG rehabilitation assistance.

Contracts/subcontracts of less than $10,000 need be reported only if such contracts represent a significant portion of your total contracting activity. Include only contracts executed during this reporting period.

This form has been modified to capture Section 3 contract data in columns 7g and 7i. Section 3 requires that the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very low-income persons, particularly those who are recipients of government assistance for housing. Recipients using this form to report Section 3 contract data must also use Part I of form HUD-60002 to report employment and training opportunities data. Form HUD-2516 is to be completed for public and Indian housing and most community development programs. Form HUD-60002 is to be completed by all other HUD programs including State administered community development programs covered under Section 3.

A Section 3 contractor/subcontractor is a business concern that provides economic opportunities to low- and very low-income residents of the metropolitan area (or nonmetropolitan county), including a business concern that is 51 percent or more owned by low- or very low-income residents; employs a substantial number of low- or very low-income residents; or provides subcontracting or business development opportunities to businesses owned by low- or very low-income residents. Low- and very low-income residents include participants in Youthbuild programs established under Subtitle D of Title IV of the Cranston-Gonzalez National Affordable Housing Act.

The terms "low-income persons" and "very low-income persons" have the same meanings given the terms in section 3(b)(2) of the United States Housing Act of 1937. Low-income persons mean families (including single persons) whose incomes do not exceed 80 per centum of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families. Very low-income persons means low-income families (including single persons) whose incomes do not exceed 50 per centum of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

Submit two (2) copies of this report to your local HUD Office within ten (10) days after the end of the reporting period you checked in item 4 on the front.

Complete item 7h. only once for each contractor/subcontractor on each semi-annual report.

Enter the prime contractor's ID in item 7f. for all contracts and subcontracts. Include only contracts executed during this reporting period. PHAs/IHAs are to report all contracts/subcontracts.

Community Development Programs

1. Grantee: Enter the name of the unit of government submitting this report.

3. Contact Person: Enter name and phone of person responsible for maintaining and submitting contract/subcontract data.

7a. Grant Number: Enter the HUD Community Development Block Grant Identification Number (with dashes). For example: B-32-MC-25-0034. For Entitlement Programs and Small City multi-year comprehensive programs, enter the latest approved grant number.

7b. Amount of Contract/Subcontract: Enter the dollar amount rounded to the nearest dollar. If subcontractor ID number is provided in 7f, the dollar figure would be for the subcontract only and not for the prime contract.

7c. Type of Trade: Enter the numeric codes which best indicates the contractor's/subcontractor's service. If subcontractor ID number is provided in 7f., the type of trade code would be for the subcontractor only and not for the prime contractor. The "other" category includes supply, professional services and all other activities except construction and education/training activities.

7d. Business Racial/Ethnic/Gender Code: Enter the numeric code which indicates the racial/ethnic /gender character of the owner(s) and controller(s) of 51% of the business. When 51% or more is not owned and controlled by any single racial/ethnic/gender category, enter the code which seems most appropriate. If the subcontractor ID number is provided, the code would apply to the subcontractor and not to the prime contractor.

7e. Woman Owned Business: Enter Yes or No.

7f. Contractor Identification (ID) Number: Enter the Employer (IRS) Number of the Prime Contractor as the unique identifier for prime recipient of HUD funds. Note that the Employer (IRS) Number must be provided for each contract/subcontract awarded.

7g. Section 3 Contractor: Enter Yes or No.

7h. Subcontractor Identification (ID) Number: Enter the Employer (IRS) Number of the subcontractor as the unique identifier for each subcontract awarded from HUD funds. When the subcontractor ID Number is provided, the respective Prime Contractor ID Number must also be provided.

7i. Section 3 Contractor: Enter Yes or No.

7j. Contractor/Subcontractor Name and Address: Enter this information for each firm receiving contract/subcontract activity only one time on each report for each firm.

Multifamily Housing Programs

1. Grantee/Project Owner: Enter the name of the unit of government, agency or mortgagor entity submitting this report.

3. Contact Person: Same as item 3 under CPD Programs.

4. Reporting Period: Check only one period.

5. Program Code: Enter the appropriate program code.

7a. Grant/Project Number: Enter the HUD Project Number or Housing Development Grant or number assigned.

7b. Amount of Contract/Subcontract: Same as item 7b. under CPD Programs.

7c. Type of Trade: Same as item 7c. under CPD Programs.

7d. Business Racial/Ethnic/Gender Code: Same as item 7d. under CPD Programs.

7e. Woman Owned Business: Enter Yes or No.

7f. Contractor Identification (ID) Number: Same as item 7f. under CPD Programs.

7g. Section 3 Contractor: Enter Yes or No.

7h. Subcontractor Identification (ID) Number: Same as item 7h. under CPD Programs.

7i. Section 3 Contractor: Enter Yes or No.

7j. Contractor/Subcontractor Name and Address: Same as item 7j. under CPD Programs.

Public Housing and Indian Housing Programs

PHAs/IHAs are to report all contracts/subcontracts. Include only contracts executed during this reporting period.

1. Project Owner: Enter the name of the unit of government, agency or mortgagor entity submitting this report. Check box as appropriate.

3. Contact Person: Same as item 3 under CPD Programs.

4. Reporting Period: Check only one period.

5. Program Code: Enter the appropriate program code.

7a. Grant/Project Number: Enter the HUD Project Number or Housing Development Grant or number assigned.

7b. Amount of Contract/Subcontract: Same as item 7b. under CPD Programs.

7c. Type of Trade: Same as item 7c. under CPD Programs.

7d. Business Racial/Ethnic/Gender Code: Same as item 7d. under CPD Programs.

7e. Woman Owned Business: Enter Yes or No.

7f. Contractor Identification (ID) Number: Same as item 7f. under CPD Programs.

7g. Section 3 Contractor: Enter Yes or No.

7h. Subcontractor Identification (ID) Number: Same as item 7h. under CPD Programs.

7i. Section 3 Contractor: Enter Yes or No.

7j. Contractor/Subcontractor Name and Address: Same as item 7j. under CPD Programs.

CONTRACT AND SUBCONTRACT ACTIVITY REPORT

1- Development Owner/Sponsor/Developer/Builder	2- Development Name and Location	3- Contact Person and Phone Number	4- Reporting Period (check one)
			____ Jan. 1 - June 30 ____ July 1 - Dec. 30

Grant/Development Number	Amount of Contract or Subcontract	Type of Trade 1 thru 3	Contractor/ Subcontractor Ethnic Code	Contractor/ Subcontractor Racial Code	Check Here if WBE	Prime Contractor or Subcontractor Identification Number	10- Contractor/Subcontractor Name and Address				
							Name	Street	City	State	Zip Code
5	6	7	8	8a	8b	9					

Type of Trade Codes
1=Construction
2=Professional Services
3=Other

Ethnic Codes
1=Hispanic or Latino
2=Not Hispanic or Latino

Racial Codes
1=White
2=Black or African American
3=Asian
4=American Indian or Alaska Native
5=Native Hawaiian or Other Pacific Islander
6=American Indian or Alaska Native & White
7=Asian & White

Racial Codes Continued
8=Black or African American & White
9=American Indian or Alaska Native & Black or African American
10=Other Multi-Racial

CERTIFICATION

I hereby certify, to the best of my belief and knowledge, that the information contained in this report is correct as of the date below.

NAME _____ TITLE _____ DATE _____

HJL 2/13/09

CONTRACT AND SUBCONTRACT ACTIVITY REPORT

1- Development Owner/Sponsor/Developer/Builder	2- Development Name and Location	3- Contact Person and Phone Number	4- Reporting Period (check one)
			____ Jan. 1 - June 30 ____ July 1 - Dec. 30

Grant/Development Number	Amount of Contract or Subcontract	Type of Trade 1 thru 3	Contractor/ Subcontractor Ethnic Code	Contractor/ Subcontractor Racial Code	Check Here if WBE	Prime Contractor or Subcontractor Identification Number	10- Contractor/Subcontractor Name and Address				
							Name	Street	City	State	Zip Code
5	6	7	8	8a	8b	9					

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2=Black or African American
3=Asian
4=American Indian or Alaska Native
5=Native Hawaiian or Other Pacific Islander
6=American Indian or Alaska Native & White
7=Asian & White

Racial Codes Continued
8=Black or African American & White
9=American Indian or Alaska Native & Black or African American
10=Other Multi-Racial

CERTIFICATION

I hereby certify, to the best of my belief and knowledge, that the information contained in this report is correct as of the date below.

NAME _____ TITLE _____ DATE _____

HJL 2/13/09

INSTRUCTIONS FOR COMPLETING CONTRACT AND SUBCONTRACT ACTIVITY REPORT

This report is to be completed by developers, sponsors, builders and/or development owners for reporting contract and subcontract activities of $10,000 or more under Federal programs.

Contracts/subcontracts of less than $10,000 need to be reported only if you believe such contracts represent a significant portion of your total MBE/WBE contracting activity.

Include only contracts executed during this reporting period.

Complete item 10 only once for each contractor/subcontractor on each report. Enter the prime contractor's or subcontractor's ID in item 9 for all contracts and subcontracts.

SPECIFIC LINE ITEM INSTRUCTIONS

1. Development Owner/Developer/Builder/Sponsor - Enter name of the business entity submitting this report.

2. Location - Self explanatory.

3. Contact Person - Enter name and phone of person responsible for maintaining and submitting contract/subcontract data data for the business entity.

4. Reporting Period - Self explanatory.

5. Grant/Development Number - Enter the Federal Grant/Development Number if known or other identifier such as the State Development Number.

6. Amount of Contract/Subcontract - Enter the dollar amount rounded to the nearest dollar. If subcontractor ID number is provided in 9, the dollar figure would be for the subcontract only and not for the prime contract.

7 Type of Trade - Enter the numeric code (1,2 or 3) which best indicates the contractor's/subcontractor's service. If subcontractor ID number is provided in 9, the type of trade code would be for the subcontractor only and not for the prime contractor. The "other" category (code 3) includes supply, education/training services and all other activities except construction and professional services.

8. Business Ethnic Code - Enter the numeric code (1 or 2) which indicates the ethnic character of the owner(s) and controller(s) of 51% of the business. If the subcontractor ID number is provided, the code would apply to the subcontractor and not the prime contractor.

8.a. Business Racial Code - Enter one or more numeric codes (1 thru 10) which indicates the racial character of the owner(s) and controller(s) of 51% of the business. When 51% or more is not owned and controlled by any single racial category, enter the codes which seem most appropriate. If the subcontractor ID number is provided, the code would apply to the subcontractor and not the prime contractor.

8.b. Women Business Enterprise - Check here if the business entity is 51% owned and controlled on a day-to-day basis by women group members.

(Continued on Next Page)

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INSTRUCTIONS FOR COMPLETING CONTRACT AND SUBCONTRACT ACTIVITY REPORT

9. Contractor Identification (ID) Number - Enter the Employer ID Number of the Prime Contractor as the unique identifier for prime recipient of housing funds. Note that the Employer ID Number must be provided for each contract/subcontract awarded.

   Subcontractor Identification (ID) Number - Enter Employer ID Number of the subcontractor as the unique identifier for each subcontract awarded from housing funds.

10. Contractor/Subcontractor Name and Address - Enter this information for each firm receiving contract/subcontract activity only one time on each report for each firm.

CERTIFICATION

Indicate the title of the person responsible for execution and have the person sign and date the report.

HJL 2/13/09

ATTACHMENT A

DSHA MINORITY AND WOMEN BUSINESS ENTERPRISE (MBE/WBE) OUTREACH PROGRAM CERTIFICATION

Name of Firm: _____ Owners(s): _____

Address: _____ _____

_____ Phone No.: _____

Federal Employer Identification Number: _____ E-Mail Address: _____

1. The firm noted above is a business licensed in the State of Delaware, of which 51 percent is owned and controlled on a day-to-day basis by the group members as indicated below:
   Please check one of the following categories:

   _____ Hispanic or Latino
   _____ Not Hispanic or Latino

2. The firm noted above is a business licensed in the State of Delaware, of which 51 percent is owned and controlled on a day-to-day basis by the group members as indicated below:
   Please check one or more of the following categories:

   _____ American Indian or Alaska Native
   _____ Asian
   _____ Black or African American
   _____ Native Hawaiian or Other Pacific Islander
   _____ White
   _____ American Indian or Alaska Native and White
   _____ Asian and White
   _____ Black or African American and White
   _____ American Indian or Alaska Native and Black or African American
   _____ Other Multi-Racial

3. The firm noted above is a business licensed in the State of Delaware, of which 51 percent is owned and controlled on a day-to-day basis by women group members (Check One):
   _____ Yes _____ No

4. The firm noted above, if indicating it is a MBE (non-white) or WBE firm, wishes to be included in the Delaware State Housing Authority's MBE/WBE Directory and to be notified periodically as HUD-assisted housing construction projects arise (Check One):
   _____ Yes _____ No

5. The firm noted above engages in the following type(s) of housing construction or related work (Please be Specific):

   _____ General
   _____ Roofing
   _____ Electrical
   _____ Masonry
   _____ Other (Describe): _____
   _____ Admin. Supplies/Equipment
   _____ Custodial Services/Supplies
   _____ Heating/Ventilation/AC
   _____ Paving/Sidewalks
   _____ Landscaping
   _____ Maintenance
   _____ Plumbing
   _____ Architectural/Engineering

6. Please note below the Delaware county in which your firm would be willing to work:

   _____ Kent County
   _____ Sussex County
   _____ New Castle County

I (we) hereby certify that the foregoing information provided to the Delaware State Housing Authority is true to the best of my (our) belief and knowledge.

_____ _____

Date(s) Owner(s) Signature(s)

HJL 2/13/09

General Conditions for Construction Contracts - Public Housing Programs

U.S. Department of Housing and UrbanDev elopment
Office of Public and Indian Housing
OMB Approval No. 2577-0157 (exp. 11/30/2023)

Applicability. This form is applicable to any construction/development contract greater than $150,000.

Public reporting burden for this collection of information is estimated to average 1 hour. This includes the time for collecting, reviewing, and reporting the data. The information requested is required to obtain a benefit. This form includes those clauses required by OMB's common rule on grantee procurement, implemented at HUD in 2 CFR 200, and those requirements set forth in Section 3 of the Housing and Urban Development Act of 1968 and its amendment by the Housing and Community Development Act of 1992, implemented by HUD at 24 CFR Part 135. The form is required for construction contracts awarded by Public Housing Agencies (PHAs). The form is used by Housing Authorities in solicitations to provide necessary contract clauses. If the form were not used, PHAs would be unable to enforce their contracts.. There are no assurances of confidentiality. HUD may not conduct or sponsor, and an applicant is not required to respond to a collection of information unless it displays a currently valid OMB control number.

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1. Definitions

(a) "Architect" means the person or other entity engaged by the PHA to perform architectural, engineering, design, and other services related to the work as provided for in the contract. When a PHA uses an engineer to act in this capacity, the terms "architect" and "engineer" shall be synonymous. The Architect shall serve as a technical representative of the Contracting Officer. The Architect's authority is as set forth elsewhere in this contract.

(b) "Contract" means the contract entered into between the PHA and the Contractor. It includes the forms of Bid, the Bid Bond, the Performance and Payment Bond or Bonds or other assurance of completion, the Certifications, Representations, and Other Statements of Bidders (form HUD-5370), these General Conditions of the Contract for Construction (form HUD-5370), the applicable wage rate determinations from the U.S. Department of Labor, any special conditions included elsewhere in the contract, the specifications, and drawings. It includes all formal changes to any of those documents by addendum, change order, or other modification.

(c) "Contracting Officer" means the person delegated the authority by the PHA to enter into, administer, and/or terminate this contract and designated as such in writing to the Contractor. The term includes any successor Contracting Officer and any duly authorized representative of the Contracting Officer also designated in writing. The Contracting Officer shall be deemed the authorized agent of the PHA in all dealings with the Contractor.

(d) "Contractor" means the person or other entity entering into the contract with the PHA to perform all of the work required under the contract.

(e) "Drawings" means the drawings enumerated in the schedule of drawings contained in the Specifications and as described in the contract clause entitled Specifications and Drawings for Construction herein.

(f) "HUD" means the United States of America acting through the Department of Housing and Urban Development including the Secretary, or any other person designated to act on its behalf. HUD has agreed, subject to the provisions of an Annual Contributions Terms and Conditions (ACC), to provide financial assistance to the PHA, which includes assistance in financing the work to be performed under this contract. As defined elsewhere in these General Conditions or the contract documents, the determination of HUD may be required to authorize changes in the work or for release of funds to the PHA for payment to the Contractor. Notwithstanding HUD's role, nothing in this contract shall be construed to create any contractual relationship between the Contractor and HUD.

(g) "Project" means the entire project, whether construction or rehabilitation, the work for which is provided for in whole or in part under this contract.

(h) "PHA" means the Public Housing Agency organized under applicable state laws which is a party to this contract.

(j) "Specifications" means the written description of the technical requirements for construction and includes the criteria and tests for determining whether the requirements are met.

(l) "Work" means materials, workmanship, and manufacture and fabrication of components.

2. Contractor's Responsibility for Work

(a) The Contractor shall furnish all necessary labor, materials, tools, equipment, and transportation necessary for performance of the work. The Contractor shall also furnish all necessary water, heat, light, and power not made available to the Contractor by the PHA pursuant to the clause entitled Availability and Use of Utility Services herein.

(b) The Contractor shall perform on the site, and with its own organization, work equivalent to at least [ ] (12 percent unless otherwise indicated) of the total amount of work to be performed under the order. This percentage may be reduced by a supplemental agreement to this order if, during performing the work, the Contractor requests a reduction and the Contracting Officer determines that the reduction would be to the advantage of the PHA.

(c) At all times during performance of this contract and until the work is completed and accepted, the Contractor shall directly superintend the work or assign and have on the work site a competent superintendent who is satisfactory to the Contracting Officer and has authority to act for the Contractor.

(d) The Contractor shall be responsible for all damages to persons or property that occur as a result of the Contractor's fault or negligence, and shall take proper safety and health precautions to protect the work, the workers, the public, and the property of others. The Contractor shall hold and save the PHA, its officers and agents, free and harmless from liability of any nature occasioned by the Contractor's performance. The Contractor shall also be responsible for all materials delivered and work performed until completion and acceptance of the entire work, except for any completed unit of work which may have been accepted under the contract.

(e) The Contractor shall lay out the work from base lines and bench marks indicated on the drawings and be responsible for all lines, levels, and measurements of all work executed under the contract. The Contractor shall verify the figures before laying out the work and will be held responsible for any error resulting from its failure to do so.

(f) The Contractor shall confine all operations (including storage of materials) on PHA premises to areas authorized or approved by the Contracting Officer.

(g) 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 PHA and all rubbish caused by its work; (2) leave the work area in a clean, neat, and orderly condition satisfactory to the Contracting Officer; (3) perform all specified tests; and, (4) deliver the installation in complete and operating condition.

(h) The Contractor's responsibility will terminate when all work has been completed, the final inspection made, and the work accepted by the Contracting Officer. The Contractor will then be released from further obligation except as required by the warranties specified elsewhere in the contract.

3. Architect's Duties, Responsibilities, and Authority

(a) The Architect for this contract, and any successor, shall be designated in writing by the Contracting Officer.

(b) The Architect shall serve as the Contracting Officer's technical representative with respect to architectural, engineering, and design matters related to the work performed under the contract. The Architect may provide direction on contract performance. Such direction shall be within the scope of the contract and may not be of a nature which: (1) institutes additional work outside the scope of the contract; (2) constitutes a change as defined in the Changes clause herein; (3) causes an increase or decrease in the cost of the contract; (4) alters the Construction Progress Schedule; or (5) changes any of the other express terms or conditions of the contract.

(c) The Architect's duties and responsibilities may include but shall not be limited to:

(1) Making periodic visits to the work site, and on the basis of his/her on-site inspections, issuing written reports to the PHA which shall include all observed deficiencies. The Architect shall file a copy of the report with the Contractor's designated representative at the site;

(2) Making modifications in drawings and technical specifications and assisting the Contracting Officer in the preparation of change orders and other contract modifications for issuance by the Contracting Officer;

(3) Reviewing and making recommendations with respect to - (i) the Contractor's construction progress schedules; (ii) the Contractor's shop and detailed drawings; (iii) the machinery, mechanical and other equipment and materials or other articles proposed for use by the Contractor; and, (iv) the Contractor's price breakdown and progress payment estimates; and,

(4) Assisting in inspections, signing Certificates of Completion, and making recommendations with respect to acceptance of work completed under the contract.

4. Other Contracts

The PHA may undertake or award other contracts for additional work at or near the site of the work under this contract. The Contractor shall fully cooperate with the other contractors and with PHA employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The Contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or by PHA employees

Construction Requirements

5. Pre-construction Conference and Notice to Proceed

(a) Within ten calendar days of contract execution, and prior to the commencement of work, the Contractor shall attend a preconstruction conference with representatives of the PHA, its Architect, and other interested parties convened by the PHA. The conference will serve to acquaint the participants with the general plan of the construction operation and all other requirements of the contract. The PHA will provide the Contractor with the date, time, and place of the conference.

(b) The contractor shall begin work upon receipt of a written Notice to Proceed from the Contracting Officer or designee. The Contractor shall not begin work prior to receiving such notice.

6. Construction Progress Schedule

(a) The Contractor shall, within five days after the work commences on the contract or another period of time determined by the Contracting Officer, prepare and submit to the Contracting Officer for approval three copies of a practicable schedule showing the order in which the Contractor proposes to perform the work, and the dates on which the Contractor contemplates starting and completing the several salient features of the work (including acquiring labor, materials, and equipment). The schedule shall be in the form of a progress chart of suitable scale to indicate appropriately the percentage of work scheduled for completion by any given date during the period. If the Contractor fails to submit a schedule within the time prescribed, the Contracting Officer may withhold approval of progress payments or take other remedies under the contract until the Contractor submits the required schedule.

(b) The Contractor shall enter the actual progress on the chart as required by the Contracting Officer, and immediately deliver three copies of the annotated schedule to the Contracting Officer. If the Contracting Officer determines, upon the basis of inspection conducted pursuant to the clause entitled Inspection and Acceptance of Construction, herein that the Contractor is not meeting the approved schedule, the Contractor shall take steps necessary to improve its progress, including those that may be required by the Contracting Officer, without additional cost to the PHA. In this circumstance, the Contracting Officer may require the Contractor to increase the number of shifts, overtime operations, days of work, and/or the amount of construction plant, and to submit for approval any supplementary schedule or schedules in chart form as the Contracting Officer deems necessary to demonstrate how the approved rate of progress will be regained.

(c) Failure of the Contractor to comply with the requirements of the Contracting Officer under this clause shall be grounds for a determination by the Contracting Officer that the Contractor is not prosecuting the work with sufficient diligence to ensure completion within the time specified in the Contract. Upon making this determination, the Contracting Officer may terminate the Contractor's right to proceed with the work, or any separable part of it, in accordance with the Default clause of this contract.

7. Site Investigation and Conditions Affecting the Work

(a) The Contractor acknowledges that it has taken steps reasonably necessary to ascertain the nature and location of the work, and that it has investigated and satisfied itself as to the general and local conditions which can affect the work or its cost, including but not limited to, (1) conditions bearing upon transportation, disposal, handling, and storage of materials; (2) the availability of labor, water, electric power, and roads;(3) uncertainties of weather, river stages, tides, or similar physical conditions at the site; (4) the conformation and conditions of the ground; and (5) the character of equipment and facilities needed preliminary to and during work performance. The Contractor also acknowledges that it has satisfied itself as to the character, quality, and quantity of surface and subsurface materials or obstacles to be encountered insofar as this information is

reasonably ascertainable from an inspection of the site, including all exploratory work done by the PHA, as well as from the drawings and specifications made a part of this contract. Any failure of the Contractor to take the actions described and acknowledged in this paragraph will not relieve the Contractor from responsibility for estimating properly the difficulty and cost of successfully performing the work, or for proceeding to successfully perform the work without additional expense to the PHA.

(b) The PHA assumes no responsibility for any conclusions or interpretations made by the Contractor based on the information made available by the PHA. Nor does the PHA assume responsibility for any understanding reached or representation made concerning conditions which can affect the work by any of its officers or agents before the execution of this contract, unless that understanding or representation is expressly stated in this contract.

8. Differing Site Conditions

(a) The Contractor shall promptly, and before the conditions are disturbed, give a written notice to the Contracting Officer of (1) subsurface or latent physical conditions at the site which differ materially from those indicated in this contract, or (2) unknown physical conditions at the site(s), of an unusual nature, which differ materially from those ordinarily encountered and generally recognized as inhering in work of the character provided for in the contract.

(b) The Contracting Officer shall investigate the site conditions promptly after receiving the notice. Work shall not proceed at the affected site, except at the Contractor's risk, until the Contracting Officer has provided written instructions to the Contractor. If the conditions do materially so differ and cause an increase or decrease in the Contractor's cost of, or the time required for, performing any part of the work under this contract, whether or not changed as a result of the conditions, the Contractor shall file a claim in writing to the PHA within ten days after receipt of such instructions and, in any event, before proceeding with the work. An equitable adjustment in the contract price, the delivery schedule, or both shall be made under this clause and the contract modified in writing accordingly.

(c) No request by the Contractor for an equitable adjustment to the contract under this clause shall be allowed, unless the Contractor has given the written notice required; provided, that the time prescribed in (a) above for giving written notice may be extended by the Contracting Officer.

(d) No request by the Contractor for an equitable adjustment to the contract for differing site conditions shall be allowed if made after final payment under this contract.

9. Specifications and Drawings for Construction

(a) The Contractor shall keep on the work site a copy of the drawings and specifications and shall at all times give the Contracting Officer access thereto. Anything mentioned in the specifications and not shown on the drawings, or shown on the drawings and not mentioned in the specifications, shall be of like effect as if shown or mentioned in both. In case of difference between drawings and specifications, the specifications shall govern. In case of discrepancy in the figures, in the drawings, or in the specifications, the matter shall be promptly submitted to the Contracting Officer, who shall promptly make a determination in writing. Any adjustment by the Contractor without such a determination shall be at its own risk and expense. The Contracting Officer shall furnish from time to time such detailed drawings and other information as considered necessary, unless otherwise provided.

(b) Wherever in the specifications or upon the drawings the words "directed", "required", "ordered", "designated", "prescribed", or words of like import are used, it shall be understood that the "direction", "requirement", "order", "designation", or "prescription", of the Contracting Officer is intended and similarly the words "approved", "acceptable", "satisfactory", or words of like import shall mean "approved by", or "acceptable to", or "satisfactory to" the Contracting Officer, unless otherwise expressly stated.

(c) Where "as shown" "as indicated", "as detailed", or words of similar import are used, it shall be understood that the reference is made to the drawings accompanying this contract unless stated otherwise. The word "provided" as used herein shall be understood to mean "provide complete in place" that is "furnished and installed".

(d) "Shop drawings" means drawings, submitted to the PHA by the Contractor, subcontractor, or any lower tier subcontractor, showing in detail (1) the proposed fabrication and assembly of structural elements and (2) the installation (i.e., form, fit, and attachment details) of materials of equipment. It includes drawings, diagrams, layouts, schematics, descriptive literature, illustrations, schedules, performance and test data, and similar materials furnished by the Contractor to explain in detail specific portions of the work required by the contract. The PHA may duplicate, use, and disclose in any manner and for any purpose shop drawings delivered under this contract.

(e) If this contract requires shop drawings, the Contractor shall coordinate all such drawings, and review them for accuracy, completeness, and compliance with other contract requirements and shall indicate its approval thereon as evidence of such coordination and review. Shop drawings submitted to the Contracting Officer without evidence of the Contractor's approval may be returned for resubmission. The Contracting Officer will indicate an approval or disapproval of the shop drawings and if not approved as submitted shall indicate the PHA's reasons therefore. Any work done before such approval shall be at the Contractor's risk. Approval by the Contracting Officer shall not relieve the Contractor from responsibility for any errors or omissions in such drawings, nor from responsibility for complying with the requirements of this contract, except with respect to variations described and approved in accordance with (f) below.

(f) If shop drawings show variations from the contract requirements, the Contractor shall describe such variations in writing, separate from the drawings, at the time of submission. If the Architect approves any such variation and the Contracting Officer concurs, the Contracting Officer shall issue an appropriate modification to the contract, except that, if the variation is minor or does not involve a change in price or in time of performance, a modification need not be issued.

(g) It shall be the responsibility of the Contractor to make timely requests of the PHA for such large scale and full size drawings, color schemes, and other additional information, not already in his possession, which shall be

required in the planning and production of the work. Such requests may be submitted as the need arises, but each such request shall be filed in ample time to permit appropriate action to be taken by all parties involved so as to avoid delay.

(h) The Contractor shall submit to the Contracting Officer for approval four copies (unless otherwise indicated) of all shop drawings as called for under the various headings of these specifications. Three sets (unless otherwise indicated) of all shop drawings, will be retained by the PHA and one set will be returned to the Contractor. As required by the Contracting Officer, the Contractor, upon completing the work under this contract, shall furnish a complete set of all shop drawings as finally approved. These drawings shall show all changes and revisions made up to the time the work is completed and accepted.

(i) This clause shall be included in all subcontracts at any tier. It shall be the responsibility of the Contractor to ensure that all shop drawings prepared by subcontractors are submitted to the Contracting Officer.

10. As-Built Drawings

(a) "As-built drawings," as used in this clause, means drawings submitted by the Contractor or subcontractor at any tier to show the construction of a particular structure or work as actually completed under the contract. "As-built drawings" shall be synonymous with "Record drawings."

(b) As required by the Contracting Officer, the Contractor shall provide the Contracting Officer accurate information to be used in the preparation of permanent as-built drawings. For this purpose, the Contractor shall record on one set of contract drawings all changes from the installations originally indicated, and record final locations of underground lines by depth from finish grade and by accurate horizontal offset distances to permanent surface improvements such as buildings, curbs, or edges of walks.

(c) This clause shall be included in all subcontracts at any tier. It shall be the responsibility of the Contractor to ensure that all as-built drawings prepared by subcontractors are submitted to the Contracting Officer.

11. Material and Workmanship

(a) All equipment, material, and articles furnished under this contract shall be new and of the most suitable grade for the purpose intended, unless otherwise specifically provided in this contract. References in the contract to equipment, material, articles, or patented processes by trade name, make, or catalog number, shall be regarded as establishing a standard of quality and shall not be construed as limiting competition. The Contractor may, at its option, use any equipment, material, article, or process that, in the judgment of, and as approved by the Contracting Officer, is equal to that named in the specifications, unless otherwise specifically provided in this contract.

(b) Approval of equipment and materials.

(1) The Contractor shall obtain the Contracting Officer's approval of the machinery and mechanical and other equipment to be incorporated into the work. When requesting approval, the Contractor shall furnish to the Contracting Officer the name of the manufacturer, the model number, and other information concerning the performance, capacity, nature, and rating of the machinery and mechanical and other equipment. When required by this contract or by the Contracting Officer, the Contractor shall also obtain the Contracting Officer's approval of the material or articles which the Contractor contemplates incorporating into the work. When requesting approval, the Contractor shall provide full information concerning the material or articles. Machinery, equipment, material, and articles that do not have the required approval shall be installed or used at the risk of subsequent rejection.

(2) When required by the specifications or the Contracting Officer, the Contractor shall submit appropriately marked samples (and certificates related to them) for approval at the Contractor's expense, with all shipping charges prepaid. The Contractor shall label, or otherwise properly mark on the container, the material or product represented, its place of origin, the name of the producer, the Contractor's name, and the identification of the construction project for which the material or product is intended to be used.

(3) Certificates shall be submitted in triplicate, describing each sample submitted for approval and certifying that the material, equipment or accessory complies with contract requirements. The certificates shall include the name and brand of the product, name of manufacturer, and the location where produced.

(4) Approval of a sample shall not constitute a waiver of the PHA right to demand full compliance with contract requirements. Materials, equipment and accessories may be rejected for cause even though samples have been approved.

(5) Wherever materials are required to comply with recognized standards or specifications, such specifications shall be accepted as establishing the technical qualities and testing methods, but shall not govern the number of tests required to be made nor modify other contract requirements. The Contracting Officer may require laboratory test reports on items submitted for approval or may approve materials on the basis of data submitted in certificates with samples. Check tests will be made on materials delivered for use only as frequently as the Contracting Officer determines necessary to insure compliance of materials with the specifications. The Contractor will assume all costs of retesting materials which fail to meet contract requirements and/or testing materials offered in substitution for those found deficient.

(6) After approval, samples will be kept in the Project office until completion of work. They may be built into the work after a substantial quantity of the materials they represent has been built in and accepted.

(c) Requirements concerning lead-based paint. The Contractor shall comply with the requirements concerning lead-based paint contained in the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846) as implemented by 24 CFR Part 35.

12. Permits and Codes

(a) The Contractor shall give all notices and comply with all applicable laws, ordinances, codes, rules and regulations. Notwithstanding the requirement of the Contractor to comply with the drawings and specifications in the contract, all work installed shall comply with all applicable codes and regulations as amended by any

waivers. Before installing the work, the Contractor shall examine the drawings and the specifications for compliance with applicable codes and regulations bearing on the work and shall immediately report any discrepancy it may discover to the Contracting Officer. Where the requirements of the drawings and specifications fail to comply with the applicable code or regulation, the Contracting Officer shall modify the contract by change order pursuant to the clause entitled Changes herein to conform to the code or regulation.

(b) The Contractor shall secure and pay for all permits, fees, and licenses necessary for the proper execution and completion of the work. Where the PHA can arrange for the issuance of all or part of these permits, fees and licenses, without cost to the Contractor, the contract amount shall be reduced accordingly.

13. Health, Safety, and Accident Prevention

(a) In performing this contract, 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 as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation;
(2) Protect the lives, health, and safety of other persons;
(3) Prevent damage to property, materials, supplies, and equipment; and,
(4) Avoid work interruptions.

(b) For these purposes, the Contractor shall:
(1) Comply with regulations and standards issued by the Secretary of Labor at 29 CFR Part 1926. Failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act (Public Law 91-54, 83 Stat. 96), 40 U.S.C. 3701 et seq.; and
(2) Include the terms of this clause in every subcontract so that such terms will be binding on each subcontractor.

(c) The Contractor shall maintain an accurate record of exposure data on all accidents incident to work performed under this contract resulting in death, traumatic injury, occupational disease, or damage to property, materials, supplies, or equipment, and shall report this data in the manner prescribed by 29 CFR Part 1904.

(d) The Contracting Officer shall notify the Contractor of any noncompliance with these requirements and of the corrective action required. This notice, when delivered to the Contractor or the Contractor's representative at the site of the work, shall be deemed sufficient notice of the noncompliance and corrective action required. After receiving the notice, the Contractor shall immediately take corrective action. If the Contractor fails or refuses to take corrective action promptly, the Contracting Officer may issue an order stopping all or part of the work until satisfactory corrective action has been taken. The Contractor shall not base any claim or request for equitable adjustment for additional time or money on any stop order issued under these circumstances.

(e) The Contractor shall be responsible for its subcontractors' compliance with the provisions of this clause. The Contractor shall take such action with respect to any subcontract as the PHA, the Secretary of Housing and Urban Development, or the Secretary of Labor shall direct as a means of enforcing such provisions.

14. Temporary Heating

The Contractor shall provide and pay for temporary heating, covering, and enclosures necessary to properly protect all work and materials against damage by dampness and cold, to dry out the work, and to facilitate the completion of the work. Any permanent heating equipment used shall be turned over to the PHA in the condition and at the time required by the specifications.

15. Availability and Use of Utility Services

(a) The PHA shall make all reasonably required amounts of utilities available to the Contractor from existing outlets and supplies, as specified in the contract. Unless otherwise provided in the contract, the amount of each utility service consumed shall be charged to or paid for by the Contractor at prevailing rates charged to the PHA or, where the utility is produced by the PHA, at reasonable rates determined by the Contracting Officer. The Contractor shall carefully conserve any utilities furnished without charge.

(b) The Contractor, at its expense and in a manner satisfactory to the Contracting Officer, shall install and maintain all necessary temporary connections and distribution lines, and all meters required to measure the amount of each utility used for the purpose of determining charges. Before final acceptance of the work by the PHA, the Contractor shall remove all the temporary connections, distribution lines, meters, and associated paraphernalia.

16. Protection of Existing Vegetation, Structures, Equipment, Utilities, and Improvements

(a) The Contractor shall preserve and protect all structures, equipment, and vegetation (such as trees, shrubs, and grass) on or adjacent to the work site, which are not to be removed under this contract, and which do not unreasonably interfere with the work required under this contract.

(b) The Contractor shall only remove trees when specifically authorized to do so, and shall avoid damaging vegetation that will remain in place. If any limbs or branches of trees are broken during performance of this contract, or by the careless operation of equipment, or by workmen, the Contractor shall trim those limbs or branches with a clean cut and paint the cut with a tree-pruning compound as directed by the Contracting Officer.

(c) The Contractor shall protect from damage all existing improvements and utilities (1) at or near the work site and (2) on adjacent property of a third party, the locations of which are made known to or should be known by the Contractor. Prior to disturbing the ground at the construction site, the Contractor shall ensure that all underground utility lines are clearly marked.

(d) The Contractor shall shore up, brace, underpin, secure, and protect as necessary all foundations and other parts of existing structures adjacent to, adjoining, and in the vicinity of the site, which may be affected by the excavations or other operations connected with the construction of the project.

(e) Any equipment temporarily removed as a result of work under this contract shall be protected, cleaned, and replaced in the same condition as at the time of award of this contract.

(f) New work which connects to existing work shall correspond in all respects with that to which it connects and/or be similar to existing work unless otherwise required by the specifications.
(g) No structural members shall be altered or in any way weakened without the written authorization of the Contracting Officer, unless such work is clearly specified in the plans or specifications.
(h) If the removal of the existing work exposes discolored or unfinished surfaces, or work out of alignment, such surfaces shall be refinished, or the material replaced as necessary to make the continuous work uniform and harmonious. This, however, shall not be construed to require the refinishing or reconstruction of dissimilar finishes previously exposed, or finished surfaces in good condition, but in different planes or on different levels when brought together by the removal of intervening work, unless such refinishing or reconstruction is specified in the plans or specifications.
(i) The Contractor shall give all required notices to any adjoining or adjacent property owner or other party before the commencement of any work.
(j) The Contractor shall indemnify and save harmless the PHA from any damages on account of settlement or the loss of lateral support of adjoining property, any damages from changes in topography affecting drainage, and from all loss or expense and all damages for which the PHA may become liable in consequence of such injury or damage to adjoining and adjacent structures and their premises.
(k) The Contractor shall repair any damage to vegetation, structures, equipment, utilities, or improvements, including those that are the property of a third party, resulting from failure to comply with the requirements of this contract or failure to exercise reasonable care in performing the work. If the Contractor fails or refuses to repair the damage promptly, the Contracting Officer may have the necessary work performed and charge the cost to the Contractor.

17. Temporary Buildings and Transportation of Materials

(a) Temporary buildings (e.g., storage sheds, shops, offices, sanitary facilities) and utilities may be erected by the Contractor only with the approval of the Contracting Officer and shall be built with labor and materials furnished by the Contractor without expense to the PHA. The temporary buildings and utilities shall remain the property of the Contractor and shall be removed by the Contractor at its expense upon completion of the work. With the written consent of the Contracting Officer, the buildings and utilities may be abandoned and need not be removed.
(b) The Contractor shall, as directed by the Contracting Officer, use only established roadways, or use temporary roadways constructed by the Contractor when and as authorized by the Contracting Officer. When materials are transported in prosecuting the work, vehicles shall not be loaded beyond the loading capacity recommended by the manufacturer of the vehicle or prescribed by any federal, state, or local law or regulation. When it is necessary to cross curbs or sidewalks, the Contractor shall protect them from damage. The Contractor shall repair or pay for the repair of any damaged curbs, sidewalks, or roads.

18. Clean Air and Water

The contactor shall comply with the Clean Air Act, as amended, 42 USC 7401 et seq., the Federal Water Pollution Control Water Act, as amended, 33 U.S.C. 1251 et seq., and standards issued pursuant thereto in the facilities in which this contract is to be performed.

19. Energy Efficiency

The Contractor shall comply with 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 the contract is performed.

20. Inspection and Acceptance of Construction

(a) Definitions. As used in this clause -
(1) “Acceptance” means the act of an authorized representative of the PHA by which the PHA approves and assumes ownership of the work performed under this contract. Acceptance may be partial or complete.
(2) “Inspection” means examining and testing the work performed under the contract (including, when appropriate, raw materials, equipment, components, and intermediate assemblies) to determine whether it conforms to contract requirements.
(3) “Testing” means that element of inspection that determines the properties or elements, including functional operation of materials, equipment, or their components, by the application of established scientific principles and procedures.
(b) The Contractor shall maintain an adequate inspection system and perform such inspections as will ensure that the work performed under the contract conforms to contract requirements. All work is subject to PHA inspection and test at all places and at all reasonable times before acceptance to ensure strict compliance with the terms of the contract.
(c) PHA inspections and tests are for the sole benefit of the PHA and do not: (1) relieve the Contractor of responsibility for providing adequate quality control measures; (2) relieve the Contractor of responsibility for loss or damage of the material before acceptance; (3) constitute or imply acceptance; or, (4) affect the continuing rights of the PHA after acceptance of the completed work under paragraph (j) below.
(d) The presence or absence of the PHA inspector does not relieve the Contractor from any contract requirement, nor is the inspector authorized to change any term or condition of the specifications without the Contracting Officer’s written authorization. All instructions and approvals with respect to the work shall be given to the Contractor by the Contracting Officer.
(e) The Contractor shall promptly furnish, without additional charge, all facilities, labor, and material reasonably needed for performing such safe and convenient inspections and tests as may be required by the Contracting Officer. The PHA may charge to the Contractor any additional cost of inspection or test when work is not ready at the time specified by the Contractor for inspection or test, or when prior rejection makes reinspection or retest necessary. The PHA shall perform all inspections and tests in a manner that will not unnecessarily delay the work. Special, full size, and performance tests shall be performed as described in the contract.

(f) The PHA may conduct routine inspections of the construction site on a daily basis.

(g) The Contractor shall, without charge, replace or correct work found by the PHA not to conform to contract requirements, unless the PHA decides that it is in its interest to accept the work with an appropriate adjustment in contract price. The Contractor shall promptly segregate and remove rejected material from the premises.

(h) If the Contractor does not promptly replace or correct rejected work, the PHA may (1) by contract or otherwise, replace or correct the work and charge the cost to the Contractor, or (2) terminate for default the Contractor's right to proceed.

(i) If any work requiring inspection is covered up without approval of the PHA, it must, if requested by the Contracting Officer, be uncovered at the expense of the Contractor. If at any time before final acceptance of the entire work, the PHA considers it necessary or advisable, to examine work already completed by removing or tearing it out, the Contractor, shall on request, promptly furnish all necessary facilities, labor, and material. If such work is found to be defective or nonconforming in any material respect due to the fault of the Contractor or its subcontractors, the Contractor shall defray all the expenses of the examination and of satisfactory reconstruction. If, however, such work is found to meet the requirements of the contract, the Contracting Officer shall make an equitable adjustment to cover the cost of the examination and reconstruction, including, if completion of the work was thereby delayed, an extension of time.

(j) The Contractor shall notify the Contracting Officer, in writing, as to the date when in its opinion all or a designated portion of the work will be substantially completed and ready for inspection. If the Architect determines that the state of preparedness is as represented, the PHA will promptly arrange for the inspection. Unless otherwise specified in the contract, the PHA shall accept, as soon as practicable after completion and inspection, all work required by the contract or that portion of the work the Contracting Officer determines and designates can be accepted separately. Acceptance shall be final and conclusive except for latent defects, fraud, gross mistakes amounting to fraud, or the PHA's right under any warranty or guarantee.

21. Use and Possession Prior to Completion

(a) The PHA shall have the right to take possession of or use any completed or partially completed part of the work. Before taking possession of or using any work, the Contracting Officer shall furnish the Contractor a list of items of work remaining to be performed or corrected on those portions of the work that the PHA intends to take possession of or use. However, failure of the Contracting Officer to list any item of work shall not relieve the Contractor of responsibility for complying with the terms of the contract. The PHA's possession or use shall not be deemed an acceptance of any work under the contract.

(b) While the PHA has such possession or use, the Contractor shall be relieved of the responsibility for (1) the loss of or damage to the work resulting from the PHA's possession or use, notwithstanding the terms of the clause entitled Permits and Codes herein; (2) all maintenance costs on the areas occupied; and, (3) furnishing heat, light, power, and water used in the areas occupied without proper remuneration therefore. If prior possession or use by the PHA delays the progress of the work or causes additional expense to the Contractor, an equitable adjustment shall be made in the contract price or the time of completion, and the contract shall be modified in writing accordingly.

22. Warranty of Title

The Contractor warrants good title to all materials, supplies, and equipment incorporated in the work and agrees to deliver the premises together with all improvements thereon free from any claims, liens or charges, and agrees further that neither it nor any other person, firm or corporation shall have any right to a lien upon the premises or anything appurtenant thereto.

23. Warranty of Construction

(a) In addition to any other warranties in this contract, the Contractor warrants, except as provided in paragraph (j) of this clause, that work performed under this contract conforms to the contract requirements and is free of any defect in equipment, material, or workmanship performed by the Contractor or any subcontractor or supplier at any tier. This warranty shall continue for a period of _____ (one year unless otherwise indicated) from the date of final acceptance of the work. If the PHA takes possession of any part of the work before final acceptance, this warranty shall continue for a period of (one year unless otherwise indicated) from the date that the PHA takes possession.

(b) The Contractor shall remedy, at the Contractor's expense, any failure to conform, or any defect. In addition, the Contractor shall remedy, at the Contractor's expense, any damage to PHA-owned or controlled real or personal property when the damage is the result of—
(1) The Contractor's failure to conform to contract requirements; or
(2) Any defects of equipment, material, workmanship or design furnished by the Contractor.

(c) The Contractor shall restore any work damaged in fulfilling the terms and conditions of this clause. The Contractor's warranty with respect to work repaired or replaced will run for (one year unless otherwise indicated) from the date of repair or replacement.

(d) The Contracting Officer shall notify the Contractor, in writing, within a reasonable time after the discovery of any failure, defect or damage.

(e) If the Contractor fails to remedy any failure, defect, or damage within a reasonable time after receipt of notice, the PHA shall have the right to replace, repair or otherwise remedy the failure, defect, or damage at the Contractor's expense.

(f) With respect to all warranties, express or implied, from subcontractors, manufacturers, or suppliers for work performed and materials furnished under this contract, the Contractor shall:
(1) Obtain all warranties that would be given in normal commercial practice;
(2) Require all warranties to be executed in writing, for the benefit of the PHA; and,
(3) Enforce all warranties for the benefit of the PHA.

(g) In the event the Contractor's warranty under paragraph (a) of this clause has expired, the PHA may bring suit at its own expense to enforce a subcontractor's, manufacturer's or supplier's warranty.

(h) Unless a defect is caused by the negligence of the Contractor or subcontractor or supplier at any tier, the Contractor shall not be liable for the repair of any defect of material or design furnished by the PHA nor for the repair of any damage that results from any defect in PHA furnished material or design.

(i) Notwithstanding any provisions herein to the contrary, the establishment of the time periods in paragraphs (a) and (c) above relate only to the specific obligation of the Contractor to correct the work, and have no relationship to the time within which its obligation to comply with the contract may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Contractor's liability with respect to its obligation other than specifically to correct the work.

(j) This warranty shall not limit the PHA's rights under the Inspection and Acceptance of Construction clause of this contract with respect to latent defects, gross mistakes or fraud.

24. 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.

Administrative Requirements

25. Contract Period

this contract within 300 calendar days of the effective date of the contract, or within the time schedule established in the notice to proceed issued by the Contracting Officer.

26. Order of Provisions

In the event of a conflict between these General Conditions and the Specifications, the General Conditions shall prevail. In the event of a conflict between the contract and any applicable state or local law or regulation, the state or local law or regulation shall prevail; provided that such state or local law or regulation does not conflict with, or is less restrictive than applicable federal law, regulation, or Executive Order. In the event of such a conflict, applicable federal law, regulation, and Executive Order shall prevail.

27. Payments

(a) The PHA shall pay the Contractor the price as provided in this contract.

(b) The PHA shall make progress payments approximately every 30 days as the work proceeds, on estimates of work accomplished which meets the standards of quality established under the contract, as approved by the Contracting Officer. The PHA may, subject to written determination and approval of the Contracting Officer, make more frequent payments to contractors which are qualified small businesses.

(c) Before the first progress payment under this contract, the Contractor shall furnish, in such detail as requested by the Contracting Officer, a breakdown of the total contract price showing the amount included therein for each principal category of the work, which shall substantiate the payment amount requested in order to provide a basis for determining progress payments. The breakdown shall be approved by the Contracting Officer and must be acceptable to HUD. If the contract covers more than one project, the Contractor shall furnish a separate breakdown for each. The values and quantities employed in making up this breakdown are for determining the amount of progress payments and shall not be construed as a basis for additions to or deductions from the contract price. The Contractor shall prorate its overhead and profit over the construction period of the contract.

(d) The Contractor shall submit, on forms provided by the PHA, periodic estimates showing the value of the work performed during each period based upon the approved

submitted not later than 14 days in advance of the date set for payment and are subject to correction and revision as required. The estimates must be approved by the Contracting Officer with the concurrence of the Architect prior to payment. If the contract covers more than one project, the Contractor shall furnish a separate progress payment estimate for each.

(e) Along with each request for progress payments and the required estimates, the Contractor shall furnish the following certification, or payment shall not be made: I hereby certify, to the best of my knowledge and belief, that:

(1) The amounts requested are only for performance in accordance with the specifications, terms, and conditions of the contract;

(2) Payments to subcontractors and suppliers have been made from previous payments received under the contract, and timely payments will be made from the proceeds of the payment covered by this certification, in accordance with subcontract agreements; and,

(3) This request for progress payments does not include any amounts which the prime contractor intends to withhold or retain from a subcontractor or supplier in accordance with the terms and conditions of the subcontract.

_____
Name:

_____
Title:

_____
Date:

(f) Except as otherwise provided in State law, the PHA shall retain ten (10) percent of the amount of progress payments until completion and acceptance of all work under the contract; except, that if upon completion of 50 percent of the work, the Contracting Officer, after consulting with the Architect, determines that the Contractor's performance and progress are satisfactory, the PHA may make the remaining payments in full for the work subsequently completed. If the Contracting Officer subsequently determines that the Contractor's performance and progress are unsatisfactory, the PHA shall reinstate the ten (10) percent (or other percentage as provided in State law) retainage until such time as the Contracting Officer determines that performance and progress are satisfactory.

(g) The Contracting Officer may authorize material delivered on the site and preparatory work done to be taken into consideration when computing progress payments.

Material delivered to the Contractor at locations other than the site may also be taken into consideration if the Contractor furnishes satisfactory evidence that (1) it has acquired title to such material; (2) the material is properly stored in a bonded warehouse, storage yard, or similar suitable place as may be approved by the Contracting Officer; (3) the material is insured to cover its full value; and (4) the material will be used to perform this contract. Before any progress payment which includes delivered material is made, the Contractor shall furnish such documentation as the Contracting Officer may require to assure the protection of the PHA's interest in such materials. The Contractor shall remain responsible for such stored material notwithstanding the transfer of title to the PHA.

(h) All material and work covered by progress payments made shall, at the time of payment become the sole property of the PHA, but this shall not be construed as (1) relieving the Contractor from the sole responsibility for all material and work upon which payments have been made or the restoration of any damaged work; or, (2) waiving the right of the PHA to require the fulfillment of all of the terms of the contract. In the event the work of the Contractor has been damaged by other contractors or persons other than employees of the PHA in the course of their employment, the Contractor shall restore such damaged work without cost to the PHA and to seek redress for its damage only from those who directly caused it.

(i) The PHA shall make the final payment due the Contractor under this contract after (1) completion and final acceptance of all work; and (2) presentation of release of all claims against the PHA arising by virtue of this contract, other than claims, in stated amounts, that the Contractor has specifically excepted from the operation of the release. Each such exception shall embrace no more than one claim, the basis and scope of which shall be clearly defined. The amounts for such excepted claims shall not be included in the request for final payment. A release may also be required of the assignee if the Contractor's claim to amounts payable under this contract has been assigned.

(j) Prior to making any payment, the Contracting Officer may require the Contractor to furnish receipts or other evidence of payment from all persons performing work and supplying material to the Contractor, if the Contracting Officer determines such evidence is necessary to substantiate claimed costs.

(k) The PHA shall not; (1) determine or adjust any claims for payment or disputes arising there under between the Contractor and its subcontractors or material suppliers; or, (2) withhold any moneys for the protection of the subcontractors or material suppliers. The failure or refusal of the PHA to withhold moneys from the Contractor shall in nowise impair the obligations of any surety or sureties under any bonds furnished under this contract.

28. 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.

29. 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 a 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.

30. Suspension of Work

(a) The Contracting Officer may order the Contractor in writing to suspend, delay, or interrupt all or any part of the work of this contract for the period of time that the Contracting Officer determines appropriate for the convenience of the PHA.

(b) If the performance of all or any part of the work is, for an unreasonable period of time, suspended, delayed, or interrupted (1) by an act of the Contracting Officer in the administration of this contract, or (2) by the Contracting Officer's failure to act within the time specified (or within a reasonable time if not specified) in this contract an adjustment shall be made for any increase in the cost of performance of the contract (excluding profit) necessarily caused by such unreasonable suspension, delay, or interruption and the contract modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension, delay, or interruption to the extent that performance would have been so suspended, delayed, or interrupted by any other cause, including the fault or negligence of the Contractor or for which any equitable adjustment is provided for or excluded under any other provision of this contract.

(c) A claim under this clause shall not be allowed (1) for any costs incurred more than 20 days before the Contractor shall have notified the Contracting Officer in writing of the act or failure to act involved (but this requirement shall not apply as to a claim resulting from a suspension order); and, (2) unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of the suspension, delay, or interruption, but not later than the date of final payment under the contract.

31. Disputes

(a) "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to the contract. A claim arising under the contract, unlike a claim relating to the contract, is a claim that can be resolved under a contract clause that provides for the relief sought by the claimant. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim. The submission may be converted to a claim by complying with the requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

(b) Except for disputes arising under the clauses entitled Labor Standards - Davis Bacon and Related Acts, herein, 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.

(c) 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.

(d) The Contracting Officer shall, within 60 (unless otherwise indicated) days after receipt of the request, decide the claim or notify the Contractor of the date by which the decision will be made.

(e) 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 unless otherwise indicated) days after receipt of the Contracting Officer's decision.

(f) 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.

32. 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 this 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. Examples of such causes include (i) acts of God, or of the public enemy, (ii) acts of the PHA or other governmental entity in either its sovereign or contractual capacity, (iii) acts of another contractor in the performance of a contract with the PHA, (iv) fires, (v) floods, (vi) epidemics, (vii) quarantine restrictions, (viii) strikes, (ix) freight embargoes, (x) unusually severe weather, or (xi) delays of subcontractors or suppliers at any tier arising from unforeseeable causes beyond the control and without the fault or negligence of both the Contractor and the subcontractors or suppliers; and

(2) The Contractor, within days (10 days unless otherwise indicated) from the beginning of such delay (unless extended by the Contracting Officer) 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 obligations of the parties will be the same as if the termination had been for convenience of the PHA.

33. Liquidated Damages

(a) If the Contractor fails to complete the work within the time specified in the contract, or any extension, as specified in the clause entitled Default of this contract, the Contractor shall pay to the PHA as liquidated damages, the sum of $ 100.00 Contracting Officer insert amount] for each day of delay. If different completion dates are specified in the contract for separate parts or stages of the work, the amount of liquidated damages shall be assessed on those parts or stages which are delayed. To the extent that the Contractor's delay or nonperformance is excused under another clause in this contract, liquidated damages shall not be due the PHA. The Contractor remains liable for damages caused other than by delay.

(b) If the PHA terminates the Contractor's right to proceed, the resulting damage will consist of liquidated damages until such reasonable time as may be required for final completion of the work together with any increased costs occasioned the PHA in completing the work.

(c) If the PHA does not terminate the Contractor's right to proceed, the resulting damage will consist of liquidated damages until the work is completed or accepted.

34. 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.

35. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the PHA under the contract may be assigned to a bank, trust company, or other financial institution. Such assignments of claims shall only be made with the written concurrence of the Contracting Officer. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership as approved by the Contracting Officer.

36. 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 $ 1,000,000 [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 $ 1,000,000 [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.

37. Subcontracts

(a) Definitions. As used in this contract -

(1) "Subcontract" means any contract, purchase order, or other purchase agreement, including modifications and change orders to the foregoing, entered into by a subcontractor to furnish supplies, materials, equipment, and services for the performance of the prime contract or a subcontract.

(2) "Subcontractor" means any supplier, vendor, or firm that furnishes supplies, materials, equipment, or services to or for the Contractor or another subcontractor.

(b) The Contractor shall not enter into any subcontract with any subcontractor who has been temporarily denied participation in a HUD program or who has been suspended or debarred from participating in contracting programs by any agency of the United States Government or of the state in which the work under this contract is to be performed.

(c) The Contractor shall be as fully responsible for the acts or omissions of its subcontractors, and of persons either directly or indirectly employed by them as for the acts or omissions of persons directly employed by the Contractor.

(d) The Contractor shall insert appropriate clauses in all subcontracts to bind subcontractors to the terms and conditions of this contract insofar as they are applicable to the work of subcontractors.

(e) Nothing contained in this contract shall create any contractual relationship between any subcontractor and the PHA or between the subcontractor and HUD.

38. Subcontracting with Small and Minority Firms, Women's Business Enterprise, and Labor Surplus Area Firms

The Contractor shall take the following steps to ensure that, whenever possible, subcontracts are awarded to small business firms, minority firms, women's business enterprises, and labor surplus area firms:

(a) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(b) Ensuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources;

(c) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises;

(d) Establishing delivery schedules, where the requirements of the contract permit, which encourage participation by small and minority businesses and women's business enterprises; and

(e) Using the services and assistance of the U.S. Small Business Administration, the Minority Business Development Agency of the U.S. Department of Commerce, and State and local governmental small business agencies.

39. Equal Employment Opportunity

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

(a) The Contractor/Seller shall not discriminate against any employee or applicant for employment because of of race,,, color, religion, sex, sexual orientation, gender identity, disability, or national origin.

(b) The Contractor/Seller shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, disability, or national origin. Such action shall include, but not be limited to, (1) employment, (2) upgrading, (3), (3) demotion, (4) transfer, (5) recruitment or recruitment advertising, (6) layoff or termination, (7) rates of pay or other forms of compensation, and (8) selection for training including apprenticeship

(c) The Contractor/Seller agrees to post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer setting forth the provisions of this nondiscrimination clause.
(d) The Contractor/Seller shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor/Seller, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
(e) The Contractor/Seller shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
(f) The Contractor/Seller shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
(g) The Contractor/Seller shall furnish all information and reports required by Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor/Seller shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
(h) In the event of a that the Contractor/Seller is in non-compliance 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/seller may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(i)The contractor/seller will include the provisions of paragraphs (a) through (h) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each sub[contractor/seller] or vendor. The [contractor/seller] will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions in cluding sanctions for noncompliance: Provided, however, that in the event the [contractor/seller] becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the [contractor/seller] may request the United States to enter into such litigation to protect the interests of the United States.
(j) Compliance with the requirements of this clause shall be to the maximum extent consistent with, but not in derogation of, compliance with section 7(b) of the Indian Self-Determination and Education Assistance Act and the Indian Preference clause of this contract.

40. Employment, Training, and Contracting Opportunities for Low-Income Persons, Section 3 of the Housing and Urban Development Act of 1968.

(a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
(b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
(c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
(d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
(e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
(f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
(g) With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b)agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

41. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America shall be admitted to any share or part of this contract or to any benefit that may arise therefrom.

42. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the PHA, no member of the governing body of the locality in which the project is situated, no member of the governing body of the locality in which the PHA was activated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

43. Limitations on Payments made to Influence Certain Federal Financial Transactions

(a) The Contractor agrees to comply with Section 1352 of Title 31, United States Code which prohibits the use of Federal appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract; the making of any Federal grant; the making of any Federal loan; the entering into of any cooperative agreement; or the modification of any Federal contract, grant, loan, or cooperative agreement.

(b) The Contractor further agrees to comply with the requirement of the Act to furnish a disclosure (OMB Standard Form LLL, Disclosure of Lobbying Activities) if any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a Federal contract, grant, loan, or cooperative agreement.

44. Royalties and Patents

The Contractor shall pay all royalties and license fees. It shall defend all suits or claims for infringement of any patent rights and shall save the PHA harmless from loss on account thereof; except that the PHA shall be responsible for all such loss when a particular design, process or the product of a particular manufacturer or manufacturers is specified and the Contractor has no reason to believe that the specified design, process, or product is an infringement. If, however, the Contractor has reason to believe that any design, process or product specified is an infringement of a patent, the Contractor shall promptly notify the Contracting Officer. Failure to give such notice shall make the Contractor responsible for resultant loss.

45. Examination and Retention of Contractor's Records

(a) The PHA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 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.

(b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding $10,000.

(c) The periods of access and examination in paragraphs (a) and (b) above for records relating to (1) appeals under the Disputes clause of this contract, (2) litigation or settlement of claims arising from the performance of this contract, or (3) costs and expenses of this contract to which the PHA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

46. Labor Standards - Davis-Bacon and Related Acts

If the total amount of this contract exceeds $2,000, the Federal labor standards set forth in the clause below shall apply to the development or construction work to be performed under the contract.

(a) Minimum Wages.

(1) All laborers and mechanics employed under this contract in the development or construction 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 taken 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 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 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) (1) 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 and 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.

(2) 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.

(3) 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.

(e) 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.

(f) Contract termination; debarment. A breach of this contract clause may be grounds for termination of the contract and for debarment as a Contractor and a subcontractor as provided in 29 CFR 5.12.

(g) 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.

(h) 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.

(i) 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.

(j) Contract Work Hours and Safety Standards Act. As used in this paragraph, the terms "laborers" and "mechanics" include watchmen and guards.

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

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

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

(k) 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.

47. Non-Federal Prevailing Wage Rates

(a) Any prevailing wage rate (including basic hourly rate and any fringe benefits), determined under State or tribal 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:
(1) 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;
(b) 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
(c) An applicable trainee wage rate based thereon specified in a DOL-certified trainee program.

48. 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.

SUPPLEMENTARY CONDITIONS

1.01 CONTRACT, BONDS & INSURANCE: The following shall be submitted to the Owner within ten (10) days of receipt of Owner-Contractor Contract Form:

1. Owner-Contractor Contract Form: Three copies of Contract shall be signed and returned. Owner will return one copy when signed by the Owner.

2. Copy of Delaware Business License.

3. Certificates of Insurance: (See Supplementary Conditions, INSURANCE).

The Owner will issue a "Notice to Proceed" (N.T.P.) once the above items have been received and reviewed.

1.02 PRE-CONSTRUCTION MEETING: A PRE-CONSTRUCTION MEETING will be scheduled and shall be attended by representatives of the Owner, and recommended for Contractor(s) and may also include governing and/or utility agency/company representative(s). At this meeting, the following shall be reviewed and/or distributed.

1. Forms: The Owner will distribute HUD and other required forms to the Contractor and will review the procedures for completing each form. (NO REQUEST FOR PAYMENT WILL BE APPROVED FOR ANY WORK IF ANY REQUIRED FORMS HAVE NOT BEEN SUBMITTED AND APPROVED.)

2. Conditions of the project site, miscellaneous site and building utilities, buildings, laundry rooms, existing equipment to be retained and used, irregularities to be corrected and special conditions not covered by the contract documents.

3. Access to apartments and community buildings.

4. Proposed alternate methods, if any.

5. Availability of materials, delivery schedules, tradesmen, equipment, and facilities.

6. Locations for materials storage, equipment and facilities and permissible access routes.

7. Procedures for coping with unfavorable weather conditions.

8. Coordination with other contractors and/or utility agencies/companies who may be working in the same or adjacent areas under separate contracts with the Owner and coordination of work with Owner personnel (or tenants, when required).

9. Detailed project schedule of operations showing the task sequencing including the starting and ending dates for work at each residential unit and the project. Subsequent to the Pre-Construction Meeting, the Contractor shall maintain and update the schedule providing updated copies to the Owner at least 48-hours prior to deviating from the project schedule.

10. Miscellaneous Required Submittals:

    1. Schedule of Operations
    2. Refer to any additional submittals required in Technical Specifications.
    3. Permits.

1.03 JOB MEETINGS:

A. All Contractors, and any subcontractor, material man or vendor whose presence is necessary, shall attend job meetings when scheduled by the Owner for the purpose of discussing the execution of the work. Attendance at these meetings will be mandatory, unless excused in writing by the Owner.

B. Meetings will be held as deemed necessary by the Owner at the time and place designated. Every effort will be made to notify the Contractor five (5) days prior to require meetings. All decisions, instructions and interpretations given by the Owner at these meetings shall be binding and conclusive on each Contractor. The proceedings of these meetings will be recorded by the Owner, and each Contractor will be furnished one copy of the meeting minutes (unless additional copies are requested) for his use and for distribution to the various subcontractors, material man and vendors involved and not in attendance. All attendees will receive a copy.

1.04 ADMINISTRATIVE SUBMITTALS: The Contractor shall, within ten (10) days of the Notice to Proceed, submit the following information to the Owner (NO REQUEST FOR PAYMENT WILL BE APPROVED FOR ANY WORK IF THE FOLLOWING HAVE NOT BEEN APPROVED).

1. Schedule of Operations (separate from the schedule of values): Indicate each phase of the work to be performed in the order of performance, including the time necessary to complete each phase. Particular attention should be given to operations which must occur at the end of each day's work, including covering, cut-offs, and other stop-gap protective measures.

The Contractor will be required to establish to the satisfaction of the Owner the reliability and responsibility of the persons or entities proposed to furnish and perform the work described in the Documents. Persons and entities proposed by the Contractor and to whom the Owner have made no reasonable objection shall be used on the work for which they were proposed and shall not be changed except with the written consent of the Owner. Submit the following information:

1. A designation of the work to be performed by the Contractor with his own forces.

2. The proprietary names and the suppliers of principal items or systems of materials and equipment proposed for the work.

3. A list of names of the subcontractors or other persons or entities (including those who are to furnish materials or equipment fabricated to a special design) proposed for the principal portions of the work. A list of subcontractors must be submitted with the bid.

1.05 SHOP DRAWINGS, SAMPLES AND PRODUCT DATA:

A. Unless otherwise noted or if the Contractor requires additional copies, submit at least five (5) copies of each item requiring Owner's approval or for record purposes if no approval required: One for the Owner and one to be returned to the Contractor.

B. Transparencies - not used.

C. Submit to the Owner five (5) copies of manufacturer's specifications, installation instructions, maintenance instructions, and general recommendations covering each material and/or system required for the project. The Contractor shall include written certification (include approval stamp, signature and date) substantiating that the materials comply with the requirements.

D. The Contractor shall review, approve and submit to the Owner, with reasonable promptness and in such sequence as to cause no delay in the work or in the work of the Owner or any separate contractor, all Shop Drawings, Product Data, and Samples as required by the Contract Documents.

E. No portion of the work requiring submission of a shop drawing, product data or sample shall be commenced until the submittal has been approved by the Owner. All such portions of the work shall be in accordance with approved submittals. NO PAYMENT WILL BE APPROVED FOR ANY WORK IF THE REQUIRED SUBMISSIONS HAVE NOT BEEN APPROVED.

F. By approving and submitting Shop Drawings, Product Data and Samples, the Contractor represents that he/she has determined and verified all materials, field measurements, and field construction criteria related thereto, or will do so, and that he/she has checked and coordinated the information contained within such submittals with the requirements of the work of the Contract Documents prior to the start of work.

G. The Contractor shall not be relieved of responsibility for any deviation from the requirements of the Contract Documents by the Owner's approval of Shop Drawings, Product Data or Samples unless the Contractor has specifically informed the Owner in writing of such deviation at the time of submission and the Owner has given written approval to the specific deviation. The Contractor shall not be relieved from responsibility for errors or omissions in the Shop Drawings, Product Data or Samples by the Owner's approval thereof.

H. The Contractor shall not be relieved of responsibility for any deviation from the requirements of the Contract Documents by the Owner's approval of Shop Drawings, Product Data or Samples unless the Contract Documents by the Owner's approval specifically informed the Owner in writing of such deviation at the time of submission and the Owner has given written approval to the specific deviation. The Contractor shall not be relieved from responsibility for errors or omissions in the Shop Drawings, Product Data or Samples by the Owner's approval thereof.

1.06 RECORD "AS BUILT" DRAWINGS: See Technical Specifications.

1.07 DRAWINGS AND SPECIFICATIONS:

A. Unless otherwise provided in the Contract Documents, the Owner will furnish to each prime Contractor, free of charge, two copies of the Specifications for the execution of the work.

B. Dimensioned and full-size drawings shall take precedence over scaled dimensions. Where the work is shown in complete detail on only half or a portion of a drawing or there is an indication of continuation, the remainder being shown on outline, the work drawn out in detail shall be understood to apply to other like portions of the structure or utilities.

C. It will be the responsibility of each Contractor, by personal inspection prior to submission of his bid proposal, to satisfy himself as to the correctness of any information given which may affect the quantity, size and quality of materials required for a satisfactorily completed Contract, whether or not such information is indicated in the Specifications.

D. All work that may be called for in the Specifications and not shown on the Drawings or, shown on the Drawing and not called for in the Specifications, shall be executed and furnished by the Contractors as if described in both. Should any incidental work or materials be required by which are, nevertheless, necessary for the proper carrying out of the intent thereof, the Contractor shall understand same to be implied and required and he/she shall perform all such work and furnish all such materials as fully as if they were particularly delineated or described.

E. No Contractor shall at any time after the execution of his Contract set up any claims whatever based upon insufficient data or incorrectly assumed conditions, nor shall he/she claim any misunderstanding with regard to the nature, conditions or character of the work to be done under the Contract, and he/she shall assume all risks resulting from any changes in conditions which may occur during the progress of this work.

1.08 WARRANTY: See Technical Specifications. See Form HUD-5370, page 8, no. 23. At the 11th month during the warranty period, Delaware State Housing Authority will conduct a warranty inspection.

1.09 PERMITS: The Contractor shall secure and pay for the Building Permit and for all other permits and governmental fees, licenses and inspections (prior to the start of work) necessary for the proper execution and completion of the Work which are customarily secured after execution of the Contract and which are legally required at the time the bids are received. SUBMIT ALL COPIES OF PERMITS TO THE OWNER PRIOR TO THE START OF WORK. NO REQUEST FOR PAYMENT WILL BE APPROVED FOR ANY WORK IF COPIES OF ALL PERMITS HAVE NOT BEEN SUBMITTED.

1.10 CONSTRUCTION SUPERINTENDENT: The Contractor shall employ a construction superintendent or foreman at the site of the work, who shall have full authority to act for the Contractor. It is understood that such representative shall be acceptable to the Owner and shall be one who is to be continued in the capacity for the full length of the project unless he/she ceases to be on the Contractor's payroll.

1.11 PORTABLE CHEMICAL TOILETS: not used.

1.12 UTILITY SERVICE: Contractor will be permitted to use the Owner's existing water and/or electric service where available and functioning for utilities needed to perform the Work required by this Contract, subject to (a) the Owner's approval of type and location of connection(s), and (b) replacement of existing system to original or better condition prior to final payment.

1.13 ORDERING MATERIALS: Before ordering any material or starting any layout for work, each Contractor must check and verify all measurements which may apply to or in any way affect the work to be done or materials to be furnished.

1.14 USE OF PREMISES AND REMOVAL OF DEBRIS

A. Each contractor expressly undertakes at his own expense:

1. To take every precaution against injuries to persons or damage to property.

2. To store his/her apparatus, materials, supplies and equipment in such orderly fashion at the site of the work as will not unduly interfere with the progress of his work or the work of any other Contractors.

3. To place upon the work of any part thereof only such loads as are consistent with the safety of that portion of the work.

4. To clean up frequently all refuse, rubbish, scrap materials and debris caused by his operations to the end that at all times, the site of the work shall present a neat, orderly and workmanlike appearance.

5. To remove before final payment all surplus material, falsework, temporary structures, including foundations thereof, plant of any description and debris of every nature resulting from his operations, and to put the site in a neat, orderly condition.

B. All materials (not including debris, etc.) of any kind of character, belonging to the Contractor, which remain upon the premises where the work is being performed after the expiration of sixty days from the date of final payment to the Contractor, shall become absolutely the property of the Owner subject to use and disposal of by the Owner as it may deem proper.

C. Designated location(s) for equipment and material storage and building access shall be arranged with the Owner prior to delivery and construction.

1.15 MATERIALS AND EQUIPMENT TO BE SALVAGED: Except where specifically stated otherwise, herein, all existing materials and equipment which are required to be removed or disconnected to perform the work, but are not indicated or specified for use in the new work, shall become the property of the Contractor and shall be removed from the Owner's property, unless so noted to remain the property of the Owner. Salvaged items are not to be sold on the premises by the Contractor.

1.16 PROTECTION:

A. General: The buildings within this contract will NOT be vacant during the construction period. The Contractor shall take all necessary precautions to adequately protect personnel, public and private property in the areas of the work. Approved barriers and warning signs shall be provided to re-route personnel around areas of dangerous work. The work shall be executed in a manner and at such times that will cause the least practicable disturbance to the occupants of the buildings. Before starting any work, the sequence of operations and the methods of conducting the work shall be approved by the Owner. All federal, State and Local regulations governing protection of building access routes, vehicular traffic and pedestrian traffic shall be strictly followed and enforced. Replace, or restore to original condition, any item damaged by the Contractor during the extent of the Contract Work, to the satisfaction of the Owner.

B. Storm Protection: Should warnings of wind of gale force or stronger be issued, the Contractor shall take every practicable precaution to minimize danger to persons, to the work, and to adjacent property. These precautions shall include closing all openings, removing all loose materials, tools and equipment from exposed locations and removing or securing scaffolding and other temporary work.

1.17 BUILDING ACCESS: Contractor is limited to the locations necessary to perform the work. Parking areas, storage areas and suggested access locations shall be coordinated with and approved by the Owner. Conduct all operations in the least disruptive manner.

1.18 INSURANCE:

A. In the event of loss, the Contractor shall immediately notify the Owner in writing and take other appropriate steps as outlined in the Standard Fire Insurance Policy.

B. The Contractor shall not commence work under this contract until he/she has obtained all the insurance required by the Contract Documents and such insurance has been approved by the Owner, nor shall the Contractor allow any subcontractor to commence work until his/her insurance has been so obtained and approved.

C. Contractor's Public Liability and Property Damage Insurance and Vehicle Liability Insurance: The Contractor shall procure and shall maintain during the life of this contract, Contractor's Public Liability Insurance, Contractor's Property Damage Insurance and Vehicle Liability Insurance in the following amounts:

1. Comprehensive General Liability Form Unrestricted by Endorsement--
$1,000,000 - Bodily Injury
$1,000,000 - Property Damage
This policy shall include the Owner as a certificate holder and as an additional insured.

2. Automobile Public Liability & Property Damage--
$1,000,000 - Bodily Injury
$1,000,000 - Property Damage
This policy shall include the Owner as a certificate holder and as an additional insured.

D. Subcontractor's Public Liability and Property Damage Insurance and Vehicle Liability Insurance: The Contractor shall either (a) require each of his/her subcontractors to procure and to maintain during the life of his subcontract, Subcontractor's Public Liability and Property Damage Insurance and Vehicle Liability Insurance of the type and in the amounts specified, or (b) insure the activities of his subcontractors in his/her policy.

E. Scope of Insurance and Special Hazards: The insurance required shall provide adequate protection for the Contractor and his/her subcontractors, respectively, against damage claims which may arise from operations under this contract, whether such operations be by the insured or by anyone directly or indirectly employed by him/her and, also against any of the special hazards which may be encountered in the performance of this contract.

F. Certificates of Insurance: CERTIFICATES OF INSURANCE as outlined in Paragraphs A through E MUST BE SUBMITTED TO THE Owner WITHIN TEN (10) DAYS OF RECEIPT OF THE OWNER/CONTRACTOR CONTRACT FORM.

1.19 LIQUIDATED DAMAGES: Liquidated damages will be assessed at a daily rate of $100 per calendar day, and the monies will be deducted from the final payment due to the Contractor, if the entire project is not completed and approved in accordance with Paragraph 33 of Form HUD-5370, General Conditions of the Contract for Construction. An extension of the contract time may be made at the discretion of the Owner for causes for which the Contractor is not responsible and have delayed completion of the work.

1.20 OWNER'S RIGHT TO CARRY OUT THE WORK: If the Contractor defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within seven days after receipt of written notice from the Owner to commence and continue correction of such default or neglect with diligence and promptness, the Owner may, after seven days following receipt by the Contractor of an additional written notice and without prejudice to any other remedy he/she may have, make good such deficiencies. In such case an appropriate Change Order shall be issued deducting from the payments then or thereafter due the Contractor the cost of correctly such deficiencies. Such action by the Owner and the amount charged to the Contractor are both subject to the prior approval of the Owner. If the payments then or thereafter due the Contractor are not sufficient to cover such amount, the Contractor shall pay the difference to the Owner.

1.21 OSHA REQUIREMENTS: Follow all applicable OSHA requirements governing labor practices, construction work, and installed products. Each Contractor has sole responsibility for compliance with all requirements of the most current Occupational Safety and Health Act and agrees to indemnify and hold harmless the Owner against any legal liability or loss due to failure to comply. The Contractor shall designate a Project Safety Director who shall be the Job Superintendent unless the Contractor requests in writing to the Owner permission to substitute another person as the Safety Director.

1.22 U.S. DEPARTMENT OF LABOR WAGE RATES:

Attached hereto.

1.23 WORK HOURS: Unless specifically authorized by the Owner, all work shall be performed during the hours between 8:00 a.m. and 4:30 p.m. on Monday through Friday, except State holidays.

1.24 ARCHAEOLOGICAL EVIDENCE: Whenever, in the course of construction, any archaeological evidence is encountered on the surface or below the surface of the ground, the Contractor shall notify the authorities of the Delaware Bureau of Archaeology and Historic Preservation and suspend work in the immediate area for a reasonable time to permit authorities, or persons designated by them, to examine the area and insure the proper removal of the archaeological evidence for suitable preservation in the State Museum.

1.25 REQUIREMENTS FOR LISTING SUBCONTRACTORS:

The Contractor shall comply with all requirements set forth in Section 6911, Chapter 69, Title 29 of the Delaware Code.

After the Contractor has been awarded, the Contractor shall not substitute another Subcontractor for any Subcontractor whose name was set forth in the statement which accompanied his bid without the written consent of the Agency awarding the Contract. The Contractor's List of Subcontractors submitted with his Bid will be attached to the Owner-Contractor Agreement and shall become one of the Contract Documents.

1.26 STATE LICENSE AND TAX REQUIREMENTS:

LICENSES:

Each Contractor and Subcontractor shall be licensed to do business in the State of Delaware and shall pay all fees and taxes due under State laws. In conformance with Section 2503, Chapter 25, Title 30, Delaware Code, the Contractor shall furnish the State Tax Department within ten (10) days after award of the Contract, a statement of the total values of each Contract and Subcontract, together with the names and addresses of the contracting parties.

1.27 ASSIGNMENT OF ANTITRUST CLAIMS:

As consideration for the award and execution by the Owner of this contract, the Contractor hereby grants, conveys, sells, assigns and transfers to the State of Delaware all of its rights, title and interest in and to all known or unknown causes of action it presently has or may now or hereafter acquire under the antitrust laws of the United States and the State of Delaware, relating to the particular goods or services purchased or acquired by the Owner pursuant to this contract.

1.28 LOCAL LABOR PREFERENCE:

Preference for Delaware labor:

The Contractor shall comply with all requirements set forth in Section 6913, Chapter 29, Title 29 of the Delaware Code.

1.29 ASBESTOS FREE CERTIFICATION:

The Contractor shall certify to the Owner that materials incorporated into the work are free of all asbestos. This certification may be in the form of Material Safety Data Sheet (MSDS) provided by the product manufacturer.

Provide certification for the following products as applicable:

Resilient Floor Materials
Acoustic Ceiling Materials
Thermal Insulating Materials
Drywall/Sheetrock Materials
Boiler Insulation
Mudded Fitting Insulation
Pipe Insulation
Wire Insulation
Ductwork Insulation
Taping Compounds
Blown-in and Batt Insulation
Caulking, Putties and Sealers

1.30 HAZARDOUS MATERIALS:

A. Notify the Owner in the event any existing hazardous material such as asbestos material is encountered on the project. The owner will arrange with a qualified specialist of the identification, testing, removal, handling and protection against exposure or environmental pollution, to comply with applicable regulation laws and ordinances.

B. As required in the Hazardous Chemical Information Act of June 1984, all vendors supplying any materials that may be defined as hazardous, must provide Material Safety Data Sheets for those products. Any chemical product should be considered hazardous if it has a warning caution on the label relating to a potential physical or health hazard, if it is known to be present in the work place, and if employees may be exposed under normal conditions or in any foreseeable emergency situation. Material Safety Sheets must be provided directly to the Owner along with the shipping slips that include those products.

END OF SUPPLEMENTARY CONDITIONS

DSHA Supplementary Conditions
of the Construction Contract

EMPLOYMENT OPPORTUNITIES FOR LOWER INCOME PERSONS

Attention of Bidders is particularly called to the requirements concerning provisions for training, employment and business opportunities, to the maximum extent feasible, for lower income residents residing in the project area, as defined by the U.S. Housing and Urban Development Agency.

Prior to execution of a contract the accepted Bidder must submit the following;

a. Good Faith Effort and Compliance Certification

b. Preliminary Statement of Work Force Needs of skilled, semiskilled, unskilled labor and trainees by category and subcontract requirements.

c. Affirmative Action Plan for utilization of project area residents and businesses eligible under Section 3 of the U.S. Housing and Urban Development Act of 1968.

NOTICE OF REQUIREMENT FOR AFFIRMATIVE ACTION TO ENSURE EQUAL EMPLOYMENT OPPORTUNITY EXECUTIVE ORDER 11246

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

1. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, lay-off 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 all employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration 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/she has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Contract Compliance Officer advising the said labor union or worker's representatives of the Contractor's commitment under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and 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 11246 of September 24, 1965, and by rules, regulations and orders of the Secretary of Labor, or pursuant, thereto, and will permit access to his books, records, and accounts by the Department and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

6. In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said 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 contractors or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, or by rules, regulations or order of the Secretary of Labor, or as otherwise provided by law.

7. The Contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraph (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontractor or purchase order as the Department may direct as a means of enforcing such provisions, including sanctions for noncompliance: provided; however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Department the Contractor may request the United States to enter into such litigation to protect the interest of the United States.

Copies of the following notice will be posted in conspicuous places available to employees or applicants for employment:

NOTICE TO LABOR UNIONS OR OTHER ORGANIZATIONS OF WORKERS

NONDISCRIMINATION IN EMPLOYMENT

TO: _____
(Name of union or organization of workers)

The undersigned currently holds contract(s) with _____ involving
(Name of Applicant)
funds or credit of the U.S. Government or (a) subcontractor(s) with a prime contractor holding such contract(s).

You are advised that under the provisions of the above contract(s) or subcontract(s) and in accordance with Executive Order No. 11246, Section 202, dated September 24, 1965, the undersigned is obliged not to discriminate against any employee or applicant for employment because of race, color, creed, or national origin. This obligation not to discriminate in employment includes, but is not limited to, the following:

HIRING, PLACEMENT, UPGRADING, TRANSFER OR DEMOTION, RECRUITMENT,

ADVERTISING, OR SOLICITATION FOR EMPLOYMENT, TRAINING DURING EMPLOYMENT,

RATES OF PAY OR OTHER FORMS OF COMPENSATION, SELECTION FOR TRAINING

INCLUDING APPRENTICESHIP, LAYOFF OR TERMINATION.

This notice is furnished you pursuant to the provisions of the above contract(s) or subcontract(s) and Executive Order No. 11246.

_____

_____

_____

_____
(Contractor or Subcontractor)

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

A. This Contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, (12 USC 1701u) as amended, the HUD regulations issued pursuant thereto at 25 CFR Part 135, and any applicable rules and orders of HUD issued thereunder prior to the execution of this Contract. The Section 3 clause, set forth in 24 CFR, 135.20 (b) provides.

a.) The work to be performed under this Contract is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Development Act of 1968, as amended, 12 USC 1701u. Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the projects to be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.

b.) The parties of the Contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of this Contract. The parties to the Contract certify and agree that they are under no contractual or other disability which that they are under no contractual or other disability which would prevent them from complying with these requirements.

c.) The Contractor will send to each labor organization or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization of workers representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

d.) The Contractor will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR 135. The Contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

e.) Compliance with the provisions of Section 3, the regulations set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of the Contract, shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors and assigns to
those sanctions specified by the grant or loan agreement or contract through which Federal assistance is provided, and to such sanctions as are specified by 24 CFR 135.135.

f.) Business concerns located within Section 3 covered project area means those business concerns located within the relevant Section 3 covered project area as determined pursuant to par. 135.15 and which qualify as socially or economically disadvantaged small business concerns. Business concerns which are at least 51% owned by a person(s) residing within the relevant Section 3 covered project areas as determined pursuant to par 135.15. Socially or economically disadvantaged small business means a business concern which qualified as small under the small business size standards of the SBA and whose principal owners participation in the free enterprise system has been hampered because of such factors as low income, unfavorable location as in areas impacted with low income housing or depressed rural area and areas of high unemployment or under employment; limited education, physical or other special handicap; inability to compete effectively in the market place because of prevailing or past restrictive practices. Such principal owners may include, but are not limited to, Black, Hispanic, Asian or Pacific Islander, American Indian or Alaskan Native and Women.

B. Prior to the signing of the Contract, the Contractor shall provide a preliminary statement of work force needs (skilled, semi-skilled, unskilled labor and trainees category) where known; where not known, such information shall be applied to the signing of any contract between the Contractor and subcontractor.

a.) <u>Trainees</u>

1.) Utilizing the maximum number of persons in the various training categories in all phases of such work to be performed under the Section 3 covered project, and

2.) Filling all vacant training positions with lower income project area residents except for those training positions which remain unfilled after a good faith effort has been made.

3.) "Work Force Utilization Table" - See Appendix No. 1.

b.) <u>Residents as Employees</u>

Each Contractor and subcontractor shall fulfill his obligation to utilize lower income project area residents as employees to the greatest extent feasible by:

1.) Identifying the number of positions in the various occupational categories included skilled, semi-skilled, and unskilled labor needed to perform each phase of the Section 3 covered project.

2.) Identifying the number of positions currently occupied by regular, permanent employees.

3.) Establishing the positions not currently occupied by regular, permanent employees.

4.) Establishing the positions identified in paragraph (3) of this Part, a goal which is consistent with this subpart within each occupational category of the number of positions to be filled by lower income residents of the Section 3 covered project area.

5.) "Work Force Needs Table" - See Appendix No. 1.

c.) Utilization of Businesses

Each Contractor and subcontractor undertaking work on a Section 3 covered project shall assure that to the greatest extent feasible, contracts for work to be performed in connection with the project are awarded to business concerns located within the Section 3 covered project area or business concerns owned in substantial part by persons residing in the Section 3 covered area.

1.) "Business Utilization Table" - See Appendix No. 2.

C. GOOD FAITH EFFORT

Each Contractor and subcontractor seeking to establish that a good faith effort, as required by Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u, has been made to fill all training positions with lower income area residents; and fill all employment positions identified in Section B, paragraph b, subparagraphs (3) and (4) shall:

a.) Attempt to recruit from the appropriate areas the necessary number of lower income residents through local advertising media, signs placed at the proposed site and community organizations and public and private institutions operating within or serving the project area, such as State Employment Office and Opportunities Industrialization Center (OIC).

b.) Maintain a list of all lower-income area residents who have applied either on their own or on referral from any source, and employ such persons if otherwise eligible and/or qualified and if a vacancy exists. If no vacancies exist, the eligibility and/or qualifications of the applicant shall be considered and listed for the first available opening.

c.) Any Contractor or subcontractor which fills vacant apprentice and trainee positions and/or employment positions, identified in subparagraph b above, but more specifically identified in Section 3 of the Housing and Urban Development Act of 1968, 12 USC 1701u, Section 135.40 and Section 135.55, in this organization immediately prior to undertaking work pursuant to a Section 3 covered contract shall set forth evidence acceptable to the Secretary that its action were not an attempt to circumvent these regulations.

D. AFFIRMATIVE ACTION

a.) An Affirmative Action Plan pursuant to a Section 3 covered contract shall:

1.) Set forth the appropriate number and estimated dollar value of contracts to be awarded to eligible businesses and entrepreneurs within each category over the duration of this contract.

2.) Ensure that the appropriate business concerns are notified of pending contractual opportunities either personally or through locally utilized media.

b.) Each Contractor and subcontractor seeking to establish that a good faith effort has been made shall, as a minimum, attempt to recruit from the appropriate areas the necessary eligible business concerns through:

1.) Local advertising

2.) Signs placed at the site

3.) Community organizations, public and private institutions operating or serving within the project area such as P.A.C., OIC and State Employment Offices.

E. CERTIFICATES OF COMPLIANCE

The Contractor shall execute the Certificate of Compliance (Appendix No. 3) and cause all subcontractors undertaking work in connection with this contract to furnish the same.

APPENDIX NO. 1

WORK FORCE UTILIZATION TABLE

OCCUPATION	TOTAL WORK FORCE	SKILLED	TRAINEES	NO. OF PROJECT AREA RESIDENTS TO BE UTILIZED	
(write list)				Skilled	Trainee
TOTAL					

EMPLOYMENT CERTIFICATION

A. The Company hereby certifies that the above table represents the appropriate number of employee positions required in the execution of Contract No. _____ and also represents the number of lower income project area residents that the company proposes to employ.

B. The Company certifies that it will make a good faith effort to employ the number of lower income employees stated above utilizing such community based organizations and service agencies as , Opportunities Industrialization Center (OIC); and on the site company employment posters.

C. The Company certifies that the employee goals listed in the above table approximate the ratio of lower income residents to the total population of the project area.

_____
Company

By: _____
Authorized Signature

Title: _____

Date: _____

APPENDIX NO. 2

UTILIZATION OF SECTION 3 PROJECT BUSINESSES

The Company shall utilize business concerns located in _____, Project No. _____, in contracting for work to be performed in connection with the completion of the contract. To this end, the Company shall require the services of companies in the project area engaged in the business of _____.

SUBCONTRACTS (write list)	TOTAL SUBCONTRACT DOLLAR AMOUNT	PROPOSED SECTION 3 BUSINESSES AVAILABLE FOR USE	TOTAL SUBCONTRACTOR SECTION 3 BUSINESS DOLLAR AMOUNT

_____
Company

By: _____
Authorized Signature

Title: _____

Date: _____

APPENDIX NO. 3

SECTION 3 CERTIFICATION

TRAINING, EMPLOYMENT AND CONTRACTING OPPORTUNITIES FOR BUSINESS AND LOWER INCOME PERSONS

A. The project assisted under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC of 1701u. Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the project.

B. Notwithstanding any other provision of this contract, the Contractor shall carry out the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary set forth in 24 CFR Part 135 (published in 38 Federal Register 29220, October 23, 1973) and all applicable rules and orders of the Secretary issued thereunder prior to the execution of this contract. The requirements of said regulations include but are not limited to development and implementation of an affirmative action plan for utilizing business concerns located within or owned in substantial part by persons residing in the area of the project; the making of a good faith effort, as defined by the regulations, to provide training, employment, and business opportunities required by Section 3; and incorporation of the "Section 3 Clause" specified by Section 135.20 (b) of the regulations in all contracts for work in connection with the project. The Contractor contracts for work in connection with the project. The Contractor certifies and agrees that it is under no contractual or other disability which would prevent it from complying with these regulations.

C. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Secretary issued thereunder prior to approval by the Government of the application for this contract shall be a condition of the Federal financial assistance provided to the project, binding upon the Contractor, its contractors and subcontractors, its successors, and assigns to the sanctions specified by this Contract and to such sanctions as are specified by 24 CFR Section 135.135.

_____
Company

By: _____
Authorized Signature

Title: _____

Date: _____

"General Decision Number: DE20260001 05/18/2026

State: Delaware

Construction Types: Residential

Counties: Delaware Counties of
Kent, New Castle and Sussex

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

Modification Number	Publication Date
0	01/02/2026
1	05/18/2026

SUDE1990-001 04/01/1990

	Rates	Fringes
ROOFER (NEW CASTLE COUNTY)	$ 9.79	0.00
POWER EQUIPMENT OPERATORS: BACKHOE (KENT AND SUSSEX COUNTIES)	$ 10.15	0.00
PLUMBER (NEW CASTLE COUNTY)	$ 9.80	0.00
PLUMBER (KENT AND SUSSEX COUNTIES)	$ 8.92	0.00
PAINTER (NEW CASTLE COUNTY)	$ 9.00	0.00
LABORERS: UNSKILLED (NEW CASTLE COUNTY)	$ 7.25	0.00
LABORERS: UNSKILLED (KENT AND SUSSEX COUNTIES)	$ 7.25	0.00
LABORERS: MASON TENDERS (BRICK) (KENT AND SUSSEX COUNTIES)	$ 7.25	0.63
LABORERS: LANDSCAPE (KENT AND SUSSEX COUNTIES)	$ 7.25	0.00
ELECTRICIAN (NEW CASTLE COUNTY)	$ 9.12	0.00
ELECTRICIAN (KENT AND SUSSEX COUNTIES)	$ 10.00	0.00
DRYWALL HANGER (NEW CASTLE COUNTY)	$ 10.79	0.00
CONCRETE FINISHER (KENT AND SUSSEX COUNTIES)	$ 9.69	0.00
CARPENTER, EXCLUDING DRYWALL HANGERS (NEW CASTLE COUNTY)	$ 10.59	2.05
CARPENTER (KENT AND SUSSEX COUNTIES)	$ 9.75	0.65
BRICKLAYER (KENT AND SUSSEX COUNTIES)	$ 12.50	0.63

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

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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.

Note: Executive Order 13658 generally applies to contracts subject to the Davis-Bacon Act that were awarded on or between January 1, 2015 and January 29, 2022, and that have not been renewed or extended on or after January 30, 2022. Executive Order 13658 does not apply to contracts subject only to the Davis-Bacon Related Acts regardless of when they were awarded. If a contract is subject to Executive Order 13658, the contractor must pay all covered workers at least $13.65 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract from May 11, 2026, through December 31, 2026. The applicable Executive Order minimum wage rate will be adjusted annually. Additional information on contractor requirements and worker protections under Executive Order 13658 is available at www.dol.gov/whd/govcontracts.

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) (iii)).

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

Union Rate Identifiers

A four-letter identifier beginning with characters other than "SU", "UAVG", "SA", or "SC" denotes that a union rate was prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2024. PLUM is an identifier of the union whose collectively bargained rate 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. The date, 07/01/2024 in the example, is the effective date of the most current negotiated rate.

Union prevailing wage rates are updated to reflect all changes over time that are reported to WHD in the rates in the collective bargaining agreement (CBA) governing the classification.

Union Average Rate Identifiers

The UAVG identifier indicates that no single rate prevailed for those classifications, but that 100% of the data reported for the classifications reflected union rates. EXAMPLE: UAVG-OH-0010 01/01/2024. UAVG indicates that the rate is a weighted union average rate. OH indicates the State of Ohio. The next number, 0010 in the example, is an internal number used in producing the wage determination. The date, 01/01/2024 in the example, indicates the date the wage determination was

updated to reflect the most current union average rate.

A UAVG rate will be updated once a year, usually in January, to reflect a weighted average of the current rates in the collective bargaining agreements on which the rate is based.

Survey Rate Identifiers

The ﷿SU﷿ identifier indicates that either a single non-union rate prevailed (as defined in 29 CFR 1.2) for this classification in the survey or that the rate was derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As a weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SUFL2022-007 6/27/2024. SU indicates the rate is a single non-union prevailing rate or a weighted average of survey data for that classification. FL indicates the State of Florida. 2022 is the year of the 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. The date, 6/27/2024 in the example, indicates the survey completion date for the classifications and rates under that identifier.

﷿SU﷿ wage rates typically remain in effect until a new survey is conducted. However, the Wage and Hour Division (WHD) has the discretion to update such rates under 29 CFR 1.6(c)(1).

State Adopted Rate Identifiers

The ﷿SA﷿ identifier indicates that the classifications and prevailing wage rates set by a state (or local) government were adopted under 29 C.F.R 1.3(g)-(h). Example: SAME2023-007 01/03/2024. SA reflects that the rates are state adopted. ME refers to the State of Maine. 2023 is the year during which the state completed the survey on which the listed classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. The date, 01/03/2024 in the example, reflects the date on which the classifications and rates under the ﷿SA﷿ identifier took effect under state law in the state from which the rates were adopted.

WAGE DETERMINATION APPEALS PROCESS

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

a) a survey underlying a wage determination
b) an existing published wage determination
c) an initial WHD letter setting forth a position on a wage determination matter
d) an initial conformance (additional classification and rate) determination

On survey related matters, initial contact, including requests for summaries of surveys, should be directed to the WHD Branch of Wage Surveys. Requests can be submitted via email to davisbaconinfo@dol.gov or by mail to:

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

Regarding any other wage determination matter such as conformance decisions, requests for initial decisions should be directed to the WHD Branch of Construction Wage Determinations. Requests can be submitted via email to BCWD-Office@dol.gov or

by mail 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 an initial decision has been issued, then any interested party (those affected by the action) that disagrees with the decision can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Requests for review and reconsideration can be submitted via email to dba.reconsideration@dol.gov or by mail 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 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.

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END OF GENERAL DECISION

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