

**Proposal for Services  
Vent Cleaning Services**

**Must be received by 10 a.m. on December 9, 2016**

1. Services to be provided at **Shiloh Towers 1525 27<sup>th</sup> St. Zion, IL.**

Please contact the project manager at 847-417-4034 for site access.

This facility is made up of 60 occupied units plus common and maintenance areas over 7 stories and is approximately 42,100 square feet. Each unit has baseboard radiant boiler heat and a single inlet gravity fan louver in the bath room.

General items:

- Clean and sanitize all vents and ducts including but not limited to roof vents according to NADCA standards including but not limited to brushing out complete lines using Source Removal methods and spraying Antimicrobial chemicals in all runs. Brush and sanitize all components of the gravity roof ventilators, unit diffusers and ducting for all systems throughout the entire building including but not limited to common and maintenance areas and units.
- All vent louvers must be covered when the laterals are being serviced and then cleaned toward the completion of the project.
- Inspect all components of the electric makeup air fans and service as needed to proper operation.
- Make recommendations on any components that are nearing end of life

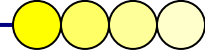
Additional:

- Final Clean all work areas - removal of any and all debris due to provided services.
- Supply cost of any needed permits: Must be secured prior to commencing any on site work.

Total \$ \_\_\_\_\_

Mandatory 10% Contingency \$ \_\_\_\_\_.

- Please include a proposed schedule for completion of the requested services. The goal for LCHA is to lessen the inconvenience of our tenant during the duration of this project. Failure to do so could result in the submitted bid being deemed non-responsive.



2. Primary Contacts/Notice Addresses

Lake County Housing Authority  
Ryan Brandes  
33928 N. US Highway 45  
Grayslake, Illinois 60030  
Phone: 847-223-1170 x 266

3. Term

All work to be done up to code.

- Pursuant to Section 15 of the Substance Abuse Prevention on Public Works Projects Act, 820 ILCS 265/1 *et seq.*, a copy of the Contractor's written substance abuse prevention program must be submitted prior to the commencement of the Work.
- If subcontractors are to be used they must be listed on the bid form. The general contractor or prime contractor must complete at least 12% of the project by himself or his employees. The job may not be subcontracted more than 88%. If subcontractors are used each subcontractor must submit proof to demonstrate the subcontract relationship (contract, incorporation papers, etc.) and a Certificate of Insurance covering general liability and workers compensation for the subcontractor and employees.
  - a. The subcontractor shall follow the same wage requirements as above for employees.
  - b. If subcontractors hire other subcontractors, all requirements apply.

All work to be done in a workmanlike manner  
\$100 daily fines for late work start dates or contract surpassing contract timeframe.

4 The key

Please contact primary contact.

5 Total

This is not a Davis Bacon covered project.

## TERMS AND CONDITIONS

### FOR LAKE COUNTY HOUSING AUTHORITY PROJECTS

- A. All bids must conform to the *"Instructions to Bidders"*.
- B. All specifications must be met in the bidders bid response.
- C. The specifications and bid packages shall become a part of the Contractor's contract agreement with the Lake County Housing Authority.
- D. The Contractor shall provide a Certification of Insurance directed to the Lake County Housing Authority for General Liability Insurance in the amount of \$500,000 or more and shall maintain at least that amount during the contract period.
- E. Lake County Housing Authority reserves the right to reject any bidder whose contract agreement contains a clause that is onerous to the Housing Authority interests and which is not contained in the contract agreements submitted by other bidders.
- F. Demonstration of Capability must be verified: A random survey of jobs and/or clients submitted by the bidder must establish that the bidder generally is performing in a capable and responsible manner. A pattern of dissatisfied clients shall be sufficient cause for disqualifying the bidder.
- G. Hold Harmless Clause: The contractor shall save and hold harmless the Lake County housing Authority from and against all liability, claims and demands of whatsoever kind or nature arising out of or connected with the performance of work by the contractor, or in behalf of the County of Lake, whether such injury, death, loss or damage shall have been occasioned by the negligence of the contractor, or a subcontractor of the contractor or their employees, or otherwise. The contractor will defend at its own expense any actions based thereon and shall pay all charges of attorneys and all costs and other expenses arising there from.
- H. Bid Bond: For all bids in excess of \$100,000 a 5% bid bond in the form of a certified check, negotiable bank draft, or bid bond from an approved surety company must be submitted with the bid. If the bid bond is not submitted with the bid the Authority shall reject the bid.

- I. Performance Bond: If the bid is over \$100,000, the successful bidder must furnish a 100% performance and payment bond from an approved surety company authorized to do business in the State of Illinois.
- J. Lake County Housing Authority is exempt from Illinois state sales tax. Any bids involving the purchase of materials shall be submitted without sales tax. LCHA will supply a tax exempt letter to vendors as requested on an individual basis.
- K. Permits: The Contractor is responsible for **securing and paying for** any and all permits, licenses, and fees which may be necessary for the completion of the contract.
- L. Penalty: Failure by the Contractor to complete the job on time according to the contract shall result in a penalty of \$100 per day for each day or fraction thereof beyond the agreed completion date.
- M. The Contractor, or subcontractor, is prohibited from placing a lien on any Lake County Housing Authority property.
- N. The Lake County Housing Authority reserves the right to reject any or all bids received or to waive any informalities in the bidding. No bid shall be withdrawn for a period of 30 days subsequent to the opening of bids without consent of the LCHA.

# **GENERAL SPECIFICATIONS FOR MODERNIZATION**

## General

Lake County Housing Authority (LCHA) is seeking bids from qualified Contractors to provide general contracting services.

1. Provided services shall include all necessary labor and materials for a complete job as per the attached individual site specific plans and/or specifications.

2. All work shall be done in a professional, workmanlike manner and shall comply with all building codes. Contractor is responsible for securing and paying for any building permits and/or provide evidence of any business or trade licenses required by governing authorities for performance of the work and for scheduling any inspections which may be required. Contractor is also responsible for scheduling of deliveries, stocking and storage for all materials. The LCHA representative will designate a specific staging area for the contractor.

3. Contractor is responsible for re-working, adding to and/or modifying existing conditions as necessary to result in a complete professional and aesthetic installation of specified products.

4. Contractor shall be responsible for any and all patching of damaged areas due to installation as necessary to match existing surfaces. Care shall be taken to remove or protect any items or obstructions in the work area.

**5. Work and or planning shall commence within 1 calendar days of signing the Notice to Proceed and shall be completed within the timeline stated on the Notice to proceed, unless stated otherwise.**

**A penalty of \$100 per day will be assessed for failure to comply with these requirements unless the completion date is extended in writing by LCHA.**

6. For construction work Contractor to guarantee all labor and materials for a period of one year after final acceptance of work by L.C.H.A. and receipt of final certificate of occupancy for building permits issued.

7. This is a tax exempt job.

To: Contractors Bidding on Lake County Housing Authority Jobs

From:

RE: Summary of Major Labor Requirements

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The work items being bid are funded by appropriations from the Federal Government to Lake County Housing Authority (LCHA) and as such are subject to HUD requirements for contracts, wages, and general construction conditions. (These documents are HUD-5369, HUD 5369A, and HUD 5370; if not included in the bid packet copies of these documents may be obtained from LCHA and will become part of any contract).

A general summary of some of the important requirements of these documents follows. This is not intended to be a complete list of requirements but is for informational and review purposes only to assist contractors in preparing bids and subsequent payment requests and payroll reports:

1. Wages paid to workers must be at hourly wage rate and fringe benefit levels established by the Dept. of Labor. A summary of rates and classifications is attached.
  - a. Every employee must be paid the appropriate hourly wage. If fringe benefits in the listed amount are not paid directly to an approved health and welfare fund, the amount must be added to the hourly wage of the employee and paid directly to the employee.
  - b. Every employee shall have withholding for taxes, Medicare and FICA taken from each paycheck. No employee shall receive gross wages without deductions.
  - c. No employee shall be paid per job or piecework unless in excess of the minimum hourly rate listed. All jobs must be bid and paid according to the hourly wage standards and hours worked.
  - d. The hourly wage standards do not apply to the owners or officers of a company.

2. The general contractor or prime contractor must complete at least 12% of the project by himself or his employees. The job may not be subcontracted more than 88%. If subcontractors are used each subcontractor must submit proof to demonstrate the subcontract relationship (contract, incorporation papers, etc) and

a Certificate of Insurance covering general liability and workers compensation for the subcontractor and employees.

- a. The subcontractor shall follow the same wage requirements as above for employees.
- b. If subcontractors hire other subcontractors all requirements apply.

3. Workers on the site will be randomly interviewed by LCHA to determine their job classification and wage rates. All workers should be advised of their appropriate classification and hourly wage rates (with or without fringe benefits as applicable) before starting work.

4. If any workers are listed as apprentices and paid at apprentice rates an original apprentice certificate for the employee must be submitted to LCHA. No apprentice may work without the direct supervision of a journeyman or supervisor nor in excess of the approved ratio.

5. Payroll summaries (WH-347) or equivalent must be submitted to LCHA by contractors and subcontractors covering all workers on the job and must be completely filled out and signed. A sample is attached.

6. Requirements of Section 3 of the H.U.D. Act of 1968 involving documented efforts to utilize local labor and businesses are applicable to this project. The contractor is advised to review the following "Special Notice to Contractors" and "The Section 3 Clause" portion of the General Conditions that will be incorporated into the contract with the successful bidder.

## SPECIAL NOTICE TO CONTRACTORS

RE: H.U.D. Section 3 Requirements

Section 3 requires that, ***to the greatest extent feasible***, opportunities for job training and employment be given to lower income residents of the Section 3 area and contracts for work in connection with the Section 3 covered project be awarded to business concerns which are located in or owned in substantial part by persons residing in the Section 3 area. Section 3 requires that a recipient/contractor take affirmative steps to give preference to qualified Section 3 area residents and business concerns in providing training, employment and contraction in connection with Section 3 covered projects.

If, in bidding this project you anticipate using local subcontractors, the Housing Authority will provide you the names of Section 3 business concerns.

In the event additional employees will be added to your work force, please target recruitment by:

- Notifying the Housing Authority of job openings,
- Advertising in local media,
- Contacting local job training and placement centers,
- Notify community organizations serving Section 3 residents,
- Developing on the job training opportunities.

Once you have taken these steps, please provide documentation of your actions to the Housing Authority for our project records.



## **“THE SECTION 3 CLAUSE”**

This contract and resulting scope of work is covered by section 3 of the H.U.D. Act of 1968 and shall include the following clause (referred to as the section 3 clause):

- 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 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 subcontractor 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 contractors' 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)

**LABOR STANDARDS ADMINISTRATION**  
for Successful Modernization Bidders

The Lake County Housing Authority has a statutory obligation to ensure that appropriate wage and fringe benefits are paid to all laborers and mechanics for all contracts in excess of \$2,000.00. The bid package you received contained an updated wage determination applicable to your contract. ***Fringe benefits do not include benefits required by other Federal, State or Local law.*** The direct payment of an amount equal to the required fringe benefits may be substituted for a contribution to a bona fide fringe benefit program.

Covered employees must be paid ***weekly***. Labor standards also require that certified payroll reports be submitted to the Housing Authority each ***week*** documenting each pay period. Failure to submit weekly certified payroll reports to LCHA will cause ***delays in disbursing on payout requests.***

LCHA will interview your employees at the site of work. They should be prepared to identify their job classification, wage rate and benefits. Apprentices must demonstrate ***proof*** of their registration in a certified program.

This is not intended to be a comprehensive discussion of labor standards regulations. If you have questions regarding payroll or reporting requirements please raise them with LCHA staff as soon as possible.

Received by: \_\_\_\_\_

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

# AFFIDAVIT

To Whom It May Concern:

Re: Labor Standards Administration

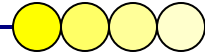
This is to certify that I have received all information including Labor Standards Administration and understand this property is to be administered under Davis-Bacon regulations for construction projects and State of Illinois regulations for non-construction projects.

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

Title: \_\_\_\_\_

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

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



**Policy Statement - Equal Employment Opportunity, Affirmative Employment, Prevention of Sexual Harassment, Discrimination Based on Sexual Orientation, Employment and Accommodation of Persons with Disabilities, and Disabled Veterans**

In conformance with the policies expressed in Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; Executive Order 11478, as amended; the Age Discrimination in Employment Act of 1967, the Equal Pay Act of 1967, as amended; the Rehabilitation Act of 1973, as amended; the Vietnam Era Veteran's Readjustment Act of 1974, the Civil Service Reform Act of 1978, and HUD regulations at 24 CFR Part 7, it is the policy and intent of the Lake County Housing Authority (LCHA) to provide equality of employment opportunity for all persons, and to prohibit discrimination because of Race, Color, Religion, Sex, National Origin, Age, or Disability in all facets of employment. Additionally, sexual harassment and discrimination based on sexual orientation are unacceptable in the workplace and will not be condoned. Moreover, LCHA is committed to promoting affirmative employment through the removal of barriers and by positive actions at every management level, including the early resolution of EEO disputes.

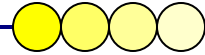
These policies are an integral part of HUD's mission. Their implementation is a high priority of Administration. LCHA is committed to Equal Employment Opportunity, Affirmative Employment and Diversity (EEO/AE/Diversity), and expects all contractors to support EEO/AE/Diversity. In carrying out their responsibilities, all managers and supervisors are fully accountable for taking actions to assure that EEO/AE/Diversity goals and objectives are achieved.

The EEO/AE/Diversity goals and objectives of the Department are expressed in HUD regulations at 24 CFR Part 7, as well as in the multiyear Affirmative Employment Program (AEP) Plan. EEO/AE/Diversity is a separate critical element in LCHAs contracting process.

**Affirmative Employment Programs (AEP)**

LCHA expects all contractors to be proactive in implementing EEO/AE/Diversity. The following strategies, set the standard for the achievement of that goal:

1. Be accountable for promoting EEO/AE policies, programs, and practices, including learning and practicing the principles of F.A.I.R. Feedback, Assistance, Inclusion, and Respect, in all interactions with employees and HUD clients.
2. Attend EEO/AE/Diversity training sessions to ensure full understanding of and sensitivity to EEO/AE/Diversity policies, practices, and procedures.
3. Make a vigorous effort to acquire full and fair representation of qualified minorities, women, and persons with disabilities when recruiting, hiring, and providing advancement opportunities.
4. Make use of Special Employment Programs to correct the under-representation of minorities, women, and persons with disabilities i.e., Part-Time Employment, Cooperative Education, Mentoring, Upward Mobility, Special Hiring Authorities, etc.
5. Learn and use Alternative Dispute Resolution (ADR) techniques to resolve problems early before they give rise to formal EEO Complaints or union contract grievances.
6. Participate in preparing an AEP Plan by analyzing all aspects of operations to determine any barriers to full equal employment, and by designing and carrying out actions to remove those barriers.
7. Refer to the AEP Plan goals and objectives before initiating any recruitment, hiring, training, reassignment, and promotion actions.
8. Periodically review AEP progress reports and make adjustments in activities to meet goals and objectives.



### **Employment and Accommodation of Persons with Disabilities**

1. It is the policy of LCHA to establish employment practices to promote active recruitment and proper placement of qualified individuals with disabilities; provide selective placement assistance to assure retention and career advancement opportunities; and, to assure that individuals with disabilities have a full opportunity to be represented at every level in the work force.
2. It is also the policy of LCHA to provide Reasonable Accommodation to the known physical or mental limitations of qualified employees and job applicants with disabilities unless it can be shown that the accommodation would impose an undue hardship on its operations.
3. It is the goal of LCHA to be a model employer and promoter, of persons with disabilities by providing full and fair consideration, employment and retention of persons with disabilities in a broad range of grade levels and occupational series commensurate with their knowledge, skills, and abilities. Further, LCHA will assure that persons with disabilities are not unnecessarily excluded or limited because of job design or because of architectural, communication, procedural, or attitudinal barriers.
4. Contractors are responsible for achieving these goals, as expressed in their Affirmative Employment Program (AEP) Plan for Persons with Disabilities, at their respective office levels. They are also responsible for providing reasonable accommodation, which is a logical adjustment made to a job and work environment that enables a qualified person with disabilities to perform the duties of a position.

### **Disabled Veteran Employment**

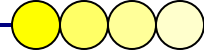
It is the policy of LCHA to promote the maximum employment and job advancement for qualified disabled veterans, similar to its policy goals and objectives with reference to all person with disabilities.

Contractors are responsible for achieving these goals, as expressed in their Disabled Veterans Affirmative Action Program (DVAAP) Plan, at their respective office levels.

### **Discrimination Based on Sexual Orientation**

It is the policy of LCHA to prohibit discrimination on the basis of sexual orientation. Such discrimination with respect to employment conduct will not be tolerated by any contractor. For remedy, refer to the appropriate Administrative Procedures and/or appropriate negotiated agreements.

The Civil Service Reform Act, [5 U.S.C. 2302\(b\)](#) prohibits any employee who has authority to take personnel actions from discriminating for or against any employee or applicant for employment on the basis of conduct which does not adversely affect either the employee's own job performance or the performance of others. Subsection (c) of 5 U.S.C. 2302 gives notice to agency heads that they will be held responsible for the prevention of prohibited personnel practices. This Act has been interpreted by the Office of Personnel Management (OPM) since 1980, to mean that "applicants and employees are to be protected against inquiries into, or actions based upon non-job-related conduct, such as religious, community or social affiliations, or sexual orientation."



## Sexual Harassment

It is the policy of LCHA that sexual harassment is unacceptable conduct in the workplace and will not be condoned. Contractors are expected to have an established Anti-Sexual Harassment Policy that states that any employee found to have engaged in sexual harassment against any other employee may expect appropriate disciplinary action. **All new employees shall be informed of this policy during their initial orientation sessions. This policy shall be reiterated for all employees at least once each year.**

Initial \_\_\_\_\_

A Fact Sheet on Sexual Harassment is available from the Office of Departmental Employment Equal Opportunity.

Sexual Harassment has been determined by the Equal Employment Opportunity Commission to be "unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

1. submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
2. submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or,
3. such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment."

Sexual harassment is a form of sex discrimination under Title VII of the Civil Rights Act of 1964. There may be other causes of action under State and local law in addition to those found under Federal civil rights law. These include assault, and battery, intentional infliction of emotional distress, wrongful discharge, and negligence. Some advances may even warrant resort to criminal charges, such as sexual assault or rape.

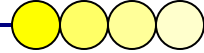
LCHA is responsible for creating a working climate free from unsolicited and unwelcome sexual overtures. The law states, "...an employer is responsible for acts of sexual harassment in the workplace where the employer (or its agents or supervisory employees) knows or should have known of the conduct, unless it can show that it took immediate and appropriate action. An employer may also be responsible for the acts of non-employees, with respect to sexual harassment of employees in the workplace, where the employer (or its agents or supervisory employees) knows or should have known of the conduct and fails to take immediate and appropriate corrective action."

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

Title: \_\_\_\_\_

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

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



### Certificate of Non-Segregated Facilities

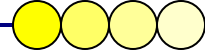
The bidder certifies that he does not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The bidder certifies further that he will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he will not permit his employees to perform their services at any locations, under his control, where segregated facilities are maintained. The bidder agrees that a breach of this certification is a violation of the Equal Opportunity Clause in this contract. As used in this certification, the term "Segregated Facilities" means any waiting rooms, work areas, time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreations or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion or national origin, because of habit, local custom or otherwise. The bidder further agrees that (except where he has obtained identical certifications from subcontractors for specific time periods) he will obtain the award of subcontractors exceeding \$10,000 which are not exempt from the provisions of Equal Opportunity Clause; that he will retain such certifications in his files; and that he will forward the following notice to such proposed subcontractors (except where the proposed subcontractors have submitted identical certifications for specific time periods): Notice to prospective subcontractors of requirements for certifications of no segregated facilities. A certification of no segregated facilities must be submitted prior to the award of a subcontract exceeding Equal Opportunity Clause. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semi-annually, or annually).

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

\_\_\_\_\_  
(Signature of Bidder)

\_\_\_\_\_  
(Address)





## EMPLOYMENT

### **(820 ILCS 265/) Substance Abuse Prevention on Public Works Projects Act.**

(820 ILCS 265/1)

Sec. 1. Short title. This Act may be cited as the Substance Abuse Prevention on Public Works Projects Act. (Source: P.A. 95-635, eff. 1-1-08.)

(820 ILCS 265/5)

Sec. 5. Definitions. As used in this Act:

"Accident" means an incident caused, contributed to, or otherwise involving an employee that resulted in death, personal injury, or property damage and that occurred while the employee was performing work on a public works project.

"Alcohol" means any substance containing any form of alcohol including, but not limited to, ethanol, methanol, propanol, and isopropanol.

"Alcohol concentration" means: (1) the number of grams of alcohol per 210 liters of breath; or (2) the number of grams of alcohol per 100 milliliters of blood.

"Drug" means a controlled substance as defined in the Illinois Controlled Substances Act or cannabis as defined in the Cannabis Control Act for which testing is required by an employer under its substance abuse prevention program under this Act. The term "drug" includes prescribed medications not used in accordance with a valid prescription.

"Employee" means a laborer, mechanic, or other worker employed in any public works by anyone under a contract for public works.

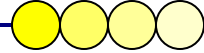
"Employer" means a contractor or subcontractor performing a public works project.

"Public works" and "public body" have the meanings ascribed to those terms in the Prevailing Wage Act.

(Source: P.A. 95-635, eff. 1-1-08.)

(820 ILCS 265/10)

Sec. 10. Substance abuse prohibited. No employee may use, possess, distribute, deliver, or be under the influence of a drug, or use or be under the influence of alcohol, while performing work on a public works project. An employee is considered to be under the influence of alcohol for purposes of this Act if the alcohol concentration in his or her blood or breath at the time alleged as shown by analysis of the employee's blood or breath is at or above 0.02.



(Source: P.A. 95-635, eff. 1-1-08.)

(820 ILCS 265/15)

Sec. 15. Substance abuse prevention programs required.

(1) Before an employer commences work on a public works project, the employer shall have in place a written program which meets or exceeds the program requirements in this Act, to be filed with the public body engaged in the construction of the public works and made available to the general public, for the prevention of substance abuse among its employees. The testing must be performed by a laboratory that is certified for Federal Workplace Drug Testing Programs by the Substance Abuse and Mental Health Service Administration of the U.S. Department of Health and Human Services. At a minimum, the program shall include all of the following:

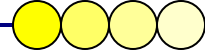
(A) A minimum requirement of a 9 panel urine drug test plus a test for alcohol. Testing an employee's blood may only be used for post-accident testing, however, blood testing is not mandatory for the employer where a urine test is sufficient.

(B) A prohibition against the actions or conditions specified in Section 10.

(C) A requirement that employees performing the work on a public works project submit to pre-hire, random, reasonable suspicion, and post-accident drug and alcohol testing. Testing of an employee before commencing work on a public works project is not required if the employee has been participating in a random testing program during the 90 days preceding the date on which the employee commenced work on the public works project.

(D) A procedure for notifying an employee who violates Section 10, who tests positive for the presence of a drug in his or her system, or who refuses to submit to drug or alcohol testing as required under the program that the employee may not perform work on a public works project until the employee meets the conditions specified in subdivisions (2)(A) and (2)(B) of Section 20.

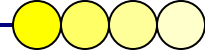
(2) Reasonable suspicion testing. An employee whose supervisor has reasonable suspicion to believe the employee is under the influence of alcohol or a drug is subject to discipline up to and including suspension, and be required to undergo an alcohol or drug test. "Reasonable suspicion" means a belief, based on behavioral observations or other evidence, sufficient to lead a



prudent or reasonable person to suspect an employee is under the influence and exhibits slurred speech, erratic behavior, decreased motor skills, or other such traits. Circumstances, both physical and psychological, shall be given consideration. Whenever possible before an employee is required to submit to testing based on reasonable suspicion, the employee shall be observed by more than one supervisory or managerial employee. It is encouraged that observation of an employee should be performed by a supervisory or managerial employee who has successfully completed a certified training program to recognize drug and alcohol abuse. The employer who is requiring an employee to be tested based upon reasonable suspicion shall provide transportation for the employee to the testing facility and may send a representative to accompany the employee to the testing facility. Under no circumstances may an employee thought to be under the influence of alcohol or a drug be allowed to operate a vehicle or other equipment for any purpose. The employee shall be removed from the job site and placed on inactive status pending the employer's receipt of notice of the test results. The employee shall have the right to request a representative or designee to be present at the time he or she is directed to provide a specimen for testing based upon reasonable suspicion. If the test result is positive for drugs or alcohol, the employee shall be subject to termination. The employer shall pay all costs related to this testing. If the test result is negative, the employee shall be placed on active status and shall be put back to work by the employer. The employee shall be paid for all lost time to include all time needed to complete the drug or alcohol test and any and all overtime according to the employee's contract.

(3) An employer is responsible for the cost of developing, implementing, and enforcing its substance abuse prevention program, including the cost of drug and alcohol testing of its employees under the program, except when these costs are covered under provisions in a collective bargaining agreement. The testing must be performed by a laboratory that is certified for Federal Workplace Drug Testing Programs by the Substance Abuse and Mental Health Service Administration of the U.S. Department of Health and Human Services. The contracting agency is not responsible for that cost, for the cost of any medical review of a test result, or for any rehabilitation provided to an employee.

(Source: P.A. 95-635, eff. 1-1-08.)



(820 ILCS 265/20)

Sec. 20. Employee access to project.

(1) An employer may not permit an employee who violates Section 10, who tests positive for the presence of a drug in his or her system, or who refuses to submit to drug or alcohol testing as required under the employer's substance abuse prevention program under Section 15 to perform work on a public works project until the employee meets the conditions specified in subdivisions (2)(A) and (2)(B). An employer shall immediately remove an employee from work on a public works project if any of the following occurs:

(A) The employee violates Section 10, tests positive for the presence of a drug in his or her system, or refuses to submit to drug or alcohol testing as required under the employer's substance abuse prevention program.

(B) An officer or employee of the contracting agency, preferably one trained to recognize drug and alcohol abuse, has a reasonable suspicion that the employee is in violation of Section 10 and requests the employer to immediately remove the employee from work on the public works project for reasonable suspicion testing.

(2) An employee who is barred or removed from work on a public works project under subsection (1) may commence or return to work on the public works project upon his or her employer providing to the contracting agency documentation showing all of the following:

(A) That the employee has tested negative for the presence of drugs in his or her system and is not under the influence of alcohol as described in Section 10.

(B) That the employee has been approved to commence or return to work on the public works project in accordance with the employer's substance abuse prevention program.

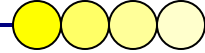
(C) Testing for the presence of drugs or alcohol in an employee's system and the handling of test specimens was conducted in accordance with guidelines for laboratory testing procedures and chain-of-custody procedures established by the Substance Abuse and Mental Health Service Administration of the U.S. Department of Health and Human Services.

(3) Upon successfully completing a rehabilitation program, an employee shall be reinstated to his or her former employment status if work for which he or she is qualified exists.

(Source: P.A. 95-635, eff. 1-1-08.)



Lake County Housing Authority  
33928 North U.S. Highway 45  
Grayslake, IL 60030



(820 ILCS 265/25)

Sec. 25. Applicability. This Act applies to a contract to perform work on a public works project for which bids are opened on or after January 1, 2008, or, if bids are not solicited for the contract, to a contract to perform such work entered into on or after January 1, 2008. The provisions of this Act apply only to the extent there is no collective bargaining agreement in effect dealing with the subject matter of this Act.

(Source: P.A. 95-635, eff. 1-1-08.)

(820 ILCS 265/99)

Sec. 99. Effective date. This Act takes effect January 1, 2008.

(Source: P.A. 95-635, eff. 1-1-08.)

## L.C.H.A. INSTRUCTIONS TO BIDDERS

### A. Form of Proposal

All proposals shall be subject to all requirements of these Specifications and Instructions. Proposals are to be prepared in duplicate, one to be submitted to the Lake county Housing Authority, and one to be retained by the bidder for his records. Proposal documents shall be sealed in an envelope, which shall be clearly labeled with the words “**PROPOSAL FOR (work item)**” and shall show the name of the bidder and the date of opening.

Bidder must use enclosed bid form. No bid shall be considered to have been received unless it is submitted on the bid form enclosed.

### B. Non-Collusive Affidavit

Each person submitting a proposal shall execute an affidavit in the form provided by the Lake County Housing Authority, to the effect that he has not conspired with any person, firm or corporation in regard to any proposal submitted and he is not barred from bidding as a result of a violation of either Section 33E-3 or 33E-4 of the Illinois Criminal Code of 1961.

### C. Time for Receiving Proposals

Proposals received prior to the time of opening will be securely kept, unopened. The Officer whose duty it is to open them will decide when the specified time has arrived. No proposal received thereafter will be considered, except that when a proposal has arrived by mail after the time fixed for opening but before the award is made, and it is shown to the satisfaction of the Officer authorized to make the award that the non-arrival on time was due solely to delay in the mails for which the bidder was not responsible, such proposals will be received and considered. No responsibility will be attached to an officer for the premature opening of a proposal not properly addressed and identified. Telegraphic and fax proposals will not be considered; but, modification by telegraph or fax of proposals already submitted will be considered if received prior to the hour set for opening and written confirmation of such modification over the signature of the bidder is placed in the mail postmarked prior to the time set for opening. Bidders are cautioned that, while telegraphic and fax modifications of proposals may be received as provided above, such modifications, if not explicit and, if in any sense, subject to misinterpretation, shall make the proposal so modified or amended subject to rejection.

D. Opening of Proposals

At the time and place fixed for opening of proposals, every proposal received within the time fixed for receiving proposals will be opened and publicly read aloud, regardless of any irregularities therein. Bidders and other persons properly interested may be present in person or by representative.

E. Withdrawal of Proposals

Proposals may be withdrawn by written telegraphic or Fax request dispatched by the bidder in time for delivery in the normal course of business prior to the time fixed for opening; provided, that written confirmation of any telegraphic or fax withdrawal over the signature of the bidder is placed in the mail postmarked prior to the time set for proposal opening. Negligence on the part of the bidder in preparing his proposal confers no right of withdrawal or modification of his proposal after such proposal has been opened.

No proposal shall be withdrawn for a period of thirty (30) days subsequent to the opening of the proposals without the consent of the Lake County Housing Authority.

F. Award of Contract/Rejection of Proposals

The contract will be awarded to the responsible bidder submitting the lowest proposal complying with the Terms and Conditions set forth in the bid invitation package. The Lake County Housing Authority, however, reserves the right to reject any and all proposals and to waive any informality in proposals received whenever such rejection or waiver is in the interest of the Lake County Housing Authority. The Lake County Housing Authority reserves the right to reject the proposal of any bidder who has previously failed to perform properly on contracts of a similar nature or who is not in a position to perform the contract, or who has habitually and without just cause neglected the payment of bills or otherwise disregarded his obligations to material suppliers or employees.

G. Use of Lead Based Paint Prohibited

Any contractor awarded a contract for modernization shall comply with 24 CFR Part 35 which prohibits the use of lead based paint in any Lake County Housing Authority building or dwelling.

**NON - COLLUSIVE AFFIDAVIT**

(PRIME BIDDER)

State of ILLINOIS )ss

County of LAKE )ss

\_\_\_\_\_, being first duly sworn  
(print name)

deposes and says:

That he is

(title of affiant ie: partner; title of office; individual owner)

of

(company name)

the party making the foregoing proposal or bid; that such proposal or bid is genuine and not collusive or sham; that said bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any bidder or person, put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement of collusion, or communication or conference, with any person, to fix the bid price of affiant or of any other bidder, or to fix any overhead, profit or cost element of said bid price, or of that or any other bidder, or to secure any of said bid price, or of that or any other bidder, or to secure any advantage against the Housing Authority of the County of Lake, Illinois, or any person interested in the proposed contract; and that all statements in said proposal or bid are true. The party making the foregoing proposal or bid will comply with all applicable State of Illinois laws and regulations and certifies that he is not barred from bidding on the Contract as a result of a violation of either Section 33E-3 or 33E-4 of the Illinois Criminal Code of 1961 as amended by Public Act 85-1295 prohibiting "Bid-rigging" or "Bid rotating".

\_\_\_\_\_  
Signature of bidder, if  
bidder is an individual;

\_\_\_\_\_  
Signature of partner, if  
bidder is a partnership;

\_\_\_\_\_  
Signature of officer, if  
bidder is a corporation.

Subscribed and sworn to before me

this \_\_\_\_\_ day of \_\_\_\_\_, 20

Notary Public

My commission expires \_\_\_\_\_, 20



# Instructions to Offerors Non-Construction

U.S. Department of Housing  
and Urban Development  
Office of Public and Indian Housing



- 03291 -

## 1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

## 2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

## 3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer,
- (3) letter or telegram, or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HA/HUD must receive the acknowledgment by the time specified for receipt of offers.

## 4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

## 5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

- (2) Have a satisfactory performance record;
- (3) Have a satisfactory record of integrity and business ethics;
- (4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- (5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HA/HUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

## 6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HA/ HUD that the late receipt was due solely to mishandling by the HA/ HUD after receipt at the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt at the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

#### **7. Contract Award**

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

#### **8. Service of Protest**

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protestor.

#### **9. Offer Submission**

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show **the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.**

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp those envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

[Describe bid or proposal preparation instructions here:]

# General Conditions for Non-Construction Contracts

## Section II – (With Maintenance Work)

### U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 12/31/2011)

Public Reporting Burden for this collection of information is estimated to average 0.08 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. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addressees.

**Applicability. This form HUD-5370C has 2 Sections. These Sections must be inserted into non-construction contracts as described below:**

- 1) Non-construction contracts (*without* maintenance) greater than \$100,000 - use Section I;
- 2) Maintenance contracts (including nonroutine maintenance as defined at 24 CFR 968.105) greater than \$2,000 but not more than \$100,000 - use Section II; and
- 3) Maintenance contracts (including nonroutine maintenance), greater than \$100,000 – use Sections I and II.

=====  
**Section II – Labor Standard Provisions for all Maintenance Contracts greater than \$2,000**  
=====

### 1. Minimum Wages

- (a) All maintenance laborers and mechanics employed under this Contract in the operation of the project(s) shall be paid unconditionally and not less often than semi-monthly, and without subsequent deduction (except as otherwise provided by law or regulations), the full amount of wages due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Housing and Urban Development which is attached hereto and made a part hereof. Such laborers and mechanics shall be paid the appropriate wage rate on the wage determination for the classification of work actually performed, without regard to skill. 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 classifications and wage rates approved by HUD under subparagraph 1(b), 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.
- (b) (i) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the Contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate only when the following criteria have been met:
  - (1) The work to be performed by the classification required is not performed by a classification in the wage determination;
  - (2) The classification is utilized in the area by the industry; and
  - (3) The proposed wage rate bears a reasonable relationship to the wage rates contained in the wage determination.
- (ii) The wage rate determined pursuant to this paragraph shall be paid to all workers performing work

in the classification under this Contract from the first day on which work is performed in the classification.

### 2. Withholding of funds

The Contracting Officer, upon his/her own action or upon request of HUD, shall withhold or cause to be withheld from the Contractor under this Contract or any other contract subject to HUD-determined wage rates, with the same prime Contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics employed by the Contractor or any subcontractor the full amount of wages required by this clause. In the event of failure to pay any laborer or mechanic employed under this Contract all or part of the wages required under this Contract, the Contracting Officer or HUD may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment or advance until such violations have ceased. The Public Housing Agency or HUD 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.

### 3. Records

- (a) The Contractor and each subcontractor shall make and maintain for three (3) years from the completion of the work records containing the following for each laborer and mechanic:
  - (i) Name, address and Social Security Number;
  - (ii) Correct work classification or classifications;
  - (iii) Hourly rate or rates of monetary wages paid;
  - (iv) Rate or rates of any fringe benefits provided;
  - (v) Number of daily and weekly hours worked;
  - (vi) Gross wages earned;
  - (vii) Any deductions made; and
  - (viii) Actual wages paid.
- (b) The Contractor and each subcontractor shall make the records required under paragraph 3(a) available for inspection, copying, or transcription by authorized representatives of HUD or the HA and shall permit such representatives to interview employees during working hours on the job. If the Contractor or any subcontractor fails to make the required records 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.

### 4. Apprentices and Trainees

- (a) Apprentices and trainees will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in:
  - (i) A bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration (ETA), Office of

Apprenticeship Training, Employer and Labor Services (OATELS), or with a state apprenticeship agency recognized by OATELS, or if a person is employed in his/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;

- (ii) A trainee program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, ETA; or
  - (iii) A training/trainee program that has received prior approval by HUD.
- (b) Each apprentice or trainee must be paid at not less than the rate specified in the registered or approved program for the apprentice's/trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Apprentices and trainees shall be paid fringe benefits in accordance with the provisions of the registered or approved program. If the program does not specify fringe benefits, apprentices/trainees must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification.
- (c) The allowable ratio of apprentices or trainees to journeyman on the job site in any craft classification shall not be greater than the ratio permitted to the employer as to the entire work force under the approved program.
- (d) Any worker employed at an apprentice or trainee wage rate who is not registered in an approved program, and any apprentice or trainee performing work on the job site in excess of the ratio permitted under the approved program, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed.
- (e) In the event OATELS, a state apprenticeship agency recognized by OATELS or ETA, or HUD, withdraws approval of an apprenticeship or trainee program, the employer will no longer be permitted to utilize apprentices/trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

## 5. Disputes concerning labor standards

- (a) Disputes arising out of the labor standards provisions contained in Section II of this form HUD-5370-C, other than those in Paragraph 6, shall be subject to the following procedures. Disputes within the meaning of this paragraph include disputes between the Contractor (or any of its subcontractors) and the HA, or HUD, or the employees or their representatives, concerning payment of prevailing wage rates or proper classification. The procedures in this section may be initiated upon HUD's own motion, upon referral of the HA, or upon request of the Contractor or subcontractor(s).
- (i) A Contractor and/or subcontractor or other interested party desiring reconsideration of findings of violation by the HA or HUD relating to the payment of straight-time prevailing wages or classification of work shall request such reconsideration by letter postmarked within 30 calendar days of the date of notice of findings issued by the HA or HUD. The request shall set

forth those findings that are in dispute and the reasons, including any affirmative defenses, with respect to the violations. The request shall be directed to the appropriate HA or HUD official in accordance with instructions contained in the notice of findings or, if the notice does not specify to whom a request should be made, to the Regional Labor Relations Officer (HUD).

- (ii) The HA or HUD official shall, within 60 days (unless otherwise indicated in the notice of findings) after receipt of a timely request for reconsideration, issue a written decision on the findings of violation. The written decision on reconsideration shall contain instructions that any appeal of the decision shall be addressed to the Regional Labor Relations Officer by letter postmarked within 30 calendar days after the date of the decision. In the event that the Regional Labor Relations Officer was the deciding official on reconsideration, the appeal shall be directed to the Director, Office of Labor Relations (HUD). Any appeal must set forth the aspects of the decision that are in dispute and the reasons, including any affirmative defenses, with respect to the violations.
- (iii) The Regional Labor Relations Officer shall, within 60 days (unless otherwise indicated in the decision on reconsideration) after receipt of a timely appeal, issue a written decision on the findings. A decision of the Regional Labor Relations Officer may be appealed to the Director, Office of Labor Relations, by letter postmarked within 30 days of the Regional Labor Relations Officer's decision. Any appeal to the Director must set forth the aspects of the prior decision(s) that are in dispute and the reasons. The decision of the Director, Office of Labor Relations, shall be final.

- (b) Disputes arising out of the labor standards provisions of paragraph 6 shall not be subject to paragraph 5(a) of this form HUD-5370C. Such disputes shall be resolved in accordance with the procedures of the U.S. Department of Labor set forth in 29 CFR Parts 5, 6 and 7. Disputes within the meaning of this paragraph 5(b) include disputes between the Contractor (or any of its subcontractors) and the HA, HUD, the U.S. Department of Labor, or the employees or their representatives.

## 6. Contract Work Hours and Safety Standards Act

The provisions of this paragraph 6 are applicable only where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms "laborers" and "mechanics" includes watchmen and guards.

- (a) **Overtime requirements.** No Contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of 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.
- (b) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the provisions set forth in paragraph 6(a), the Contractor and any

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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 the 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 paragraph (a) 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 paragraph (a) of this clause.

- (c) **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 U.S. 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 paragraph (b) of this clause.

## 7. Subcontracts

The Contractor or subcontractor shall insert in any subcontracts all the provisions contained in this Section II 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 the provisions contained in these clauses.

## 8. Non-Federal Prevailing Wage Rates

Any prevailing wage rate (including basic hourly rate and any fringe benefits), determined under state law to be prevailing, with respect to any employee in any trade or position employed under the Contract, is inapplicable to the contract and shall not be enforced against the Contractor or any subcontractor, with respect to employees engaged under the contract whenever such non-Federal prevailing wage rate, exclusive of any fringe benefits, exceeds the applicable wage rate determined by the Secretary of HUD to be prevailing in the locality with respect to such trade or position.