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# Quotations for Small Purchases

**QSP No. 02-2020**

## **Roof Repairs At Palmville, Vista Park, Stone Village**

Quotes due date: on or before January 29, 2020 10:00 a.m. CST  
Published date: January 21, 2020

Quotations for Small Purchases (QSP)  
CONDITIONS TO QUOTE – NONCONSTRUCTION  
Solicitation No. 02-2020 Roof repair- PV, VP, SV

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- C. HUD form 5370CII *General Conditions for Non-Construction Section II – (With Maintenance Work)* (attached)
- D. Mandatory Contract Clauses for Small Purchases other Than Construction, HUD Handbook No. 7460.8 Rev 2
- E. Wage Decision, dated 01/21/2020
- F. Section 3 Forms, including explanation

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PROCEDURE: The HA will accept the proposed pricing in person, by fax, email or by mail delivery only! The HA will NOT accept proposed pricing verbally or by telephone. Quoters must also submit proposed pricing where provided on the last page of this form.

HA CONTACT: All questions pertaining this QSP shall be addressed to Lucia Jaramillo, Telephone: 956-399-7501; e-mail: [info@sanbenitohousing.com](mailto:info@sanbenitohousing.com). The Contracting Officer (CO) is Yvette T Nieto, Executive Director.

- 1.0 APPLICABILITY: By submitting a quote to the HA, the firm or individual doing so (hereinafter, "the quoter") is automatically agreeing to abide by all terms and conditions listed herein, including those terms and conditions within the HUD document, *Table 5.1, Mandatory Contract Clauses for Small Purchases Other than Construction*, which is attached hereto.
- 2.0 HA RESERVATION OF RIGHTS: The HA reserves the right to:
  - 2.1 Reject any or all quotes, to waive any informalities in the QSP process, or to terminate the QSP process at any time, if deemed by the HA to be in the best interest of the HA;
  - 2.2 Terminate a contract awarded pursuant to this QSP at any time for its convenience upon delivery of a 10-day written notice to the apparent or successful quoter;
  - 2.3 Determine the days, hours and locations that the successful quoter shall provide the items or services called for in this QSP;
  - 2.4 Reject and not consider any quote that does not, in the opinion of the CO, meet the requirements of this QSP, including but not necessarily limited to incomplete quotes offering alternate (not including "or equal" items) or non-requested items or services;
- 3.0 QUOTER'S RESPONSIBILITY: Each quoter must carefully review and comply with all instructions provided herein, provided within any named attachments and those provided within the noted Internet system.
- 4.0 DEADLINE: Each quoter shall submit his/her proposed costs, prior to the posted deadline, as provided for herein. Whereas this is an informal solicitation process, the HA reserves the right to extend the posted deadline at any time prior to the deadline, if, in the opinion of the CO, it is in the best interests of the HA to do so.
- 5.0 HOLD PRICES/NON-ESCALATION: By submitting a quote, and whereas the quote sum submitted is a firm-fixed quote, each quoter thereby agrees to "hold" or not increase the proposed quote prices during the term of the work.
- 6.0 PURCHASE ORDER (PO): The HA will procure the applicable goods or services by issuance of a PO and contract. PO's will be issued on an as-needed basis only. By submitting a quote, the

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successful quoter thereby agrees to confirm receipt of the PO in the manner directed by the HA.

- 6.1 AWARD CRITERIA: If an award is completed pursuant to this QSP, and unless otherwise instructed in writing by the CO, award shall be made to the responsive and responsible quoter that submits the lowest cost.
- 7.0 INVALID OR ALTERNATE QUOTES: Failure to complete and submit all required information, or to add any additional requirements not acceptable to the HA, may invalidate the quote submitted. Furthermore, the HA shall reserve the right to reject, without consideration, alternate quotes, meaning those that do not meet the requirements of this QSP.
- 8.0 QUOTE COSTS: There shall be no obligation for the HA to compensate any quoter or prospective quoter for any costs that he/she may incur in responding to this QSP.
- 9.0 SHIPPING COSTS: Each quoted sum submitted shall include completion of the specified services at the HA site or location, as specified within this QSP or on the PO issued.
- 10.0 ASSIGNMENT OF PERSONNEL: The HA shall retain the right to demand and receive a change in personnel assigned by the successful quoter to provide services to the HA if the HA believes that such change is in the best interest of the HA and the completion of the work or provision of the items.
- 11.0 UNAUTHORIZED SUB-CONTRACTING PROHIBITED: The successful quoter shall not assign any right, nor delegate any duty for the work proposed pursuant to this QSP (including, but not limited to, selling or transferring the ensuing PO or contract) without the prior written consent of the CO. Any purported assignment of interest or delegation of duty, without the prior written consent of the CO shall be void and may result in the cancellation of the PO or the contract with the HA.
- 12.0 LICENSING AND INSURANCE REQUIREMENTS: Prior to award (but not as a part of the quote submission) the *successful quoter* will be required to provide:
- 13.1 An original certificate evidencing the quoter's current industrial (worker's compensation) insurance carrier and coverage amount;
- 13.2 An original certificate evidencing General Liability coverage, naming the HA as an additional insured, together with the appropriate endorsement to said policy reflecting the addition of the HA as an additional insured under said policy (minimum of \$1,000,000 each occurrence, general aggregate minimum limit of \$1,000,000, together with damage to premises and fire damage of \$50,000 and medical expenses any one person of \$5,000), with a deductible of not greater than \$1,000;
- 13.3 An original certificate showing the quoter's automobile insurance coverage in a combined single limit of \$500,000. For every vehicle utilized during the term of this program, when

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not owned by the entity, each vehicle must have evidence of automobile insurance coverage with limits of no less than \$50,000/\$100,000 and medical pay of \$5,000.

13.4 A copy of the quoter's business license allowing that entity to provide such services within the jurisdiction of San Benito, TX;

14.0 Documents that apply to this QSP:

14.1 This Conditions to Quote form;

14.2 HUD form 5370CII *General Conditions for Non-Construction Section II – (With Maintenance Work)* (attached)  
HUD form, *Mandatory Contract Clauses for Small Purchases Other than Construction* (attached).

14.3 Applicable HUD Wage Rate Decision, dated 1/21/2020 (attached).

14.4 A copy of 24 CFR 135, commonly known as Section 3 (included by reference--a copy will be delivered by the HA to any firm upon submission to the CO of a written request for such). The successful quoter hereby agrees to comply with all requirements of the HUD Section 3 Program as detailed therein. If a bidder chooses to certify as a Section 3 quoter, he/she shall receive the preference noted therein. In any case, the successful quoter shall be required to, as detailed therein, "to the greatest extent feasible . . . provide economic opportunities to low- and very-low income persons," meaning, if the successful quoter must hire anyone to help with the work, he/she must submit a work plan showing how he/she will give first preference to such jobs to Section 3 persons.

14.5 The HA reserves the right to require the successful quoter/contractor to utilize any form required by HUD to complete the required work and by submitting his/her quote each contractor agrees to do so at no additional charge.

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15.0 Technical Specifications or Statement of Work (SOW) that apply to this QSP:

Location: Palmville Development	1400 N Reagan St. San Benito, TX
Vista Park Development	100 Cornejo Dr, San Benito, TX
Stone Village	1301 Victoria St, San Benito, TX

Palmville (gravel)\*

Repairs for roof on unit # 10	40'x 8' valley
Repairs for roof on unit # 16,17	40'x 6' valley
Repairs for roof on unit # 20	15' x 14'
Repairs for roof on unit # 41	38' x 18'
Repairs for roof on unit # 42	10' x 6' valley
Repairs for roof on unit # 71,72	22' x 15' valley
Repairs for roof on unit # 96	27'x6' right side wall street side

\*Remove existing gravel and loose debris; Mop down 1 ply of ply 4 fiberglass sheet with type 4 asphalt. Apply type 4 asphalt with new 3/8" gravel.

Vista Park (shingles)

Repairs for roof on unit #7	4'x 8' dinning room exit door
Repairs for roof on unit #57	4' x 4' top pitch-end

Stone Village (shingles)

Repairs for roof on apt. #10	2' x 3' by vent
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Areas for repairs have been marked.

Please provide a list of material, and breakdown of work per unit as well as warranty.

**\*If you would like a walkthrough please call to set up an appointment\***

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FORM OF QUOTE

Each quoter shall submit his/her quote on this form only, which shall be completed and returned to the HA as detailed herein.

Item No.	Description	Breakdown of Work Per Unit	Total
1	Palmville #10		\$
2	Palmville #16 #17		\$
3	Palmville #20		\$
4	Palmville #41		\$
5	Palmville #42		\$
6	Palmville #71 #72		\$
7	Palmville #96		\$
8	Vista Park #7		\$
9	Vista Park #57		\$
10	Stone Village #10		\$
Total Amount Quoted (Not to Exceed Amount):			\$

Materials used: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Warranty Provided: \_\_\_\_\_  
 \_\_\_\_\_

❖ First, place within the above a description of work to be done per unit. Second, add an amount for each noted unit to complete the required work. Third, add the unit costs to arrive at a Total Amount Quoted (Not to Exceed Amount). Fourth, include the Materials to be used. Fifth, include Warranty Period from date of completion.

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❖ In the case of any discrepancy between the "Total Amount Quoted" and the recalculated sum of adding each of the individual quote amounts entered (e.g. the quoter makes a mistake in adding the amount to arrive at a Total Amount Quoted), the HA reserves the right to choose either the new calculated sum or the original Total Amount Quoted submitted, either as may be in the favor of the HA.

The undersigned quoter hereby quotes the above amounts to complete the required work, including all material to be the standard and appropriate used on roofs. Any applicable permits required will be obtained by the contractor. If warranty not specified, the contractor will provide at least one-year warranty on all work performed. The contractor will also include any and all safety precautions on work site. Further, by submitting this quote, the undersigned quoter agrees to abide by all terms and conditions listed within any document issued by the HA pertaining to this issue. (print clearly and legibly)

COMPLETED BY:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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

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

\_\_\_\_\_  
Address (Street; City; State; Zip)

Also to be submitted the following with the FORM OF QUOTE (page 8 & 9):

- Profile of firm, Attachment A
- Non-Collusive Affidavit, Attachment B
- Section 3, Attachment F



**ATTACHMENT A**

**QUOTATIONS FOR SMALL PURCHASES: QSP 02-2020, ROOF REPAIRS @ PV VP SV**

<b>PROFILE OF FIRM FORM</b>
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- (1) Prime \_\_\_\_ Sub-contractor \_\_\_\_ (This form must be completed by and for each).
- (2) Name of Firm: \_\_\_\_\_ Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_
- (3) Street Address, City, State, Zip: \_\_\_\_\_
- (4) Please attached a brief biography/resume of the company, including the following information:  
 (a) Year Firm Established; (b) Year Firm Established in [JURISDICTION]; (c) Former Name and Year Established (if applicable); (d) Name of Parent Company and Date Acquired (if applicable).
- (5) Identify Principals/Partners in Firm (submit under Tab No. 5 a brief professional resume for each):

NAME	TITLE	% OF OWNERSHIP

- (6) Identify the individual(s) that will act as project manager and any other supervisory personnel that will work on project; please submit under Tab No. 5 a brief resume for each. (Do not duplicate any resumes required above):

NAME	TITLE

- (7) Proposer Diversity Statement: You must circle all of the following that apply to the ownership of this firm and enter where provided the correct percentage (%) of ownership of each:

Caucasian                       Public-Held                       Government                       Non-Profit  
                          American (Male)                      Corporation                      Agency                      Organization  
                          \_\_\_\_\_ %                      \_\_\_\_\_ %                      \_\_\_\_\_ %                      \_\_\_\_\_ %

Resident- (RBE), Minority- (MBE), or Woman-Owned (WBE) Business Enterprise (Qualifies by virtue of 51% or more ownership and active management by one or more of the following:

Resident-Owned\*     African American     \*\*Native American     Hispanic American     Asian/Pacific American     Hasidic Jew     Asian/Indian American  
                          \_\_\_\_\_ %    \_\_\_\_\_ %    \_\_\_\_\_ %    \_\_\_\_\_ %    \_\_\_\_\_ %    \_\_\_\_\_ %    \_\_\_\_\_ %

Woman-Owned (MBE)     Woman-Owned (Caucasian)     Disabled Veteran     Other (Specify):  
                          \_\_\_\_\_ %    \_\_\_\_\_ %    \_\_\_\_\_ %    \_\_\_\_\_ %

WMBE Certification Number: \_\_\_\_\_

Certified by (Agency): \_\_\_\_\_

(NOTE: A CERTIFICATION/NUMBER NOT REQUIRED TO PROPOSE – ENTER IF AVAILABLE)

\_\_\_\_\_  
**Signature                      Date                      Printed Name                      Company**

**PROFILE OF FIRM FORM**

(8) Federal Tax ID No.: \_\_\_\_\_

(9) Texas Business License No.: \_\_\_\_\_

(10) State of \_\_\_\_\_ License Type and No.: \_\_\_\_\_

(11) Worker's Compensation Insurance Carrier: \_\_\_\_\_  
Policy No.: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

(12) General Liability Insurance Carrier: \_\_\_\_\_  
Policy No. \_\_\_\_\_ Expiration Date: \_\_\_\_\_

(13) Professional Liability Insurance Carrier: \_\_\_\_\_  
Policy No. \_\_\_\_\_ Expiration Date: \_\_\_\_\_

(14) Debarred Statement: Has this firm, or any principal(s) ever been debarred from providing any services by the Federal Government, any state government, the State of \_\_\_\_\_, or any local government agency within or without the State of \_\_\_\_\_? Yes  No   
If "Yes," please attach a full detailed explanation, including dates, circumstances and current status.

(15) Disclosure Statement: Does this firm or any principals thereof have any current, past personal or professional relationship with any Commissioner or Officer of the HA? Yes  No   
If "Yes," please attach a full detailed explanation, including dates, circumstances and current status.

(16) Non-Collusive Affidavit: The undersigned party submitting this proposal hereby certifies that such proposal is genuine and not collusive and that said proposer entity has not colluded, conspired, connived or agreed, directly or indirectly, with any proposer or person, to put in a sham proposal or to refrain from proposing, and has not in any manner, directly or indirectly sought by agreement or collusion, or communication or conference, with any person, to fix the proposal price of affiant or of any other proposer, to fix overhead, profit or cost element of said proposal price, or that of any other proposer or to secure any advantage against the HA or any person interested in the proposed contract; and that all statements in said proposal are true.

(17) Verification Statement: The undersigned proposer hereby states that by completing and submitting this form he/she is verifying that all information provided herein is, to the best of his/her knowledge, true and accurate, and agrees that if the HA discovers that any information entered herein is false, that shall entitle the HA to not consider nor make award or to cancel any award with the undersigned party.

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

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

\_\_\_\_\_  
**Company**

**ATTACHMENT B**

**Non-Collusive Affidavit  
(Prime Bidder)**

State of Texas  
County of Cameron

\_\_\_\_\_, being first duly sworn, deposes and says that he or she is \_\_\_\_\_ of \_\_\_\_\_ the party making the foregoing bid that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder, or to secure any advantage against the Housing Authority of the City of San Benito's or anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any corporation, partnership, company association, organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

Sign on appropriate line below and notarize:

\_\_\_\_\_ Signature of: Bidder, if the Bidder is an individual;

\_\_\_\_\_ Signature of: Partner, if the Bidder is a Partnership;

\_\_\_\_\_ Signature of: Officer, if the Bidder is a Corporation.

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_

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

NOTARY PUBLIC

**ATTACHMENT C**

# General Conditions for Non-Construction Contracts

## Section II – (With Maintenance Work) Office of Labor Relations

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

OMB Approval No. 2577-0157 (exp. 01/31/2014)

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:
  - ⓐ 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).

- ① 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.

**ATTACHMENT D**

**TABLE 5.1 MANDATORY CONTRACT CLAUSES FOR SMALL PURCHASES OTHER THAN CONSTRUCTION**

The following contract clauses are required in contracts pursuant to 24 CFR 85.36(i) and Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. HUD is permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy. The PHA and contractor is also subject to other Federal laws including the U.S. Housing Act of 1937, as amended, Federal regulations, and state law and regulations. Examination and Retention of Contractor's Records. The PHA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until three years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions. Right in Data and Patent Rights (Ownership and Proprietary Interest). The PHA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials, and documents discovered or produced by Contractor pursuant to the terms of this Contract, including, but not limited to, reports, memoranda or letters concerning the research and reporting tasks of the Contract. Energy Efficiency. The Contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed. 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. Termination for Cause and for Convenience (contracts of \$10,000 or more). (a) The PHA may terminate this contract in whole, or from time to time in part, for the PHA's convenience or the failure of the Contractor to fulfill the contract obligations (cause/default). The PHA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to the PHA all information, reports, papers, and other materials accumulated or generated in performing the contract, whether completed or in process.

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

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

**ATTACHMENT E**

"General Decision Number: TX20200001 01/03/2020

Superseded General Decision Number: TX20190001

State: Texas

Construction Type: Residential

Counties: Cameron and Hidalgo Counties in Texas.

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

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.80 for calendar year 2020 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, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.80 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2020. If this contract is covered by the EO and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must pay workers in that classification at least the wage rate determined through the conformance process set forth in 29 CFR 5.5(a)(1)(ii) (or the EO minimum wage rate, if it is higher than the conformed wage rate). The EO minimum wage rate will be adjusted annually. Please note that this EO applies to the above-mentioned types of contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but it does not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60). Additional information on contractor requirements and worker protections under the EO is available at [www.dol.gov/whd/govcontracts](http://www.dol.gov/whd/govcontracts).

Modification Number	Publication Date
0	01/03/2020

\* SUTX1990-013 05/01/1990

	Rates	Fringes
BOILERMAKER.....	\$ 16.35	2.315
BRICKLAYER.....	\$ 7.25	
CARPENTER.....	\$ 7.25	

CEMENT MASON/CONCRETE FINISHER...\$ 7.25

Electricians: (Residential).....\$ 7.25

FLOOR LAYER: Carpet.....\$ 7.25

Insulation Installer.....\$ 7.25

IRONWORKER, REINFORCING.....\$ 7.25

LABORER

    Pipelayer.....\$ 7.25

    Unskilled.....\$ 7.25

PAINTER.....\$ 7.25

PLASTERER.....\$ 7.25

Plumbers and Pipefitters.....\$ 8.20

Power equipment operators:

    Backhoe.....\$ 7.25

    Grader.....\$ 7.25

    Loader.....\$ 7.25

ROOFER.....\$ 7.25

Sheet metal worker.....\$ 7.25

Sheet Rock Installer.....\$ 7.25

TILE SETTER.....\$ 7.25

TRUCK DRIVER.....\$ 7.25

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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 [www.dol.gov/whd/govcontracts](http://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) (ii)).

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

#### Union Rate Identifiers

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

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

#### Survey Rate Identifiers

Classifications listed under the ""SU"" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

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

## Union Average Rate Identifiers

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

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

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## WAGE DETERMINATION APPEALS PROCESS

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

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

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

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

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

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

Wage and Hour Administrator  
U.S. Department of Labor



200 Constitution Avenue, N.W.  
Washington, DC 20210

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

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

Administrative Review Board  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

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

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END OF GENERAL DECISION

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**ATTACHMENT F**

**ATTACHMENT F**

**CERTIFICATION FOR BUSINESS CONCERNS SEEKING SECTION 3 PREFERENCE IN CONTRACTING AND DEMONSTRATION OF CAPBILITY**

Name of Business \_\_\_\_\_

Address of Business \_\_\_\_\_

Type of Business/Trade/Profession \_\_\_\_\_

Type of Business:  Corporation       Partnership       Sole Proprietorship       Joint Venture

Attached is the following documentation as evidence of status:

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

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

For Business entity as applicable:

- |   |   |
|---|---|
| <input type="checkbox"/> Copy of Articles of Incorporation  | <input type="checkbox"/> Certificate of Good Standing             |
| <input type="checkbox"/> Assumed Business Name Certificate  | <input type="checkbox"/> Partnership Agreement                    |
| <input type="checkbox"/> List of Business Name Certificate; Owners/<br>Stockholders and % ownership of each | <input type="checkbox"/> Corporation Annual Report                |
| <input type="checkbox"/> Organization chart with names and titles<br>and brief functional statement         | <input type="checkbox"/> Latest Board minutes appointing officers |
|   | <input type="checkbox"/> Additional documentation                 |

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

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

For Business claiming Section 3, 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:

- |  |  |
|--|--|
| <input type="checkbox"/> List of all current full-time employees                               | <input type="checkbox"/> List of employees claiming Section 3 status                                     |
| <input type="checkbox"/> PHA/IHA Residential lease less than 3<br>years from day of employment | <input type="checkbox"/> Other evidence of Section 3 status less than 3<br>years from date of employment |

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

- |  |   |
|--|---|
| <input type="checkbox"/> Current financial statement                       | <input type="checkbox"/> List of owned equipment                      |
| <input type="checkbox"/> Statement of ability to comply with public policy | <input type="checkbox"/> List of all contracts for the past two years |

Corporate Seal

\_\_\_\_\_  
Authorizing Name and Signature

\_\_\_\_\_  
Notary

\_\_\_\_\_  
Title

\_\_\_\_\_  
My term expires:

\_\_\_\_\_  
Date

**ATTACHMENT F (continued)**

**SUGGESTED PRELIMINARY WORKFORCE STATEMENT  
Section 3 Plan for Utilization of Section 3 Business Concerns**

Number of all Contracts Proposed: \_\_\_\_\_

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

Dollar Value of all Contracts Proposed: \_\_\_\_\_

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

**I. Goal of Contracts for Project Area Businesses:**

Proposed Type of Contract	Approximate Cost	Proposed Type of Contract	Approximate Cost

**II. Outline the Plan to achieve these goals for Economically and Socially Disadvantaged:**

(Provide Detailed Plan)

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Signature

Date

Printed Name

**ATTACHMENT F (continued)**

**SUGGESTED PRELIMINARY WORKFORCE STATEMENT**

**Section 3 Plan for Utilization of Section 3 Residents as Regular, Permanent Employees,  
Trainees, Apprentices.**

**ESTIMATED WORKFORCE BREAKDOWN**

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

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

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

Job Category	Specific Job Title	Total Estimate Positions	Present Permanent Employees (At time of contract signing)	Workforce Projection (Section 3 Residents)	Total projected Workforce Increase
Officers/Supervisors					
Professionals					
Technicians					
Housing Sales/Rental Management					
Office/Clerical					
Service Workers					
Others:					

Trade:					
Journeyman					
Common Laborers					
Apprentices					
Maximum No. of Trainees					

Trade:					
Journeyman					
Common Laborers					
Apprentices					
Maximum No. of Trainees					

Signature

Date

Printed Name

### SECTION 3 CLAUSE

All Section 3 covered contracts 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 the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative or 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 the 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).

## SECTION 3 BUSINESS CONCERNS

### PREFERENCE FOR SECTION 3 BUSINESS CONCERNS IN CONTRACTING OPPORTUNITIES

The HA has established the following priority for preference when providing contracting opportunities to Section 3 Businesses:

- Priority I:** Category 1 Businesses: Business concerns that are fifty one percent (51%) or more owned by residents of the housing development(s) of the PHA for which the section 3 covered assistance is expended, or whose full-time, permanent workforce includes thirty percent (30%) of residents of the housing development(s) for which the section 3 covered assistance is expended, or within three (3) years of the date of first employment with the business concern, were residents of the Section 3-covered housing development.
- Priority II:** Category 2 Businesses: Business concerns that are fifty one percent (51%) or more owned by residents of other housing developments(s) managed by the PHA, or whose full-time, permanent workforce includes thirty percent (30%) of residents of other housing developments(s) managed by the PHA; or within three (3) years of first employment with the business concern, were residents of the Section 3-covered housing development.
- Priority III:** Category 3 Businesses: HUD Youthbuild programs being carried out in the metropolitan area (or nonmetropolitan county) in which the section 3 covered assistance is expended.
- Priority IV:** Category 4 Businesses: Business concerns that are fifty one percent (51%) or more owned by section 3 residents, or whose permanent, full time workforce includes no less than thirty percent (30%) section 3 residents, or that subcontract in excess of twenty five percent (25%) of the total amount of subcontract to the business concerns identified as category 1 and 2 businesses)

#### **Eligibility for preference**

A business seeking to qualify for a section 3 contracting preference shall certify or submit evidence that the business concern is a section 3 business concern, as defined.

#### **Eligibility for contract award**

A section 3 business concern seeking a contract or a subcontract shall submit evidence to the PHA, contractor, or subcontractor, as applicable, sufficient to demonstrate to the satisfaction of the party awarding the contract that the business concern is responsible and has the ability to perform successfully under the terms and conditions of the proposed contract. It shall require consideration, among other factors, the potential contractor's record in complying with public policy requirements, and compliance with section 3 requirements.

**HUD directs within 24 CFR 135 that the HA may make award to qualified Section 3 Business Concerns with the highest priority ranking and with the lowest responsive proposal if that proposal is**

a. is within the maximum total contract price established in the contracting party’s budget for the specific project for which bids/proposals are being taken; and

b. is not more than “X” higher than the total bid/proposal price of the lowest responsive bid/proposal from any responsible bidder/proposer. “X” is determined as follows:

	X= lesser of:
When the lowest responsive bid is less than \$100,000.....	10% of that bid or \$9,000.
When the lowest responsive bid is:	
At least \$100,000, but less than \$200,000.....	9% of that bid, or \$16,000
At least \$200,000, but less than \$300,000.....	8% of that bid, or \$21,000
At least \$300,000, but less than \$400,000.....	7% of that bid, or \$24,000
At least \$400,000, but less than \$500,000.....	6% of that bid, or \$25,000
At least \$500,000, but less than \$1 million.....	5% of that bid, or \$40,000
At least \$1 million, but less than \$2 million.....	4% of that bid, of \$60,000
At least \$2 million, but less than \$4 million.....	3% of that bid, or \$80,000
At least \$4 million, but less than \$7 million.....	2% of that bid, or \$105,000
\$7 million or more.....	1 ½ % of the lowest responsive bid, with no dollar limit



**ATTACHMENT F**

**ASSURANCE OF COMPLIANCE (Section 3, HUD ACT of 1968)**

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

- A. The project assisted under this (contract) (agreement) is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 170U. Section 3 requires that the greatest extent feasible opportunities for training and employment be given to 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) (agreement), the (applicant) (recipient) 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) (agreement). 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 regulation, to provide training, employment and business opportunities required by Section 3; and incorporation of the "Section 3 Clause" specified by Section 135.38 of the regulation in all contracts for work in connection with the project. The (applicant) (recipient) certifies and agrees that it is under no contractual or other disability which would prevent it from complying with these requirements.
  
- C. Compliance with the provision 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) (agreement), shall be a condition of the Federal financial assistance provided to the project, binding upon the (applicant) (recipient), its successors and assigns. Failure to fulfill these requirements shall subject the (applicant) (recipient), its contractors and subcontractors, its successors, and assigns to the sanctions specified by the (contract) (agreement), and to such sanctions as are specified by 24 CFR 135.38 (f).

APPLICANT: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

COMPANY: \_\_\_\_\_

DATE: \_\_\_\_\_