



Brainerd HRA Board of Commissioners Meeting
Wednesday, September 27th, 2023 @ 1:00pm
Brainerd HRA Office Conference Room
324 E River Road, Brainerd, MN

*"Our mission is to provide affordable housing and redevelopment opportunities
to strengthen our neighborhoods and community."*

AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. REVIEW AND APPROVE AGENDA
4. APPROVAL OF MINUTES
 - a. Approval of Minutes from Regular Board Mtg. on August 23rd, 2023 (*Attachment 1*) Pg. 3
5. UNFINISHED BUSINESS
 - a. Strategic Goals Update (*Attachment 2*) Pg. 9
 - b. Office Building Update (*Attachment 3*) Pg. 15
6. NEW BUSINESS
 - a. Keyless Entry Project for Public Housing units and Office Building (*Attachment 4*) Pg. 17
 - b. Insurance Claim Project for Scattered Sites for Roof Replacements (*Attachment 5*) Pg. 59
7. BILLS & COMMUNICATIONS
 - a. Financial Report (*Attachment 6*) Pg. 105
 - b. HCV Report (*Attachment 7*) Pg. 133
 - c. Housing Management Report (*Attachment 8*) Pg. 139
 - d. Rehab Programs Report (*Attachment 9*) Pg. 147
 - e. Executive Director Report (*Attachment 10*) Pg. 151
8. COMMISSIONER COMMENTS
9. NEXT MEETING: Wed. October 25th, 2023
10. ADJOURN

Rebekah Kent-Ehlebracht, term expiring 12/31/23
Gabe Johnson, term expiring 12/31/24
Allie Verchota, term expiring 12/31/24
Michael Duval, term expiring 12/31/25
Wayne Erickson, term expiring 12/31/25
Janet Decker, term expiring 12/31/26
Kevin Yeager, term expiring 12/31/27

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Brainerd HRA BOARD MEETING MINUTES

Wednesday, August 23rd, 2023 @ 1:00pm

A regular meeting of the Board of Commissioners of the Housing and Redevelopment Authority (HRA) in and for the City of Brainerd, Minnesota, was held in person at Brainerd HRA Office Conference Room located at 324 East River Road, Brainerd, MN at 1:00 p.m., Wednesday, July 26th, 2023.

1. **CALL TO ORDER:** Chair Kent-Ehlebracht called the meeting to order at 1:00 p.m.

2. **ROLL CALL:** Present: Commissioners Gabe Johnson, Michael Duval, Wayne Erickson, Janet Decker, Kevin Yeager, Rebekah Kent-Ehlebracht & Allie Verchota Absent:

Others present: Executive Director Eric Charpentier, Finance Director Karen Young, Housing Manager Shannon Fortune, Rehab & Maintenance Director John Schommer & Administrative Specialist Jessica Mulroy. Absent: Rental Assistance Manager Tania Eller & Rehab Administrative Specialist Kristin Miller. Guests: None

3. **REVIEW AND APPROVE AGENDA:**

Moved and seconded by Commissioners Johnson and Yeager to approve the agenda as presented for the August 23rd, 2023, board meeting. All commissioners were in favor, and none were opposed. The agenda was approved.

4. **READING AND APPROVAL OF MINUTES:**

a. Approval of minutes from Regular Board Meeting on July 26th, 2023

Moved and seconded by Commissioners Duval and Johnson to approve the minutes from the July 26th, 2023, regular board meeting. All commissioners were in favor, and none were opposed. The minutes were approved.

5. **UNFINISHED BUSINESS:**

6. **NEW BUSINESS:**

a. 2024 Preliminary General Fund Budget Filing with the City of Brainerd

Redevelopment TIF District in Support of Proposed Project by DW Jones, Inc

For the August board meeting each year, staff is directed to prepare a letter to the Mayor and City requesting the full HRA levy of .0185 percent of the estimated market value.

Per Minnesota State Statute, the authority shall each year formulate and file a budget in accordance with the budget procedure of the City in the same manner as required of executive departments of the City, or if no budgets are required to be filed, by August 1.

To meet this requirement, staff prepared the attached preliminary General Fund budget to be filed with the City. This budget is based on estimates and assumptions that will change before the final budget is presented to the Board in November.

Moved and seconded by Commissioners Duval and Verchota to Authorize staff to file the attached General Fund budget with the City. All commissioners were in favor, and none were opposed.

- b. Amend and Restate Mortgage Note for Trail Ridge Limited Partnership with MN Housing and Authorize by Resolution the Executive Director to Execute Amended Note on behalf of the HRA

Trail Ridge Limited Partnership – Extension of Mortgage Terms with MN Housing

The Brainerd HRA is a general partner with Brighton Development Corporation for the Trail Ridge townhomes in Southwest Brainerd. This was a tax credits project completed in the early 1990's. Brighton Development Corporation is currently working with MN Housing to extend the mortgage with them for an additional 2 years while they investigate options for the property into the future. We have spoken with Linda Donaldson who oversees Brighton Development and as this does not require any monetary investment from the HRA we have been agreeable to having them pursue an extension of terms on this note.

We have recently received the paperwork from MN Housing that is being requested by September 1st, 2023. MN Housing is also requesting that a board resolution be presented to them stating that Eric Charpentier is the Executive Director of the agency and is therefore able to be a signatory on the documents on behalf of the agency. Staff has prepared a resolution as such as we do not have anything on file stating this. As we move through this process we would also request board authorization for the agency to move forward with the extension. I have included the draft documents with the previous executive director's name from when this was originated with MN Housing.

Moved and seconded by Commissioners Johnson and Verchota to Approve Resolution No. 2023-07 authorizing Executive Director Eric Charpentier to sign on behalf of the HRA in and for the City of Brainerd. Authorize Executive Director to move forward with the extension of mortgage terms for Trail Ridge Limited Partnership with MN Housing and Brighton Development Corporation. Through a roll call vote (GJ, MD, WE, JD, KY, RKE, AA), all commissioners were in favor, and none were opposed. Resolution 2023-07 was approved.

7. BILLS & COMMUNICATIONS:

- a. Financial Report:

Young presented the July 2023 Financial Reports and supporting information.

General Fund Tax Levy and TIF Increment

Reflected in the July General Fund Financial Statements is the second deposit of \$27,521.88 in Property Tax Revenue (levy) for total first half levy deposits of \$87,017.50. The total levy amount for 2023 is \$155,981. The second half property tax settlement will be in December.

Also deposited in July was Downtown TIF District increment of \$24,390.15. Since the TIF bond debt was paid off for this project in 2022, the increment collected will pay down the interfund loan between the TIF District and the General Fund.

CWC HRA Budget

The 2024 budget for CWC HRA was presented and approved by the CWC HRA Board at their July 25th special budget meeting. The budget was also presented to the CWC Budget Committee meeting on August 10th.

Commissioner Erickson moved to approve the payments as presented. Commissioner Duval seconded the motion. All commissioners voted in favor of the motion, and none were opposed. The motion carried.

b. HCV Report:

Charpentier presented HCV reports and supporting information.

HCV Report (Report was presented)

Please see the attached reports.

Our Unit Months Leased (UML) through July is 106% and HAP utilization through July is 68%.

Bridges Report (Report was presented)

We have 11 families on our program with a monthly HAP payment of \$6,457.

Family Self-Sufficiency (FSS) Report (Report was presented)

We have 50 families on our program. We have 28 families currently escrowing a total of \$10,446 per month.

c. Housing Management Report:

Fortune presented her reports and supporting documents.

Vacancy Report for July 2023 (Report was presented)

Monthly Property Performance Report for July 2023 (Report was presented)

ROSS Program Updates

- 15 active participants in the ROSS program; 0 newly enrolled participant; 0 exited participant.
- 6 new contacts with non-enrolled residents for more limited resource/referral work.
- Food Program Participation
 - SNAP Food Boxes: 25 residents; shelf-stable box; elderly tenants only.
 - Catholic Charities: 12 residents; 210 frozen meals (10 - 30 each); elderly tenants only
 - After the loss of one of the two volunteers that handled “doorstep delivery” of food boxes, Patsy is working on plans to shift to a pick-up/proxy system. This last month there was an increase in people not picking up their boxes, so additional education is necessary to prevent participation falling below the minimum levels to maintain site delivery.
- Activities Recap:
 - Humana-hosted health seminar “Test Your Nutrition IQ” (4); ROSS-hosted “Walking Distance Job Fair” (6).
 - 1 person submitted an application during the job fair; 6 attendees got either an emailed or a printed copy of the presentation with QR codes leading to job opportunities; printed copies of the presentation were distributed in common areas for other tenants’ use.
- Facebook Stats:
 - 4 new posts on the ROSS Facebook page this past month, which reached 13 individuals, with no likes, comments, or click-throughs, and no additional sharing of the posts.

d. Rehab Programs Report:

Schommer presented his reports and supporting information.

SE Brainerd SCDP Application

We received notice in DEED's SCDP Quarterly Newsletter that the SCDP Unit will be announcing 2023 grant awards once HUD approves the State's 2023 Annual Action Plan and releases the State of Minnesota's CDBG allocation to DEED, we expect to find out by the end of August.

MHFA

We received another request for a MHFA Rehabilitation Loan Program (RLP) loan for a disabled household in Morrison County. TCC helped the applicant submit a complete application packet to Kristin with their information and they would qualify. The board has previously approved administering loans in Morrison County but did limit it to the more northern part of the county, this loan is in the west side of Little Falls. We currently have two other active loans in Morrison County and have closed one.

e. Executive Director Report:

Charpentier presented his reports and supporting information.

Relocation Possibilities

We have received a quote for professional services to do a feasibility study on the McDermott building that we have been looking at as a potential relocation site for our operations. The feasibility study would cost us \$13,700. For that fee we would get an opinion of architectural and engineering probable cost for a remodel along with a complete concept design exercise of the existing space to fit the needs of the agency. I would like to have a discussion with the board as to if this is a cost that you would like us to incur. We have kept in contact with the building owners to let them know where we are in the process as their tenants are in the last few weeks of occupying their space. I will have staff feedback to share with the board on what our thoughts are as well.

Commissioner Kent-Ehlebracht called to vote on if staff should proceed with compiling information about the possible purchase of the building next door. Through a roll call vote (MD, WE, RKE, AA) voted yes (GJ, KY) voted no, majority of the commissioners totaling four were in favor, and two were opposed. Staff will present more information at the September board meeting was approved.

CWC HRA Levy Request

The CWC HRA presented their levy request to the CWC commissioners at a budget meeting held on August 10th. The HRA requested a large levy increase for the commissioners to consider. With the redevelopment project in downtown Brainerd moving forward in 2024 and other rehab and development interest in the housing trust fund, the agency has put forward a request to increase the funding level from \$400,000 up to \$2,000,000 for 2024. The agency will learn more about if this requested increase will move forward sometime in September when the County sets their preliminary levy.

8. COMMISSIONER COMMENTS:

Rebekah Kent-Ehlebracht: Would like to see talking points sent out to board members addressing commissioners.

Gabe Johnson: Would like to get the focus of the board back on Brainerd items.

Michael Duval: Is requesting a special meeting to review the information provided regarding the budget. Eric stated we could schedule this in November or December,

9. ADJOURN:

Commissioner Duval made a motion to adjourn the meeting. Commissioner Erickson seconded the motion. All commissioners voted in favor of the motion, and none were opposed. The motion was approved, and the meeting was adjourned at 2:38 p.m.

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To: Brainerd HRA Board Members

From: Eric Charpentier, Executive Director

Date: September 20th, 2023

Re: Strategic Planning Update

We have updated the status of the goals that we have been working on in the past few months. As we review this quarterly it will be helpful for staff to get feedback and/or guidance from the board to ensure we are making any priority adjustments as we work towards fulfilling these goals. This will continue to help guide staff on our path forward. Many of these goals will be ongoing throughout this two-year cycle, but there could be shifts in the priority as we work through these. I have updated the status column with progress on specific goals that has occurred in the past 3 month period.

Staff would also like to propose a workshop meeting to discuss our options for projects that the HRA could complete with the budgeted funding that is available to the board for other initiatives.

Action Requested: No action requested, for informational purposes and general discussion.

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2022 – 2024 Brainerd HRA Goals and Action Steps Status Report

Goal	Action Steps	Status
Goal 1: Workforce Retention and Development – High Priority	Maintain stable workforce – focus on retention and additions.	<i>Ongoing and continual – Added Operations Administrative Specialist 1/23.</i>
	Support well-trained, competent, and professional workforce.	<i>Continue to offer and encourage in person and online training for staff. Sent 5 staff members to MN NAHRO's Fall Conference, staff continues to look for training opportunities for the upcoming changes to PH and HCV through NSPIRE and HOTMA as well as training on the Bring It Home MN the new State Housing Funding.</i>
	Succession planning – transfer of institutional knowledge preserved and applied through cross-training.	<i>Mid Priority, ongoing</i>
	Monitor staff capacity and well-being while managing 3 HRA's.	<i>Continually evaluating each department's capacity and searching for growth opportunities. Looking at additional vouchers that are available through HUD, looking at expansion of rehab through the MHFA program.</i>
Goal 2: Intentional Decisions for Properties to be Redeveloped	City acquisition of former state hospital site.	<i>Lower Priority, per City staff the State of MN does not currently have interest in selling this land. No change in status.</i>
	Possible redevelopment in south Brainerd.	<i>Lower priority, the former Mills property did sell to a private entity in May of 2023. There is also an 11-acre parcel for sale in SW Brainerd on Whippoorwill Ln, list price is \$199,000.</i>
	Washington Street redevelopment and SCDP grant.	<i>High priority, scheduled for 2026. City municipal consent given in March of 2023. Staff will work to put together a competitive Small Cities Grant. Preapplication will be due in fall of 2024 with an application to follow in spring of 2025. No further updates.</i>

	Use available resources to optimize redevelopment success.	<i>The agency owns 5 acres in Brainerd Oaks that is not part of the development agreement. Staff would like to explore incentives to getting a developer interested in building on this property.</i>
	Update housing study and needs.	<i>As needed, lower priority. Looking at funding opportunities to update within the next 2-3 years.</i>
Goal 3: Engage Developers	Guide and mentor developers to greater successes through our expertise.	<i>Continue to meet with developers to market the City of Brainerd and the developable areas for housing. Worked with City staff to create a developable land document to share with developers in February of '23. A redevelopment TIF district was approved to aid in the redevelopment of the former Thrifty White property in downtown Brainerd. Staff worked with the Counselor's of Real Estate in August to help provide additional development ideas for the City.</i>
	Identify potential clients within nonprofit organizations.	<i>Continue to work with partners such as LAHFH to identify and develop housing opportunities. ED spoke with CMHP regarding partnering in the future on housing in Brainerd.</i>
	Utilize available funding and resources.	<i>The legislature approved a housing bill for 1 billion dollars in primarily one time use money for a number of current programs and additional new housing programs. We anticipate working with the City and developers to help access funding for infrastructure and building for new units.</i>
	Continually review financial impact on HRA and increase revenue.	<i>High Priority, continuing to evaluate our programs and if there are ways to increase revenue streams for the agency along with examining our shared services agreements to make yearly adjustments where warranted.</i>
	Use technology to make programs and opportunities known and easier to access.	<i>We are currently vetting a new finance/housing software that will likely be implemented in 2024 that will replace</i>

		<i>our current software. There will be a number of improvements to our processes that will be directly related to this upgrade.</i>
Goal 4: Acquire Lands	Explore capacity to acquire large tract of land and sell smaller parcels to developers.	<i>Mid Priority – Potentially utilize the CWC HTF or utilization of the board's initiative program funds.</i>
	Creation of more housing: especially 1- and 2-bedroom units.	<i>High Priority. Working with multiple developers on projects they are working towards for development and redevelopment within the City of Brainerd.</i>
	Increase senior level living and meet the needs of increasing boomer retirees.	<i>High Priority – Country Manor in Northwest Brainerd is on track for building senior level living in 2024, HRA is not currently involved with this project</i>
	Explore housing needs and types of housing that are lacking.	<i>Ongoing. Looking at funding options for updating our housing study in the next 2-3 years to keep the data fresh. The Counselor's of Real Estate will be providing their results of the work they did in Aug '23 sometime in October.</i>
Goals 5: Build efficiencies within the 3 – 4 HRA's within Crow Wing County – (Low priority as time allows)	Discover efficiencies and reduce duplications resulting in possible budget savings.	<i>With the planned implementation of new housing software in 2024 we aim to have time savings and better efficiency for both our PH and HCV programs.</i>
	Investigate combining to one agency.	<i>Low priority, not actively working on this priority.</i>
	Collaborate on more housing available across the HRA's.	<i>Ongoing</i>
	Keep abreast of HUD issues and changes.	<i>Ongoing, attending webinars, in person training and regional groups for information sharing.</i>
	Collaborate and communicate with our elected officials.	<i>High priority, continue to attend City Council meetings, work with City staff on housing priorities within the City and the EDA.</i>

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To: Brainerd HRA Board Members
From: Eric Charpentier, Executive Director
Date: September 27th, 2023
Re: Office Building Update

Potential Relocation of Office

Staff have investigated what the process would be if we wanted to sell our current office building in favor of moving to another location. This process would mimic the disposition process that the agency would go through if we were to ever look at selling one of our public housing scattered site locations and would involve public hearings and opportunities for tenant and public comment.

Staff also reached out to a local builder to inquire as to a cost estimate for an office remodel based off of site drawings and our rough sketches to indicate what changes staff would envision. We are anticipating a rough estimate to come back, hopefully before our board meeting so that we can discuss these items further.

Action Requested; Discussion of next steps, if any.

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To: Brainerd HRA Board Members
From: John Schommer, Rehab & Maintenance Director
Date: September 19, 2023
Re: Approval of Contract for Keyless Entry

During our capital improvement assessments, we identified the need to improve our security by replacing the door entry phone system at North Star Apartments and moving to keyless entry at our facilities. This project was included in the approved 5-Year Action Plan for the years 2022 to 2026 and includes keyless entry for the North Star, Scattered Sites, Valley Trail and the HRA office building. We issued an Invitation For Bid (IFB) and received one responsive bid at \$248,251.00 from Safeguard Security. 2022 Capital Fund Program (CFP) dollars will be used to pay for this project.

We did move forward with the contract and were recently made aware that we did not bring it to the board for approval, per our Procurement Policy, prior to having the contract executed. We have postponed installation until we can have the board approve the contract retroactive to the execution date. We have included the executed contract for your review.

Action Requested: Approve the contract with Safeguard Security for \$248,251.00 to install a new front entry phone system at North Star Apartments and keyless entry at our Public Housing facilities and the office building retroactive to April 12th, 2023.

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BRAINERD HOUSING & REDEVELOPMENT AUTHORITY CONSTRUCTION AGREEMENT

This CONTRACT AGREEMENT ("Agreement") is made on 4th day of April 2023 by and between the **Brainerd Housing & Redevelopment Authority** ("HRA") located at 324 East River Road, Brainerd, Minnesota, 56401, and Safeguard Security Company located at 140 10th Street NE, Cold Spring, Minnesota, 56320.

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

SECTION 1. APPLICABLE CONTRACT DOCUMENTS.

1.1 This Agreement for construction Work as defined in Minnesota Statutes, Section 471.345, together with the other Contract Documents used for the types of projects described in the section, represents the entire and integrated agreement between the parties and supersedes prior negotiations, representations or agreements, either written or oral.

1.2 If the awarded bid or quoted price for the Work is \$175,000 or less and the project Work is not funded in whole or in part by the U.S. Department of Housing and Urban Development ("HUD"), the Contract Documents forming the entire Agreement between HRA and Contractor shall consist of this Agreement, exhibits or attachments deemed necessary by HRA, the plans and specifications, if any, addenda to the plans and specifications issued prior to execution of this Agreement, if any, written amendments to the Agreement signed by both parties to form a change order, a constructive change directive, or a written order for a minor change in the work issued by the HRA or the architect (collectively the "Contract Documents").

1.3 If the awarded bid or quoted price for the Work is \$175,000 or less and more than \$10,000 and the project is funded in whole or in part by HUD, then the Contract Documents shall consist of the documents described in Section 1.2 above and the General Contract Conditions for Small Construction/Development Contracts (Form HUD-5370-EZ), as the provisions therein may apply to the project.

1.4 If the awarded bid price for the Work is in excess of \$175,000 and the project is funded in whole or in part by HUD, then the Contract Documents shall consist of the documents described in Section 1.2 above and the General Conditions for Construction Contracts – Public Housing Programs (Form HUD-5370), as the provisions therein may apply to the project.

1.5 If the awarded bid price for the Work is in excess of \$175,000, or at the HRA's discretion, for a project that is less than \$175,000 for the Work but the HRA has retained an architect, and the project is not funded at least in part by HUD, the Contract Documents shall consist of the documents described in Section 1.2 above.

1.6 The Contract Documents are to be read as a whole and meaning given to each provision where possible. If an ambiguity exists in the Contract Documents, the specific provision shall take precedence over the general provision and the more stringent Contractor performance standard shall take precedence over the less stringent provision, provided the standard is in compliance with applicable law. If two provisions within the Contract Documents are substantially identical or duplicative, then the clauses in combination shall apply where possible, but if use of both provisions is contradictory or absurd, the provision appearing in this Agreement shall be used unless there is an applicable HUD-5370-EZ or HUD-5370 provision where either applies in accordance with sections 1.3 or 1.4 above. In such case, the applicable HUD provision shall apply.

SECTION 2. CONTRACTOR TERMS AND CONDITIONS.

2.1 Contractor shall furnish all labor, material, skill and equipment necessary or required to perform all the work in the Contract Documents ("Work") generally described as follows: Contractor is required to do an "On Site" preorder count before ordering product, required product is listed in Exhibit A. All work provided shall be performed in accordance with established door locks practices, using modern techniques accepted by the rules and regulations of commercial and residential standards. Remove and dispose of current locks and associated hardware, install Salto electronic door access system as a replacement for traditional key/lock applications for exterior and interior at multiple locations listed in the table below. Remove and dispose of current locks and associated hardware from each building listed below. Include mortise, cylindrical, exit/panic devices, keypad locks, padlocks, and 2 additional pieces of each hardware or device used in completion of work for shop stock for each development and 2 key fobs per lock installed.

Site No. Site Name/Address:	
1	North Star Apartments located at: 410 East River Road, Brainerd, MN 56401.
2	Brainerd HRA Office Building located at: 324 East River Road, Brainerd, MN 56401.
3	Valley Trail Homes located at: 613 SW 5 th St, 617 SW 5 th St, 619 SW 5 th St, 621 SW 5 th St, 622 SW 5 th St, 623 SW 5 th St, 624 SW 5 th St, 701 SW 5 th St, 702 SW 5 th St, 703 SW 5 th St, 704 SW 5 th St, 705 SW 5 th St, 706 SW 5 th St, 707 SW 5 th St, 708 SW 5 th St, 709 SW 5 th St, 710 SW 5 th St, 711 SW 5 th St, 712 SW 5 th St, 713 SW 5 th St, 714 SW 5 th St, 715 SW 5 th St, 716 SW 5 th St, 717 SW 5 th St, and 718 SW 5 th St., Brainerd, MN 56401.
4	Scattered Homes located at: 1003 Ivy St, 703 Todd St, 921 11 th Ave NE, 2312 Pine St, 1215 SE 12 th St, 1519 8 th Ave NE, 714 SE 12 th St, 716 SE 12 th St, 1113 Quince St, 1115 Quince St, 411 SE 12 th , 413 SE 12 th St, 2503 Pine St, 2505 Pine St, 312 SW 6 th St, and 314 SW 6 th St., Brainerd, MN 56401.

2.2 Contractor shall provide labor and materials as shown in the Contract Documents. The price ("Price") including all taxes and permit fees shall be: **\$248,251.00.**

2.3 Contractor shall promptly pay for all materials, labor and equipment used in, or in connection with the performance of this Agreement, or the performance of its subcontractors and suppliers, when such bills or claims become due and indemnify and hold harmless the Project and the HRA from all claims and mechanic's liens, and upon HRA request, furnish satisfactory evidence to the HRA, when and if required that the Contractor has complied with the above requirements.

2.4 Contractor shall begin work within 30 calendar days after being notified, in writing by the HRA that Contractor may proceed with the Work ("Notice to Proceed"). Contractor further agrees that except for delays caused solely by the HRA or excusable delay, the Contractor will complete the Work within 180 days after its receipt of the Notice to Proceed/ or alternatively no later than October 1, 2023. Contractor agrees that time is of the essence in completing the Work and each phase thereof.

2.5 Contractor agrees to proceed with the Work in an orderly and reasonable sequence and to abide by the HRA's decision as to all Contractor storage and working spaces of the Project.

2.6 To the fullest extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the HRA, and HRA's agents and representatives, architects, the HRA's lender and all other contractors and/or subcontractors from any and all losses or damage (including without limiting the generality of the foregoing, attorneys' fees and disbursements paid or incurred by the HRA to enforce the provisions of this paragraph) occasioned by the failure of Contractor to carry out the provisions of this Agreement and arising out of third party claims for bodily injury, sickness, disease or death, or to injury to or destruction of tangible property to the extent caused by the negligent acts or omissions of the Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such a claim, damage, loss or expense is partially caused in part by a party indemnified hereby. Further, in claims against any person or entity indemnified under this section by an employee of the Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Contractor or a subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

2.7 Contractor agrees to provide a performance bond and payment bond satisfactory to the HRA prior to the beginning of Work if the Contract Price is \$50,000 or greater.

2.8 Subject to additional terms set forth in the Contract Documents, Contractor agrees to obtain worker's compensation insurance as is required by law, comprehensive general

liability and property damage insurance to protect the Contractor and the HRA against claims for bodily injury or death or for damage to property occurring upon, in or about the Project, for the applicable claims period for this Project, and to have the HRA named as an additional insured with limits in amounts at least equal to those specified below, or as otherwise may be required by HUD, if the Project is funded in whole or in part thereby, and the HUD required amount is greater than below:

Risk Insurance	\$1,000,000.00 Aggregate
Bodily Injury Liability	\$1,000,000.00 Each Person
General Liabilities	\$1,000,000.00 Aggregate
Property Damage Liability	\$1,000,000.00 Aggregate
Automobile	As required by law
Worker's Compensation	As required by law

2.8.1 Any and all insurance shall be issued by an "A" rated insurance company or companies. Contractor agrees to furnish the HRA with satisfactory evidence that he has complied with this paragraph. Contractor further agrees to obtain and furnish the HRA with an undertaking by the insurance company issuing each such policy that such policy will not be canceled except after thirty (30) days written notice to the HRA of its intention to do so.

2.8.2 Contractor agrees to assume the entire responsibility and liability for all damages or injury to any and all individuals, whether employees or otherwise and to all property, including the HRA's property arising out of, resulting from, or in a manner connected with the performance of the Work or occurring or resulting from the use by Contractor, its agents or employees of materials, equipment, instrumentality's or other property, whether the same is owned by the HRA, Contractor or third parties, and Contractor agrees to indemnify, defend and save harmless the HRA, his agents and employees from any and all such claims, including, without limiting the generality of the foregoing claims for which the HRA may be, or may be claimed to be liable and attorneys' fees and disbursements paid or incurred to enforce the provisions of this paragraph.

2.9 Contractor agrees to accept responsibility for all damage caused by Contractor to clean and repair all surfaces soiled or damaged by Contractor or its subcontractors or suppliers, and to protect the Work. If any dispute arises between Contractor and its subcontractors as to which is responsible for any time of damage, Contractor shall be responsible to timely repair or pay for the damage or repair and resolve allocated responsibilities for the damage among those responsible.

2.10 Contractor shall supervise and direct the Work, using the Contractor's best skill and attention. The Contractor shall be solely responsible for, and have control over, construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Work under the Contract Documents, including those performed by subcontractors, unless they give other special instructions concerning these matters. In such case the Contractor shall evaluate the jobsite safety and shall be fully and solely responsible for the jobsite safety of such means, methods, techniques, sequences or procedures. If the Contractor determines that the Contract Documents direct means, methods, techniques, sequences or procedures that are not safe,

Contractor shall give timely written notice to the HRA and shall not proceed with that portion of the Work without further written instructions from HRA.

2.11 Contractor is solely responsible for initiating, maintaining and supervising all safety precautions and measures in connection with the performance of this Agreement and agrees to take all safety precautions with respect to its Work and shall comply with all applicable laws, ordinances, rules and regulations and lawful orders of any public or governmental authority for the safety of persons or property.

2.12 Contractor is responsible to ensure their employees have received all applicable safety training, that they agree to provide all the tools and equipment to complete the contracted job tasks and, the equipment and tools should be in safe, working order.

2.13 Contractor agrees not to assign any or all of this Agreement and not to assign any money due or to become due thereunder without first obtaining prior written consent of the HRA. Contractor shall supply the HRA with a list of all individuals or businesses to which it intends to subcontract the Work or from which it will obtain materials or equipment. Such list is attached hereto as Exhibit B and incorporated herein by reference.

2.14 Contractor agrees to furnish such shop drawings or samples as may be required by the HRA.

2.15 Contractor agrees not to employ any person who is reasonably unacceptable to the HRA. Contractor further agrees to remove any such person from the Project if the HRA reasonably requests.

2.16 Contractor agrees that the HRA, or his authorized representatives, shall have the right to order, in writing, the elimination or addition of any part or parts of work or materials as omitted from or added to the Contract Documents by Architect and/or the HRA. Equitable adjustments shall be made to the Price for such omitted or added Work or materials. No extra work shall be allowed or changes made by Contractor, or paid for by the HRA, unless and until authorized by the HRA, in writing, before the work and/or changes are begun. Contractor agrees to sign attached Exhibit C to this Agreement and waives all claims for additions or changes unless the HRA has signed a written change order.

2.17 Contractor agrees to provide detail of sales taxes paid on Exhibit D for materials furnished on project from contractor and any subcontractors upon completion of project.

2.18 Contractor further agrees to give prompt written notice to the HRA Contracting Officer of all claims for extras, for requests of extensions of time and for damages for delays or otherwise, and in accordance with HUD General Conditions, if made part of the Contract Documents. Contractor agrees that any change orders for an increase in the Price and an extension to the time of performance must be consented to in writing by the HRA prior to commencing Work on the proposed change order. Further, Contractor agrees that only **Eric Charpentier, Executive Director** is authorized to sign change orders on the HRA's behalf.

2.19 Execution of the Agreement by the Contractor is a representation that the Contractor has visited the site, become familiar with local conditions under which the Work is to be performed and has correlated personal observations with requirements of the Contract Documents.

2.20 Contractor shall, before starting each portion of the Work, carefully study and compare the various Contract Documents relative to that portion of the Work, as well as the information furnished by the HRA. Contractor shall take field measurements of any existing conditions related to that portion of the Work and shall observe any conditions at the site affecting it. These obligations are for the purpose of facilitating coordination and construction by the Contractor and are not for the purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, the Contractor shall promptly report to the HRA and Architect any errors, inconsistencies or omissions discovered by or made known to the Contractor as a request for information in such form as the HRA and Architect may require. The HRA acknowledges that the Contractor's review is made in the Contractor's capacity as a contractor and not as a licensed design professional, unless otherwise specifically provided in the Contract Documents.

2.21 If the Contractor believes that additional cost or time is involved because of clarifications or instructions the HRA or Architect issues in response to the Contractor's notices or requests for information pursuant to sections 2.18 and 2.19, the Contractor shall make Claims as provided in Section 2.17, or as required in the General Conditions if applicable. If the Contractor fails to perform the obligations of section 2.19, the Contractor shall pay such costs and damages to the HRA as would have been avoided if the Contractor had performed such obligations. If the Contractor performs those obligations, the Contractor shall not be liable to the HRA or Architect for damages resulting from errors, inconsistencies or omissions in the Contract Documents, for differences between field measurements or conditions and the Contract Documents, or for nonconformities of the Contract Documents to applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities.

2.22 Contractor agrees to promptly correct any and all defects in the material or Work brought to its attention by HRA for a period of two years from the substantial completion date or the date the Certificate of Occupancy is issued by the building authority for the Project, whichever is later. Contractor hereby assigns and agrees to deliver to HRA all vendor warranties given by each equipment or parts manufacturer.

2.23 Contractor warrants to the HRA that: (1) materials and equipment furnished under the Agreement will be new and of good quality unless otherwise required or permitted by the Contract Documents; (2) the Work will be free from defects not inherent in the quality required; and (3) the Work will conform to the requirements of the Contract Documents.

2.24 In the event Contractor fails to correct, replace and/or repair faulty or defective work performed and/or materials furnished under the Contract Documents, or shall fail to complete or diligently proceed with the Work within the time herein provided for, the HRA, upon three (3) days' notice in writing to Contractor shall have the right to correct, replace and/or re-execute such faulty or defective work, or to take over the Work and complete the same either through its own employees or through a contractor or subcontractor of its choice, and to charge the costs thereof to

Contractor including compensation for the Architect's services rendered due to Contractor's failure, and other costs to HRA, against the sums owed under this Agreement and to pursue any and all other remedies provided by law, which are not waived by exercising rights in this section.

2.25 Contractor agrees that in the event of its default, in addition to other rights and remedies the HRA has, the material and equipment of Contractor shall be left at the Project for use by the HRA in completing the Work through the performance bond or other third party contractor hired by HRA. If the HRA carries out Work outside of the performance bond and uses such material and equipment, HRA shall credit the Contractor for the cost of material and equipment used on a rental basis and return the material and equipment to Contractor upon Work completion. The credit shall be an offset against damages to HRA caused by Contractor's default, or be paid by HRA to Contractor if the credit exceeds the damages to HRA.

2.26 Contractor agrees to obtain, at its cost, all permits, all licenses, all plan approval, all inspections and all other governmental approvals relating to this work on the Project and to comply with all federal, state, county, and municipal laws, codes and regulations and to pay all costs and expenses incurred in connection with such compliance, to pay all fees and taxes, including sales and use taxes, and also pay all taxes imposed by any state or federal law for any employment insurance, pensions, retirement funds or any similar purpose, and to furnish all necessary reports and information to the appropriate federal, state and municipal agencies, with respect to all of the foregoing, the same as though Contractor was in fact the HRA and to hold the HRA and any other contractor and/or subcontractor harmless from any and all losses or damage occasioned by the failure of Contractor to comply with the terms of this paragraph.

2.27 Contractor agrees to pay all royalties, license and permit fees to defend all suits or claims for infringement of any patent rights involved in the work of Contractor under this Agreement and to save the HRA and other contractors harmless from loss, costs or expense on account of such use or infringement by Contractor.

2.28 If any part of Contractor's Work depends, for proper execution, upon the work of the HRA, or any other contractor, Contractor shall inspect and promptly report to the HRA any apparent discrepancies or defects in such work that renders it unsuitable for use on the Project. Failure of the Contractor to inspect and report shall constitute an acceptance of the work of the HRA and other contractors.

2.29 If HRA has agreed to partial payments during the Work, Contractor shall provide complete invoices, receipts and executed lien waivers in the form required by the HRA, so that the HRA may accept, review and approve said invoices for the current payment cycle. Request for payment will be deemed accepted by the HRA on the date the HRA determines, in its sole judgment, that the HRA has all the information required to process the payment, consistent with the PPA.

2.30 In accordance with the Prompt Payment of Local Government Bills, Minnesota Statutes, Section 471.425 ("PPA") governing payments in this Agreement, Contractor shall pay its subcontractors and suppliers within ten (10) days of receipt of payment from the HRA or pay

interest to the subcontractors and suppliers on the obligation at a rate of 1.5% per month or any part of a month.

2.31 Contractor agrees to perform all Work in accordance with and to otherwise abide in all respects with all applicable federal, state and local laws, rules and ordinances. Contractor is responsible for removing all its debris from the site at its sole expense and pay for any costs associated with fees for dumpster or landfill costs. The Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Contract. At completion of the Work, the Contractor shall remove waste materials, rubbish, the Contractor's tools, construction equipment, machinery and surplus materials from and about the Project.

2.32 Except to the extent provided in Minnesota Statutes, Section 337.10, subd. 3, the Contractor has no right to stop Work as a consequence of non-payment. In the event of any disagreement between the Contractor and HRA involving the Contractor's entitlement to payment, the Contractor's only remedy is to file a claim with the HRA within fourteen (14) days of the onset of such payment dispute, or such claim will be waived. The Contractor must diligently proceed with the Work pending resolution of the claim.

2.33 If HUD is funding all or some portion of this Project, Contractor shall include in all its subcontractor agreements, the following "Section 3" clause:

- The work to be performed under this Agreement 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-income persons, particularly persons who are recipients of HUD assistance for housing.
- The parties to this Agreement agree to comply with HUD's regulations in 24 CFR part 75, which implemented Section 3. As evidenced by their execution of this Agreement, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 75 regulations.
- 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.

- The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 75, 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 75. 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 75.
- The Contractor will certify that any vacant employment positions, including training positions, that are filled: (1) after the Contractor is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 75 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR part 75.
- To Show Compliance with regulations 24 CFR Part 75. The Section 3 contract form must be completed and submitted to the HRA along with and all his/her subcontractors. To be completed annually, due date is by December 31st or at the completion of the project if before, as described in the Section 3 contract, Exhibit D.
- Noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.

2.34 Contractor agrees to maintain for the duration of the Agreement, all requirements to comply with Minnesota Statutes, Section 16C.285 (Responsible Contractor).

SECTION 3. HRA TERMS AND CONDITIONS.

3.1 The HRA contracts with Contractor to do the Work described in Paragraph 1 hereof under the terms and conditions of the Contract Documents.

3.2 Pursuant to the PPA, the HRA agrees to pay Contractor the full amount due and properly owing, less 5% retainage and other hold backs or offsets, upon satisfactory performance of the Work under this Agreement and upon the HRA's written acceptance of the Work.

3.3 Final payment, including all remaining retainage withheld pursuant to Minnesota Statutes, Section 15.72, and other hold backs or offsets, shall become due and payable within thirty (30) days after acceptance of the Project Work in writing by the HRA. The HRA shall condition final payment upon receipt of IC 134 requirements, Sales Tax Paid Form, mechanic's lien waivers, submittals including but not limited to operation manuals and as-built drawings and upon Contractor providing to HRA any and all documents reasonably required by the HRA to assure Contractor's compliance with all federal, state and local laws.

3.4 The HRA may terminate the Contract if the Contractor:

3.4.1 repeatedly is untimely in the performance of the Work or services of the Contract, or refuses or fails to supply enough properly skilled workers or proper materials to fulfill the Contract requirements;

3.4.2 fails to make payment to subcontractors for materials or labor in accordance with the respective agreements between the Contractor and the subcontractors;

3.4.3 repeatedly disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority; or

3.4.4 otherwise is guilty of substantial breach of a provision of the Contract Documents.

3.5 When the HRA terminates the Contract for one of the reasons stated in Sections 3.4.1-3.4.4 above, the Contractor shall not be entitled to receive further payment until the Work is finished.

3.6 The HRA may, without cause, order the Contractor in writing to suspend, delay or interrupt the Work in whole or in part for such period of time as the HRA may determine.

3.7 The HRA may, at any time, terminate the Contract for the HRA's convenience and without cause.

3.8 Upon receipt of written notice from the HRA of such termination for the HRA's convenience the Contractor shall:

3.8.1 cease operations as directed by the HRA in the notice;

3.8.2 take actions necessary, or that the HRA may direct, for the protection and preservation of the Work; and

3.8.3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

3.9 In case of termination for the HRA's convenience, the Contractor shall be entitled to receive payment for Work executed, and costs shown to be incurred by reason of such termination.

SECTION 4. MISCELLANEOUS PROVISIONS.

4.1 It is the HRA's policy to resolve all contract disputes informally, without litigation if possible. Contractor disputes shall not be referred to HUD until all remedies have been exhausted at the HRA level, including mediation.

4.2 This Agreement shall not be modified except in writing signed by both the HRA and Contractor.

4.3 This Agreement shall be construed and governed by the substantive laws of Minnesota, without regard to choice of law principles.

4.4 Pursuant to Minnesota Statutes, Section 13.05, subd. 11, all of the data created, collected, received, stored, used, maintained, or disseminated by Contractor in performing this contract is subject to the requirements of the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, and Contractor must comply with those requirements as if it were a government entity. The remedies in Minnesota Statutes, Section 13.08 apply to Contractor. Contractor does not have a duty to provide access to public data to the public if the public data are available from the HRA.

4.5 Pursuant to Minnesota Statutes, Section 16C.05, subd. 5, Contractor agrees that the books, records, documents and accounting procedures and practices of Contractor, that are relevant to the Contract or transaction, are subject to examination by the HRA and the state auditor for a minimum of six (6) years. Contractor shall maintain such records for a minimum of six (6) years after final payment.

4.6 Pursuant to Minnesota Statutes, Section 181.59, the Contractor will take affirmative action to ensure that applicants are selected, and that employees are treated during employment, without regard to their race, color, creed, religion, national origin, sex, sexual orientation, marital status, status with regard to public assistance, membership or activity in a local civil rights commission, disability or age. The Contractor agrees to be bound by the provisions of Minnesota Statutes, Section 181.59, that prohibits certain discriminatory practices and the terms of said section are incorporated into this contract.

IN WITNESS WHEREOF, the undersigned parties represent that they have caused this Agreement to be executed by the parties below.


BRAINERD HOUSING AND
REDEVELOPMENT AUTHORITY

Date: 4-12-2023

By 
Its: Executive Director

CONTRACTOR:

Date: 4/10/2023

By 
Its: Owner

ARE YOU A CORPORATION? Yes
PLEASE PROVIDE ONE OF THE FOLLOWING:

FEDERAL ID # 27-1634198
OR SOCIAL SECURITY # _____

EXHIBIT A

North Star Apartments

Door Type	Style	Series		Quantity
1	XS4 Mini-	CB250NxxCSxBx8	Cover Plate when necessary to conceal old work	36
2	XS4 Original + Exterior	AM650A00IMBxx---E5	Outdoor Gasket required-Cover plate when necessary to conceal old	4
		LA1Txx	Mortise Deadbolt or Cylindrical If mortise currently in place. When mortise is not present, new Salto cylindrical cartridge is required.	
3	XS4 Original + Interior Mortise	AM650A00IMBxx---	Cover plate when necessary to conceal old work	
		LA1Txx	Mortise Deadbolt or Cylindrical If mortise currently in place. When mortise is not present, new Salto cylindrical cartridge is required.	
4	NEO Deadbolt	NBB3151N00N--	Requires Deadbolt assembly-LD51C70CS	165
		LD51C70CS	Requires NEO lock-NBB3151N00N	
5	GEO Padlock	GxP2x	Size padlock appropriately	
6	NEO lock	NBBx1xxNCSBxxx	Neo Cam Lock	
7	Salto Updater/Wall Reader	WRDB0x4B	Will wire back to Salto Controller (ANSI or Mullion)	7
8	Residential Mortise	AM650A00IMBxx---	Cover plate when necessary to conceal old work	
		LA1T1570x1IM8x	Mortise with Latch and Deadbolt	
9	XS4 Original + Cylindrical	AM650A00IMBxx---	Cover plate when necessary to conceal old work	4
		LC1KCxIM	Cylindrical Latch ** Need to order one cylindrical alignment tool for each lock	
10	Padlock (exterior)	NBP4P60150CPB1	Exterior Padlock with chain	
11	Double Neo Deadbolt	NBB3141N00CSBN--	read in read out Neo Deadbolt	
12	Panic Bar	AM650A00IMBH8---	Panic Hardware - Salto	
		PBF110033IM		
		KPP03IM		
13	Panic Bar Corbin	AM650A00IMBH8---	Panic Hardware - Corbin ED5000	1
		KPP17		
14	Neo Mortise	NBM11xN00CSBxxx	Neo Mortise	10
15	Starter Kit	Starter Kit	Includes Salto Space Software, Ncoder, 1 Ethernet Controller, 2 Wall Readers, PPD, 50 Credential Cards	1
16	RS485 Controller	CU4200TUS	RS485 Controller	3
17	Desfire Fobs, 4K, Black	PFM04KN-10	Contactless smart FOB Mifare 4KByte. Black frame & white centre. SALTO logo. Pack of 10 fobs	2 per lock installed

** Need to order one alignment tool for each cylindrical lock

** Need at least one tool for Neo & Geo (not one per lock)

NOTES

All required door hardware to be supplied by installer.

All measurements (door back-set, thickness and other) to be verified by installer for proper product selection.

All required low voltage power to be supplied by installer.

It is the responsibility of the installer to test all existing wiring. If existing wire is found to be faulty it must be replaced.

In accordance with 2.1.1.3, Include 2 additional pieces of hardware or device for each development and 2 key fobs per lock installed.

Passage levers must be provided for all doors that currently have interconnected lock sets.

EXHIBIT A

Brainerd Main Office

Door Type	Style	Series		Quantity
1	XS4 Mini-	CB250NxxCSxBx8	Cover Plate when necessary to conceal old work	14
2	XS4 Original + Exterior	AM650A00IMBxx---E5	Outdoor Gasket required-Cover plate when necessary to conceal old	3
		LA1Txx	Mortise Deadbolt or Cylindrical If mortise currently in place. When mortise is not present, new Salto cylindrical cartridge is required.	
3	XS4 Original + Interior Mortise	AM650A00IMBxx---	Cover plate when necessary to conceal old work	
		LA1Txx	Mortise Deadbolt or Cylindrical If mortise currently in place. When mortise is not present, new Salto cylindrical cartridge is required.	
4	NEO Deadbolt	NBB3151N00N--	Requires Deadbolt assembly-LD51C70CS	
		LD51C70CS	Requires NEO lock-NBB3151N00N	
5	GEO Padlock	GxP2x	Size padlock appropriately. Interior padlock	
6	NEO lock	NBBx1xxNCSBxxx	Neo Cam Lock	
7	Salto Updater/Wall Reader	WRDB0x4B	Will wire back to Salto Controller (ANSI or Mullion)	3
8	Residential Mortise	AM650A00IMBxx---	Cover plate when necessary to conceal old work	
		LA1T1570x1IM8x	Mortise with Latch and Deadbolt	
9	XS4 Original + Cylindrical	AM650A00IMBxx---	Cover plate when necessary to conceal old work	1
		LC1KCxIM	Cylindrical Latch ** Need to order one cylindrical alignment tool for each lock	
10	Padlock (exterior)	NBP4P60150CPB1	Exterior Padlock with chain	
11	Double Neo Deadbolt	NBB3141N00CSBN--	read in read out Neo Deadbolt	
12	Panic Bar	AM650A00IMBH8--- PBF110033IM KPP03IM	Panic Hardware - Salto	
13	Panic Bar Corbin	AM650A00IMBH8--- KPP17	Panic Hardware - Corbin ED5000	
14	Neo Mortise	NBM11xN00CSBxxx	Neo Mortise	
15	Starter Kit	Starter Kit	Includes Salto Space Software, Ncoder, 1 Ethernet Controller, 2 Wall Readers, PPD, 50 Credential Cards	1
16	RS485 Controller	CU4200TUS	RS485 Controller	1
17	Desfire Fobs, 4K, Black	PFM04KN-10	Contactless smart FOB Mifare 4KByte. Black frame & white centre. SALTO logo. Pack of 10 fobs	2 per lock installed

** Need to order one alignment tool for each cylindrical lock

** Need at least one tool for Neo & Geo (not one per lock)

NOTES

All required door hardware to be supplied by installer.

All measurements (door back-set, thickness and other) to be verified by installer for proper product selection.

All required low voltage power to be supplied by installer.

It is the responsibility of the installer to test all existing wiring. If existing wire is found to be faulty it must be replaced.

In accordance with 2.1.1.3, include 2 additional pieces of hardware or device for each development and 2 key fobs per lock installed.

Passage levers must be provided for all doors that currently have interconnected lock sets.

EXHIBIT A

Brainerd Valley Trail Townhomes

Door Type	Style	Series		Quantity
1	XS4 Mini-	CB250NxxCSxBx8	Cover Plate when necessary to conceal old work	
2	XS4 Original + Exterior	AM650A00IMBxx---E5	Outdoor Gasket required-Cover plate when necessary to conceal old	
		LA1Txx	Mortise Deadbolt or Cylindrical If mortise currently in place. When mortise is not present, new Salto cylindircal cartridge is required.	
3	XS4 Original + Interior Mortise	AM650A00IMBxx---	Cover plate when necessary to conceal old work	
		LA1Txx	Mortise Deadbolt or Cylindrical If mortise currently in place. When mortise is not present, new Salto cylindircal cartridge is required.	
4	NEO Deadbolt	NBB3151N00N--	Requires Deadbolt assembly-LD51C70CS	80
		LD51C70CS	Requires NEO lock-NBB3151N00N	
5	GEO Padlock	GxP2x	Size padlock appropriately	
6	NEO lock	NBBx1xxNCSBxxx	Neo Cam Lock	
7	Salto Updater/Wall Reader	WRDB0x4B	Will wire back to Salto Controller (ANSI or Mullion)	
8	Residential Mortise	AM650A00IMBxx---	Cover plate when necessary to conceal old work	
		LA1T1570x1IM8x	Mortise with Latch and Deadbolt	
9	XS4 Original + Cylindrical	AM650A00IMBxx---	Cover plate when necessary to conceal old work	
		LC1KCxIM	Cylindrical Latch ** Need to order one cylindrical alignment tool for each lock	
10	Padlock (exterior)	NBP4P60150CPB1	Exterior Padlock with chain	
11	Double Neo Deadbolt	NBB3141N00CSBN--	read in read out Neo Deadbolt	
12	Panic Bar	AM650A00IMBH8---	Panic Hardware - Salto	
		PBF110033IM		
		KPP03IM		
13	Panic Bar Corbin	AM650A00IMBH8---	Panic Hardware - Corbin ED5000	
		KPP17		
14	Neo Mortise	NBM11xN00CSBxxx	Neo Mortise	
15	Starter Kit	Starter Kit	Includes Salto Space Software, Ncoder, 1 Ethernet Controller, 2 Wall Readers, PPD, 50 Credential Cards	
16	RS485 Controller	CU4200TUS	RS485 Controller	
17	Desfire Fobs, 4K, Black	PFM04KN-10	Contactless smart FOB Mifare 4KByte. Black frame & white centre. SALTO logo. Pack of 10 fobs	2 per lock installed

** Need to order one alignmnet tool for each cylindrical lock

** Need at least one tool for Neo & Geo (not one per lock)

NOTES

All required door hardware to be supplied by installer.

All measurements (door back-set, thickness and other) to be verified by installer for proper product selection.

All required low voltage power to be supplied by installer.

It is the responsibility of the installer to test all existing wiring. If existing wire is found to be faulty it must be replaced.

In accordance with 2.1.1.3, Include 2 additional pieces of hardware or device for each development and 2 key fobs per lock installed.

Passage levers must be provided for all doors that currently have interconnected lock sets.

EXHIBIT A

Brainerd Scattered Homes

Door Type	Style	Series		Quantity
1	XS4 Mini-	CB250NxxCSxBx8	Cover Plate when necessary to conceal old work	
2	XS4 Original + Exterior	AM650A00IMBxx---E5	Outdoor Gasket required-Cover plate when necessary to conceal old	
		LA1Txx	Mortise Deadbolt or Cylindrical If mortise currently in place. When mortise is not present, new Salto cylindrical cartridge is required.	
3	XS4 Original + Interior Mortise	AM650A00IMBxx---	Cover plate when necessary to conceal old work	
		LA1Txx	Mortise Deadbolt or Cylindrical If mortise currently in place. When mortise is not present, new Salto cylindrical cartridge is required.	
4	NEO Deadbolt	NBB3151N00N--	Requires Deadbolt assembly-LD51C70CS	48
		LD51C70CS	Requires NEO lock-NBB3151N00N	
5	GEO Padlock	GxP2x	Size padlock appropriately	
6	NEO lock	NBBx1xxNCSBxxx	Neo Cam Lock	
7	Salto Updater/Wall Reader	WRDB0x4B	Will wire back to Salto Controller (ANSI or Mullion)	
8	Residential Mortise	AM650A00IMBxx---	Cover plate when necessary to conceal old work	
		LA1T1570x1IM8x	Mortise with Latch and Deadbolt	
9	XS4 Original + Cylindrical	AM650A00IMBxx---	Cover plate when necessary to conceal old work	
		LC1KCxIM	Cylindrical Latch ** Need to order one cylindrical alignment tool for each lock	
10	Padlock (exterior)	NBP4P60150CPB1	Exterior Padlock with chain	
11	Double Neo Deadbolt	NBB3141N00CSBN--	read in read out Neo Deadbolt	
12	Panic Bar	AM650A00IMBH8---	Panic Hardware - Salto	
		PBF110033IM		
		KPP03IM		
13	Panic Bar Corbin	AM650A00IMBH8---	Panic Hardware - Corbin ED5000	
		KPP17		
14	Neo Mortise	NBM11xN00CSBxxx	Neo Mortise	
15	Starter Kit	Starter Kit	Includes Salto Space Software, Ncoder, 1 Ethernet Controller, 2 Wall Readers, PPD, 50 Credential Cards	
16	RS485 Controller	CU4200TUS	RS485 Controller	
17	Desfire Fobs, 4K, Black	PFM04KN-10	Contactless smart FOB Mifare 4KByte. Black frame & white centre. SALTO logo. Pack of 10 fobs	2 per lock installed

** Need to order one alignment tool for each cylindrical lock

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NOTES

All required door hardware to be supplied by installer.

All measurements (door back-set, thickness and other) to be verified by installer for proper product selection.

All required low voltage power to be supplied by installer.

It is the responsibility of the installer to test all existing wiring. If existing wire is found to be faulty it must be replaced.

In accordance with 2.1.1.3, Include 2 additional pieces of hardware or device for each development and 2 key fobs per lock installed.

Passage levers must be provided for all doors that currently have interconnected lock sets.

EXHIBIT B

VERIFICATION OF SUB-SUBCONTRACTORS AND SUPPLIERS

Please list all of your subcontractors and/or suppliers you anticipate using for the Project on this form and return to the HRA at least 10 days prior to commencing your work. This form must be returned to us before your first pay request will be processed and it must be updated before all other pay requests are processed.

If you will not be using any subcontractors or suppliers, please state that on this form, sign the bottom and return it to the HRA.

I, the undersigned, hereby certify and swear that the following list of subcontractors and or suppliers, is complete, including any and all suppliers of labor and material to and for the Project.

N/A		N/A
Firm	Amount	Contact Person/Phone
Firm	Amount	Contact Person/Phone
Firm	Amount	Contact Person/Phone
Firm	Amount	Contact Person/Phone

Safeguard Security
Firm

By Brian Stang
(Print Name)
Its VP
(Print Title)

EXHIBIT C

TO: All Contractors and Suppliers

RE: Extras, Change Orders and Waiver


Any and all additional work which deviates from the original contract price shall be at your own risk unless authorized in writing by the HRA prior to said work occurring.

Any and all changes must be documented by a written change order signed by the HRA/Representative. Other employees of the HRA do not have express, implied or apparent authority to authorize additional work for the HRA. Verbal agreements or orders shall not constitute authorization and any work done pursuant to a verbal agreement or order shall be at your risk. This notice also constitutes your written waiver of any benefits conferred under a claim based on a quasi contract if and when work occurs pursuant to a verbal agreement or order.

Please sign and return this to:

THE BRAINERD HOUSING AND
REDEVELOPMENT AUTHORITY

By


Its: Executive Director
324 East River Road
(218) 824-3425
(218) 828-8817 Fax

Date:

4-17-2023

CONTRACTOR

By


Its: Owner

Date: 4/10/2023

EXHIBIT D

Sales Tax Form Contractor's Statement

Qualifying Entity: Brainerd HRA

Project Name: _____

Invoice Number(s): _____

Based on upon a review of our records for the project in question, it has been determined that the following amounts were paid in sales and/or use taxes:

Purchase Period(s)	Taxable Cost	MN Tax Paid (6.875%)	Local Tax Paid
_____	\$ _____	\$ _____	\$ _____ Brainerd .50%
			\$ _____ Baxter .50%
			\$ _____ Crow Wing .50%
			\$ _____ %

*If additional taxing jurisdictions exist, please attach spreadsheet

The amounts listed have been paid on the project or that portion of the project which directly relates to the qualifying low-income housing units. This tax amount is for building materials and equipment incorporated into the construction, improvement, or expansion of qualified low-income housing projects, and does not include any amounts paid for equipment and machinery purchased or leased by us and used in fulfillment of this contract.

Our MN Identification Number is: _____

Company Name: _____

Address: _____

Phone: _____

I (We) declare under the penalties of criminal liability for willfully making a false claim that this statement has been examined, and, to the best of my (our) knowledge and belief, is true and complete.

Name: _____ Title: _____

Signature: _____ Date: _____

509258v3 BR230-24

EXHIBIT E

Section 3 Contract – Recipient Compliance and Reporting

*This form must be completed and submitted to the HRA by the awarded contractor of a Section 3 covered project and all of his/her subcontractors. To be completed annually, due date is by December 31st or at the completion of the project if before.

From: Safeguard Security

Name of Contractor

For: Brainerd HRA Electronic Locks

Name of Project

What is Section 3?

Under Section 3 of the Housing and Urban Development Act of 1968, whenever HUD financial assistance is given for housing or community development, to the greatest extent feasible, economic opportunities will be given to low and very low income workers, targeted section 3 workers, and section 3 business concerns in that area. The project being awarded has funding which is subject to Section 3 requirements.

***Covered projects contractors and subcontractors are required to show a good faith effort to provide the following:**

Quantitative Reporting

1. Provide employment and training opportunities for Section 3 Workers (minimum of 25% total labor hours).
2. Provide employment and training opportunities for Targeted Section 3 Workers (minimum of 5% total labor hours).
3. Provide opportunities for Section 3 Business Concerns for service contracts.

If 1 and 2 are not met. #4 is a must.

Qualitative Reporting

4. Section 3 Outreach and Development Activities.

QUANTITATIVE REPORTING:

A. Confirmation of hiring and training Section 3 Workers and Targeted Workers:

- The total number of labor hours for the covered contract _____
- Labor hours for Section 3 Workers _____
- Labor hours Section 3 Targeted Workers _____

*Please note that if hours are entered, you must also provide record of self-certification or employer certification of Section 3 Worker or Targeted Worker if not done at contract award.

B. Confirmation for contracting or certifying as a Section 3 Business Concerns:

____ No ____ Yes

If Yes, please

- Provide Section 3 Business self-certification form, if not provided at time of award.
- Provide Screen Print Out of Section 3 Business is registered on HUD opportunity portal.

QUALITATIVE REPORTING:

If contractor has not met or exceeded HUD Section 3 Safe Harbor/Benchmarks (percentages listed above) Contract recipient must report qualitative Section 3 Compliance activities. Contractor and subcontractors must document that they have conducted Section 3 Worker outreach and development activities.

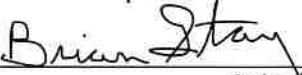
Section 3 Outreach and Development Activities Option:

Select actions that the contractor/sub-contractor will complete and document:

- () Recruit, advertise, and train by posting 5-day notices to include number of positions; job titles; section 3 preference: name and locations of where to apply; anticipated work begin date (attach copy of notice).
- (x) Engaged in outreach efforts to generate job applicants who are Targeted Section 3 workers. (Submit an application to the HRA to post within their facilities for tenants and voucher holders to see.)
- () Provided training or apprenticeship opportunities.
- () Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.
- () Provide assistance to apply for or attend colleges or technical schools
- () Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.
- () Provided assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.
- () Engaged in outreach efforts to identify and secure bids from Section 3 business concerns.
(<https://portalapps.hud.gov/Sec3BusReg/BRegistry/BRegistryHome>) (provide print out of Section 3 business registry result)
- () Utilize the services HUD opportunity portal
(<https://hudapps.hud.gov/OpportunityPortal/>) (attach copy of Section 3 Resume)
- () Other outreach activities as listed in HUD Section 24 CFR 75.15(b) Additional reporting
Fill in an effort: _____

If selected, contractor/subcontractors must provide documentation of what specific activity was conducted

I certify that to the greatest extent feasible HUD Section 3 Workers, Targeted Workers, and Business Concerns were sought and utilized for labor, services, and construction subcontracts to comply with HUD Section 3 requirements. I certify no violations of federal regulations. I certify the information and documentation provided is true and correct.



Signature (Contractor or Subcontractors)

4/10/2023

Date:

General Contract Conditions for Small Construction/Development Contracts

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

See Page 7 for Burden Statement

Applicability. The following contract clauses are applicable and must be inserted into **small construction/development contracts, greater than \$2,000 but not more than \$250,000.**

1. Definitions

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

2. Prohibition Against Liens

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

3. Disputes

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

4. Default

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

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

5. Termination for Convenience

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

6. Insurance

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

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

(2) Commercial General Liability with a combined single limit for bodily injury and property damage of not less than \$ 2,000,000.00 [Contracting Officer insert amount] per occurrence to protect the Contractor and each subcontractor against claims for bodily injury or death and damage to the property of others. This shall cover the use of all equipment, hoists, and vehicles on the site(s) not covered by Automobile Liability under (3) below. If the Contractor has a "claims-made" policy, then the following additional requirements apply: the policy must provide a "retroactive date" which must be on or before the execution date of the Contract; and the extended reporting period may not be less than five years following the completion date of the Contract

(3) Automobile Liability on owned and non-owned motor vehicles used on the site(s) or in connection therewith for a combined single limit for bodily injury and property damage of not less than \$ 70,000 [Contracting Officer insert amount] per occurrence.

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

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

7. Contract Modifications

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

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

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

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

8. Changes

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

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

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

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

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

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

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

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

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

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

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

(2) Indirect Costs. Indirect costs may include overhead, general and administrative expenses, and fringe benefits not normally treated as direct costs.

(3) Profit. The amount of profit shall be negotiated and may vary according to the nature, extent, and complexity of the work required by the change.

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

(g) The Contractor shall include in the proposal its request for time extension (if any), and shall include sufficient information and dates to demonstrate whether and to what extent the change will delay the completion of the contract in its entirety.

(h) The Contracting Officer shall act on proposals within 30 days after their receipt, or notify the Contractor of the date when such action will be taken.

(i) Failure to reach an agreement on any proposal shall be a dispute under the clause entitled Disputes herein. Nothing in this clause, however, shall excuse the Contractor from proceeding with the contract as changed.

(j) Except in an emergency endangering life or property, no change shall be made by the Contractor without a prior order from the Contracting Officer.

9. Examination and Retention of Contractor's Records

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

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

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

11. Energy Efficiency

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

12. Procurement of Recovered Materials

(a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.

(b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

13. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 75)

(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 75, 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 75 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 prioritization requirements, and shall state the minimum percentages of labor hour requirements established in the Benchmark Notice (FR-6085-N-04).

- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 75, 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 75. 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 75.
- (e) Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- (f) Contracts, subcontracts, grants, or subgrants subject to Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5307(b)) or subject to tribal preference requirements as authorized under 101(k) of the Native American Housing Assistance and Self-Determination Act (25 U.S.C. 4111(k)) must provide preferences in employment, training, and business opportunities to Indians and Indian organizations, and are therefore not subject to the requirements of 24 CFR Part 75.

14. Labor Standards - Davis-Bacon and Related Acts

(a) Minimum Wages.

(1) All laborers and mechanics employed under this contract in the construction or development of the project(s) involved will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the Contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the regular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits in the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the Contractor and its subcontractors at the site of the work in

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

- (2) (i) Any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when all the following criteria have been met:
- (a) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
 - (b) The classification is utilized in the area by the construction industry; and
 - (c) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
- (ii) If the Contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employee Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary.
- (iii) In the event the Contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator of the Wage and Hour Division for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary.
- (iv) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (a)(2)(ii) or (iii) of this clause shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.
- (3) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the Contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.
- (4) If the Contractor does not make payments to a trustee or other third person, the Contractor may consider as part

of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program; *provided*, that the Secretary of Labor has found, upon the written request of the Contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the Contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

- (b) Withholding of Funds. HUD or its designee shall, upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the Contractor under this contract or any other Federal contract with the same prime Contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime Contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the Contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working in the construction or development of the project, all or part of the wages required by the contract, HUD or its designee may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to the Contractor, disburse such amounts withheld for and on account of the Contractor or subcontractor to the respective employees to whom they are due.

(c) Payrolls and Basic Records.

- (1) Payrolls and basic records relating thereto shall be maintained by the Contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working in the construction or development of the project. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made, and actual wages paid. Whenever the Secretary of Labor has found, under 29 CFR 5.5(a)(1)(iv), that the wages of any laborer or mechanic include the amount of costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the Contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of

the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

- (2) (i) The Contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the Contracting Officer for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under subparagraph (c)(1) of this clause. This information may be submitted in any form desired. Optional Form WH-347 (Federal Stock Number 029-005-00014-1) is available for this purpose and may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. The prime Contractor is responsible for the submission of copies of payrolls by all subcontractors. (Approved by the Office of Management and Budget under OMB Control Number 1214-0149.)
- (ii) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:
- (A) That the payroll for the payroll period contains the information required to be maintained under paragraph (c)(1) of this clause and that such information is correct and complete;
- (B) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3; and
- (C) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract
- (iii) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirements for submission of the "Statement of Compliance" required by subparagraph (c)(2)(ii) of this clause.
- (iv) The falsification of any of the above certifications may subject the Contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 3729 of Title 31 of the United States Code.
- (3) The Contractor or subcontractor shall make the records required under subparagraph (c)(1) available for inspection, copying, or transcription by authorized representatives of HUD or its designee, the Contracting Officer, or the Department of Labor and shall permit such representatives to interview employees during working hours on the job. If the Contractor or subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

- (d) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services (OATELS), or with a State Apprenticeship Agency recognized by OATELS, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by OATELS or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice.

The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the Contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated in this paragraph, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator of the Wage and Hour Division determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event OATELS, or a State Apprenticeship Agency recognized by OATELS, withdraws approval of an apprenticeship program, the Contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

- (e) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate

specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed in the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate in the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate in the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate in the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the Contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

- (f) Equal Employment Opportunity. The utilization of apprentices, trainees, and journeymen under this clause shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.
- (g) Compliance with Copeland Act Requirements. The Contractor shall comply with the requirements of 29 CFR Part 3, which are hereby incorporated by reference in this contract
- (h) Contract Termination; Debarment. A breach of the labor standards clauses in this contract may be grounds for termination of the contract and for debarment as a Contractor and a subcontractor as provided in 29 CFR 5.12.
- (i) Compliance with Davis-Bacon and related Act Requirements. All rulings and interpretations of the Davis-Bacon and related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract
- (j) Disputes Concerning Labor Standards. Disputes arising out of the labor standards provisions of this clause shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the Contractor (or any of its subcontractors) and the PHA, HUD, the U.S. Department of Labor, or the employees or their representatives.
- (k) Certification of Eligibility.
- (1) By entering into this contract, the Contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the Contractor's firm is a person or firm ineligible to be awarded contracts by the United States Government by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
- (2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a United States Government

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

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

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

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

(i) the applicable wage rate determined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 3141 et seq.) to be prevailing in the locality with respect to such trade;

(ii) an applicable apprentice wage rate based thereon specified in an apprenticeship program registered with the U.S. Department of Labor (DOL) or a DOL-recognized State Apprenticeship Agency; or

(iii) an applicable trainee wage rate based thereon specified in a DOL-certified trainee program.

Public reporting burden for this collection of information is estimated to average 1 hour. This includes the time for collecting, reviewing, and reporting the data. The information requested is required to obtain a benefit. This form includes those clauses required by OMB's common rule on grantee procurement, implemented at HUD in 2 CFR 200, and those requirements set forth in Section 3 of the Housing and Urban Development Act of 1968 and its amendment by the Housing and Community Development Act of 1992, implemented by HUD at 24 CFR Part 7575. The form is required for construction contracts awarded by Public Housing Agencies (PHAs). The form is used by Housing Authorities in so licitations to provide necessary contract clauses. If the form were not used, PHAs would be unable to enforce their contracts.. There are no assurances of confidentiality. HUD may not conduct or sponsor, and an applicant is not required to respond to a collection of information unless it displays a currently valid OMB control number.

"General Decision Number: MN20230002 01/06/2023

Superseded General Decision Number: MN20220002

State: Minnesota

Construction Type: Residential

Counties: Aitkin and Crow Wing Counties in Minnesota.

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

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

If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022:	Executive Order 14026 generally applies to the contract. The contractor must pay all covered workers at least \$16.20 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2023.
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If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022:	Executive Order 13658 generally applies to the contract. The contractor must pay all covered workers at least \$12.15 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on that contract in 2023.
---	--

The applicable Executive Order minimum wage rate will be adjusted annually. If this contract is covered by one of the Executive Orders and a classification considered necessary for performance of work on the contract does not appear on this

wage determination, the contractor must still submit a conformance request.

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

Modification Number Publication Date
0 01/06/2023

SUMN1990-007 01/31/1990

	Rates	Fringes
Bricklayer/Blocklayer.....	\$ 11.46 **	1.61
CARPENTER.....	\$ 11.64 **	1.20
DRYWALL HANGER.....	\$ 10.40 **	
Drywall taper.....	\$ 10.58 **	
ELECTRICIAN.....	\$ 14.59 **	4.16
LABORER.....	\$ 7.25 **	
PAINTER.....	\$ 8.00 **	
PLUMBER.....	\$ 13.82 **	2.03
ROOFER.....	\$ 11.65 **	1.20

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

=====

** Workers in this classification may be entitled to a higher minimum wage under Executive Order 14026 (\$16.20) or 13658 (\$12.15). Please see the Note at the top of the wage determination for more information.

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

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

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

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

Union Rate Identifiers

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

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

Survey Rate Identifiers

Classifications listed under the ""SU"" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all

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

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

Union Average Rate Identifiers

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

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

WAGE DETERMINATION APPEALS PROCESS

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

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

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

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the

Branch of Construction Wage Determinations. Write to:

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

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

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

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

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

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

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

END OF GENERAL DECISION"

"General Decision Number: MN20230105 01/20/2023

Superseded General Decision Number: MN20220105

State: Minnesota

Construction Type: Building

Counties: Crow Wing, Kittson, Lake of the Woods, Mahnommen, Marshall, Norman, Red Lake, Roseau, Traverse, Wadena and Wilkin Counties in Minnesota.

BUILDING CONSTRUCTION PROJECTS (does not include single family homes or apartments up to and including 4 stories).

Note: Contracts subject to the Davis-Bacon Act are generally required to pay at least the applicable minimum wage rate required under Executive Order 14026 or Executive Order 13658.

Please note that these Executive Orders apply to covered contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but do not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60).

If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022:	Executive Order 14026 generally applies to the contract. The contractor must pay all covered workers at least \$16.20 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2023.
If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022:	Executive Order 13658 generally applies to the contract. The contractor must pay all covered workers at least \$12.15 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on that contract in 2023.

The applicable Executive Order minimum wage rate will be

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

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

Modification Number Publication Date

0 01/06/2023

1 01/20/2023

ASBE0034-001 06/13/2022

Rates Fringes

ASBESTOS WORKER/HEAT & FROST
INSULATOR.....\$ 41.00 37.99

BOIL0647-008 04/01/2021

Rates Fringes

BOILERMAKER.....\$ 40.94 28.44

BRMN0001-014 05/03/2021

Rates Fringes

BRICKLAYER.....\$ 35.54 26.04

CARP0068-009 05/02/2022

Rates Fringes

SOFT FLOOR LAYER.....\$ 35.83 22.65

CARP1934-003 05/02/2022

Rates Fringes

CARPENTER (Includes Drywall
Hanging, and Form Work, and
Excludes Soft Floor Layer).....\$ 28.50 22.35

ENGI0049-002 05/01/2020

Rates Fringes

POWER EQUIPMENT OPERATOR
Bulldozer.....\$ 40.93 21.70

Crane.....	\$ 42.69	21.70
Forklift.....	\$ 40.93	21.70
Oiler.....	\$ 38.30	21.70

IRON0512-024 05/01/2022

	Rates	Fringes
IRONWORKER, REINFORCING.....	\$ 41.00	33.11

LABO0563-053 01/01/2021

	Rates	Fringes
LABORER (ASBESTOS ABATEMENT (Removal from Ceilings, Floors, and Walls)).....	\$ 37.40	19.09

PAIN0681-006 05/02/2022

	Rates	Fringes
PAINTER (Spray).....	\$ 32.29	21.53

PAIN1324-002 02/26/2018

	Rates	Fringes
GLAZIER.....	\$ 30.43	14.90

PLAS0633-009 05/01/2021

	Rates	Fringes
CEMENT MASON/CONCRETE FINISHER...	\$ 34.63	23.20

PLUM0539-006 05/01/2021

	Rates	Fringes
PIPEFITTER (HVAC Pipe Installation Only).....	\$ 38.72	32.70

ROOF0096-020 06/01/2022

	Rates	Fringes
ROOFER.....	\$ 37.51	20.63

* SFMN0669-004 01/01/2023

	Rates	Fringes
SPRINKLER FITTER (Fire		

Sprinklers).....\$ 39.18 26.09

SHEE0010-048 04/04/2020

Rates Fringes

SHEET METAL WORKER (Excludes
HVAC Duct and Unit

Installation).....\$ 39.59 25.32

* UAVG-MN-0003 01/01/2019

Rates Fringes

LABORER: Pipelayer.....\$ 31.45 16.32

* UAVG-MN-0004 01/01/2019

Rates Fringes

OPERATOR: Loader.....\$ 31.87 20.30

* UAVG-MN-0006 01/01/2019

Rates Fringes

DRYWALL FINISHER/TAPER.....\$ 24.64 10.04

PAINTER (Brush and Roller).....\$ 28.64 16.43

SUMN2015-040 06/22/2018

Rates Fringes

ELECTRICIAN.....\$ 27.76 16.96

HVAC MECHANIC (Installation
of HVAC Duct and Unit).....\$ 27.29 15.19

IRONWORKER, STRUCTURAL.....\$ 31.61 22.85

LABORER: Common or General.....\$ 21.40 14.51

LABORER: Mason Tender - Brick...\$ 23.25 15.77

OPERATOR:

Backhoe/Excavator/Trackhoe.....\$ 25.22 8.59

PIPEFITTER (Excludes HVAC
Pipe Installation).....\$ 27.95 15.82

PLUMBER.....\$ 27.95 15.82

TILE SETTER.....\$ 24.38 12.63

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

Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year. Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at <https://www.dol.gov/agencies/whd/government-contracts>.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

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

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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.

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

WAGE DETERMINATION APPEALS PROCESS

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

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

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

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

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

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

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

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

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

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

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

END OF GENERAL DECISION



To: Brainerd HRA Board Members
 From: John Schommer, Rehab & Maintenance Director
 Date: September 19, 2023
 Re: Approval of Contract for Reroofing of Valley Trail and Scattered Sites

Last summer we were notified of there being some shingles missing from the back of one of the units at Valley Trail Townhomes. The shingles were missing due to one of the storms that had moved through the area, so we submitted a claim with our insurance company. We learned that all of the Valley Trail roofs, with the exception of 622 which was replaced due to the garage fire, were covered. We then had the adjuster look at all of our properties and we found out that all of the scattered site roofs had enough damage to have insurance replace them as well.

We did issue an Invitation For Bid (IFB) for replacement of all of the roofs (except 622 Valley Trail which was replaced due to the garage fire) and received one responsive bid for \$395,668.00. Our net cost for our deductible is \$61,918.22 which will be paid with 2022 Capital Fund Program (CFP) dollars. The project will be covered in the approved 5-Year Action Plan for the years 2022 to 2026 under roofing replacement due to damage done by natural occurrence.

We did move forward with the contract and recently realized that we did not bring it to the board for approval, per our Procurement Policy, prior to having the contract executed. We have postponed replacement of the roofs until we can have the board approve the contract retroactive to the execution date. We have included the executed contract for your review.

Action Requested: Approve the contract with Quick Construction for \$395,668.00 to replace roofing at our Valley Trail and Scattered Site Public Housing properties retroactive to August 22nd, 2023.

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BRAINERD HOUSING & REDEVELOPMENT AUTHORITY CONSTRUCTION AGREEMENT

This CONTRACT AGREEMENT ("Agreement") is made on 7th day of August 2023 by and between the **Brainerd Housing & Redevelopment Authority** ("HRA") located at 324 East River Road, Brainerd, Minnesota 56401, and Quick Construction, Inc. ("Contractor") located at P.O. Box 324, Pillager, Minnesota 56473.

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

SECTION 1. APPLICABLE CONTRACT DOCUMENTS.

1.1 This Agreement for construction Work as defined in Minnesota Statutes, Section 471.345, together with the other Contract Documents used for the types of projects described in the section, represents the entire and integrated agreement between the parties and supersedes prior negotiations, representations or agreements, either written or oral.

1.2 If the awarded bid or quoted price for the Work is \$175,000 or less and the project Work is not funded in whole or in part by the U.S. Department of Housing and Urban Development ("HUD"), the Contract Documents forming the entire Agreement between HRA and Contractor shall consist of this Agreement, exhibits or attachments deemed necessary by HRA, the plans and specifications, if any, addenda to the plans and specifications issued prior to execution of this Agreement, if any, written amendments to the Agreement signed by both parties to form a change order, a constructive change directive, or a written order for a minor change in the work issued by the HRA or the architect (collectively the "Contract Documents").

1.3 If the awarded bid or quoted price for the Work is \$175,000 or less and more than \$10,000 and the project is funded in whole or in part by HUD, then the Contract Documents shall consist of the documents described in Section 1.2 above and the General Contract Conditions for Small Construction/Development Contracts (Form HUD-5370-EZ), as the provisions therein may apply to the project.

1.4 If the awarded bid price for the Work is in excess of \$175,000 and the project is funded in whole or in part by HUD, then the Contract Documents shall consist of the documents described in Section 1.2 above and the General Conditions for Construction Contracts – Public Housing Programs (Form HUD-5370), as the provisions therein may apply to the project.

1.5 If the awarded bid price for the Work is in excess of \$175,000, or at the HRA's discretion, for a project that is less than \$175,000 for the Work but the HRA has retained an architect, and the project is not funded at least in part by HUD, the Contract Documents shall consist of the documents described in Section 1.2 above.

1.6 The Contract Documents are to be read as a whole and meaning given to each provision where possible. If an ambiguity exists in the Contract Documents, the specific provision shall take precedence over the general provision and the more stringent Contractor performance standard shall take precedence over the less stringent provision, provided the standard is in compliance with applicable law. If two provisions within the Contract Documents are substantially identical or duplicative, then the clauses in combination shall apply where possible, but if use of both provisions is contradictory or absurd, the provision appearing in this Agreement shall be used unless there is an applicable HUD-5370-EZ or HUD-5370 provision where either applies in accordance with sections 1.3 or 1.4 above. In such case, the applicable HUD provision shall apply.

SECTION 2. CONTRACTOR TERMS AND CONDITIONS.

2.1 Contractor shall furnish all labor, material, skill and equipment necessary or required to perform all the work in the Contract Documents ("Work") generally described as follows:

2.1.1 The contractor shall remove the old shingles and install new shingles, on all the properties listed in Exhibit A.

2.1.1.1 New ice and water shield.

2.1.1.2 New drip edges and flashing.

2.1.1.3 New valley metal (26 gauge). Shingles must be nailed down and not stapled.

2.1.1.4 Shingles must be impact resistant (laminated/high grade class 4).

2.1.1.5 Install new ridge venting and pipe jacks.

2.1.1.6 Repair any unexpected rotten or deteriorated sheeting.

2.1.1.7 Repair of damaged lawn or landscaping.

2.1.1.8 Contractor must provide their own bathroom facilities.

2.1.1.9 Contractor must continuously practice daily cleanup.

2.1.1.10 Dumpsters/haul away for all waste products is the responsibility of the contractor.

2.1.1.11 All permits required are the responsibility of the contractor.

2.1.1.12 A site "walk through," with the contractor and Brainerd HRA is required before ordering the product and supplies. Brainerd HRA will choose color of shingles. Contractor is responsible for verification of square footage.

2.1.1.13 Construction must start 10 days after "Notice to Proceed" is issued.

2.1.1.14 Operating hours for the project must be 8am to 5pm.

- 2.1.1.15 The project must be completed by November 1, 2023.
- 2.1.1.16 Safety and security of the site is the responsibility of the Contractor.
- 2.1.1.17 Daily breaks must require staff to secure tools and equipment.
- 2.1.1.18 Brainerd HRA will manage the tenants in the houses.
- 2.1.1.19 No interaction with the agency residents by the contractor staff.
- 2.1.1.20 No interference with traffic. Including roads, sidewalks and/or any other designated paths of travel.

2.2 Contractor shall provide labor and materials as shown in the Contract Documents. The price ("Price") including all taxes and permit fees shall be: **\$395,668.00.**

2.3 Contractor shall promptly pay for all materials, labor and equipment used in, or in connection with the performance of this Agreement, or the performance of its subcontractors and suppliers, when such bills or claims become due and indemnify and hold harmless the Project and the HRA from all claims and mechanic's liens, and upon HRA request, furnish satisfactory evidence to the HRA, when and if required that the Contractor has complied with the above requirements.

2.4 Contractor shall begin work within 10 calendar days after being notified, in writing by the HRA that Contractor may proceed with the Work ("Notice to Proceed"). Contractor further agrees that except for delays caused solely by the HRA or excusable delay, the Contractor will complete the Work within 86 days after its receipt of the Notice to Proceed/or alternatively no later than November 1, 2023. Contractor agrees that time is of the essence in completing the Work and each phase thereof.

2.5 Contractor agrees that it is difficult for the HRA to determine the amount of all damages that the HRA would incur as a result of delay by the Contractor in achieving substantial completion of the Work. Contractor and the HRA therefore agree that \$ 200.00 will accrue each day as liquidated damages, and not a penalty, for each calendar day that Contractor fails to achieve substantial completion of the Project. Substantial completion shall be achieved on the day the HRA reasonably determines that the HRA or its tenants may occupy the premises because the Work is sufficiently complete. Accrued liquidated damages shall be an offset against HRA payments to the Contractor's for the Work, including any agreed-upon change orders increasing the original Price. If accrued liquidated damages exceed the Price, the HRA may seek to recover said excess amount over and above the offset portion through all remedies available to it. These sections 2.4 and 2.5 above are notice to the Contractor that liquidated damages will be assessed as of the substantial completion date stated or derived from section 2.4, plus any time extensions HRA agrees to by written change order. The HRA is not required to give additional notice to Contractor that liquidated damages will be imposed, except upon Contractor's written request to HRA to confirm the starting date of said liquidated damages and the HRA's intent to impose them.

2.6 Contractor agrees to proceed with the Work in an orderly and reasonable sequence and to abide by the HRA's decision as to all Contractor storage and working spaces of the Project.

2.7 To the fullest extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the HRA, and HRA's agents and representatives, architects, the HRA's lender and all other contractors and/or subcontractors from any and all losses or damage (including without limiting the generality of the foregoing, attorneys' fees and disbursements paid or incurred by the HRA to enforce the provisions of this paragraph) occasioned by the failure of Contractor to carry out the provisions of this Agreement and arising out of third party claims for bodily injury, sickness, disease or death, or to injury to or destruction of tangible property to the extent caused by the negligent acts or omissions of the Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such a claim, damage, loss or expense is partially caused in part by a party indemnified hereby. Further, in claims against any person or entity indemnified under this section by an employee of the Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Contractor or a subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

2.8 Contractor agrees to provide a performance bond and payment bond satisfactory to the HRA prior to the beginning of Work if the Contract Price is \$50,000 or greater.

2.9 Subject to additional terms set forth in the Contract Documents, Contractor agrees to obtain worker's compensation insurance as is required by law, comprehensive general liability and property damage insurance to protect the Contractor and the HRA against claims for bodily injury or death or for damage to property occurring upon, in or about the Project, for the applicable claims period for this Project, and to have the HRA named as an additional insured with limits in amounts at least equal to those specified below, or as otherwise may be required by HUD, if the Project is funded in whole or in part thereby, and the HUD required amount is greater than below:

Risk Insurance	\$1,000,000.00 Aggregate
Bodily Injury Liability	\$1,000,000.00 Each Person
General Liabilities	\$1,000,000.00 Aggregate
Property Damage Liability	\$1,000,000.00 Aggregate
Automobile	As required by law
Worker's Compensation	As required by law

2.9.1 Any and all insurance shall be issued by an "A" rated insurance company or companies. Contractor agrees to furnish the HRA with satisfactory evidence that he has complied with this paragraph. Contractor further agrees to obtain and furnish the HRA with an undertaking by the insurance company issuing each such policy that such policy will not be canceled except after thirty (30) days written notice to the HRA of its intention to do so.

2.9.2 Contractor agrees to assume the entire responsibility and liability for all damages or injury to any and all individuals, whether employees or otherwise and to all property, including the HRA's property arising out of, resulting from, or in a manner connected with the performance of the Work or occurring or resulting from the use by Contractor, its agents or employees of materials, equipment, instrumentality's or other property, whether the same is owned by the HRA, Contractor or third parties, and Contractor agrees to indemnify, defend and save harmless the HRA, his agents and employees from any and all such claims, including, without limiting the generality of the foregoing claims for which the HRA may be, or may be claimed to be liable and attorneys' fees and disbursements paid or incurred to enforce the provisions of this paragraph.

2.10 Contractor agrees to accept responsibility for all damage caused by Contractor to clean and repair all surfaces soiled or damaged by Contractor or its subcontractors or suppliers, and to protect the Work. If any dispute arises between Contractor and its subcontractors as to which is responsible for any kind of damage, Contractor shall be responsible to timely repair or pay for the damage or repair and resolve allocated responsibilities for the damage among those responsible.

2.11 Contractor shall supervise and direct the Work, using the Contractor's best skill and attention. The Contractor shall be solely responsible for, and have control over, construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Work under the Contract Documents, including those performed by subcontractors, unless they give other special instructions concerning these matters. In such case the Contractor shall evaluate the jobsite safety and shall be fully and solely responsible for the jobsite safety of such means, methods, techniques, sequences or procedures. If the Contractor determines that the Contract Documents direct means, methods, techniques, sequences or procedures that are not safe, Contractor shall give timely written notice to the HRA and shall not proceed with that portion of the Work without further written instructions from HRA.

2.12 Contractor is solely responsible for initiating, maintaining and supervising all safety precautions and measures in connection with the performance of this Agreement and agrees to take all safety precautions with respect to its Work and shall comply with all applicable laws, ordinances, rules and regulations and lawful orders of any public or governmental authority for the safety of persons or property.

2.13 Contractor is responsible to ensure their employees have received all applicable safety training, that they agree to provide all the tools and equipment to complete the contracted job tasks and, the equipment and tools should be in safe, working order.

2.14 Contractor agrees not to assign any or all of this Agreement and not to assign any money due or to become due thereunder without first obtaining prior written consent of the HRA. Contractor shall supply the HRA with a list of all individuals or businesses to which it intends to subcontract the Work or from which it will obtain materials or equipment. Such list is attached hereto as Exhibit B and incorporated herein by reference.

2.15 Contractor agrees to furnish such shop drawings or samples as may be required by the HRA.

2.16 Contractor agrees not to employ any person who is reasonably unacceptable to the HRA. Contractor further agrees to remove any such person from the Project if the HRA reasonably requests.

2.17 Contractor agrees that the HRA, or his authorized representatives, shall have the right to order, in writing, the elimination or addition of any part or parts of work or materials as omitted from or added to the Contract Documents by Architect and/or the HRA. Equitable adjustments shall be made to the Price for such omitted or added Work or materials. No extra work shall be allowed or changes made by Contractor, or paid for by the HRA, unless and until authorized by the HRA, in writing, before the work and/or changes are begun. Contractor agrees to sign attached Exhibit C to this Agreement and waives all claims for additions or changes unless the HRA has signed a written change order.

2.18 Contractor agrees to provide detail of sales taxes paid on Exhibit D for materials furnished on project from contractor and any subcontractors upon completion of project.

2.19 Contractor further agrees to give prompt written notice to the HRA Contracting Officer of all claims for extras, for requests of extensions of time and for damages for delays or otherwise, and in accordance with HUD General Conditions, if made part of the Contract Documents. Contractor agrees that any change orders for an increase in the Price and an extension to the time of performance must be consented to in writing by the HRA prior to commencing Work on the proposed change order. Further, Contractor agrees that only **Eric Charpentier, Executive Director** is authorized to sign change orders on the HRA's behalf.

2.20 Execution of the Agreement by the Contractor is a representation that the Contractor has visited the site, become familiar with local conditions under which the Work is to be performed and has correlated personal observations with requirements of the Contract Documents.

2.21 Contractor shall, before starting each portion of the Work, carefully study and compare the various Contract Documents relative to that portion of the Work, as well as the information furnished by the HRA. Contractor shall take field measurements of any existing conditions related to that portion of the Work, and shall observe any conditions at the site affecting it. These obligations are for the purpose of facilitating coordination and construction by the Contractor and are not for the purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, the Contractor shall promptly report to the HRA and Architect any errors, inconsistencies or omissions discovered by or made known to the Contractor as a request for information in such form as the HRA and Architect may require. The HRA acknowledges that the Contractor's review is made in the Contractor's capacity as a contractor and not as a licensed design professional, unless otherwise specifically provided in the Contract Documents.

2.22 If the Contractor believes that additional cost or time is involved because of clarifications or instructions the HRA or Architect issues in response to the Contractor's notices

or requests for information pursuant to sections 2.18 and 2.19, the Contractor shall make Claims as provided in Section 2.17, or as required in the General Conditions if applicable. If the Contractor fails to perform the obligations of section 2.19, the Contractor shall pay such costs and damages to the HRA as would have been avoided if the Contractor had performed such obligations. If the Contractor performs those obligations, the Contractor shall not be liable to the HRA or Architect for damages resulting from errors, inconsistencies or omissions in the Contract Documents, for differences between field measurements or conditions and the Contract Documents, or for nonconformities of the Contract Documents to applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities.

2.23 Contractor agrees to promptly correct any and all defects in the material or Work brought to its attention by HRA for a period of two years from the substantial completion date or the date the Certificate of Occupancy is issued by the building authority for the Project, whichever is later. Contractor hereby assigns and agrees to deliver to HRA all vendor warranties given by each equipment or parts manufacturer.

2.24 Contractor warrants to the HRA that: (1) materials and equipment furnished under the Agreement will be new and of good quality unless otherwise required or permitted by the Contract Documents; (2) the Work will be free from defects not inherent in the quality required; and (3) the Work will conform to the requirements of the Contract Documents.

2.25 In the event Contractor fails to correct, replace and/or repair faulty or defective work performed and/or materials furnished under the Contract Documents, or shall fail to complete or diligently proceed with the Work within the time herein provided for, the HRA, upon three (3) days' notice in writing to Contractor shall have the right to correct, replace and/or re-execute such faulty or defective work, or to take over the Work and complete the same either through its own employees or through a contractor or subcontractor of its choice, and to charge the costs thereof to Contractor including compensation for the Architect's services rendered due to Contractor's failure, and other costs to HRA, against the sums owed under this Agreement and to pursue any and all other remedies provided by law, which are not waived by exercising rights in this section.

2.26 Contractor agrees that in the event of its default, in addition to other rights and remedies the HRA has, the material and equipment of Contractor shall be left at the Project for use by the HRA in completing the Work through the performance bond or other third party contractor hired by HRA. If the HRA carries out Work outside of the performance bond and uses such material and equipment, HRA shall credit the Contractor for the cost of material and equipment used on a rental basis and return the material and equipment to Contractor upon Work completion. The credit shall be an offset against damages to HRA caused by Contractor's default, or be paid by HRA to Contractor if the credit exceeds the damages to HRA.

2.27 Contractor agrees to obtain, at its cost, all permits, all licenses, all plan approval, all inspections and all other governmental approvals relating to this work on the Project and to comply with all federal, state, county, and municipal laws, codes and regulations and to pay all costs and expenses incurred in connection with such compliance, to pay all fees and taxes, including sales and use taxes, and also pay all taxes imposed by any state or federal law for any employment insurance, pensions, retirement funds or any similar purpose, and to furnish all

necessary reports and information to the appropriate federal, state and municipal agencies, with respect to all of the foregoing, the same as though Contractor was in fact the HRA and to hold the HRA and any other contractor and/or subcontractor harmless from any and all losses or damage occasioned by the failure of Contractor to comply with the terms of this paragraph.

2.28 Contractor agrees to pay all royalties, license and permit fees to defend all suits or claims for infringement of any patent rights involved in the work of Contractor under this Agreement and to save the HRA and other contractors harmless from loss, costs or expense on account of such use or infringement by Contractor.

2.29 If any part of Contractor's Work depends, for proper execution, upon the work of the HRA, or any other contractor, Contractor shall inspect and promptly report to the HRA any apparent discrepancies or defects in such work that renders it unsuitable for use on the Project. Failure of the Contractor to inspect and report shall constitute an acceptance of the work of the HRA and other contractors.

2.30 If HRA has agreed to partial payments during the Work, Contractor shall provide complete invoices, receipts and executed lien waivers in the form required by the HRA, so that the HRA may accept, review and approve said invoices for the current payment cycle. Request for payment will be deemed accepted by the HRA on the date the HRA determines, in its sole judgment, that the HRA has all the information required to process the payment consistent with the PPA.

2.31 In accordance with the Prompt Payment of Local Government Bills, Minnesota Statutes, Section 471.425 ("PPA") governing payments in this Agreement, Contractor shall pay its subcontractors and suppliers within ten (10) days of receipt of payment from the HRA or pay interest to the subcontractors and suppliers on the obligation at a rate of 1.5% per month or any part of a month.

2.32 Contractor agrees to perform all Work in accordance with and to otherwise abide in all respects with all applicable federal, state and local laws, rules and ordinances. Contractor is responsible for removing all its debris from the site at its sole expense and pay for any costs associated with fees for dumpster or landfill costs. The Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Contract. At completion of the Work, the Contractor shall remove waste materials, rubbish, the Contractor's tools, construction equipment, machinery and surplus materials from and about the Project.

2.33 Except to the extent provided in Minnesota Statutes, Section 337.10, subd. 3, the Contractor has no right to stop Work as a consequence of non-payment. In the event of any disagreement between the Contractor and HRA involving the Contractor's entitlement to payment, the Contractor's only remedy is to file a claim with the HRA within fourteen (14) days of the onset of such payment dispute, or such claim will be waived. The Contractor must diligently proceed with the Work pending resolution of the claim.

2.34 If HUD is funding all or some portion of this Project, Contractor shall include in all its subcontractor agreements, the following "Section 3" clause:

- The work to be performed under this Agreement 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-income persons, particularly persons who are recipients of HUD assistance for housing.
- The parties to this Agreement agree to comply with HUD's regulations in 24 CFR part 75, which implemented Section 3. As evidenced by their execution of this Agreement, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 75 regulations.
- 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.
- The Contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 75, 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 75. 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 75.
- The Contractor will certify that any vacant employment positions, including training positions, that are filled: (1) after the Contractor is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 75 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 CFR part 75.
- To Show Compliance with regulations 24 CFR Part 75. The Section 3 contract form must be completed and submitted to the HRA along with and all his/her subcontractors. To be completed annually, due date is by December 31st or at the

completion of the project if before, as described in the Section 3 contract, Exhibit E.

- Noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.

2.35 Contractor agrees to maintain for the duration of the Agreement, all requirements to comply with Minnesota Statutes, Section 16C.285 (Responsible Contractor).

SECTION 3. HRA TERMS AND CONDITIONS.

3.1 The HRA contracts with Contractor to do the Work described in Paragraph 1 hereof under the terms and conditions of the Contract Documents.

3.2 Pursuant to the PPA, the HRA agrees to pay Contractor the full amount due and properly owing, less 5% retainage and other hold backs or offsets, upon satisfactory performance of the Work under this Agreement and upon the HRA's written acceptance of the Work.

3.3 Final payment, including all remaining retainage withheld pursuant to Minnesota Statutes, Section 15.72, and other hold backs or offsets, shall become due and payable within thirty (30) days after acceptance of the Project Work in writing by the HRA. The HRA shall condition final payment upon receipt of IC 134 requirements/Contractor Affidavits, Sales Tax Paid Form, mechanic's lien waivers, submittals including but not limited to operation manuals and as-built drawings and upon Contractor providing to HRA any and all documents reasonably required by the HRA to assure Contractor's compliance with all federal, state and local laws.

3.4 The HRA may terminate the Contract if the Contractor:

3.4.1 repeatedly is untimely in the performance of the Work or services of the Contract, or refuses or fails to supply enough properly skilled workers or proper materials to fulfill the Contract requirements;

3.4.2 fails to make payment to subcontractors for materials or labor in accordance with the respective agreements between the Contractor and the subcontractors;

3.4.3 repeatedly disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority; or

3.4.4 otherwise is guilty of substantial breach of a provision of the Contract Documents.

3.5 When the HRA terminates the Contract for one of the reasons stated in Sections 3.4.1-3.4.4 above, the Contractor shall not be entitled to receive further payment until the Work is finished.

3.6 The HRA may, without cause, order the Contractor in writing to suspend, delay or interrupt the Work in whole or in part for such period of time as the HRA may determine.

3.7 The HRA may, at any time, terminate the Contract for the HRA's convenience and without cause.

3.8 Upon receipt of written notice from the HRA of such termination for the HRA's convenience the Contractor shall:

3.8.1 cease operations as directed by the HRA in the notice;

3.8.2 take actions necessary, or that the HRA may direct, for the protection and preservation of the Work; and

3.8.3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

3.9 In case of termination for the HRA's convenience, the Contractor shall be entitled to receive payment for Work executed, and costs shown to be incurred by reason of such termination.

SECTION 4. MISCELLANEOUS PROVISIONS.

4.1 It is the HRA's policy to resolve all contract disputes informally, without litigation if possible. Contractor disputes shall not be referred to HUD until all remedies have been exhausted at the HRA level, including mediation.

4.2 This Agreement shall not be modified except in writing signed by both the HRA and Contractor.

4.3 This Agreement shall be construed and governed by the substantive laws of Minnesota, without regard to choice of law principles.

4.4 Pursuant to Minnesota Statutes, Section 13.05, subd. 11, all of the data created, collected, received, stored, used, maintained, or disseminated by Contractor in performing this contract is subject to the requirements of the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, and Contractor must comply with those requirements as if it were a government entity. The remedies in Minnesota Statutes, Section 13.08 apply to Contractor. Contractor does not have a duty to provide access to public data to the public if the public data are available from the HRA.

4.5 Pursuant to Minnesota Statutes, Section 16C.05, subd. 5, Contractor agrees that the books, records, documents and accounting procedures and practices of Contractor, that are relevant to the Contract or transaction, are subject to examination by the HRA and the state auditor for a

minimum of six (6) years. Contractor shall maintain such records for a minimum of six (6) years after final payment.

4.6 Pursuant to Minnesota Statutes, Section 181.59, the Contractor will take affirmative action to ensure that applicants are selected, and that employees are treated during employment, without regard to their race, color, creed, religion, national origin, sex, sexual orientation, marital status, status with regard to public assistance, membership or activity in a local civil rights commission, disability or age. The Contractor agrees to be bound by the provisions of Minnesota Statutes, Section 181.59, that prohibits certain discriminatory practices and the terms of said section are incorporated into this contract.

IN WITNESS WHEREOF, the undersigned parties represent that they have caused this Agreement to be executed by the parties below.

[Signature page to follow]

BRAINERD HOUSING AND
REDEVELOPMENT AUTHORITY

Date: 8-22-23

By 
Its: Executive Director

CONTRACTOR:

Date: 8-14-2023

By 
Its: Owner

ARE YOU A CORPORATION? YES
PLEASE PROVIDE ONE OF THE FOLLOWING:

FEDERAL ID # 41-1860282
OR SOCIAL SECURITY # _____

EXHIBIT A

Agency Profile of Properties (Sites)

	Property addresses that need a new roof:	ESTIMATED Surface Area	ESTIMATED Total Perimeter Length	ESTIMATED Total Ridge Length
	Valley Trail Town Homes			
1	613 SW 5 th Street, Brainerd MN 56401	2501.28	351.33	75.33
2	617 SW 5 th Street, Brainerd, MN 56401	1807.66	190.58	52.17
3	619 SW 5 th Street, Brainerd, MN 56401	1807.66	190.58	52.17
4	621 SW 5 th Street, Brainerd, MN 56401	1635.35	171.47	60.16
5	623 SW 5 th Street, Brainerd, MN 56401	1635.35	171.47	60.16
6	622 SW 5 th Street, Brainerd, MN 56401	N/A	N/A	N/A
7	624 SW 5 th Street, Brainerd, MN 56401	2049.18	225.94	62.13
8	701 SW 5 th Street, Brainerd, MN 56401	1807.66	190.58	52.17
9	702 SW 5 th Street, Brainerd, MN 56401	1635.35	171.47	63.16
10	704 SW 5 th Street, Brainerd, MN 56401	1635.35	171.47	63.16
11	703 SW 5 th Street, Brainerd, MN 56401	1807.66	190.58	52.17
12	705 SW 5 th Street, Brainerd, MN 56401	1635.35	171.47	63.16
13	706 SW 5 th Street, Brainerd, MN 56401	1807.66	197.06	52.17
14	707 SW 5 th Street, Brainerd, MN 56401	1635.35	171.47	63.16
15	708 SW 5 th Street, Brainerd, MN 56401	1807.66	197.06	52.17
16	709 SW 5 th Street, Brainerd, MN 56401	1630.44	181.72	40.04
17	710 SW 5 th Street, Brainerd, MN 56401	1630.44	181.72	40.04
18	711 SW 5 th Street, Brainerd, MN 56401	1630.44	181.72	40.04
19	712 SW 5 th Street, Brainerd, MN 56401	1630.44	181.72	40.04
20	713 SW 5 th Street, Brainerd, MN 56401	2049.18	225.94	62.13
21	714 SW 5 th Street, Brainerd, MN 56401	2049.17	238.94	62.13
22	715 SW 5 th Street, Brainerd, MN 56401	2049.18	225.94	62.13
23	716 SW 5 th Street, Brainerd, MN 56401	2049.17	238.94	62.13
24	717 SW 5 th Street, Brainerd, MN 56401	1630.44	181.72	40.04
25	718 SW 5 th Street, Brainerd, MN 56401	1630.44	181.72	40.04
	Scattered Homes			
1	1003 Ivy Street, Brainerd, MN 56401	1964.94	210.21	56.33
2	703 Todd Street, Brainerd, MN 56401	1966.59	212.36	59.42
3	921 11th Ave NE, Brainerd, MN 56401	1964.94	210.21	56.33
4	2312 Pine Street, Brainerd, MN 56401	1853.02	202.26	54.33
5	1215 SE 12th Street, Brainerd, MN 56401	1856.64	202.69	54.33
6	1519 8th Ave NE, Brainerd, MN 56401	1964.94	210.21	56.33
7	714 SE 12th Street, Brainerd, MN 56401	1904.07	193.19	44.38

THE HOUSING AUTHORITY IN AND FOR THE CITY OF BRAINERD, MINNESOTA

INVITATION FOR BIDS (IFB) No. 2023-004, Roofing Services
Attachment I, Agency Profile of Properties (Sites)

8	716 SE 12th Street, Brainerd, MN 56401	1904.07	193.19	44.38
9	1113 Quince Street, Brainerd, MN 56401	1855.38	151.65	61.65
10	1115 Quince Street, Brainerd, MN 56401	1855.38	151.65	61.65
11	411 SE 12th Street, Brainerd, MN 56401	1367.73	118.51	40.32
	411 SE 12th Street, Brainerd, MN 56401 GARAGE	348.83	53.07	12
12	413 SE 12th Street, Brainerd, MN 56401	1367.73	118.51	40.32
	413 SE 12th Street, Brainerd, MN 56401 GARAGE	348.83	53.07	12
13	2503 Pine Street, Brainerd, MN 56401	1904.07	193.19	44.38
14	2505 Pine Street, Brainerd, MN 56401	1904.07	193.19	44.38
15	312 SW 6th Street, Brainerd, MN 56401	1904.86	177.9	63.04
16	314 SW 6th Street, Brainerd, MN 56401	1908.86	177.9	63.04

THE HOUSING AUTHORITY IN AND FOR THE CITY OF BRAINERD, MINNESOTA

VERIFICATION OF SUB-SUBCONTRACTORS AND SUPPLIERS


I, the undersigned, hereby certify and swear that the following list of subcontractors and or suppliers, is complete, including any and all suppliers of labor and material to and for the Project.

American Looking Firm	129,000 ⁰⁰ Amount	Steve Anderson 218-821-9067 Contact Person/Phone
--------------------------	---------------------------------	---

<u>Menards Baxter</u>	<u>180,000⁰⁰</u>	<u>Morgan Holland 218-825-7400</u>
Firm	Amount	Contact Person/Phone

The Insurance Office Firm	11,870 ⁰⁰ Amount	Craig Holm 218-828-1118 Contact Person/Phone
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Firm	Amount	Contact Person/Phone
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Quick Construction Inc
Firm 

By Terry Quich
(Print Name)
Its PRESIDENT
(Print Title)

EXHIBIT C

TO: All Contractors and Suppliers

RE: Extras, Change Orders and Waiver

Any and all additional work which deviates from the original contract price shall be at your own risk unless authorized in writing by the HRA prior to said work occurring.

Any and all changes must be documented by a written change order signed by the HRA/Representative. Other employees of the HRA do not have express, implied or apparent authority to authorize additional work for the HRA. Verbal agreements or orders shall not constitute authorization and any work done pursuant to a verbal agreement or order shall be at your risk. This notice also constitutes your written waiver of any benefits conferred under a claim based on a quasi contract if and when work occurs pursuant to a verbal agreement or order.

Please sign and return this to:

THE BRAINERD HOUSING AND
REDEVELOPMENT AUTHORITY

CONTRACTOR

By _____

Its: Executive Director
324 East River Road
(218) 824-3425
(218) 828-8817 Fax

By _____



Its: Owner

Date: _____

Date: _____

8-14-2023

C-1

EXHIBIT D

Sales Tax Form Contractor's Statement

Qualifying Entity: Brainerd HRA

Project Name: _____

Invoice Number(s): _____

Based on upon a review of our records for the project in question, it has been determined that the following amounts were paid in sales and/or use taxes:

Purchase Period(s)	Taxable Cost	MN Tax Paid (6.875%)	Local Tax Paid
_____	\$ _____	\$ _____	\$ _____ Brainerd .50%
			\$ _____ Baxter .50%
			\$ _____ Crow Wing .50%
			\$ _____ %

*If additional taxing jurisdictions exist, please attach spreadsheet

The amounts listed have been paid on the project or that portion of the project which directly relates to the qualifying low-income housing units. This tax amount is for building materials and equipment incorporated into the construction, improvement, or expansion of qualified low-income housing projects, and does not include any amounts paid for equipment and machinery purchased or leased by us and used in fulfillment of this contract.

Our MN Identification Number is: _____

Company Name: _____

Address: _____

Phone: _____

I (We) declare under the penalties of criminal liability for willfully making a false claim that this statement has been examined, and, to the best of my (our) knowledge and belief, is true and complete.

Name: _____ Title: _____

Signature: _____ Date: _____

509258v3 BR230-24

EXHIBIT E

Section 3 Contract – Recipient Compliance and Reporting

*This form must be completed and submitted to the HRA by the awarded contractor of a Section 3 covered project and all of his/her subcontractors. To be completed annually, due date is by December 31st or at the completion of the project if before.

From: QUICK CONSTRUCTION INC
Name of Contractor

For: RED HRA ROOFING 2023
Name of Project

What is Section 3?

Under Section 3 of the Housing and Urban Development Act of 1968, whenever HUD financial assistance is given for housing or community development, to the greatest extent feasible, economic opportunities will be given to low and very low income workers, targeted section 3 workers, and section 3 business concerns in that area. The project being awarded has funding which is subject to Section 3 requirements.

***Covered projects contractors and subcontractors are required to show a good faith effort to provide the following:**

Quantitative Reporting

1. Provide employment and training opportunities for Section 3 Workers (minimum of 25% total labor hours).
2. Provide employment and training opportunities for Targeted Section 3 Workers (minimum of 5% total labor hours).
3. Provide opportunities for Section 3 Business Concerns for service contracts.

If 1 and 2 are not met, #4 is a must.

Qualitative Reporting

4. Section 3 Outreach and Development Activities.

QUANTITATIVE REPORTING:

A. Confirmation of hiring and training Section 3 Workers and Targeted Workers:

- The total number of labor hours for the covered contract _____
- Labor hours for Section 3 Workers _____
- Labor hours Section 3 Targeted Workers _____

*Please note that if hours are entered, you must also provide record of self-certification or employer certification of Section 3 Worker or Targeted Worker if not done at contract award.

B. Confirmation for contracting or certifying as a Section 3 Business Concerns:

☒ No ☐ Yes

If Yes, please

- Provide Section 3 Business self-certification form, if not provided at time of award.
- Provide Screen Print Out of Section 3 Business is registered on HUD opportunity portal.

QUALITATIVE REPORTING:

If contractor has not met or exceeded HUD Section 3 Safe Harbor/Benchmarks (percentages listed above) Contract recipient must report qualitative Section 3 Compliance activities. Contractor and subcontractors must document that they have conducted Section 3 Worker outreach and development activities.

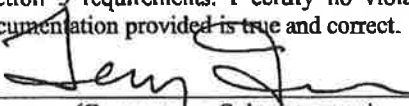
Section 3 Outreach and Development Activities Option:

Select actions that the contractor/sub-contractor will complete and document:

- ☒ Using your lobby of your business (at least 7 calendar days) to hand out and/or hang the section 3 brochure. (Submit proof of posting to the HRA)
- ☐ Post information regarding section 3 to a business website (for at least 7 calendar day) or social media platform. (Submit proof of posting to the HRA)
- ☒ Engaged in outreach efforts to generate job applicants who are Targeted Section 3 workers. (Submit an application to the HRA to post within their facilities for tenants and voucher holders to see.)
- ☐ Provided training or apprenticeship opportunities.
- ☐ Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.
- ☐ Provide assistance to apply for or attend colleges or technical schools
- ☐ Promoted use of business registries designed to create opportunities for disadvantaged and small businesses.
- ☐ Engaged in outreach efforts to identify and secure bids from Section 3 business concerns. (<https://portalapps.hud.gov/Sec3BusReg/BRegistry/BRegistryHome>) (provide print out of Section 3 business registry result)
- ☐ Utilize the services HUD opportunity portal (<https://hudapps.hud.gov/OpportunityPortal/>) (attach copy of Section 3 Resume)
- ☐ Other outreach activities as listed in HUD Section 24 CFR 75.15(b) Additional reporting
Fill in an effort: _____

If selected, contractor/subcontractors must provide documentation of what specific activity was conducted

I certify that to the greatest extent feasible HUD Section 3 Workers, Targeted Workers, and Business Concerns were sought and utilized for labor, services, and construction subcontracts to comply with HUD Section 3 requirements. I certify no violations of federal regulations. I certify the information and documentation provided is true and correct.


Signature (Contractor or Subcontractors)

8/16/2023
Date:

"General Decision Number: MN20230002 01/06/2023

Superseded General Decision Number: MN20220002

State: Minnesota

Construction Type: Residential

Counties: Aitkin and Crow Wing Counties in Minnesota.

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

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

If the contract is entered into on or after January 30, 2022, or the contract is renewed or extended (e.g., an option is exercised) on or after January 30, 2022:	Executive Order 14026 generally applies to the contract. The contractor must pay all covered workers at least \$16.20 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in 2023.
---	---

If the contract was awarded on or between January 1, 2015 and January 29, 2022, and the contract is not renewed or extended on or after January 30, 2022:	Executive Order 13658 generally applies to the contract. The contractor must pay all covered workers at least \$12.15 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on that contract in 2023.
---	--

The applicable Executive Order minimum wage rate will be adjusted annually. If this contract is covered by one of the Executive Orders and a classification considered necessary for performance of work on the contract does not appear on this

wage determination, the contractor must still submit a conformance request.

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

Modification Number Publication Date
0 01/06/2023

SUMN1990-007 01/31/1990

	Rates	Fringes
Bricklayer/Blocklayer.....	\$ 11.46 **	1.61
CARPENTER.....	\$ 11.64 **	1.20
DRYWALL HANGER.....	\$ 10.40 **	
Drywall taper.....	\$ 10.58 **	
ELECTRICIAN.....	\$ 14.59 **	4.16
LABORER.....	\$ 7.25 **	
PAINTER.....	\$ 8.00 **	
PLUMBER.....	\$ 13.82 **	2.03
ROOFER.....	\$ 11.65 **	1.20

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

** Workers in this classification may be entitled to a higher minimum wage under Executive Order 14026 (\$16.20) or 13658 (\$12.15). Please see the Note at the top of the wage determination for more information.

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

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

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

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

Union Rate Identifiers

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

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

Survey Rate Identifiers

Classifications listed under the ""SU"" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all

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

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

Union Average Rate Identifiers

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

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

WAGE DETERMINATION APPEALS PROCESS

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

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

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

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the

Branch of Construction Wage Determinations. Write to:

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

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

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

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

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

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

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

END OF GENERAL DECISION"

General Conditions for Construction Contracts - Public Housing Programs

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

**Applicability. This form is applicable to any
construction/development contract greater than \$250,000.**

Public reporting burden for this collection of information is estimated to average 1 hour. This includes the time for collecting, reviewing, and reporting the data. The information requested is required to obtain a benefit. This form includes those clauses required by OMB's common rule on grantee procurement, implemented at HUD in 2 CFR 200, and those requirements set forth in Section 3 of the Housing and Urban Development Act of 1968 and its amendment by the Housing and Community Development Act of 1992, implemented by HUD at 24 CFR Part 75. The form is required for construction contracts awarded by Public Housing Agencies (PHAs). The form is used by Housing Authorities in solicitations to provide necessary contract clauses. If the form were not used, PHAs would be unable to enforce their contracts. There are no assurances of confidentiality. HUD may not conduct or sponsor, and an applicant is not required to respond to a collection of information unless it displays a currently valid OMB control number.

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4. Other Contracts	3	27. Payments	9
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9. Specifications and Drawings for Construction	4	33. Liquidated	12
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12. Permits and Codes	5	36. Insurance	12
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15. Availability and Use of Utility Services	6	39. Equal Employment Opportunity	13
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1. Definitions

- (a) "Architect" means the person or other entity engaged by the PHA to perform architectural, engineering, design, and other services related to the work as provided for in the contract. When a PHA uses an engineer to act in this capacity, the terms "architect" and "engineer" shall be synonymous. The Architect shall serve as a technical representative of the Contracting Officer. The Architect's authority is as set forth elsewhere in this contract.
- (b) "Contract" means the contract entered into between the PHA and the Contractor. It includes the forms of Bid, the Bid Bond, the Performance and Payment Bond or Bonds or other assurance of completion, the Certifications, Representations, and Other Statements of Bidders (form HUD-5370), these General Conditions of the Contract for Construction (form HUD-5370), the applicable wage rate determinations from the U.S. Department of Labor, any special conditions included elsewhere in the contract, the specifications, and drawings. It includes all formal changes to any of those documents by addendum, change order, or other modification.
- (c) "Contracting Officer" means the person delegated the authority by the PHA to enter into, administer, and/or terminate this contract and designated as such in writing to the Contractor. The term includes any successor Contracting Officer and any duly authorized representative of the Contracting Officer also designated in writing. The Contracting Officer shall be deemed the authorized agent of the PHA in all dealings with the Contractor.
- (d) "Contractor" means the person or other entity entering into the contract with the PHA to perform all of the work required under the contract.
- (e) "Drawings" means the drawings enumerated in the schedule of drawings contained in the Specifications and as described in the contract clause entitled Specifications and Drawings for Construction herein.
- (f) "HUD" means the United States of America acting through the Department of Housing and Urban Development including the Secretary, or any other person designated to act on its behalf. HUD has agreed, subject to the provisions of an Annual Contributions Terms and Conditions (ACC), to provide financial assistance to the PHA, which includes assistance in financing the work to be performed under this contract. As defined elsewhere in these General Conditions or the contract documents, the determination of HUD may be required to authorize changes in the work or for release of funds to the PHA for payment to the Contractor. Notwithstanding HUD's role, nothing in this contract shall be construed to create any contractual relationship between the Contractor and HUD.
- (g) "Project" means the entire project, whether construction or rehabilitation, the work for which is provided for in whole or in part under this contract.
- (h) "PHA" means the Public Housing Agency organized under applicable state laws which is a party to this contract.
- (j) "Specifications" means the written description of the technical requirements for construction and includes the criteria and tests for determining whether the requirements are met.
- (l) "Work" means materials, workmanship, and manufacture and fabrication of components.
- (a) The Contractor shall furnish all necessary labor, materials, tools, equipment, and transportation necessary for performance of the work. The Contractor shall also furnish all necessary water, heat, light, and power not made available to the Contractor by the PHA pursuant to the clause entitled Availability and Use of Utility Services herein.
- (b) The Contractor shall perform on the site, and with its own organization, work equivalent to at least [] (12 percent unless otherwise indicated) of the total amount of work to be performed under the order. This percentage may be reduced by a supplemental agreement to this order if, during performing the work, the Contractor requests a reduction and the Contracting Officer determines that the reduction would be to the advantage of the PHA.
- (c) At all times during performance of this contract and until the work is completed and accepted, the Contractor shall directly superintend the work or assign and have on the work site a competent superintendent who is satisfactory to the Contracting Officer and has authority to act for the Contractor.
- (d) The Contractor shall be responsible for all damages to persons or property that occur as a result of the Contractor's fault or negligence, and shall take proper safety and health precautions to protect the work, the workers, the public, and the property of others. The Contractor shall hold and save the PHA, its officers and agents, free and harmless from liability of any nature occasioned by the Contractor's performance. The Contractor shall also be responsible for all materials delivered and work performed until completion and acceptance of the entire work, except for any completed unit of work which may have been accepted under the contract.
- (e) The Contractor shall lay out the work from base lines and bench marks indicated on the drawings and be responsible for all lines, levels, and measurements of all work executed under the contract. The Contractor shall verify the figures before laying out the work and will be held responsible for any error resulting from its failure to do so.
- (f) The Contractor shall confine all operations (including storage of materials) on PHA premises to areas authorized or approved by the Contracting Officer.
- (g) The Contractor shall at all times keep the work area, including storage areas, free from accumulations of waste materials. After completing the work and before final inspection, the Contractor shall (1) remove from the premises all scaffolding, equipment, tools, and materials (including rejected materials) that are not the property of the PHA and all rubbish caused by its work; (2) leave the work area in a clean, neat, and orderly condition satisfactory to the Contracting Officer; (3) perform all specified tests; and, (4) deliver the installation in complete and operating condition.
- (h) The Contractor's responsibility will terminate when all work has been completed, the final inspection made, and the work accepted by the Contracting Officer. The Contractor will then be released from further obligation except as required by the warranties specified elsewhere in the contract.

3. Architect's Duties, Responsibilities, and Authority

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

2. Contractor's Responsibility for Work

- (b) The Architect shall serve as the Contracting Officer's technical representative with respect to architectural, **Schedule** engineering, and design matters related to the work performed under the contract. The Architect may provide direction on contract performance. Such direction shall be within the scope of the contract and may not be of a nature which: (1) institutes additional work outside the scope of the contract; (2) constitutes a change as defined in the Changes clause herein; (3) causes an increase or decrease in the cost of the contract; (4) alters the Construction Progress Schedule; or (5) changes any of the other express terms or conditions of the contract.
- (c) The Architect's duties and responsibilities may include but shall not be limited to:
- (1) Making periodic visits to the work site, and on the basis of his/her on-site inspections, issuing written reports to the PHA which shall include all observed deficiencies. The Architect shall file a copy of the report with the Contractor's designated representative at the site;
 - (2) Making modifications in drawings and technical specifications and assisting the Contracting Officer in the preparation of change orders and other contract modifications for issuance by the Contracting Officer;
 - (3) Reviewing and making recommendations with respect to - (i) the Contractor's construction progress schedules; (ii) the Contractor's shop and detailed drawings; (iii) the machinery, mechanical and other equipment and materials or other articles proposed for use by the Contractor; and, (iv) the Contractor's price breakdown and progress payment estimates; and,
 - (4) Assisting in inspections, signing Certificates of Completion, and making recommendations with respect to acceptance of work completed under the contract.

4. Other Contracts

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

Construction Requirements

5. Pre-construction Conference and Notice to Proceed

of the work, and that it has investigated and satisfied itself

- (a) Within ten calendar days of contract execution, and prior to the commencement of work, the Contractor shall attend a preconstruction conference with representatives of the PHA, its Architect, and other interested parties convened by the PHA. The conference will serve to acquaint the participants with the general plan of the construction operation and all other requirements of the contract. The PHA will provide the Contractor with the date, time, and place of the conference.
- (b) The contractor shall begin work upon receipt of a written Notice to Proceed from the Contracting Officer or designee. The Contractor shall not begin work prior to receiving such notice.

6. Construction Progress

- (a) The Contractor shall, within five days after the work commences on the contract or another period of time determined by the Contracting Officer, prepare and submit to the Contracting Officer for approval three copies of a practicable schedule showing the order in which the Contractor proposes to perform the work, and the dates on which the Contractor contemplates starting and completing the several salient features of the work (including acquiring labor, materials, and equipment). The schedule shall be in the form of a progress chart of suitable scale to indicate appropriately the percentage of work scheduled for completion by any given date during the period. If the Contractor fails to submit a schedule within the time prescribed, the Contracting Officer may withhold approval of progress payments or take other remedies under the contract until the Contractor submits the required schedule.
- (b) The Contractor shall enter the actual progress on the chart as required by the Contracting Officer, and immediately deliver three copies of the annotated schedule to the Contracting Officer. If the Contracting Officer determines, upon the basis of inspection conducted pursuant to the clause entitled Inspection and Acceptance of Construction, herein that the Contractor is not meeting the approved schedule, the Contractor shall take steps necessary to improve its progress, including those that may be required by the Contracting Officer, without additional cost to the PHA. In this circumstance, the Contracting Officer may require the Contractor to increase the number of shifts, overtime operations, days of work, and/or the amount of construction plant, and to submit for approval any supplementary schedule or schedules in chart form as the Contracting Officer deems necessary to demonstrate how the approved rate of progress will be regained.
- (c) Failure of the Contractor to comply with the requirements of the Contracting Officer under this clause shall be grounds for a determination by the Contracting Officer that the Contractor is not prosecuting the work with sufficient diligence to ensure completion within the time specified in the Contract. Upon making this determination, the Contracting Officer may terminate the Contractor's right to proceed with the work, or any separable part of it, in accordance with the Default clause of this contract.

7. Site Investigation and Conditions Affecting the Work

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

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

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

8. Differing Site Conditions

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

- (b) The Contracting Officer shall investigate the site conditions promptly after receiving the notice. Work shall not proceed at the affected site, except at the

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

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

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

9. Specifications and Drawings for Construction

- (a) The Contractor shall keep on the work site a copy of the drawings and specifications and shall at all times give the Contracting Officer access thereto. Anything mentioned in the specifications and not shown on the drawings, or shown on the drawings and not mentioned in the specifications, shall be of like effect as if shown or mentioned in both. In case of difference between drawings and specifications, the specifications shall govern. In case of discrepancy in the figures, in the drawings, or in the specifications, the matter shall be

promptly submitted to the Contracting Officer, who shall promptly make a determination in writing. Any adjustment by the Contractor without such a determination shall be at its own risk and expense. The Contracting Officer shall furnish from time to time such detailed drawings and other information as considered necessary, unless otherwise provided.

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

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

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

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

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

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

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

- (h) The Contractor shall submit to the Contracting Officer for approval four copies (unless otherwise indicated) of all shop drawings as called for under the various headings of these specifications. Three sets (unless otherwise indicated) of all shop drawings, will be retained by the PHA and one set will be returned to the Contractor. As required by the Contracting Officer, the Contractor, upon completing the work under this contract, shall furnish a complete set of all shop drawings as finally approved. These drawings shall show all changes and revisions made up to the time the work is completed and accepted.
- (i) This clause shall be included in all subcontracts at any tier. It shall be the responsibility of the Contractor to ensure that all shop drawings prepared by subcontractors are submitted to the Contracting Officer.

10. As-Built Drawings

- (a) "As-built drawings," as used in this clause, means drawings submitted by the Contractor or subcontractor at any tier to show the construction of a particular structure or work as actually completed under the contract. "As-built drawings" shall be synonymous with "Record drawings."
- (b) As required by the Contracting Officer, the Contractor shall provide the Contracting Officer accurate information to be used in the preparation of permanent as-built drawings. For this purpose, the Contractor shall record on one set of contract drawings all changes from the installations originally indicated, and record final locations of underground lines by depth from finish grade and by accurate horizontal offset distances to permanent surface improvements such as buildings, curbs, or edges of walks.
- (c) This clause shall be included in all subcontracts at any tier. It shall be the responsibility of the Contractor to ensure that all as-built drawings prepared by subcontractors are submitted to the Contracting Officer.

11. Material and Workmanship

- (a) All equipment, material, and articles furnished under this contract shall be new and of the most suitable grade for the purpose intended, unless otherwise specifically provided in this contract. References in the contract to equipment, material, articles, or patented processes by trade name, make, or catalog number, shall be regarded as establishing a standard of quality and shall not be construed as limiting competition. The Contractor may, at its option, use any equipment, material, article, or process that, in the judgment of, and as approved by the Contracting Officer, is equal to that named in the specifications, unless otherwise specifically provided in this contract.
- (b) Approval of equipment and materials.
- (1) The Contractor shall obtain the Contracting Officer's approval of the machinery and mechanical and other equipment to be incorporated into the work. When requesting approval, the Contractor shall furnish to the Contracting Officer the name of the manufacturer, the model number, and other information concerning the performance, capacity, nature, and rating of the

machinery and mechanical and other equipment.

When required by this contract or by the Contracting Officer, the Contractor shall also obtain the

Contracting Officer's approval of the material or articles which the Contractor contemplates incorporating into the work. When requesting

approval, the Contractor shall provide full information concerning the material or articles. Machinery, equipment, material, and articles that do not have the required approval shall be installed or used at the risk of subsequent rejection.

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

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

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

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

- (6) After approval, samples will be kept in the Project office until completion of work. They may be built into the work after a substantial quantity of the materials they represent has been built in and accepted.
- (c) Requirements concerning lead-based paint. The Contractor shall comply with the requirements concerning lead-based paint contained in the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846) as implemented by 24 CFR Part 35.

12. Permits and Codes

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

waivers. Before installing the work, the Contractor shall examine the drawings and the specifications for compliance with applicable codes and regulations bearing on the work and shall immediately report any discrepancy it may discover to the Contracting Officer.

Where the requirements of the drawings and specifications fail to comply with the applicable code or regulation, the Contracting Officer shall modify the contract by change order pursuant to the clause entitled Changes herein to conform to the code or regulation.

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

13. Health, Safety, and Accident Prevention

(a) In performing this contract, the Contractor shall:

- (1) Ensure that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his/her health and/or safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation;
- (2) Protect the lives, health, and safety of other persons;
- (3) Prevent damage to property, materials, supplies, and equipment; and,
- (4) Avoid work interruptions.

(b) For these purposes, the Contractor shall:

- (1) Comply with regulations and standards issued by the Secretary of Labor at 29 CFR Part 1926. Failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act (Public Law 91-54, 83 Stat. 96), 40 U.S.C. 3701 et seq.; and
 - (2) Include the terms of this clause in every subcontract so that such terms will be binding on each subcontractor.
- (c) The Contractor shall maintain an accurate record of exposure data on all accidents incident to work performed under this contract resulting in death, traumatic injury, occupational disease, or damage to property, materials, supplies, or equipment, and shall report this data in the manner prescribed by 29 CFR Part 1904.
- (d) The Contracting Officer shall notify the Contractor of any noncompliance with these requirements and of the corrective action required. This notice, when delivered to the Contractor or the Contractor's representative at the site of the work, shall be deemed sufficient notice of the noncompliance and corrective action required. After receiving the notice, the Contractor shall immediately take corrective action. If the Contractor fails or refuses to take corrective action promptly, the Contracting Officer may issue an order stopping all or part of the work until satisfactory corrective action has been taken. The Contractor shall not base any claim or request for equitable adjustment for additional time or money on any stop order issued under these circumstances.
- (e) The Contractor shall be responsible for its subcontractors' compliance with the provisions of this clause. The Contractor shall take such action with respect to any subcontract as the PHA, the Secretary of Housing and Urban Development, or the Secretary of Labor shall direct as a means of enforcing such provisions.

14. Temporary Heating

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

15. Availability and Use of Utility Services

- (a) The PHA shall make all reasonably required amounts of utilities available to the Contractor from existing outlets and supplies, as specified in the contract. Unless otherwise provided in the contract, the amount of each utility service consumed shall be charged to or paid for by the Contractor at prevailing rates charged to the PHA or, where the utility is produced by the PHA, at reasonable rates determined by the Contracting Officer. The Contractor shall carefully conserve any utilities furnished without charge.
- (b) The Contractor, at its expense and in a manner satisfactory to the Contracting Officer, shall install and maintain all necessary temporary connections and distribution lines, and all meters required to measure the amount of each utility used for the purpose of determining charges. Before final acceptance of the work by the PHA, the Contractor shall remove all the temporary connections, distribution lines, meters, and associated paraphernalia.

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

- (a) The Contractor shall preserve and protect all structures, equipment, and vegetation (such as trees, shrubs, and grass) on or adjacent to the work site, which are not to be removed under this contract, and which do not unreasonably interfere with the work required under this contract.
- (b) The Contractor shall only remove trees when specifically authorized to do so, and shall avoid damaging vegetation that will remain in place. If any limbs or branches of trees are broken during performance of this contract, or by the careless operation of equipment, or by workmen, the Contractor shall trim those limbs or branches with a clean cut and paint the cut with a tree-pruning compound as directed by the Contracting Officer.
- (c) The Contractor shall protect from damage all existing improvements and utilities (1) at or near the work site and (2) on adjacent property of a third party, the locations of which are made known to or should be known by the Contractor. Prior to disturbing the ground at the construction site, the Contractor shall ensure that all underground utility lines are clearly marked.
- (d) The Contractor shall shore up, brace, underpin, secure, and protect as necessary all foundations and other parts of existing structures adjacent to, adjoining, and in the vicinity of the site, which may be affected by the excavations or other operations connected with the construction of the project.
- (e) Any equipment temporarily removed as a result of work under this contract shall be protected, cleaned, and replaced in the same condition as at the time of award of this contract.

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

17. Temporary Buildings and Transportation of Materials

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

18. Clean Air and Water

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

19. Energy Efficiency

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

20. Inspection and Acceptance of

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

- (f) The PHA may conduct routine inspections of the construction site on a daily basis.
- (g) The Contractor shall, without charge, replace or correct work found by the PHA not to conform to contract requirements, unless the PHA decides that it is in its interest to accept the work with an appropriate adjustment in contract price. The Contractor shall promptly segregate and remove rejected material from the premises.
- (h) If the Contractor does not promptly replace or correct rejected work, the PHA may (1) by contract or otherwise, replace or correct the work and charge the cost to the Contractor, or (2) terminate for default the Contractor's right to proceed.
- (i) If any work requiring inspection is covered up without approval of the PHA, it must, if requested by the Contracting Officer, be uncovered at the expense of the Contractor. If at any time before final acceptance of the entire work, the **Construction PHA** considers it necessary or advisable, to examine work already completed by removing or tearing it out, the Contractor, shall on request, promptly furnish all necessary facilities, labor, and material. If such work is found to be defective or nonconforming in any material respect due to the fault of the Contractor or its subcontractors, the Contractor shall defray all the expenses of the examination and of satisfactory reconstruction. If, however, such work is found to meet the requirements of the contract, the Contracting Officer shall make an equitable adjustment to cover the cost of the examination and reconstruction, including, if completion of the work was thereby delayed, an extension of time.
- (j) The Contractor shall notify the Contracting Officer, in writing, as to the date when in its opinion all or a designated portion of the work will be substantially completed and ready for inspection. If the Architect determines that the state of preparedness is as represented, the PHA will promptly arrange for the inspection. Unless otherwise specified in the contract, the PHA shall accept, as soon as practicable after completion and inspection, all work required by the contract or that portion of the work the Contracting Officer determines and designates can be accepted separately. Acceptance shall be final and conclusive except for latent defects, fraud, gross mistakes amounting to fraud, or the PHA's right under any warranty or guarantee.

21. Use and Possession Prior to Completion

- (a) The PHA shall have the right to take possession of or use any completed or partially completed part of the work. Before taking possession of or using any work, the Contracting Officer shall furnish the Contractor a list of items of work remaining to be performed or corrected on those portions of the work that the PHA intends to take possession of or use. However, failure of the Contracting Officer to list any item of work shall not relieve the Contractor of responsibility for complying with the terms of the contract. The PHA's possession or use shall not be deemed an acceptance of any work under the contract.
- (b) While the PHA has such possession or use, the Contractor shall be relieved of the responsibility for (1) the loss of or damage to the work resulting from the PHA's possession or use, notwithstanding the terms of the clause entitled Permits and Codes herein; (2) all maintenance costs on the areas occupied; and, (3) furnishing heat, light, power, and water used in the areas

occupied without proper remuneration therefore. If prior possession or use by the PHA delays the progress of the work or causes additional expense to the Contractor, an equitable adjustment shall be made in the contract price or the time of completion, and the contract shall be modified in writing accordingly.

22. Warranty of Title

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

23. Warranty of

- (a) In addition to any other warranties in this contract, the Contractor warrants, except as provided in paragraph (j) of this clause, that work performed under this contract conforms to the contract requirements and is free of any defect in equipment, material, or workmanship performed by the Contractor or any subcontractor or supplier at any tier. This warranty shall continue for a period of _____ (one year unless otherwise indicated) from the date of final acceptance of the work. If the PHA takes possession of any part of the work before final acceptance, this warranty shall continue for a period of (one year unless otherwise indicated) from the date that the PHA takes possession.
- (b) The Contractor shall remedy, at the Contractor's expense, any failure to conform, or any defect. In addition, the Contractor shall remedy, at the Contractor's expense, any damage to PHA-owned or controlled real or personal property when the damage is the result of—
 - (1) The Contractor's failure to conform to contract requirements; or
 - (2) Any defects of equipment, material, workmanship or design furnished by the Contractor.
- (c) The Contractor shall restore any work damaged in fulfilling the terms and conditions of this clause. The Contractor's warranty with respect to work repaired or replaced will run for (one year unless otherwise indicated) from the date of repair or replacement.
- (d) The Contracting Officer shall notify the Contractor, in writing, within a reasonable time after the discovery of any failure, defect or damage.
- (e) If the Contractor fails to remedy any failure, defect, or damage within a reasonable time after receipt of notice, the PHA shall have the right to replace, repair or otherwise remedy the failure, defect, or damage at the Contractor's expense.
- (f) With respect to all warranties, express or implied, from subcontractors, manufacturers, or suppliers for work performed and materials furnished under this contract, the Contractor shall:
 - (1) Obtain all warranties that would be given in normal commercial practice;
 - (2) Require all warranties to be executed in writing, for the benefit of the PHA; and,
 - (3) Enforce all warranties for the benefit of the PHA.
- (g) In the event the Contractor's warranty under paragraph (a) of this clause has expired, the PHA may bring suit at its own expense to enforce a subcontractor's, manufacturer's or supplier's warranty.

- (h) Unless a defect is caused by the negligence of the Contractor or subcontractor or supplier at any tier, the Contractor shall not be liable for the repair of any defect of material or design furnished by the PHA nor for the repair of any damage that results from any defect in PHA furnished material or design.
- (i) Notwithstanding any provisions herein to the contrary, the establishment of the time periods in paragraphs (a) and (c) above relate only to the specific obligation of the Contractor to correct the work, and have no relationship to the time within which its obligation to comply with the contract may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Contractor's liability with respect to its obligation other than specifically to correct the work.
- (j) This warranty shall not limit the PHA's rights under the Inspection and Acceptance of Construction clause of this contract with respect to latent defects, gross mistakes or fraud.

24. Prohibition Against Liens

The Contractor is prohibited from placing a lien on the PHA's property. This prohibition shall apply to all subcontractors at any tier and all materials suppliers.

Administrative Requirements

25. Contract Period

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

26. Order of Provisions

accordance with the terms and conditions of the

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

27. Payments

retain ten (10) percent of the amount of progress

- (a) The PHA shall pay the Contractor the price as provided in this contract.
- (b) The PHA shall make progress payments approximately every 30 days as the work proceeds, on estimates of work accomplished which meets the standards of quality established under the contract, as approved by the Contracting Officer. The PHA may, subject to written determination and approval of the Contracting Officer, make more frequent payments to contractors which are qualified small businesses.
- (c) Before the first progress payment under this contract, the Contractor shall furnish, in such detail as requested by the Contracting Officer, a breakdown of the total contract price showing the amount included therein for each principal category of the work, which shall substantiate the payment amount requested in order to provide a

basis for determining progress payments. The breakdown shall be approved by the Contracting Officer and must be acceptable to HUD. If the contract covers more than one project, the Contractor shall furnish a separate breakdown for each. The values and quantities employed in making up this breakdown are for determining the amount of progress payments and shall not be construed as a basis for additions to or deductions from the contract price. The Contractor shall prorate its overhead and profit over the construction period of the contract.

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

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

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

- (1) The amounts requested are only for performance in accordance with the specifications, terms, and conditions of the contract;
- (2) Payments to subcontractors and suppliers have been made from previous payments received under the contract, and timely payments will be made from the proceeds of the payment covered by this certification, in accordance with subcontract agreements; and,
- (3) This request for progress payments does not include any amounts which the prime contractor intends to withhold or retain from a subcontractor or supplier in subcontract.

Name:

Title:

Date:

- (f) Except as otherwise provided in State law, the PHA shall

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

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

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

- (h) All material and work covered by progress payments made shall, at the time of payment become the sole property of the PHA, but this shall not be construed as (1) relieving the Contractor from the sole responsibility for all material and work upon which payments have been made or the restoration of any damaged work; or, (2) waiving the right of the PHA to require the fulfillment of all of the terms of the contract. In the event the work of the Contractor has been damaged by other contractors or persons other than employees of the PHA in the course of their employment, the Contractor shall restore such damaged work without cost to the PHA and to seek redress for its damage only from those who directly caused it.
- (i) The PHA shall make the final payment due the Contractor under this contract after (1) completion and final acceptance of all work; and (2) presentation of release of all claims against the PHA arising by virtue of this contract, other than claims, in stated amounts, that the Contractor has specifically excepted from the operation of the release. Each such exception shall embrace no more than one claim, the basis and scope of which shall be clearly defined. The amounts for such excepted claims shall not be included in the request for final payment. A release may also be required of the assignee if the Contractor's claim to amounts payable under this contract has been assigned.
- (j) Prior to making any payment, the Contracting Officer may require the Contractor to furnish receipts or other evidence of payment from all persons performing work and supplying material to the Contractor, if the Contracting Officer determines such evidence is necessary to substantiate claimed costs.
- (k) The PHA shall not; (1) determine or adjust any claims for payment or disputes arising there under between the Contractor and its subcontractors or material suppliers; or, (2) withhold any moneys for the protection of the subcontractors or material suppliers. The failure or refusal of the PHA to withhold moneys from the Contractor shall in nowise impair the obligations of any surety or sureties under any bonds furnished under this contract.

28. Contract Modifications

- (a) Only the Contracting Officer has authority to modify any term or condition of this contract. Any contract modification shall be authorized in writing.
- (b) The Contracting Officer may modify the contract unilaterally (1) pursuant to a specific authorization stated in a contract clause (e.g., Changes); or (2) for administrative matters which do not change the rights or

responsibilities of the parties (e.g., change in the PHA address). All other contract modifications shall be in the form of supplemental agreements signed by the Contractor and the Contracting Officer.

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

29. Changes

- (a) The Contracting Officer may, at any time, without notice to the sureties, by written order designated or indicated to be a change order, make changes in the work within the general scope of the contract including changes:
 - (1) In the specifications (including drawings and designs);
 - (2) In the method or manner of performance of the work;
 - (3) PHA-furnished facilities, equipment, materials, services, or site; or,
 - (4) Directing the acceleration in the performance of the work.
- (b) Any other written order or oral order (which, as used in this paragraph (b), includes direction, instruction, interpretation, or determination) from the Contracting Officer that causes a change shall be treated as a change order under this clause; provided, that the Contractor gives the Contracting Officer written notice stating (1) the date, circumstances and source of the order and (2) that the Contractor regards the order as a change order.
- (c) Except as provided in this clause, no order, statement or conduct of the Contracting Officer shall be treated as a change under this clause or entitle the Contractor to an equitable adjustment.
- (d) If any change under this clause causes an increase or decrease in the Contractor's cost of, or the time required for the performance of any part of the work under this contract, whether or not changed by any such order, the Contracting Officer shall make an equitable adjustment and modify the contract in writing. However, except for a adjustment based on defective specifications, no proposal for any change under paragraph (b) above shall be allowed for any costs incurred more than 20 days (5 days for oral orders) before the Contractor gives written notice as required. In the case of defective specifications for which the PHA is responsible, the equitable adjustment shall include any increased cost reasonably incurred by the Contractor in attempting to comply with the defective specifications.
- (e) The Contractor must assert its right to an adjustment under this clause within 30 days after (1) receipt of a written change order under paragraph (a) of this clause, or (2) the furnishing of a written notice under paragraph (b) of this clause, by submitting a written statement describing the general nature and the amount of the proposal. If the facts justify it, the Contracting Officer may extend the period for submission. The proposal may be included in the notice required under paragraph (b) above. No proposal by the Contractor for an equitable adjustment shall be allowed if asserted after final payment under this contract.
- (f) The Contractor's written proposal for equitable adjustment shall be submitted in the form of a lump sum proposal supported with an itemized breakdown of all increases and decreases in the contract in at least the following details:

- (1) Direct Costs. Materials (list individual items, the quantity and unit cost of each, and the aggregate cost); Transportation and delivery costs associated with materials; Labor breakdowns by hours or unit costs (identified with specific work to be performed); Construction equipment exclusively necessary for the change; Costs of preparation and/ or revision to shop drawings resulting from the change; Worker's Compensation and Public Liability Insurance; Employment taxes under FICA and FUTA; and, Bond Costs when size of change warrants revision.
- (2) Indirect Costs. Indirect costs may include overhead, general and administrative expenses, and fringe benefits not normally treated as direct costs.
- (3) Profit. The amount of profit shall be negotiated and may vary according to the nature, extent, and complexity of the work required by the change. The allowability of the direct and indirect costs shall be determined in accordance with the Contract Cost Principles and Procedures for Commercial Firms in Part 31 of the Federal Acquisition Regulation (48 CFR 1-31), as implemented by HUD Handbook 2210.18, in effect on the date of this contract. The Contractor shall not be allowed a profit on the profit received by any subcontractor. Equitable adjustments for deleted work shall include a credit for profit and may include a credit for indirect costs. On proposals covering both increases and decreases in the amount of the contract, the application of indirect costs and profit shall be on the net-change in direct costs for the Contractor or subcontractor performing the work.
- (g) The Contractor shall include in the proposal its request for time extension (if any), and shall include sufficient information and dates to demonstrate whether and to what extent the change will delay the completion of the contract in its entirety.
- (h) The Contracting Officer shall act on proposals within 30 days after their receipt, or notify the Contractor of the date when such action will be taken.
- (i) Failure to reach an agreement on any proposal shall be a dispute under the clause entitled Disputes herein. Nothing in this clause, however, shall excuse the Contractor from proceeding with the contract as changed.
- (j) Except in an emergency endangering life or property, no change shall be made by the Contractor without a prior order from the Contracting Officer.

30. Suspension of Work

- (a) The Contracting Officer may order the Contractor in writing to suspend, delay, or interrupt all or any part of the work of this contract for the period of time that the Contracting Officer determines appropriate for the convenience of the PHA.
- (b) If the performance of all or any part of the work is, for an unreasonable period of time, suspended, delayed, or interrupted (1) by an act of the Contracting Officer in the administration of this contract, or (2) by the Contracting Officer's failure to act within the time specified (or within a reasonable time if not specified) in this contract an adjustment shall be made for any increase in the cost of performance of the contract (excluding profit) necessarily caused by such unreasonable suspension, delay, or interruption and the contract modified in writing accordingly. However, no adjustment shall be made under this clause for any suspension, delay, or interruption to the extent that performance would have

been so suspended, delayed, or interrupted by any other cause, including the fault or negligence of the Contractor or for which any equitable adjustment is provided for or excluded under any other provision of this contract.

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

31. Disputes

- (a) "Claim," as used in this clause, means a written demand or written assertion by one of the contracting parties seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of contract terms, or other relief arising under or relating to the contract. A claim arising under the contract, unlike a claim relating to the contract, is a claim that can be resolved under a contract clause that provides for the relief sought by the claimant. A voucher, invoice, or other routine request for payment that is not in dispute when submitted is not a claim. The submission may be converted to a claim by complying with the requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.
- (b) Except for disputes arising under the clauses entitled Labor Standards - Davis Bacon and Related Acts, herein, all disputes arising under or relating to this contract, including any claims for damages for the alleged breach thereof which are not disposed of by agreement, shall be resolved under this clause.
- (c) All claims by the Contractor shall be made in writing and submitted to the Contracting Officer for a written decision. A claim by the PHA against the Contractor shall be subject to a written decision by the Contracting Officer.
- (d) The Contracting Officer shall, within 60 (unless otherwise indicated) days after receipt of the request, decide the claim or notify the Contractor of the date by which the decision will be made.
- (e) The Contracting Officer's decision shall be final unless the Contractor (1) appeals in writing to a higher level in the PHA in accordance with the PHA's policy and procedures, (2) refers the appeal to an independent mediator or arbitrator, or (3) files suit in a court of competent jurisdiction. Such appeal must be made within (30 unless otherwise indicated) days after receipt of the Contracting Officer's decision.
- (f) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under or relating to the contract, and comply with any decision of the Contracting Officer.

32. Default

- (a) If the Contractor refuses or fails to prosecute the work, or any separable part thereof, with the diligence that will insure its completion within the time specified in this contract, or any extension thereof, or fails to complete said work within this time, the Contracting Officer may, by written notice to the Contractor, terminate the right to

proceed with the work (or separable part of the work) that has been delayed. In this event, the PHA may take over the work and complete it, by contract or otherwise, and may take possession of and use any materials, equipment, and plant on the work site necessary for completing the work. The Contractor and its sureties shall be liable for any damage to the PHA resulting from the **Convenience** Contractor's refusal or failure to complete the work within

the specified time, whether or not the Contractor's right to proceed with the work is terminated. This liability includes any increased costs incurred by the PHA in completing the work.

- (b) The Contractor's right to proceed shall not be terminated or the Contractor charged with damages under this clause if—
- (1) The delay in completing the work arises from unforeseeable causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include (i) acts of God, or of the public enemy, (ii) acts of the PHA or other governmental entity in either its sovereign or contractual capacity, (iii) acts of another contractor in the performance of a contract with the PHA, (iv) fires, (v) floods, (vi) epidemics, (vii) quarantine restrictions, (viii) strikes, (ix) freight embargoes, (x) unusually severe weather, or (xi) delays of subcontractors or suppliers at any tier arising from unforeseeable causes beyond the control and without the fault or negligence of both the Contractor and the subcontractors or suppliers; and
- (2) The Contractor, within days (10 days unless otherwise indicated) from the beginning of such delay (unless extended by the Contracting Officer) notifies the Contracting Officer in writing of the causes of delay. The Contracting Officer shall ascertain the facts and the extent of the delay. If, in the judgment of the Contracting Officer, the findings of fact warrant such action, time for completing the work shall be extended by written modification to the contract. The findings of the Contracting Officer shall be reduced to a written decision which shall be subject to the provisions of the Disputes clause of this contract.
- (c) If, after termination of the Contractor's right to proceed, it is determined that the Contractor was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if the termination had been for convenience of the PHA.

33. Liquidated Damages

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

completion of the work together with any increased costs occasioned the PHA in completing the work.

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

34. Termination for

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

35. Assignment of Contract

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

36. Insurance

- (a) Before commencing work, the Contractor and each subcontractor shall furnish the PHA with certificates of insurance showing the following insurance is in force and will insure all operations under the Contract:
- (1) Workers' Compensation, in accordance with state or Territorial Workers' Compensation laws.
- (2) Commercial General Liability with a combined single limit for bodily injury and property damage of not less than \$ _____ [Contracting Officer insert amount]

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

- (3) Automobile Liability on owned and non-owned motor vehicles used on the site(s) or in connection therewith for a combined single limit for bodily injury and property damage of not less than \$

[Contracting Officer insert amount] per occurrence.

- (b) Before commencing work, the Contractor shall furnish the PHA with a certificate of insurance evidencing that Builder's Risk (fire and extended coverage) Insurance on all work in place and/or materials stored at the building site(s), including foundations and building equipment, is in force. The Builder's Risk Insurance shall be for the benefit of the Contractor and the PHA as their interests may appear and each shall be named in the policy or policies as an insured. The Contractor in installing equipment supplied by the PHA shall carry insurance on such equipment from the time the Contractor takes possession thereof until the Contract work is accepted by the PHA. The Builder's Risk Insurance need not be carried on excavations, piers, footings, or foundations until such time as work on the superstructure is started. It

need not be carried on landscape work. Policies shall furnish coverage at all times for the full cash value of all completed construction, as well as materials in place and/or stored at the site(s), whether or not partial payment has been made by the PHA. The Contractor may terminate this insurance on buildings as of the date taken over for occupancy by the PHA. The Contractor is not required to carry Builder's Risk Insurance for modernization work which does not involve structural alterations or additions and where the PHA's existing fire and extended coverage policy can be endorsed to include such work.

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

37. Subcontracts

- (a) Definitions. As used in this contract -

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

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

- (b) The Contractor shall not enter into any subcontract with any subcontractor who has been temporarily denied participation in a HUD program or who has been suspended or debarred from participating in contracting programs by any agency of the United States Government or of the state in which the work under this contract is to be performed.
- (c) The Contractor shall be as fully responsible for the acts or omissions of its subcontractors, and of persons either directly or indirectly employed by them as for the acts or omissions of persons directly employed by the Contractor.
- (d) The Contractor shall insert appropriate clauses in all subcontracts to bind subcontractors to the terms and conditions of this contract insofar as they are applicable to the work of subcontractors.
- (e) Nothing contained in this contract shall create any contractual relationship between any subcontractor and the PHA or between the subcontractor and HUD.

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

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

- (a) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- (b) Ensuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources;
- (c) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises;
- (d) Establishing delivery schedules, where the requirements of the contract permit, which encourage participation by small and minority businesses and women's business enterprises; and
- (e) Using the services and assistance of the U.S. Small Business Administration, the Minority Business Development Agency of the U.S. Department of Commerce, and State and local governmental small business agencies.

39. Equal Employment Opportunity

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

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

(c) The Contractor/Seller agrees to post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer setting forth the provisions of this nondiscrimination clause.

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

(e) The Contractor/Seller shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.

(f) The Contractor/Seller shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.

(g) The Contractor/Seller shall furnish all information and reports required by Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor/Seller shall permit

access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(h) In the event of a that the Contractor/Seller is in noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor/seller may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(i) The contractor/seller will include the provisions of paragraphs (a) through (h) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each sub[contractor/seller] or vendor. The [contractor/seller] will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the [contractor/seller] becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the [contractor/seller] may request the United States to enter into such litigation to protect the interests of the United States.

(j) Compliance with the requirements of this clause shall be to the maximum extent consistent with, but not in derogation of, compliance with section 7(b) of the Indian Self-Determination and Education Assistance Act and the Indian Preference clause of this contract.

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

(a) The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

(b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 75, 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 75 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 prioritization requirements and shall state the minimum percentages of labor hour requirements established in the Benchmark Notice (FR-6085-N-04).

(d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 75, 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 75. 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 75.

(e) Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

(f) Contracts, subcontracts, grants, or subgrants subject to Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5307(b)) or subject to tribal preference requirements as authorized under 101(k) of the Native American Housing Assistance and Self-Determination Act (25 U.S.C. 4111(k)) must provide preferences in employment, training, and business opportunities to Indians and Indian organizations, and are therefore not subject to the requirements of 24 CFR Part 75.

41. Interest of Members of Congress

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

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

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

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

- (a) The Contractor agrees to comply with Section 1352 of Title 31, United States Code which prohibits the use of **Acts** Federal appropriated funds to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract; the making of any Federal grant; the making of any Federal loan; the entering into of any cooperative agreement; or the modification of any Federal contract, grant, loan, or cooperative agreement.
- (b) The Contractor further agrees to comply with the requirement of the Act to furnish a disclosure (OMB Standard Form LLL, Disclosure of Lobbying Activities) if any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a Federal contract, grant, loan, or cooperative agreement.

44. Royalties and Patents

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

45. Examination and Retention of Contractor's Records

- (a) The PHA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.
- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to (1) appeals under the Disputes clause of this contract, (2) litigation or settlement of claims arising from the performance of this contract, or (3) costs and expenses of this contract to which the PHA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

46. Labor Standards - Davis-Bacon and Related

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

- (a) Minimum Wages.
 - (1) All laborers and mechanics employed under this contract in the development or construction of the project(s) involved will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the Contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the regular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits in the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall

be posted at all times by the Contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

- (2) (i) Any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when all the following criteria have been met: (A) The work to be performed by the classification requested is not performed by a classification in the wage determination; and (B) The classification is utilized in the area by the construction industry; and (C) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
- (ii) If the Contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employee Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary.
- (iii) In the event the Contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator of the Wage and Hour Division for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary.
- (iv) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (a)(2)(ii) or (iii) of this clause shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in classification.
- (3) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the Contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.
- (4) If the Contractor does not make payments to a trustee or other third person, the Contractor may consider as part of the wages of any laborer or mechanic the

amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program; provided, that the Secretary of Labor has found, upon the written request of the Contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the Contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

- (b) Withholding of funds. HUD or its designee shall, upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the Contractor under this contract or any other Federal contract with the same prime Contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime Contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the Contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working in the construction or development of the project, all or part of the wages required by the contract, HUD or its designee may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to the Contractor, disburse such amounts withheld for and on account of the Contractor or subcontractor to the respective employees to whom they are due.
- (c) Payrolls and basic records.

- (1) Payrolls and basic records relating thereto shall be maintained by the Contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working in the construction or development of the project. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made, and actual wages paid. Whenever the Secretary of Labor has found, under 29 CFR 5.5(a)(1)(iv), that the wages of any laborer or mechanic include the amount of costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the Contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

- (2) (i) The Contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the Contracting Officer for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under subparagraph (c)(1) of this clause. This information may be submitted in any form desired. Optional Form WH-347 (Federal Stock Number 029-005-00014-1) is available for this purpose and may be purchased from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. The Contractor is responsible for the submission of copies of payrolls by all subcontractors. (Approved by the Office of Management and Budget under OMB Control Number 1214-0149.)
- (ii) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the Contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:
- (A) That the payroll for the payroll period contains the information required to be maintained under paragraph (c) (1) of this clause and that such information is correct and complete;
- (B) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3; and
- (C) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.
- (iii) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirements for submission of the "Statement of Compliance" required by subparagraph (c)(2)(ii) of this clause.
- (iv) The falsification of any of the above certifications may subject the Contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 3729 of Title 31 of the United States Code.
- (3) The Contractor or subcontractor shall make the records required under subparagraph (c)(1) available for inspection, copying, or transcription by authorized representatives of HUD or its designee, the Contracting Officer, or the Department of Labor and shall permit such representatives to interview employees during working hours on the job. If the Contractor or subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.
- (d) (1) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship and Training, Employer and Labor Services (OATELS), or with a State Apprenticeship Agency recognized by OATELS, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by OATELS or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the Contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated in this paragraph, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator of the Wage and Hour Division determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event OATELS, or a State Apprenticeship Agency recognized by OATELS, withdraws approval of an apprenticeship program, the Contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.
- (2) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under

the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed in the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate in the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate in the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate in the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the Contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

- (3) Equal employment opportunity. The utilization of apprentices, trainees, and journeymen under this clause shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.
- (e) Compliance with Copeland Act requirements. The Contractor shall comply with the requirements of 29 CFR Part 3, which are hereby incorporated by reference in this contract.
- (f) Contract termination; debarment. A breach of this contract clause may be grounds for termination of the contract and for debarment as a Contractor and a subcontractor as provided in 29 CFR 5.12.
- (g) Compliance with Davis-Bacon and related Act requirements. All rulings and interpretations of the Davis-Bacon and related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract.
- (h) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this clause shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the Contractor (or any of its subcontractors) and the PHA, HUD, the U.S. Department of Labor, or the employees or their representatives.
- (i) Certification of eligibility.
 - (1) By entering into this contract, the Contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the Contractor's firm is a person or firm ineligible to be awarded contracts by the United States Government by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a United States Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

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

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

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

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the provisions set forth in subparagraph (j)(1) of this clause, the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic (including watchmen and guards) employed in violation of the provisions set forth in subparagraph (j)(1) of this clause, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by provisions set forth in subparagraph (j)(1) of this clause. DOL posts current fines at: <https://www.dol.gov/whd/govcontracts/cwhssa.htm#cmp>

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

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

47. Non-Federal Prevailing Wage Rates

- (a) Any prevailing wage rate (including basic hourly rate and any fringe benefits), determined under State or tribal law to be prevailing, with respect to any employee in any trade or position employed under the contract, is inapplicable to the contract and shall not be enforced against the Contractor or any subcontractor, with respect to employees engaged under the contract whenever such non-Federal prevailing wage rate exceeds:
- (1) The applicable wage rate determined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 3141 et seq.) to be prevailing in the locality with respect to such trade;
- (b) An applicable apprentice wage rate based thereon specified in an apprenticeship program registered with the U.S. Department of Labor (DOL) or a DOL-recognized State Apprenticeship Agency; or
- (c) An applicable trainee wage rate based thereon specified in a DOL-certified trainee program.

48. Procurement of Recovered Materials.

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- () 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.