



REQUEST FOR QUOTATION (RFQ)

RFQ NO. 2017-003

Date: 06/01/2017

Project Description: Asbestos & Lead Testing for Ten (10) Mobile Home Units Phase I
Location: Multiple Sites in Thermal, Mecca, and Oasis, CA

RFQ INFORMATION AT A GLANCE

CONTACT PERSON FOR QUESTIONS/INTERPRETATIONS:	Robert Lane, Contracting Coordinator Housing Authority - Procurement 5555 Arlington Ave. Riverside, CA 92504 Phone: (951) 343-5439 / Fax: (951) 688-6873 Email: rlane@rivco.org
HOW TO OBTAIN THE RFQ DOCUMENTS:	1. Access www.harivco.org 2. Scroll down and select: RFQ 2017-003: Asbestos & Lead Testing for Ten (10) Mobile Home Units Phase I 3. Download the RFQ
HOW TO FULLY RESPOND TO THIS RFQ BY SUBMITTING A QUOTE:	Quoter's must submit proposed pricing where provided on the last page of this form (Form of Quote form) only. The HACR will accept the executed Form of Quote form in person, by fax, email (preferred – scanned as a .pdf file) or by US Mail ONLY. The HACR will NOT accept proposed pricing verbally or by telephone.
PROJECT LOCATIONS:	TBD
RFQ DEADLINE (DUE DATE)	June 15, 2017 at 4:00 PM
NOTE: HACR reserves the right to deviate from this timeline and/or modify the Scope of Work at any time!	Notices of any such decisions or modifications will be located at: www.harivco.org

INTRODUCTION: The HACR is seeking quotes from qualified, licensed and bonded entities to provide asbestos and lead testing for ten (10) mobile home units in Thermal, Mecca, and Oasis.

The selected Contractor shall furnish all labor, supervision, material, parts, tools, and equipment designated for testing by HACR.

- 1.0 **HACR CONTACT:** All questions pertaining to this RFQ shall be addressed to Robert Lane (hereinafter, the Contracting Coordinator or CC), 5555 Arlington Avenue, Riverside, CA 92504, Telephone: (951) 343-5439; Email: rlane@rivco.org



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- 2.0 **APPLICABILITY:** By submitting a quote to the HACR, the firm or individual doing so (hereinafter, "the Quoter") is automatically agreeing to abide by all terms and conditions listed herein, including those terms and conditions within the Form HUD-5370-C Section II (01/2014), *General Conditions for Non-Construction Contracts*, which is incorporated herein by this reference.
- 3.0 **HACR RESERVATION OF RIGHTS:**
- 3.1 Reject any or all quotes, to waive any informalities in the RFQ process, or to terminate the RFQ process at any time, if deemed by the HACR to be in the best interest of the HACR, in its sole and absolute discretion;
- 3.2 Terminate a contract awarded pursuant to this RFQ at any time for its convenience upon delivery of a written notice within ten (10) calendar days to the apparent or successful Quoter;
- 3.3 Determine the days, hours and locations that the successful Quoter shall provide the items or services called for in this RFQ;
- 3.4 Reject and not consider any quote that does not, in the opinion of the CC, meet the requirements of this RFQ, including but not necessarily limited to: incomplete quotes, offering of alternate items or services (not including "or equal" items), or non-requested items or services.
- 4.0 **QUOTER'S RESPONSIBILITY:** Each Quoter must carefully review and comply with all instructions provided herein, and those provided within any named attachments or addenda.
- 5.0 **PERFORMANCE PERIOD:** All work as described in the Scope of Work must be completed within **twenty (20) calendar days** after issuance of Purchase Order (PO). Contractor shall perform all services Monday - Friday, 8:00AM to 5:00PM.
- 6.0 **DEADLINE:** Each Quoter shall submit his/her proposed costs, prior to the posted deadline, as provided for herein. Whereas this is an informal solicitation process, the HACR reserves the right to extend the posted deadline at any time prior to the deadline, if, in the opinion of the CC, it is in the best interests of the HACR to do so, in his sole and absolute discretion.
- 7.0 **QUANTITIES (if applicable):** All quantities entered within the preceding table (if applicable) and within the corresponding pricing items are for calculating purposes only. As may be further detailed herein, the HACR does not guarantee any minimum or maximum amount of work as a result of any award ensuing from this RFQ. The HACR shall retain one contractor only and shall retain the right to order from that contractor (successful Quoter), on a task order basis, any amount of services or items that the HACR requires during the ensuing contract period.



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This means that if the HACR decides that it is in its best interests to delete from the ensuing contract any quantities or work from the preceding table, then the HACR has the right, in its sole and absolute discretion, to do so at any time during the contract period.

- 8.0 **HOLD PRICES/NON-ESCALATION:** By submitting a quote, and whereas the quote sum submitted is a firm-fixed quote, each Quoter thereby agrees to "hold" and not increase the proposed quote during the term of this solicitation and for ninety (90) days thereafter.
- 9.0 **CONTRACT AND AWARD CONDITIONS:**
- 9.1 **PURCHASE ORDER (PO):** The HACR will procure the applicable goods or services by issuance of a PO (which shall have the same meaning as a "contract"). PO's will be issued on an as-needed basis only. By submitting a quote, the successful Quoter thereby agrees to confirm receipt of the PO in the manner directed by the HACR.
- 9.2 **AWARD CRITERIA:** If an award is completed pursuant to this RFQ, and unless otherwise instructed in writing by the CC, the award shall be made to the responsive and responsible Quoter that submits the lowest cost. The results of the solicitation will not be released until the contract is executed between the HACR and the lowest responsive and responsible Quoter.
- 9.3 **CONTRACT FORM:** By completing, executing and submitting the Form of Quote form, (last page), the proposer is thereby agreeing to "abide by all terms and conditions pertaining to this RFQ as issued by the HACR, in hard copy, including an agreement to execute the Sample Contract form or any other form substantially approved as to form and substance by HACR." A copy of the Sample Contract form will be made available to any Quoter upon written request.
- 9.4 **SCOPE OF WORK:** All Technical Specifications or Scope of Work listed within the subject HACR contract will generally be the same as listed within this RFQ's Technical Specifications or Scope of Work section (19.0). Any Quoter that believes the listed Technical Specifications or Scope of Work (Section 19.0) are unreasonable or incomplete shall address such issues with the HACR CC or designee, in writing during the solicitation period, prior to the posted quote/bid deadline. Once the quote/bid deadline has passed, revision of the specifications set forth will not occur (no negotiations after the quote/bid submittal deadline!).
- 9.5 **PROFESSIONAL SERVICES EXCLUSION:** Contracts for certain professional services are excluded from coverage by HUD-determined or HUD-adopted prevailing wage rates. Hourly rates charged by the Quoter must be reasonable and reflect fees that are normally charged within the Quoter's community.



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- 10.0 **INVALID OR ALTERNATE QUOTES:** Failure to complete and submit all required information, or to add any additional requirements not acceptable to the HACR, may invalidate the quote submitted. Furthermore, the HACR shall reserve the right to reject, without consideration, alternate quotes, meaning those that do not meet the requirements of this RFQ.
- 11.0 **QUOTE COSTS:** There shall be no obligation for the HACR to compensate any Quoter or prospective Quoter for any costs that he/she may incur in responding to this RFQ.
- 12.0 **ALL INCLUSIVE:** Each quoted sum submitted shall include all costs, including but not limited to: sales tax, shipping, delivery, recordation, reprographic, mailings, inspections, and/or completion or assembly of the specified product or services at the HACR site or location, as specified within this RFQ or on the PO issued. The HACR will not pay any additional costs above those quoted on the Form of Quote form.
- 13.0 **ASSIGNMENT OF PERSONNEL:** The HACR shall retain the right to demand and receive a change in personnel assigned by the successful Quoter to provide services to the HACR if the HACR believes that such change is in the best interest of the HACR and the completion of the work or provision of the items.
- 14.0 **UNAUTHORIZED SUB-CONTRACTING PROHIBITED:** The Successful Quoter shall not assign any right, nor delegate any duty for the work proposed pursuant to this RFQ (including, but not limited to, selling or transferring the ensuing PO or contract) without the prior written consent of the CC. Any purported assignment of interest or delegation of duty, without the prior written consent of the CC shall be void and may result in the cancellation of the PO or the contract with the HACR.
- 15.0 **RESERVED**
- 16.0 **RESERVED**
- 17.0 **LICENSING AND INSURANCE REQUIREMENTS:** Prior to award (but **not** as a part of the quote submission) the *Successful Quoter* will be required to provide the following proofs of insurance, **if applicable** to the Project and Quoter's profession and the Scope of Work to complete the Project:
- 17.1 **WORKERS' COMPENSATION:**
If the Quoter has employees as defined by the State of California, the Quoter shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside.



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17.2 **COMMERCIAL GENERAL LIABILITY:**

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of Quoter's performance of its obligations hereunder. Policy shall name the HACR as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

17.3 **VEHICLE LIABILITY:**

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then Quoter shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the HACR as Additional Insured.

17.4 **PROFESSIONAL LIABILITY:**

If Quoter is providing services or expertise that falls under a quasi-professional role, Quoter shall maintain Professional Liability Insurance providing coverage for the Quoter's performance of work, with a limit of liability of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Quoter's Professional Liability insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of the performance period and Quoter shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from a new insurer with a retroactive date back to the date of, or prior to, the inception of this Contract; or 3) demonstrate through Certificates of Insurance that Quoter has maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2), or 3) will continue as long as the law allows.

17.5 The Quoter shall possess all of the required state and local licenses, and certifications required to perform work of the type required by this RFQ in the ***State of California, and/or the County of Riverside.***

17.6 A copy of the Quoter's business license allowing that entity to provide such services within the ***State of California, and/or the County of Riverside.***

17.7 **LICENSE:**



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A copy of the bidder's license issued by the State of California Division of Occupational Safety and Health allowing the bidder to provide the services detailed herein.

18.0 DOCUMENTS THAT APPLY TO THIS RFQ:

18.1 Form of Quote form (last page);

18.2 Form HUD-5370-C Section II (01/2014), *General Conditions for Non-Construction Contracts*;

18.3 The HACR reserves the right to require the successful Quoter/contractor to utilize any form required by the HACR or the California Department of Industrial Relations to complete the required work and by submitting his/her quote each Quoter/contractor agrees to do so at no additional charge.

19.0 TECHNICAL SPECIFICATIONS OR SCOPE OF WORK (TS/SOW): The HACR is seeking quotes from qualified, licensed and bonded entities to provide testing services at ten (10) sites in Thermal, Mecca, and Oasis. Exact site locations will be given to the selected Contractor once all locations have been made available for testing:

19.1 Contractor to perform inspection for asbestos containing materials for ten (10) mobile homes, awning, sheds, structures and grounds at various properties located within Thermal, Mecca, and Oasis areas in accordance with AQMD rule 1403 prior to renovation or demolition of said building structures. This will involve on-site inspection, collection of suspect materials samples for asbestos analysis, asbestos analysis by a NVLAP certified laboratory, and preparation of a report documenting results of the inspections.

19.2 Contractor to perform lead based paint inspections for ten (10) units around the Thermal, CA area. This will involve on-site inspection, collection of samples for analysis, and preparation of report documenting results of inspection.

19.3 Contractor to be a Certified Asbestos Consultant (CAC) and a Lead-Certified Professional in California, who is experienced in asbestos and lead inspections and State of Certified Lead Inspector/Assessors.

19.4 Contractor will be responsible for coordinating with each individual mobile home unit owner to schedule testing. Contractor shall have a bilingual (Spanish) person on staff to assist with communicating with the owners of the mobile home units.

19.5 Execution of Work: All work is to be performed by qualified, competent trained personnel. The selected vendor is to be licensed and responsible for providing



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supervision of the work by appropriately identified personnel. All tools, materials, and equipment shall be provided by the contractor and must meet all local applicable safety requirements. A designated area will be made available for contractor's container if needed for materials and equipment. All work shall be performed in accordance with local safety standards and recognized safe practices. The HACR may require the vendor to remove from the work such employees as the local authority deems incompetent, careless, insubordinate, or otherwise objectionable, or whose continued employment on the work is deemed by the HACR to be contrary to the public interest. The vendor shall ensure full cooperation of all workers and suppliers and shall be confined to this work only. The vendor and his personnel shall respect the rights of tenants in the surrounding dwellings where work is being performed. The contractor will give the HACR's or HACR's designee 48 hours' notice in writing, before beginning work. The office hours for all locations of the HACR are 8:00 am – 5:00 pm Monday through Friday, or as otherwise specified in the Scope of Work. The vendor's working hours may vary depending upon the type of work being performed. Vendor may work longer hours if approved in advance by the HACR.

- 19.6 Field Verification: Contractor responsible to field verify existing conditions and promptly notify the HACR if discrepancies in and omissions from the plans, specifications or other contract documents are found in the field, including unforeseen conditions that may affect the successful completion of the project and/or work.
- 19.7 Amendments to the RFQ: If this solicitation is amended, then all terms and conditions which are not modified remain unchanged. Bidders shall acknowledge receipt of any amendment to this solicitation by signing and returning the amendment, by identifying the amendment number and date on the quote form, or by letter, telegram, or facsimile, if those methods are authorized in the solicitation. The HACR must receive acknowledgement by the time and at the place specified for receipt of quotes. Quotes which fail to acknowledge the bidder's receipt of any amendment will result in the rejection of the quote if the amendment(s) contained information which substantively changed the HACR's requirements. Amendments will be on file in the offices of the HACR at least 7 days before bid opening.
- 19.8 Caution to Bidders: Prospective bidders are cautioned not to merely examine the plans and specifications in making their quote, since requirements are imposed upon the bidder by various other portions of this RFQ and the Contract Documents.
20. **RECAP OF ATTACHMENTS:** It is the responsibility of each Quoter to verify that he/she has downloaded all of the following attachments, which are a part of this RFQ, and incorporated herein by this reference:



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Attachment	Attachment Description
A	Form of Quote (page 09)
B	Form HUD-5370-C Section II (01/2014), General Conditions for Non-Construction Contracts

~~~~~**ACTION REQUIRED ON PAGE 09**~~~~~





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**FORM OF QUOTE**

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

\*Contract will be awarded to the lowest responsive and responsible Quoter, and the most advantageous to the HACR, in their sole and absolute discretion.

The undersigned Quoter hereby quotes the above amounts to complete the required work (print clearly and legibly!). Further, by submitting this quote, the undersigned Quoter agrees to abide by all terms and conditions pertaining to this RFQ as issued by the HACR, in hard copy, including an agreement to execute the Sample Contract form or any other form substantially approved as to form and substance by HACR.

**COMPLETED BY:** (NOTE: The penalty for making false statements in bids/offers is prescribed in 18 U.S.C. 1001.)

|                                              |                                    |                                                 |
|----------------------------------------------|------------------------------------|-------------------------------------------------|
| _____                                        | _____                              | _____                                           |
| Print Name                                   | Title                              | Email                                           |
| _____                                        | _____                              | _____                                           |
| Signature                                    | Date                               | Telephone Number                                |
| _____                                        | _____                              |                                                 |
| Company Name                                 | Address (Street; City; State; Zip) |                                                 |
| _____                                        | _____                              |                                                 |
| CAC License Number                           | Expiration Date                    |                                                 |
| _____                                        | _____                              | _____                                           |
| Certified Lead<br>Inspector/Assessors Number | Expiration Date                    | Quote for Testing Ten (10) Mobile<br>Home Units |



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**ATTACHMENT B**

**“HUD Form 5370-C Section II (01/2014) General Conditions for Non-Construction Contracts”**

**(behind this page)**

# General Conditions for Non-Construction Contracts

## Section II – (With Maintenance Work)

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

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 1/31/2017)

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

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

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

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

#### 1. Minimum Wages

- (a) All maintenance laborers and mechanics employed under this Contract in the operation of the project(s) shall be paid unconditionally and not less often than semi-monthly, and without subsequent deduction (except as otherwise provided by law or regulations), the full amount of wages due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Housing and Urban Development which is attached hereto and made a part hereof. Such laborers and mechanics shall be paid the appropriate wage rate on the wage determination for the classification of work actually performed, without regard to skill. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination, including any additional classifications and wage rates approved by HUD under subparagraph 1(b), shall be posted at all times by the Contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.
- (b) (i) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the Contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate only when the following criteria have been met:
  - (1) The work to be performed by the classification required is not performed by a classification in the wage determination;
  - (2) The classification is utilized in the area by the industry; and
  - (3) The proposed wage rate bears a reasonable relationship to the wage rates contained in the wage determination.(ii) The wage rate determined pursuant to this paragraph shall be paid to all workers performing work

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

#### 2. Withholding of funds

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

#### 3. Records

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

#### 4. Apprentices and Trainees

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

Apprenticeship Training, Employer and Labor Services (OATELS), or with a state apprenticeship agency recognized by OATELS, or if a person is employed in his/her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by OATELS or a state apprenticeship agency (where appropriate) to be eligible for probationary employment as an apprentice; A

- (ii) A trainee program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, ETA; or
- (iii) A training/trainee program that has received prior approval by HUD.

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

## 5. Disputes concerning labor standards

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

forth those findings that are in dispute and the reasons, including any affirmative defenses, with respect to the violations. The request shall be directed to the appropriate HA or HUD official in accordance with instructions contained in the notice of findings or, if the notice does not specify to whom a request should be made, to the Regional Labor Relations Officer (HUD). The HA or HUD official shall, within 60 days (unless otherwise indicated in the notice of findings) after receipt of a timely request for reconsideration, issue a written decision on the findings of violation. The written decision on reconsideration shall contain instructions that any appeal of the decision shall be addressed to the Regional Labor Relations Officer by letter postmarked within 30 calendar days after the date of the decision. In the event that the Regional Labor Relations Officer was the deciding official on reconsideration, the appeal shall be directed to the Director, Office of Labor Relations (HUD). Any appeal must set forth the aspects of the decision that are in dispute and the reasons, including any affirmative defenses, with respect to the violations. The Regional Labor Relations Officer shall, within 60 days (unless otherwise indicated in the decision on reconsideration) after receipt of a timely appeal, issue a written decision on the findings. A decision of the Regional Labor Relations Officer may be appealed to the Director, Office of Labor Relations, by letter postmarked within 30 days of the Regional Labor Relations Officer's decision. Any appeal to the Director must set forth the aspects of the prior decision(s) that are in dispute and the reasons. The decision of the Director, Office of Labor Relations, shall be final.

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

## 6. Contract Work Hours and Safety Standards Act

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

- (a) **Overtime requirements.** No Contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.
- (b) **Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the provisions set forth in paragraph 6(a), the Contractor and any

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

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

## **7. Subcontracts**

The Contractor or subcontractor shall insert in any subcontracts all the provisions contained in this Section II and also a clause requiring the subcontractors to include these provisions in any lower tier subcontracts. The prime Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the provisions contained in these clauses.

## **8. Non-Federal Prevailing Wage Rates**

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