CITY CLERK
ORIGINAL

CONTRACT C-8476

C-8476
05/28/2013

PROJECT SPECIFICATIONS AND CONTRACT DOCUMENTS

PROJECT NO. 121315

CDBG STREET IMPROVEMENTS

MAY, 2013

PROJECT IS FEDERALLY FUNDED
LABOR STANDARDS APPLY
DAVIS-BACON ACT APPLIES

GLENDALE

Registered Professional Engineer (Civil)
CERTIFICATE NO. 35168
WILLIAM L. PASSMORE
Date Signed 4/15/13
ARIZONA U.S.A.
Expires 9/30/2015

CITY OF GLENDALE

ENGINEERING DEPARTMENT
5850 W. Glendale Avenue, Glendale, Arizona 85301 (623) 930-3630

PROJECT SPECIFICATIONS AND CONTRACT DOCUMENTS

MAYOR
Jerry P. Weiers

COUNCIL MEMBERS
Norma S. Alvarez
Samuel U. Chavira
Ian Hugh
Yvonne J. Knaack
Manuel D. Martinez
Gary D. Sherwood

ACTING CITY MANAGER
Richard Bowers

ACTING CITY ATTORNEY
Nicholas DiPiazza

CITY CLERK
Pamela Hanna

ACTING CITY ENGINEER
Gregory Rodzenko

GLENDALE

TABLE OF CONTENTS

NOTICE TO CONTRACTORS 1

INFORMATION FOR BIDDERS 2

1. ELIGIBILITY OF CONTRACTORS 2
2. PROPOSAL 2
3. BID SECURITY 2
4. WITHDRAWAL OF BID 3
5. LATE BIDS 3
6. AWARD OR REJECTION OF BIDS 3
7. BIDDERS INTERESTED IN MORE THAN ONE BID 3
8. CONTRACT AND BONDS 3
9. INSURANCE REQUIREMENTS 3
10. SUBCONTRACTORS' LISTING AND CERTIFICATION OF CONTRACT COMPLIANCE 4
11. INTERPRETATION OF PLANS AND DOCUMENTS 4
12. CHANGES TO PLANS AND DOCUMENTS 4
13. ADDENDUM 4
14. ASSIGNMENT OF CONTRACT 4
15. PLANS AND SPECIFICATIONS TO SUCCESSFUL BIDDER 5
16. TIME OF COMPLETION 5
17. CITY OF GLENDALE TRANSACTION PRIVILEGE TAX 5
18. ALTERNATES 5
19. APPROVAL OF SUBSTITUTIONS 5
20. USE OF "EQUALS" 5
21. EXAMINATION OF CONTRACT DOCUMENTS AND VISIT SITE. 6
22. BIDDERS IN DEFAULT 6

PROPOSAL 7
BID BOND 10
SUBCONTRACTOR LISTING AND CERTIFICATION OF CONTRACT COMPLIANCE 11
CONSTRUCTION AGREEMENT 12
PERFORMANCE BOND 26
PAYMENT BOND 27
CERTIFICATE OF INSURANCE 28
CONTRACTOR'S AFFIDAVIT/LIEN WAIVER 30

SUPPLEMENTAL GENERAL CONDITIONS 31

1. GENERAL 31
2. DEFINITIONS 31
3. PROPOSAL QUANTITIES 31
4. WITHDRAWAL OF PROPOSALS 32
5. LOSSES AND DAMAGES 32
6. DUST PREVENTION 32
7. EXCESS MATERIAL 32
8. STOCKPILE OF MATERIALS 32

9. REFUSE COLLECTION ACCESS 32
10. CLEAN-UP 32
11. SHOP DRAWINGS 32
12. PROTECTION OF FINISHED OR PARTIALLY FINISHED WORK 33
13. STATUS OF EMPLOYEES 33
14. LAWS AND REGULATIONS 33
15. PERMITS 33
16. ELECTRIC POWER AND WATER 33
17. SURVEY CONTROL POINTS AND MONUMENTS 33
18. EXISTING UTILITIES 33
19. MAINTENANCE OF IRRIGATION FACILITIES 34
20. OVERHEAD UTILITY LINES AND POLES 34
21. SOUTHWEST GAS FACILITIES EXPOSED DURING CONSTRUCTION 34
22. UNDERGROUND UTILITIES' BEDDING 34
23. SEWER SERVICE LINES 34
24. RIGHTS-OF-WAY 34
25. SUBCONTRACTS 34
26. PRE-CONSTRUCTION CONFERENCE 35
27. OVERTIME 35
28. CONTRACTOR'S CONSTRUCTION SCHEDULE 35
29. CHARACTER OF WORKMEN 36
30. HINDRANCES AND DELAYS 36
31. LIQUIDATED DAMAGES 36
32. PAYMENTS TO CONTRACTOR 37
33. WARRANTY 37

SPECIAL PROVISIONS 38

1. SCOPE OF WORK 38
2. DEFINITIONS 38
3. CONSTRUCTION SURVEYING AND LAYOUT 38
4. SUSPENSION OF WORK 40
5. COMPLIANCE WITH MANUFACTURER'S INSTRUCTIONS 40
6. TRAFFIC REGULATION 40
7. ENERGIZED AERIAL ELECTRICAL POWER LINES 42
8. PUBLIC INFORMATION NEWSLETTER 42
9. CONCRETE GUTTER WATER TESTING 42
10. RECORD DRAWINGS 42
11. AZDES PERMIT REQUIREMENTS 43
12. CONSTRUCTION MATERIALS SAMPLING AND TESTING 44
13. CASH FLOW REPORT 46
14. CONSTRUCTION SIGN 46
15. ALLOWANCE FOR CONSTRUCTION CONTINGENCIES 47

CASH FLOW SCHEDULE 48
CONSTRUCTION SIGN DETAIL 49

FEDERAL FUNDING REQUIREMENTS

NOTICE TO CONTRACTORS

Sealed bids shall be either mailed to the City of Glendale Engineering Department, 5850 West Glendale Avenue, Glendale, Arizona, 85301, or hand-delivered to the Engineering Department office, third floor, 5850 West Glendale Avenue, Glendale, Arizona, for furnishing all plant, material, equipment and labor, and to complete construction of: **PROJECT NO. 121315 CDBG STREET IMPROVEMENTS.** Community Development Block Grant (CDBG) funded reconstruction of selected streets within a low to moderate income neighborhood by removing and replacing existing asphalt pavement. Non-compliant sidewalk ramps will be replaced with new ADA sidewalk ramps and new ADA ramps will be installed where none exist. Minor repairs to existing curb and sidewalk are included.

Bids must be received by the Engineering Department of the City of Glendale no later than 10:00 A.M., MAY 2, 2013. Any bid received after that time will not be considered and will be returned to the bidder. At that time, the bids will be publicly opened and read aloud in the Engineering Department Conference Room, 5850 West Glendale Avenue, Glendale, Arizona.

Plans, specifications and contract documents may be examined, and copies may be obtained at City of Glendale Engineering Department, 5850 West Glendale Avenue, Glendale, Arizona. A non-refundable charge of $20.00 shall be paid for each set of plans and specifications issued from this office.

Each bid shall be in accordance with the plans, specifications and contract documents, and shall be set forth and submitted on the BID DOCUMENTS included with the project specifications book. The BID DOCUMENTS may be removed from the project specifications book and submitted independently of such book. Each bid shall be accompanied by a proposal guarantee, in the form of a certified or cashier's check or bid bond for ten percent (10%) of the amount of bid, made payable to the order of the City of Glendale, Arizona, to insure that the successful bidder will enter into the contract if awarded to him and submit the required Certificate of Insurance, Payment Bond and Performance Bond. All proposal guarantees, except those of the three lowest qualified bidders, will be returned immediately following the opening and checking of proposals. The proposal guarantees of the three lowest qualified bidders will be returned immediately after the contract documents have been executed by the successful bidder. The proposal guarantee shall be declared forfeited as liquidated damages if the successful bidder refuses to enter into said contract or submit the Certificate of Insurance, Payment Bond and Performance Bond after being requested to do so by the City of Glendale, Arizona.

The City of Glendale reserves the right to reject any or all bids or waive any informality or irregularity in a bid. No bidder may withdraw his bid for a period of fifty (50) days after opening and reading of the bids.

The City of Glendale is an equal opportunity employer and minority business enterprises and women's business enterprises are encouraged to submit bids.

This is a federally-funded project. Prevailing wage rates and fringe benefit payments, as determined by the Secretary of Labor pursuant to the provisions of the Davis-Bacon Act, shall be the minimum wages paid to the described classes of laborers and mechanics employed, or working on the site, to perform the contract. General Decision Number AZ130008 is included in the bid documents. Contractor monthly reporting of employment, payroll, DBE and labor compliance is mandatory.

CITY OF GLENDALE, ARIZONA

Published: APRIL 18 AND 25, 2013
The Glendale Star

INFORMATION FOR BIDDERS

1. ELIGIBILITY OF CONTRACTORS: When calling for bids for contracts for public work to be performed on behalf of the State or any political subdivision thereof, which will be paid for from public funds, no bid shall be considered for performance of a contract, including construction work which is not submitted by a bidder duly licensed as a contractor in this State. No bid shall be awarded to any contractor or entity not authorized to do business in the State of Arizona by the Arizona Corporation Commission, as required by statute.

2. PROPOSAL· Bids to receive consideration shall be made in accordance with the following instructions:

(a) Before submitting a bid, bidders shall carefully examine the plans and specifications and contract documents, visit the site of the work, fully inform themselves as to all existing conditions and limitations.

(b) Bids shall be submitted on the "PROPOSAL" forms provided and delivered to the City of Glendale Engineering Department on or before the day and hour set in the "NOTICE TO CONTRACTORS," as published. Bids shall be enclosed in a sealed envelope marked on the outside lower right-hand corner indicating:

1. The bidder's name and address.
2. The project number.
3. The title of the project.
4. The time and date the bids are to be received.

(c) It is the sole responsibility of the bidder to see that his bid is received in proper time. Any bids received after the scheduled closing time for receipt of bids will be returned to the bidder unopened.

(d) The signatures of all persons shall be in longhand. Any interlineations, alterations, or erasures must be initialed by the signer of the bid.

(e) Bids shall not contain any recapitulations of the work to be done. No oral, telegraphic, telephonic, or modified proposals will be considered.

3. BID SECURITY: Each proposal shall be accompanied by a proposal guarantee in the form of a certified or cashier's check or bid bond, with a properly executed Power of Attorney attached, in an amount equal at least to ten percent (10%) of the proposal payable without condition to the City. If a bid bond is submitted with the bid it shall be issued by a company licensed with the Arizona Department of Insurance and authorized to issue such bonds in this state. **NO BONDS ISSUED BY INDIVIDUAL SURETIES WILL BE ACCEPTED. The company issuing the bid bond shall have a rating of not less than A- in the BEST rating available at the time this project was let to bid**. The proposal guarantee shall guarantee that the bidder, if awarded the contract, will, within ten (10) working days after the award, execute such contract in accordance with the proposal and in manner and form required by the contract documents, and will furnish good and sufficient bond for the faithful performance of the same, a payment bond and a certificate of insurance. The bid securities of the three (3) lowest bidders will be retained until the contract is awarded, or other disposition made thereof. The bid securities of all bidders, except the three (3) lowest, will be returned promptly after the canvass of bids. In the event the Contractor fails, within ten (10)

working days after the award, to execute said Contract and deliver the Performance and Labor and Material Payment Bonds and the Certificate of Insurance, the Bid Security shall become the property of the City.

4. WITHDRAWAL OF BID: Any bidder may withdraw his bid, either personally, by telegram or by written request, at any time prior to the scheduled closing time for receipt of bids. No bid may be withdrawn by telephone. Any bid withdrawn will not be opened and will be returned to the bidder. After opening and reading of the bids, no bidder may withdraw his bid for a period of fifty (50) days from the date of opening and reading.

5. LATE BIDS: Bids received after the scheduled closing time for receipt of bids, as contained in the "Notice to Contractors," will not be considered and will be returned to the bidder.

6. AWARD OR REJECTION OF BIDS: The contract will be awarded to the lowest and best qualified responsive bidder complying with these instructions and with the "NOTICE TO CONTRACTORS." The City of Glendale, Arizona, however, reserves the right to accept or reject any or all bids or to waive any or all informalities or irregularities in the bid. Alternates may be accepted depending upon the availability of City funds. Accepted alternates will be considered in determining the lowest responsive and responsible bidder.

7. BIDDERS INTERESTED IN MORE THAN ONE BID: No person, firm or corporation shall be allowed to make, file, or be interested in more than one (1) bid for the same work unless alternate bids are called for in the specifications or any addenda. A person, firm, or corporation who has submitted a sub-proposal to a bidder, or who has quoted prices on materials to a bidder is not thereby disqualified from submitting a sub-proposal or quoting prices to other bidders.

8. CONTRACT AND BONDS: The form of contract, which the successful bidder as Contractor will be required to execute and the forms of bonds which he shall be required to furnish are included in the contract documents and should be carefully examined by the bidder. The successful bidder shall use the forms provided or such other forms as are acceptable by the City. The Contract and Performance and Labor and Material Payment Bonds will be executed in three (3) original counterparts. All bonds shall be issued by companies licensed with the Arizona Department of Insurance and authorized to issue such bonds in this state. **NO BONDS ISSUED BY INDIVIDUAL SURETIES WILL BE ACCEPTED. The company issuing any bond shall have a rating of not less than A- in the BEST rating available at the time this project was let to bid.**

9. INSURANCE REQUIREMENTS: Contractor, and each Sub-contractor performing work or providing materials related to this Agreement must procure and maintain the insurance coverages described (collectively, "Contractor's Policies"), until each Parties' obligations under this Agreement are completed. Contractor must at all times relevant hereto carry a commercial general liability policy with a combined single limit of at least $1,000,000 per occurrence and $2,000,000 annual aggregate. **Contracts in excess of $250,000 shall require $2,000,000 single occurrence/$5,000,000 annual aggregate.**

Sub-contractors must at all times relevant hereto carry a general commercial liability policy with a combined single limit of at least $1,000,000 per occurrence.

This commercial general liability insurance must include independent contractors' liability, contractual liability, broad form property coverage, products and completed operations, XCU

hazards if requested by the City, and a separation of insurance provision.

These limits may be met through a combination of primary and excess liability coverage.

Auto. A business auto policy providing a liability limit of at least $1,000,000 per accident for Contractor and $1,000,000 per accident for Sub-contractors and covering owned, non-owned and hired automobiles.

Workers' Compensation and Employer's Liability. A workers' compensation and employer's liability policy providing at least the minimum benefits required by Arizona law.

Equipment Insurance. Contractor must secure, pay for, and maintain all-risk insurance as necessary to protect the City against loss of owned, non-owned, rented or leased capital equipment and tools, equipment and scaffolding, staging, towers and forms owned or rented by Contractor or its Sub-contractors.

10. SUBCONTRACTORS LISTING AND CERTIFICATION OF CONTRACT COMPLIANCE: The contractor will be required to furnish the form of subcontractors listing and certification of contract compliance with the executed contract documents. This information is requested for tracking and insurance purposes only.

11. INTERPRETATION OF PLANS AND DOCUMENTS: If any person contemplating a bid for proposed contract is in doubt as to the true meaning of any part of the plans, specifications, or other proposed contract documents, or finds discrepancies in or omissions from the plans and specifications, he may submit to the Engineering Department, a written request for an interpretation or correction thereof. The person submitting the request will be responsible for its prompt delivery. Questions received less than ninety-six (96) hours before the bid opening time may not be answered. Any interpretation or correction of the documents will be made only by Addendum, duly issued and a copy of such Addendum will be mailed or delivered to each person receiving a set of such documents. The City of Glendale will not be responsible for any other explanations or interpretations of the proposed documents.

12. CHANGES TO PLANS AND DOCUMENTS: Any changes to the plans and documents shall be made only by Addendum. No verbal or other changes to the plans and documents will be valid. A copy of each Addendum will be mailed or delivered as provided in Section 13 below.

13. ADDENDUM: Any addenda will be faxed, mailed or delivered to all who are known by the City to have received a complete set of bid documents, and to offices where bid documents have been filed for review purposes. It is the responsibility of each bidder to ascertain that he has received all addenda issued by telephoning the office identified in the NOTICE TO CONTRACTORS as the location where bid documents are available prior to submitting his bid.

Bidders shall acknowledge all addenda in the appropriate location on the "PROPOSAL" form. Failure to acknowledge receipt of Addenda shall render the bid proposal non-responsive and it will be rejected.

14. ASSIGNMENT OF CONTRACT: No assignment by the Contractor of any contract to be entered into hereunder, or any part thereof, or of funds to be received thereunder by the Contractor, will be recognized by the Owner by the Owner unless such assignment has had prior approval of the Owner, and the Surety has been given due notice of such assignment in writing and has consented

thereto in writing.

15. PLANS AND SPECIFICATIONS TO SUCCESSFUL BIDDER: The successful bidder may obtain five (5) sets of plans and specifications for this project from the City.

16. TIME OF COMPLETION: The Contractor shall commence work under this project on or before the tenth day following receipt of the Notice to Proceed for that project from the City of Glendale and shall fully complete all work under the project within forty-five days (45 days) consecutive calendar days from and including the date of receipt of such Notice to Proceed. Time is of the essence in the completion of all work required under this contract. The Contractor shall, at all times, during the continuance of the contract, prosecute the work with such force and equipment as is sufficient to complete all work within the time specified.

17. CITY OF GLENDALE TRANSACTION PRIVILEGE TAX: The City of Glendale transaction privilege tax shall **NOT** be waived under the provisions of this contract. The current privilege tax rate can be obtained from the City of Glendale Sales Tax and Licenses Department. The Contractor shall be responsible for reporting and payment of all city, county, state or federal taxes.

18. ALTERNATES: Alternate proposals will not be considered unless called for in the documents or any addenda thereto. When alternates are requested, all requested alternates or alternate bid items, unless otherwise stated, shall be bid. If no change in the base bid will occur with the alternate, enter "No Change."

19. APPROVAL OF SUBSTITUTIONS: The materials, products and equipment described in the Documents and Addenda establish a standard or required function, dimension, appearance and quality to be met by any proposed substitution. No substitute will be considered, before bid opening, unless written request for approval has been received by the City Engineer at least ten (10) working days prior to the scheduled closing time for receipt of bids. Each such request shall include the name of the material or equipment for which it is to be substituted and a complete description of the proposed substitute including any drawings, cuts, performance and test data and any other information necessary for evaluation of the substitute. Bidder shall not be entitled to approval of a substitute.

If a substitute is approved, the approval shall be set forth in an Addendum. Bidders shall not rely upon approvals made in any other manner.

20. USE OF "EQUALS": When the specifications for materials, articles, products and equipment state "or equal," contractor may bid upon, and use materials, articles, products and equipment which will perform equally the duties imposed by the general design. The City Engineering Department will have the final approval of all materials, articles, products and equipment proposed to be used as an "equal." It shall not be purchased or installed without the prior written approval from the City Engineering Department.

Approvals for "equals," before bid opening, may be requested in writing to the City Engineering Department for approval. Requests must be received at least ten (10) days prior to the date set for opening the Bid Proposals. The request shall state the name of the material, article, product or equipment for which the item is sought to be considered an equal and a complete description of the proposed equal including any drawings, cuts, performance and test data and any other information necessary for approval of the equal. All approvals will be issued in the form of an addendum.

21. EXAMINATION OF CONTRACT DOCUMENTS AND VISIT SITE: Before submitting a Bid Proposal, bidders should carefully examine the Contract Documents, visit the site of the work, fully inform themselves as to all existing conditions and limitations. No consideration will be granted for any alleged misunderstanding of the material, articles or piece of equipment to be furnished or work to be done. It is understood that the tender of the Bid Proposal carries with it the agreement to all items and conditions referred to herein or indicated in the Contract Documents.

22. BIDDERS IN DEFAULT: No bid will be awarded to any person, firm or corporation that is not authorized by the Arizona Corporation Commission to do business in the State of Arizona, in arrears or is in default to the City of Glendale upon any debt or contract, or that is a defaulter as surety or otherwise upon any obligation to the City of Glendale, or has failed to faithfully perform any previous contract with the City of Glendale.

END OF INFORMATION FOR BIDDERS

PROPOSAL

Place Phoenix, AZ

Date 5-1-2013

Proposal of RK Sanders Inc a Corporation organized and existing under the laws of the State of Arizona. a partnership consisting of _____; or an individual trading as _____.

TO THE HONORABLE MAYOR AND COUNCIL
CITY OF GLENDALE
GLENDALE, ARIZONA

Gentlemen:

The undersigned hereby proposes and agrees to furnish any and all required labor, materials, construction equipment, transportation and services for the construction of: **PROJECT 121315 - CDBG STREET IMPROVEMENTS**, in strict conformity with the plans and specifications for the following unit prices:

(Extension of these unit prices on the basis of estimated quantities and the totaling of these extensions are for the purpose of comparing bids only. The mathematics of such extensions and totaling will be checked and corrected by the Engineering Department, before evaluating the bids, and the lowest of such corrected and checked totals will determine the lowest bids.)

BID ITEM SUMMARY

ITEM	DESCRIPTION	QTY	UNIT	UNIT COST	TOTAL
1	Dust Control	1	LS	2500	2500
2	Construction Surveying and Layout	1	LS	4500	4500
3	Public Information/Newsletter	1	LS	2500	2500
4	Allowance for Owner Construction Contingencies	1	LS	$18,000.00	18000
5	Mobilization/Demobilization	1	LS	24,200	24,200
6	Traffic Control	1	LS	3,500	3,500
7	Stormwater Pollution Prevention Plan (AZPDES)	1	LS	1500	1500
8	Construction Material Sampling & Testing	1	LS	1500	1500
9	Remove Asphalt Concrete Pavement and existing base to 3" depth	7,290	SY	2.50	18,225
10	Subgrade Preparation/compaction of existing base	7,335	SY	3.25	23,838.75
11	Remove Concrete Sidewalk	852	SF	1.25	1065
12	Remove Concrete Single Curb and Curb & Gutter	254	LF	3	762
13	Remove Concrete Apron and Valley Gutter	1,102	SF	2.00	2204
14	Remove Concrete Driveway	278	SF	2.00	568 556
15	Concrete Driveway, MAG Std Det 250-2, (Modified) 9" thick	267	SF	8.50	2269.50
16	Concrete Driveway, 9" thick	165	SF	8.50	1402.50
17	Concrete Sidewalk, Std. Det. 230, (4ft)	440	SF	4.	1760
18	Concrete Valley Gutter And Apron, MAG Std Det 240	1225	SF	4	4900
19	Concrete Curb & Gutter, MAG Std Det 220-1, Type A, H= 6"	340	LF	18	6120
20	Concrete Header Curb, 12" x 12", #4 rebar, (one continuous)	41	LF	11	451
21	Sidewalk Ramp, Type A, MAG Det 235-3, Type C (Modified)	7	EA	1250	8750
22	Asphalt Conc Surf Course, MAG 1/2" (12.5mm), 3" Thick	1,365	TN	73.50	100,327.50
23	Adjust Existing Manhole Frame & Cover, MAG Std Det. 422 (C.O.G.)	2	EA	750	1500
24	Adjust Existing Valve Box & Cover, MAG Std Det. 270 (C.O.G.)	7	EA	250	1750
25	Pavement Marking (4" Wide White Stripe) (Paint)	220	LF	.75	165
26	Thermoplastic Pavement Marking(4" Wide White Stripe) (90 mil)	220	LF	2.10	462
27	Raised Pavement Marker, Fire Hydrant (Type 911A, Blue 2-way)	2	EA	50	100

TOTAL $ 234,816.25

COG TOTAL 238,808.20

The undersigned hereby declares that he has visited the site(s) and has carefully examined the contract documents relating to the work covered by the above bid or bids.

Upon receipt of notice of the acceptance of this bid, we will execute the formal contract attached within ten (10) days, and will deliver a one hundred percent (100%) Performance Bond for the faithful performance of this Contract, together with a one hundred percent (100%) Payment Bond and Certificate of Insurance.

The bid security attached, with endorsement, in the sum of ten percent (10%) of the total bid, is to become the property of the City of Glendale, Arizona, in the event the Contract and Bonds are not executed within the time set forth, as liquidated damages for the delay and additional work caused thereby.

The undersigned has checked carefully all the above figures and understands that the City of Glendale, Arizona, will not be responsible for any errors or omissions on the part of the undersigned in making up this bid.

The undersigned understands that the Mayor and Council of the City of Glendale, Arizona, reserves the right to reject any or all bids or to waive any informalities or irregularities in the bid.

Respectfully submitted,

Arizona Contractor's Classification and License No.

A-242681

RK Sanders Inc
Contractor

By [signature]

PO Box 6686
Phoenix AZ 85005
(Complete business address)

Telephone Number: 602 233 0808
Fax Number 602 233 0807

Bidder shall signify receipt of all Addenda here (if any):

_____

_____

Failure to acknowledge receipt of all Addenda shall render the bid proposal non-responsive and will be rejected.

Acknowledged by [signature]

CITY OF GLENDALE

Subcontractor Listing and Certification of Contract Compliance

PROJECT 121315 - CDBG STREET IMPROVEMENTS

The undersigned contractor hereby submits the following list of firms to be employed as subcontractors on the above referenced project·

SUBCONTRACTOR	WORK ELEMENTS	CONTRACT VALUE	DBE(Y/N)*	AGENCY**
NONE				

The undersigned hereby certifies that all subcontracts shall be in writing and shall provide that all work to be performed shall be in accordance with the terms of the Contract. All subcontracts shall be subject to approval by the City. Certified copies of all subcontracts shall be furnished to the Engineer, however, prices may be omitted Subcontracts shall conform to the regulations governing employment of labor.

R K Sanders Inc
Name of Firm

DBE?(Y/N)*: _____ Agency** _____

Signature

Title

*Firms certified as Disadvantaged Business Enterprises **Indicate certifying agency, e g , ADOT, MCHD, COP, etc **This information is requested for tracking purposes only.** The City of Glendale is an equal opportunity employer and minority business enterprises and women's business enterprises are encouraged to submit bids

Project 121315

C-8476
05/28/2013

CONSTRUCTION AGREEMENT

This Construction Agreement ("Agreement") is entered into and effective between the CITY OF GLENDALE, an Arizona municipal corporation ("City"), and R K Sanders, Inc , an Arizona corporation, ("Contractor") as of the 28 day of May, 2013

RECITALS

A City intends to undertake a project for the benefit of the public and with public funds that is more fully set forth in the **Notice to Contractors** and the attached **Exhibit A** ("Project"),

B City desires to retain the services of Contractor to perform those specific duties and produce the specific work as set forth in the Project, the plans and specifications, the **Information for Bidders,** and the **Maricopa Association of Governments** ("MAG") **General and Supplemental Conditions and Provisions,**

C City and Contractor desire to memorialize their agreement with this document

AGREEMENT

In consideration of the Recitals, which are confirmed as true and correct and incorporated by this reference, the mutual promises and covenants contained in this Agreement, and other good and valuable consideration, City and Contractor agree as follows

1. Project.

1.1 Scope. Contractor will provide all services and material necessary to assure the Project is completed timely and efficiently consistent with Project requirements, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other contractors, providers or consultants retained by City

1.2 Documents. The following documents are, by this reference, entirely incorporated into this Agreement and attached Exhibits as though fully set forth herein

(A) Notice to Contractors,
(B) Information for Bidders,
(C) MAG General Conditions, Supplemental General Conditions, Special and Technical Provisions,
(D) Proposal,
(E) Bid Bond,
(F) Payment Bond,
(G) Performance Bond,
(H) Certificate of Insurance,
(I) Appendix; and
(J) Plans and Addenda thereto

Should a conflict exist between this Agreement (and its attachments), and any of the incorporated documents as listed above, the provisions of this Agreement shall govern

1.3 Project Team.

(A) Project Manager Contractor will designate an employee as Project Manager with sufficient training, knowledge, and experience to, in the City's opinion, to complete the project and handle all aspects of the Project such that the work produced by Contractor is consistent with applicable standards as detailed in this Agreement

(B) Project Team

(1) The Project manager and all other employees assigned to the project by Contractor will comprise the "Project Team "

(2) Project Manager will have responsibility for and will supervise all other employees assigned to the project by Contractor

(C) Sub-contractors

(1) Contractor may engage specific technical contractor (each a "Sub-contractor") to furnish certain service functions

(2) Contractor will remain fully responsible for Sub-contractor's services

(3) Sub-contractors must be approved by the City, unless the Sub-contractor was previously mentioned in the response to the solicitation

(4) Contractor shall certify by letter that contracts with Sub-contractors have been executed incorporating requirements and standards as set forth in this Agreement

2. **Schedule.** The Project will be undertaken in a manner that ensures it is completed in a timely and efficient manner If not otherwise stated in **Exhibit A**, the Project shall be completed by no later than within forty-five (45) consecutive calendar days from and including the date of receipt of the Notice to Proceed.

3. **Contractor's Work.**

3.1 **Standard.** Contractor must perform services in accordance with the standards of due diligence, care, and quality prevailing among contractors having substantial experience with the successful furnishing of services and materials for projects that are equivalent in size, scope, quality, and other criteria under the Project and identified in this Agreement

3.2 **Licensing.** Contractor warrants that.

(A) Contractor and Sub-contractors will hold all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of services ("Approvals"), and

(B) Neither Contractor nor any Sub-contractor has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment")

(1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments or to examine Contractor's contracting ability

(2) Contractor must notify City immediately if any Approvals or Debarment changes during the Agreement's duration and the failure of the Contractor to notify City as required will constitute a material default of this Agreement

3.3 **Compliance.** Services and materials will be furnished in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, or other standards and criteria designated by City

3.4 **Coordination; Interaction.**

(A) If the City determines that the Project requires the coordination of professional services or other providers, Contractor will work in close consultation with City to proactively interact with any other contractors retained by City on the Project ("Coordinating Entities")

(B) Subject to any limitations expressly stated in the budget, Contractor will meet to review the Project, schedules, budget, and in-progress work with Coordinating Entities and the City as often and for durations as City reasonably considers necessary in order to ensure the timely work delivery and Project completion

(C) If the Project does not involve Coordinating Entities, Contractor will proactively interact with any other contractors when directed by City to obtain or disseminate timely information for the proper execution of the Project

3.5 **Hazardous Substances.** Contractor is responsible for the appropriate handling, disposal of, and if necessary, any remediation and all losses and damages to the City, associated with the use or release of hazardous substances by Contractor in connection with completion of the Project

3.6 **Warranties.** At any time within two years after completion of the Project, Contractor must, at Contractor's sole expense and within 20 days of written notice from the City, uncover, correct and remedy all defects in Contractor's work City will accept a manufacturer's warranty on approved equipment as satisfaction of the Contractor's warranty under this subsection

3.7. **Bonds.** Upon execution of this Agreement, and if applicable, Contractor must furnish Payment and Performance bonds as required under A R S § 34-608

4. **Compensation for the Project.**

4.1 **Compensation.** Contractor's compensation for the Project, including those furnished by its Sub-contractors will not exceed $234,808 25, as specifically detailed in the Contractor's bid and set forth in **Exhibit B** ("Compensation")

4.2 **Change in Scope of Project.** The Compensation may be equitably adjusted if the originally contemplated scope of services as outlined in the Project is significantly modified by the City

(A) Adjustments to the Scope or Compensation require a written amendment to this Agreement and may require City Council approval.

(B) Additional services which are outside the scope of the Project and not contained in this Agreement may not be performed by the Contractor without prior written authorization from the City

5. **Billings and Payment.**

5.1 **Applications.**

(A) The Contractor will submit monthly invoices (each, a "Payment Application") to City's Project Manager and City will remit payments based upon the Payment Application as stated below

(B) The period covered by each Payment Application will be one calendar month ending on the last day of the month

5.2 **Payment.**

(A) After a full and complete Payment Application is received, City will process and remit payment within 30 days

(B) Payment may be subject to or conditioned upon City's receipt of

(1) Completed work generated by Contractor and its Sub-contractors, and

(2) Unconditional waivers and releases on final payment from Sub-contractors as City may reasonably request to assure the Project will be free of claims arising from required performances under this Agreement

5.3 **Review and Withholding.** City's Project Manager will timely review and certify Payment Applications

(A) If the Payment Application is rejected, the Project Manager will issue a written listing of the items not approved for payment

(B) City may withhold an amount sufficient to pay expenses that City reasonably expects to incur in correcting the deficiency or deficiencies rejected for payment

(C) Contractor will provide, by separate cover, and concurrent with the execution of this Agreement, all required financial information to the City, including City of Glendale Transaction Privilege License and Federal Taxpayer identification numbers

(D) City will temporarily withhold Compensation amounts as required by A R S §34-221(C)

6. **Termination.**

6.1 **For Convenience.** City may terminate this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than 15 days following the date of delivery

(A) Contractor will be equitably compensated any services and materials furnished prior to receipt of the termination notice and for reasonable costs incurred

(B) Contractor will also be similarly compensated for any approved effort expended and approved costs incurred that are directly associated with Project closeout and delivery of the required items to the City

6.2 **For Cause.** City may terminate this Agreement for cause if Contractor fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach

(A) Contractor will not be entitled to further payment until after City has determined its damages If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Contractor for Service and Repair furnished, City will pay the amount due to Contractor, less City's damages.

(B) If City's direct damages exceed amounts otherwise due to Contractor, Contractor must pay the difference to City immediately upon demand, however, Contractor will not be subject to consequential damages more than $1,000,000 or the amount of this Agreement, whichever is greater

7. **Insurance.**

7.1 **Requirements.** Contractor must obtain and maintain the following insurance ("Required Insurance")

(A) Contractor and Sub-contractors Contractor, and each Sub-contractor performing work or providing materials related to this Agreement must procure and maintain the insurance coverages described below (collectively, "Contractor's Policies"), until each Parties' obligations under this Agreement are completed

(B) General Liability

(1) Contractor must at all times relevant hereto carry a commercial general liability policy with a combined single limit of at least $1,000,000 per occurrence and $2,000,000 annual aggregate

(2) Sub-contactors must at all times relevant hereto carry a general commercial liability policy with a combined single limit of at least $1,000,000 per occurrence

(3) This commercial general liability insurance must include independent contractors' liability, contractual liability, broad form property coverage, products and completed operations, XCU hazards if requested by the City, and a separation of insurance provision

(4) These limits may be met through a combination of primary and excess liability coverage

(C) Auto A business auto policy providing a liability limit of at least $1,000,000 per accident for Contractor and $1,000,000 per accident for Sub-contractors and covering owned, non-owned and hired automobiles

(D) Workers' Compensation and Employer's Liability A workers' compensation and employer's liability policy providing at least the minimum benefits required by Arizona law

(E) Equipment Insurance Contractor must secure, pay for, and maintain all-risk insurance as necessary to protect the City against loss of owned, non-owned, rented or leased capital equipment and tools, equipment and scaffolding, staging, towers and forms owned or rented by Contractor or its Sub-contractors

(F) Notice of Changes Contractor's Policies must provide for not less than 30 days' advance written notice to City Representative of

(1) Cancellation or termination of Contractor or Sub-contractor's Policies,

(2) Reduction of the coverage limits of any of Contractor or and Sub-contractor's Policies, and

(3) Any other material modification of Contractor or Sub-contractor's Policies related to this Agreement

(G) Certificates of Insurance

(1) Within 10 business days after the execution of the Agreement, Contractor must deliver to City Representative certificates of insurance for each of Contractor and Sub-contractor's Policies, which will confirm the existence or issuance of Contractor and Sub-contractor's Policies in accordance with the provisions of this section, and copies of the endorsements of Contractor and Sub-contractor's Policies in accordance with the provisions of this section

(2) City is and will be under no obligation either to ascertain or confirm the existence or issuance of Contractor and Sub-contractor's Policies, or to examine Contractor and Sub-contractor's Policies, or to inform Contractor or Sub-contractor in the event that any coverage does not comply with the requirements of this section

(3) Contractor's failure to secure and maintain Contractor Policies and to assure Sub-contractor policies as required will constitute a material default under this Agreement

(H) Other Contractors or Vendors

(1) Other contractors or vendors that may be contracted by Contractor with in connection with the Project must procure and maintain insurance coverage as is appropriate to their particular agreement

(2) This insurance coverage must comply with the requirements set forth above for Contractor's Policies (e g , the requirements pertaining to endorsements to name the parties as additional insured parties and certificates of insurance)

(I) Policies Except with respect to workers' compensation and employer's liability coverages, the City must be named and properly endorsed as additional insureds on all liability policies required by this section

(1) The coverage extended to additional insureds must be primary and must not contribute with any insurance or self insurance policies or programs maintained by the additional insureds

(2) All insurance policies obtained pursuant to this section must be with companies legally authorized to do business in the State of Arizona and acceptable to all parties

7.2 Sub-contractors.

(A) Contractor must also cause its Sub-contractors to obtain and maintain the Required Insurance

(B) City may consider waiving these insurance requirements for a specific Sub-contractor if City is satisfied the amounts required are not commercially available to the Sub-contractor and the insurance the Sub-contractor does have is appropriate for the Sub-contractor's work under this Agreement

(C) Contractor and Sub-contractors must provide to the City proof of Required Insurance whenever requested

7.3 Indemnification.

(A) To the fullest extent permitted by law, Contractor must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the

"Indemnified Parties"), for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense", collectively, "Demands or Expenses") asserted by a third-party (i e a person or entity other than City or Contractor) and that arises out of or results from the breach of this Agreement by the Contractor or the Contractor's negligent actions, errors or omissions (including any Sub-contractor or other person or firm employed by Contractor), whether sustained before or after completion of the Project

(B) This indemnity and hold harmless policy applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Contractor shall be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Contractor or of any person or entity for whom Contractor is responsible

(C) Contractor is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party

7.4 **Waiver of Subrogation.** Contractor waives, and will require any Subcontractor to waive, all rights of subrogation against the City to the extent of all losses or damages covered by any policy of insurance

8. **Immigration Law Compliance.**

8 1 Contractor, and on behalf any subcontractor, warrants, to the extent applicable under A R S § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A R S § 23-214(A) which requires registration and participation with the E-Verify Program

8 2 Any breach of warranty under subsection 8 1 above is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement

8 3 City retains the legal right to inspect the papers of any Contractor or subcontractor employee who performs work under this Agreement to ensure that the Contractor or any subcontractor is compliant with the warranty under subsection 8 1 above

8 4 City may conduct random inspections, and upon request of City, Contractor shall provide copies of papers and records of Contractor demonstrating continued compliance with the warranty under subsection 8 1 above Contractor agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this section 8

8 5 Contractor agrees to incorporate into any subcontracts under this Agreement the same obligations imposed upon Contractor and expressly accrue those obligations directly to the benefit of the City Contractor also agrees to require any subcontractor to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the City

8 6 Contractor's warranty and obligations under this section to the City is continuing throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement

8 7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program

9. **Conflict.** Contractor acknowledges this Agreement is subject to A.R S § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on City's behalf is also an employee, agent, or consultant of any other party to this Agreement

10. **Prohibitions.** Contractor certifies under A.R S §§ 35-391 *et seq* and 35-393 *et seq* , that it does not have, and during the term of this Agreement will not have "scrutinized" business operations, as defined in the preceding statutes, in the countries of Sudan or Iran

11. **Non-Discrimination Policies.** Contractor must not discriminate against any employee or applicant for employment on the basis of race, religion, color sex or national origin Contractor must develop, implement and maintain non-discrimination policies and post the policies in conspicuous places visible to employees and applicants for employment Contractor will require any Sub-contractor to be bound to the same requirements as stated within this section

12. **Notices.**

12 1 A notice, request or other communication that is required or permitted under this Agreement (each a "Notice") will be effective only if·

(A) The Notice is in writing, and

(B) Delivered in person or by private express overnight delivery service (delivery charges prepaid), certified or registered mail (return receipt requested)

(C) Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of receipt, if

(1) Received on a business day, or before 5 00 p m , at the address for Notices identified for the Party in this Agreement by U S Mail, hand delivery, or overnight courier on or before 5 00 p m , or

(2) As of the next business day after receipt, if received after 5 00 p m

(D) The burden of proof of the place and time of delivery is upon the Party giving the Notice

(E) Digitalized signatures and copies of signatures will have the same effect as original signatures

12 2 **Representatives.**

(A) Contractor. Contractor's representative ("Contractor's Representative") authorized to act on Contractor's behalf with respect to the Project, and his or her address for Notice delivery is

R K Sanders, Inc
Attn Robert Sanders
PO Box 6686
Phoenix, AZ 85005

(B) City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is

City of Glendale
Attn Jim McMains
5850 West Glendale Avenue
Glendale, Arizona 85301

With required copies to:

City of Glendale
City Manager
5850 West Glendale Avenue
Glendale, Arizona 85301

City of Glendale
City Attorney
5850 West Glendale Avenue
Glendale, Arizona 85301

(C) Concurrent Notices.

(1) All notices to City's representative must be given concurrently to City Manager and City Attorney

(2) A notice will not be considered to have been received by City's representative until the time that it has also been received by City Manager and City Attorney

(3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Contractor identifying the designee(s) and their respective addresses for notices

(D) **Changes.** Contractor or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change

13. **Financing Assignment.** City may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the Project

14. **Entire Agreement; Survival; Counterparts; Signatures.**

14.1 **Integration.** This Agreement contains, except as stated below, the entire agreement between City and Contractor and supersedes all prior conversations and negotiations between the parties regarding the Project or this Agreement

(A) Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter

(B) Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties

(C) Any solicitation, addendums and responses submitted by the Contractor are incorporated fully into this Agreement as provided in Section 1 2 Any inconsistency between and exhibit and this Agreement will be resolved by the terms and conditions stated in this Agreement

14.2 **Interpretation.**

(A) The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate

(B) The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement

(C) The Agreement will be interpreted in accordance with the laws of the State of Arizona

14.3 **Survival.** Except as specifically provided otherwise in this Agreement each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every other right, remedy and responsibility of a Party, will survive completion of the Project, or the earlier termination of this Agreement

14.4 **Amendment.** No amendment to this Agreement will be binding unless in writing and executed by the parties Any amendment may be subject to City Council approval

14.5 **Remedies.** All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law

14.6 **Severability.** If any provision of this Agreement is voided or found unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be reformed to conform to applicable law

14.7 **Counterparts.** This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument

15. **Dispute Resolution.** Each claim, controversy and dispute ("Dispute") between Contractor and City will be resolved in accordance with Exhibit C The final determination will be made by the City

16. **Exhibits.** In addition to the documents identified and specifically incorporated herein pursuant to Section 1 2, the following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference

Exhibit A	Project
Exhibit B	Compensation
Exhibit C	Dispute Resolution

Project 121315

The parties enter into this Agreement as of the date shown above

City of Glendale,
an Arizona municipal corporation

By Richard A Bowers
Its Acting City Manager

ATTEST

City Clerk (SEAL)

APPROVED AS TO FORM

Acting City Attorney

R K Sanders, Inc
an Arizona corporation

By Robert Sanders
Its President

WOMEN-OWNED/MINORITY BUSINESS [ ] YES [✓] NO [redacted]
CITY OF GLENDALE TRANSACTION PRIVILEGE TAX NO [redacted]
FEDERAL TAXPAYER IDENTIFICATION NO [redacted]

Project 121315

EXHIBIT A
CONSTRUCTION AGREEMENT

PROJECT

Community Development Block Grant (CDBG) funded reconstruction of selected streets within a low to moderate income neighborhood by removing and replacing existing asphalt pavement Non-compliant sidewalk ramps will be replaced with new ADA sidewalk ramps and new ADA ramps will be installed where none exist Minor repairs to existing curb and sidewalk are included Streets intended for pavement replacement must be completed sequentially Asphalt pavement removal is not to begin on a designated street without pavement replacement completed on the previous street Designated streets (in no particular order) are

- McLellan, 62nd Avenue to 63rd Avenue
- 62nd Drive, McLellan to Ocotillo Road
- Tuckey Lane, 63rd Avenue to 64th Avenue
- 64th Avenue, Ocotillo Road to Tuckey Lane

Project 121315

EXHIBIT B
CONSTRUCTION AGREEMENT

COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

By bid, including all services, materials and costs

NOT-TO-EXCEED AMOUNT

The total amount of compensation paid to Contractor for full completion of all work required by the Project during the entire term of the Project must not exceed 234,808 25

DETAILED PROJECT COMPENSATION

As shown on page 8 of the Bid Schedule

Project 121315

EXHIBIT C

CONSTRUCTION AGREEMENT

DISPUTE RESOLUTION

1. Disputes.

1 1 Commitment The parties commit to resolving all disputes promptly, equitably, and in a good-faith, cost-effective manner

1 2 Application The provisions of this Exhibit will be used by the parties to resolve all controversies, claims, or disputes ("Dispute") arising out of or related to this Agreement-including Disputes regarding any alleged breaches of this Agreement

1 3 Initiation A party may initiate a Dispute by delivery of written notice of the Dispute, including the specifics of the Dispute, to the Representative of the other party as required in this Agreement

1 4 Informal Resolution When a Dispute notice is given, the parties will designate a member of their senior management who will be authorized to expeditiously resolve the Dispute

(A) The parties will provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any Dispute in order to assist in resolving the Dispute as expeditiously and cost effectively as possible,

(B) The parties' senior managers will meet within 10 business days to discuss and attempt to resolve the Dispute promptly, equitably, and in a good faith manner, and

(C) The Senior Managers will agree to subsequent meetings if both parties agree that further meetings are necessary to reach a resolution of the Dispute

2. Arbitration.

2 1 Rules If the parties are unable to resolve the Dispute by negotiation within 30 days from the Dispute notice, and unless otherwise informal discussions are extended by the mutual agreement, the Dispute will be decided by binding arbitration in accordance with Construction Industry Rules of the AAA, as amended herein Although the arbitration will be conducted in accordance with AAA Rules, it will not be administered by the AAA, but will be heard independently

(A) The parties will exercise best efforts to select an arbitrator within 5 business days after agreement for arbitration If the parties have not agreed upon an arbitrator within this period, the parties will submit the selection of the arbitrator to one of the principals of the mediation firm of Scott & Skelly, LLC, who will then select the arbitrator The parties will equally share the fees and costs incurred in the selection of the arbitrator

(B) The arbitrator selected must be an attorney with at least 15 years experience with commercial construction legal matters in Maricopa County, Arizona, be independent, impartial, and not have engaged in any business for or adverse to either Party for at least 10 years

2 2 Discovery The extent and the time set for discovery will be as determined by the arbitrator Each Party must, however, within ten (10) days of selection of an arbitrator deliver to the other Party copies of all documents in the delivering party's possession that are relevant to the dispute

2 3 Hearing The arbitration hearing will be held within 90 days of the appointment of the arbitrator The arbitration hearing, all proceedings, and all discovery will be conducted in Glendale, Arizona unless otherwise agreed by the parties or required as a result of witness location Telephonic hearings and other reasonable arrangements may be used to minimize costs

2 4 Award At the arbitration hearing, each Party will submit its position to the arbitrator, evidence to support that position, and the exact award sought in this matter with specificity The arbitrator must select the award sought

by one of the parties as the final judgment and may not independently alter or modify the awards sought by the parties, fashion any remedy, or make any equitable order The arbitrator has no authority to consider or award punitive damages

2 5 Final Decision The Arbitrator's decision should be rendered within 15 days after the arbitration hearing is concluded This decision will be final and binding on the Parties

2 6 Costs The prevailing party may enter the arbitration in any court having jurisdiction in order to convert it to a judgment The non-prevailing party shall pay all of the prevailing party's arbitration costs and expenses, including reasonable attorney's fees and costs

3. **Services to Continue Pending Dispute.** Unless otherwise agreed to in writing, Contractor must continue to perform and maintain progress of required services during any Dispute resolution or arbitration proceedings, and City will continue to make payment to Contractor in accordance with this Agreement

4. **Exceptions.**

4 1 Third Party Claims City and Contractor are not required to arbitrate any third-party claim, cross-claim, counter claim, or other claim or defense of a third-party who is not obligated by contract to arbitrate disputes with City and Contractor

4 2 Liens City or Contractor may commence and prosecute a civil action to contest a lien or stop notice, or enforce any lien or stop notice, but only to the extent the lien or stop notice the Party seeks to enforce is enforceable under Arizona Law, including, without limitation, an action under A R S § 33-420, without the necessity of initiating or exhausting the procedures of this Exhibit

4 3 Governmental Actions This Exhibit does not apply to, and must not be construed to require arbitration of, any claims, actions or other process filed or issued by City of Glendale Building Safety Department or any other agency of City acting in its governmental permitting or other regulatory capacity

BOND NO. LAX752991

CONTRACT BOND
STATUTORY PERFORMANCE BOND PURSUANT TO TITLE 34, CHAPTER 2, ARTICLE 2, OF THE ARIZONA REVISED STATUTES
(Penalty of this Bond must be 100% of the Contract Amount)

KNOW ALL MEN BY THESE PRESENTS:

That, R K SANDERS, INC. (hereinafter called the Principal), as Principal, and American Safety Casualty Insurance Company, a corporation organized and existing under the laws of the State of Oklahoma with its principal office in the City of Calabasas, CA, (hereinafter called the Surety), as Surety, are held and firmly bound unto the City of Glendale, (hereinafter called the Obligee), in the amount of Two Hundred Thirty Four Thousand Eight Hundred Eight and 25/100's Dollars ($234,808.25) for the payment thereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these present.

WHEREAS, the Principal has entered into a certain written contract with the Obligee, dated the 5th day of June, 2013, to construct

Project 121315 - CDBG Street Improvements

for which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the said Principal shall faithfully perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of said contract during the original term of said contract any extension thereof, with or without notice to the Surety, and during the life of any guaranty required under the contract, and shall also perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of any all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the Surety being hereby waived; then the above obligation shall be void, otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, of the Arizona Revised Statutes, and all liabilities on this Bond shall be determined in accordance with the provisions of said Title, Chapter, and Article, to the extent as if it were copied at length herein.

THE prevailing party in a suit on this Bond shall be entitled to such reasonable attorney's fees as may be fixed by a judge of the Court.

WITNESS our hands this 12th day of June, 2013.

R K SANDERS, INC.
PRINCIPAL SEAL

By
Robert K Sanders, President

American Safety Casualty Insurance Company
SURETY SEAL

A M. BEST RATING. A

By:
Edward Fancher, III ATTORNEY-IN-FACT

Bonding Solutions, LLC
AGENT OF RECORD

2855 E Brown Rd Suite 9
Mesa, AZ 85213
AGENT ADDRESS

480-456-0894
TELEPHONE NUMBER

By:
Edward Fancher, III, ARIZONA RESIDENT AGENT

BOND NO. LAX752991

LABOR AND MATERIALS BOND
STATUTORY PAYMENT BOND PURSUANT TO
TITLE 34, CHAPTER 2, ARTICLE 2, OF THE ARIZONA REVISED STATUTES

(Penalty of this Bond must be 100% of the Contract Amount)

KNOW ALL MEN BY THESE PRESENTS:

That, R K Sanders, Inc., (hereinafter called the Principal), as Principal, and American Safety Casualty Insurance Company, a corporation organized and existing under the laws of the State of Oklahoma, with its principal office in the City of Calabasas, CA, (hereinafter called the Surety), as Surety, are held and firmly bound unto the City of Glendale in the County of Maricopa, State of Arizona, (hereinafter called the Obligee), in the amount of Two Hundred Thirty Four Thousand Eight Hundred Eight and 25/100's Dollars ($234,808.25), for the payment thereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these present.

WHEREAS, the Principal has entered into a certain written contract with the Obligee, dated the 5th day of June, 2013, to construct

Project 121315 - CDBG Street Improvements

for which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the said Principal shall promptly pay all moneys due to all persons supplying labor or materials to him or his subcontractors in the prosecution of the work provided for in said contract, then this obligation shall be void, otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, of the Arizona Revised Statutes, and all liabilities on this Bond shall be determined in accordance with the provisions of said Title, Chapter, and Article, to the extent as if it were copied at length herein.

THE prevailing party in a suit on this Bond shall be entitled to such reasonable attorney's fees as may be fixed by a judge of the Court.

WITNESS our hands this 12th day of June, 2013.

R K Sanders, Inc.
PRINCIPAL SEAL

By: _____
Robert K Sanders, President

American Safety Casualty
Insurance Company
SURETY SEAL

A.M. BEST RATING: A

By: _____
Edward Fancher, III ATTORNEY-IN-FACT

Bonding Solutions, LLC
AGENT OF RECORD

2855 E Brown Rd Suite 9
Mesa, AZ 85213
AGENT ADDRESS

480-456-0894
TELEPHONE NUMBER

By: _____
Edward Fancher, III, ARIZONA RESIDENT AGENT

Number LAX752991

AMERICAN SAFETY INSURANCE

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that American Safety Casualty Insurance Company has made, constituted and appointed, and by these presents does make, constitute and appoints

Edward Fancher III, MESA, AZ

its true and lawful attorney-in-fact, for it and its name, place, and stead to execute on behalf of the said Company, as surety, bonds, undertaking and contracts of suretyship to be given to

ALL OBLIGEES

provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of

Two Hundred Thirty Four Thousand Eight Hundred Eight Dollars and Twenty Five Cents ($234,808 30)

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company of the 25th day of April, 2012.

RESOLVED, that the President in conjunction with the Secretary or any Assistant Secretary may appoint attorneys-in-fact or agents with authority as defined or limited in the instrument evidencing the appointment in each case, for and on behalf of the Company, to execute and deliver and affix the seal of the Company to bands, undertakings, recognizances, and suretyship obligations of all kinds, and said officers may remove any such attorney-in-fact or agent and revoke any power of attorney previously granted to such persons

RESOLVED FURTHER, that any bond, undertaking, recognizance, or suretyship obligation shall be valid and binding upon the Company: (i) when signed by the President or any Vice-President and attested and sealed (if a seal is required) by any Secretary or Assistant Secretary or (ii) when signed by the President or any Vice-President or Secretary or Assistant Secretary, and counter-signed and sealed (if a seal is required) by a duly authorized attorney-in-fact or agent or (iii) when duly executed and sealed (if a seal is required) by one or more attorney-in-fact or agents pursuant to and within the limits of the authority evidenced by the power of attorney issued by the Company to such person or persons

RESOLVED FURTHER, that the signature of any authorized officer and the seal of the Company may be affixed by facsimile to any power of attorney or certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effects as though manually affixed

IN WITNESS WHEREOF, American Safety Casualty Insurance Company has caused its official seal to be hereunto affixed, and these presents to be signed by its President and attested by its Secretary this 25th day of April, 2012

Attest

Ambuj Jain

Joseph D Scollo Jr

STATE OF GEORGIA)
)
COUNTY OF COBB)

On this 25th day of April, 2012, before me personally came Joseph D. Scollo, Jr., to me known, who, being by me duly sworn, did depose and say that he is the President of American Safety Casualty Insurance Company, the corporation described in and which executed the above instrument, that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal, that is was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.

BENSON LEE JEFFRESS MY COMMISSION EXPIRES MAR. 27, 2016 FULTON CO., GEORGIA NOTARY PUBLIC

Benson Lee Jeffress, Notary Public

I, the undersigned, Secretary of American Safety Casualty Insurance Company, an Oklahoma corporation, DO HEREBY CERTIFY, that the foregoing and attached Power of Attorney remains in full force and has not been revoked, and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney, is now in force.

Signed and sealed in the City of Atlanta, in the State of Georgia

Dated this 12th day of June 2013

Ambuj Jain

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 06/10/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Cook Insurance, Inc.
11512 E. Apache Trail
Apache Junction AZ 85120-3523

CONTACT NAME
PHONE (A/C, No, Ext): (480) 986-4400 FAX (A/C, No): (480) 986-1199
E-MAIL ADDRESS: info@cook-insurance.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: Allied Insurance Co	
INSURER B: ASSOCIATED INDUSTRIES	
INSURER C: AUTO OWNERS	
INSURER D: CENTURY	
INSURER E:	
INSURER F:	

INSURED RK Sanders Inc.
P.O. Box 6686
Phoenix AZ 85005-

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
B	GENERAL LIABILITY	Y		AES102529800	12/13/2012	12/13/2013	EACH OCCURRENCE	$ 1,000,000
	X COMMERCIAL GENERAL LIABILITY				/ /	/ /	DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 50,000
	CLAIMS-MADE X OCCUR				/ /	/ /	MED EXP (Any one person)	$
	X BLANKET ADD INS				/ /	/ /	PERSONAL & ADV INJURY	$ 1,000,000
	CG20101001				/ /	/ /	GENERAL AGGREGATE	$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER				/ /	/ /	PRODUCTS - COMP/OP AGG	$ 2,000,000
	X POLICY PRO-JECT LOC				/ /	/ /		$
A	AUTOMOBILE LIABILITY	Y		ACP7224437013	05/10/2013	05/10/2014	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	ANY AUTO				/ /	/ /	BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / X SCHEDULED AUTOS				/ /	/ /	BODILY INJURY (Per accident)	$
	X HIRED AUTOS / X NON-OWNED AUTOS				/ /	/ /	PROPERTY DAMAGE (Per accident)	$
					/ /	/ /		$
D	UMBRELLA LIAB OCCUR			CCP800238	12/13/2012	12/13/2013	EACH OCCURRENCE	$ 2,000,000
	X EXCESS LIAB CLAIMS-MADE				/ /	/ /	AGGREGATE	$ 2,000,000
	DED RETENTION $				/ /	/ /		$
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				/ /	/ /	X WC STATU-TORY LIMITS / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N	N/A		45134998	09/13/2012	09/13/2013	E.L. EACH ACCIDENT	$ 1,000,000
	(Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below				/ /	/ /	E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
					/ /	/ /	E.L. DISEASE - POLICY LIMIT	$ 1,000,000
					/ /	/ /		
					/ /	/ /		

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
PROJECT 121315-CDBG STREET IMPROVEMENTS

CERTIFICATE HOLDER

( ) - ( ) -
ENGINEERING DEPT
CITY OF GLENDALE ARIZONA
5850 WEST GLENDALE AVE
GLENDALE AZ 85301-

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS

AUTHORIZED REPRESENTATIVE

Karen A Parks

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CITY OF GLENDALE, ARIZONA
PUBLIC WORKS/ENGINEERING DEPARTMENT

CONTRACTOR'S AFFIDAVIT
REGARDING
SETTLEMENT OF CLAIMS

PROJECT 121315 - CDBG STREET IMPROVEMENTS

To the City of Glendale, Arizona

Gentlemen:

This is to certify that all lawful claims for materials, rental of equipment and labor used in connection with the construction of the above project, whether by subcontractor or claimant in person, have been duly discharged.

The undersigned, for the consideration of $_____ , as set out in the final pay estimate, as full and complete payment under the terms of the contract, hereby waives and relinquishes any and all further claims or right of lien under, in connection with, or as a result of the above described project. The undersigned further agrees to indemnify and save harmless the City of Glendale against any and all liens, claims of liens, suits, actions, damages, charges, costs, litigation expenses, attorneys' fees and any other and expenses whatsoever, which said City may suffer arising out of the failure of the undersigned to pay for all labor performance and materials furnished for the performance of said installation.

Signed and dated at _____ , this _____ day of _____ , 20___.

_____
Contractor

By _____

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The foregoing instrument was subscribed and sworn to before me this ___ day of _____, 20
.

_____
Notary Public

My Commission Expires: _____

SUPPLEMENTAL GENERAL CONDITIONS

1. GENERAL: By Ordinance No. 1110 New Series, the City of Glendale adopted the "Uniform Standard Specifications for Public Works Construction," which are sponsored and distributed by the Maricopa Association of Governments. Copies of these documents, with revisions, are on file in the office of the City Engineer of the City of Glendale, and are hereby made a part of these Contract Documents.

Whenever in the Uniform Standard Specifications, the words "The Contracting Agency" are used, the meaning shall be the City of Glendale.

In all cases where ASTM, AASHTO, AWWA, USAG, Federal, City of Phoenix, MAG Specifications, Maricopa County, Arizona State Highway, City of Glendale or other standard specifications are referred to, unless otherwise stated, revisions, supplements or addenda issued on or before the date of this contract, shall prevail. In the event of any conflict between these project specifications and the requirements of the plans, detail drawings, MAG Standard Details and Specifications, these project specifications shall prevail.

2. DEFINITIONS: The following terms, as used in or pertaining to the Contract Documents, are defined as follows:

CITY: The word "City" refers to the City of Glendale, Arizona. The official representative of said City in these proceedings shall be the City Engineer.

CONTRACTOR: The word "Contractor" means the person, firm, or corporation with whom the Contract is made by the City.

MATERIALS: The term "Materials" includes, in addition to materials incorporated in the project, equipment and other material used and/or consumed in the performance of the work.

SUBCONTRACTOR: The word "Subcontractor" includes those having a direct contract with the Contractor and those who furnish material worked to a special design according to the plans and/or specifications for this work, but does not include those who merely furnish materials not so worked.

ENGINEER: The word "Engineer" means a person, firm or corporation duly authorized by the City, to act for the City in staking out the work, inspecting materials and construction, and interpreting plans and specifications.

CONTRACT DOCUMENTS: The words "Contract Documents" mean the Notice to Contractors, Information for Bidders, "Uniform Standard Specifications for Public Works Construction," MAG General Conditions, Supplemental General Conditions, Special Provisions, Supplemental Specifications, Proposal, Contract, Payment Bond, Performance Bond, Certificates of Insurance, Plans and Addenda thereto.

3. PROPOSAL QUANTITIES: It is expressly understood and agreed by the parties hereto that the quantities of the various classes of work to be done and material to be furnished under this Contract, which have been estimated as stated in the Proposal, are only approximate and are to be used SOLELY for the purpose of comparing, on a consistent basis, the proposals offered for the work under this Contract; and the Contractor further agrees that the City will not be held responsible if any of the quantities shall be found incorrect; and the Contractor will not make any claim for damages or for loss of profits because of a difference between the quantities of the various classes of work as estimated and the work actually done. If any error, omission, or mis-statement is found to occur in the estimated quantities, the same shall not invalidate this Contract or release the Contractor from the execution and completion of the whole or any part of the work in accordance with the specifications and the plans herein mentioned, or for the prices herein agreed upon and fixed therefore, or excuse him from any of the obligations or liabilities hereunder, or entitle him to any damages or compensation except as may be provided for in this Contract.

4. WITHDRAWAL OF PROPOSALS: No proposal shall be withdrawn following the opening and reading of the bids for a period of 50 days from the date of opening without the consent of the contracting agency through the body or agent duly authorized to accept or reject the proposal.

5. LOSSES AND DAMAGES: All loss or damage arising out of the nature of the work to be done or from the action of the elements, or from any unforeseen circumstances in the prosecution of the same, or from any unusual obstructions or difficulties which may be encountered in and/or during the prosecution of the work, or from any casualty whatsoever of every description, shall be sustained and borne by the Contractor at his own cost and expense except as otherwise provided by the contract documents or the laws of the State of Arizona.

6. DUST PREVENTION: The Contractor shall take whatever steps, procedures or means required to prevent abnormal dust conditions due to his construction operations in connection with this contract. The dust control measures shall be maintained at all times during construction of the project, to the satisfaction of the Engineer, in accordance with the requirements of the "Maricopa County Health Department Air Pollution Control Regulations" which have been adopted pursuant to A.R.S. § 36-779.

The Contractor shall be required to obtain the necessary permit from the Maricopa County Air Pollution Control Bureau, 1001 N. Central Ave., Phoenix, Arizona 85004 - telephone (602) 506-6727.

7. EXCESS MATERIAL: Excess material shall be removed from the work site and wasted at a location approved by the Engineer. Broken concrete and asphalt may be delivered to the Glendale Sanitary Landfill located at 115th Avenue and Glendale Avenue. The prevailing regulations and fee schedule <u>will not be waived for work under this project</u>. All materials, to be disposed of at the landfill, shall be weighed and disposed of at the prevailing rate.

8. STOCKPILE OF MATERIALS: The Contractor may place or stockpile materials in the public right-of-way, if approved by the Engineer, provided they <u>do not</u> prevent access to adjacent properties or prevent compliance with traffic regulations.

Traffic <u>shall not</u> be required to travel over stockpiled materials, and proper dust control shall be maintained.

9. REFUSE COLLECTION ACCESS: At any time the project construction shall require the closure or disruption of traffic in any roadway, alley, or refuse collection easement such that normal refuse collection will be interfered with, the Contractor shall, at least 48 hours prior to causing such closure or disruption, make arrangements with the Field Operations Department in order that refuse collection service can be maintained.

10. CLEAN-UP: After all work under this contract is completed, the Contractor shall remove all loose concrete, lumber, wire, reinforcing, debris, and other materials not incorporated in the work, from the site of the work. Clean-up shall include the removal of all excess pointing mortar materials within pipes and removal of over-size rocks and boulders left after finish grading. The contractor shall provide for the legal disposal of all waste products, debris, etc., and shall make necessary arrangements for such disposal.

11. SHOP DRAWINGS: The Contractor shall provide shop drawings as may be necessary for the prosecution of the work as required by the contract documents. The Engineer shall promptly review all shop drawings. The Engineer's approval of any shop drawing shall not release the Contractor from responsibility for deviations from the contract documents. The approval of any shop drawing which substantially deviates from the requirements of the contract documents shall be evidenced by a change order.

When submitted for the Engineer's review, shop drawings shall bear the contractor's certification that he has reviewed, checked, and approved the shop drawings and that they are in conformance with the requirements of the contract documents.

Portions of the work requiring a shop drawing or sample submission shall not begin until the shop drawing or sample submission has been approved by the Engineer. A copy of each approved shop drawing and each approved sample shall be kept in good order by the Contractor at the site and shall be available to the Engineer.

12. PROTECTION OF FINISHED OR PARTIALLY FINISHED WORK: The Contractor shall properly guard and protect all finished or partially finished work, and shall be responsible for the same until the entire contract is completed and accepted, in writing, by the City. The Contractor shall turn over the entire work in full accordance with the specifications before final settlement shall be made.

13. STATUS OF EMPLOYEES: Contractor shall be responsible for assuring the legal working status of its employees and its subcontractor's employees.

14. LAWS AND REGULATIONS: This Contract shall be governed by and constructed in accordance with the laws of the State of Arizona. The Contractor shall keep himself fully informed of all existing and future City and County Ordinances and Regulations and State and Federal Laws and Occupational Safety and Health Standards (OSHA) in any manner affecting the work herein specified. He shall at all times observe and comply with said Ordinances, Regulations, or Laws.

15. PERMITS: The City has obtained certain required permits which are included in the project specifications, but it will be the duty of the Contractor to determine that all the necessary permits have been obtained. The Contractor shall, at his own expense, obtain all required permits which have not been furnished by the City. A no-fee permit will be issued for work in the City of Glendale right-of-way and easement. (Also see Paragraph 7. Dust Prevention.)

16. ELECTRIC POWER AND WATER: The Contractor shall make his own arrangements for electric power and water. Subject to the convenience of the City, he may be permitted to connect to existing facilities where available, but he shall meter and bear the cost of such power or water. Fire hydrant meters may be obtained from the City of Glendale. Installation and removal of meters should be scheduled through the City's Water Services/Utilities Division at 930-2700. For details and current rates, please visit http://www.glendaleaz.com/CrossConnection/firehydrantmeterprogram.cfm.

17. SURVEY CONTROL POINTS AND MONUMENTS: Existing survey monuments indicated on the plans or found during construction shall be protected by the Contractor, and in the event removal is necessary, removal and replacement shall be performed by permission of the Engineer, under direct supervision of the Engineer or his authorized representative. Survey monuments shall be constructed to conform to the requirements of MAG Specifications, Section 405, and Standard Details.

18. EXISTING UTILITIES: The Contractor is hereby advised that the location of all utilities, as shown on the plans, may not be complete nor exact and the Contractor shall satisfy himself as to the exact location of the utilities by contacting Blue Stake or the utility companies before proceeding with the work. After the underground utilities are located by Blue Stake or the utility company, the contractor shall excavate in a careful and prudent manner to prevent unwillful damage to the underground utilities.

In the event the Contractor or its Subcontractor damages an existing, properly identified underground City of Glendale water or sewer line, the Contractor shall be responsible for the repairs at its expense.

The exact location of all existing underground service utilities, whether or not indicated on the plans, shall be determined by the Contractor at no expense to the City, and he shall conduct his work so as to prevent interruption of service or damage to them.

The Contractor shall protect existing utility services and be responsible for their replacement if damaged by him, or to make necessary adjustment in their location, if required, in order to complete the work for his Contract.

Utility companies and other interested parties have been provided with construction plans and the

construction schedule for this project. The Contractor shall comply with MAG Specifications 105.6 to cooperate with the utility companies.

19. MAINTENANCE OF IRRIGATION FACILITIES: Where irrigation facilities interfere with construction, the Contractor shall remove and replace the affected irrigation facilities to its original condition. Final acceptance of replaced facilities will depend upon final approval of the Engineer.

20. OVERHEAD UTILITY LINES AND POLES: Contractor is advised that when work around overhead lines and poles is required on a project the Contractor is required to coordinate with Utility Companies who own and operate overhead lines and poles. The coordination may include, but not be limited to the following activities: pole bracing, de-energizing of lines, and temporary relocations. Contractor is responsible to contact the applicable Utility Company representative and discuss his proposed construction methods; in order to determine what actions the Utility Company must take and the costs related to those actions. The Contractor shall include these costs in the applicable bid items for this project.

The primary and the backup representatives for this review and cost determinations are as follows:

Arizona Public Service:	Mr. Bobby Garza	602-371-7989
Qwest:	Mr. Ron Floyd	602-630-1932
Salt River Project:	Mr. Tim Rinn	602-236-8694
Salt River Project:	Ms. Mariann Ward	602-236-6389
Cox Communications:	Mr. Ron Pint	623-328-3529
Cox Communications:	Ms. Linda Facio	623-328-3500

21. SOUTHWEST GAS FACILITIES EXPOSED DURING CONSTRUCTION: The Contractor, upon exposing a gas line during construction, shall call SOUTHWEST GAS at 602-271-4277. The Southwest Gas patrolman will respond, usually within an hour, to inspect the line. Minor cuts or abrasions to the pipe coating will be rewrapped and tracer wire will be reconnected at no cost to the City.

22. UNDERGROUND UTILITIES' BEDDING: All water, sewer, storm drain, irrigation and other conduits installed within the City of Glendale shall be bedded from bottom of excavation to one foot above the pipe with granular bedding material meeting the requirements of Section 601.4.6 of MAG Uniform Standard Specifications. The initial bedding under the pipe shall follow City of Glendale Detail G-690.

23. SEWER SERVICE LINES: The Contractor shall be responsible for locating, and protecting from damage during construction, all sewer service lines within the project which are not owned by the City. Contractor will be permitted to review the "as-builts" to assist Contractor in locating the non-City owned sewer service lines. These "as-builts" were prepared, and supplied to the City, by private developers or contractors who installed the non-City owned sewer service lines. Therefore, the City does not guarantee or warranty the accuracy of such "as-builts" and the contractor, as a condition for being allowed to review such "as-builts", hereby agrees to hold the City harmless for any and all damages or other expenses contractor may incur as a result of any inaccuracies or incorrect information in these "as-builts".

24. RIGHTS-OF-WAY: The City will provide rights-of-way and easements for all work specified in this Contract, and the Contractor shall not enter or occupy with man, tools, equipment or materials any private ground outside the property of the City of Glendale, Maricopa County, Arizona, without the consent of the property owner.

25. SUBCONTRACTS: Subcontracts shall be in accordance with, and the Contractor shall be bound by, the following provisions:

All subcontracts shall be subject to the approval of the City.

All subcontracts shall be in writing and shall provide that all work to be performed thereunder shall be performed in accordance with the terms of the Contract.

Certified copies of any and all subcontracts shall be furnished to the City Engineering Department; however, prices may be omitted.

Subcontracts shall conform to the regulations governing employment of labor.

The subcontracting of any part of the work will in no way relieve the Contractor of his responsibility under the Contract.

26. PRE-CONSTRUCTION CONFERENCE: After completion of the Contract Documents, to include bonds, insurance and signatures, and prior to the commencement of any work on the project, the Engineer will schedule a Pre-Construction Conference. This will be held at the City of Glendale, 5850 West Glendale Avenue, Glendale, Arizona.

The purpose of this Conference is to establish a working relationship between the Contractor, Utility Companies, and the Engineer. The agenda will include critical elements of the construction schedule, procedures for handling shop drawings and other submittals, cost breakdown of major lump sum items, payment application and processing, coordination with the involved utility companies, emergency telephone numbers for all representatives involved in the course of construction, and establishment of the Notice to Proceed date.

Minimum attendance by the Contractor shall be a responsible official of the company/corporation, who is authorized to execute and sign documents on behalf of the company/corporation.

27. OVERTIME:

Regular Work Hours: The work required to be performed by the Plans and Specifications for the Project shall be performed only during regular working hours, unless the City has authorized overtime work in accordance with the procedures set forth below. Regular working hours shall be defined as one 8-1/2 hour shift per day, Monday through Friday, or, upon prior approval of the City, one 10-1/2 hour shift per day on a compressed four day work week during Monday through Friday. Regular working hours shall not include Saturdays, Sundays or City recognized legal holidays.

Authorization and Costs: If the Contractor desires to schedule work for times other than regular work hours (overtime), the Contractor shall make a written request to the City at least two business days prior to the scheduled overtime. The City reserves the right to deny the request to work overtime based on the best interest and needs of the City. If an overtime request is denied, the City may, at its sole discretion, extend the contract time at no additional costs to the City.

In the event the Contractor does perform work overtime, with or without the prior approval of the City, the Contractor shall be responsible to the City for all additional costs that may be incurred by the City as a result of the Contractor's overtime work, including costs for engineering, inspections, testing, surveying and construction administration, all in accordance with MAG Section 108.5. However, the Contractor shall not be responsible for City's costs incurred as a result of overtime work requested by the City or overtime work resulting from an emergency which is not the responsibility of the Contractor or its employees, subcontractors or suppliers. The City's cost will be billed directly to the Contractor or may, at the City's option, be deducted from monies due the Contractor.

28. CONTRACTOR'S CONSTRUCTION SCHEDULE: Concurrently, with the execution of the contract and prior to the preconstruction conference, the Contractor shall submit a preliminary schedule for the Engineer's review and acceptance. The schedule shall be in sufficient detail to allow the Engineer to determine if the proposed schedule will conform to an acceptable program of construction operations, as determined by the contracting agency. Within ten calendar days after the preliminary schedule, described above, has been accepted by the Engineer, the Contractor shall submit a progress schedule, utilizing the critical path method scheduling technique, showing the order in which he proposes to carry out the work, the dates on which he will start each phase of the work, and the contemplated date for completion of each phase. The Contractor shall not be permitted to commence construction until the schedule complying with this paragraph has been submitted to the

City. The Contractor will not be granted any extension to the contract time or compensation for any damages as a result of the City's refusal to allow Contractor to commence construction until the critical path method progress schedule has been submitted and accepted by the Engineer.

The critical path method (CPM) scheduling technique requires a breakdown of the entire work into individual tasks and an analysis of the number of days required to perform each task. The schedule submitted to the City should highlight and identify the critical path for the project. After the work is in progress, the Contractor shall submit supplementary progress schedules, using the critical path method technique, of the progress to date and projection for completion. The supplementary progress schedules shall be submitted with each pay request in accordance with the paragraph, "Payments to Contractors," of these Supplemental General Conditions. The progress schedules shall be subject to the acceptance of the Engineer. In the event the Contractor fails to submit a supplementary progress schedule acceptable to the Engineer, the City may withhold further progress payments to the Contractor until the Contractor submits an acceptable supplementary progress schedule, which is accepted by the Engineer, to the City. Schedule changes requiring an increase in the City's engineering personnel on the project shall not be put into effect until the Engineer has approved such increase and made arrangements for the required additional personnel.

29. CHARACTER OF WORKMEN: None but skilled foremen and workmen shall be employed on work requiring special qualifications. When required by the Engineer, the Contractor shall discharge any person who is, in the opinion of the Engineer, disorderly, dangerous, insubordinate, incompetent, or otherwise objectionable. The Contractor shall keep the City harmless from damages or claims for compensation that may occur in the enforcement of this section of the specifications.

30. HINDRANCES AND DELAYS: Except as otherwise provided herein, no charge shall be made by the Contractor for hindrances or delays from any cause during the progress of the work embraced in this Contract; but such delays, if due to no fault or neglect of the Contractor, shall entitle the Contractor to an extension of time allowed for completing the work, sufficient to compensate for the delay, the amount of the delay to be determined by the Engineer, provided the Contractor shall give said Engineer immediate notice in writing of the cause of such delay.

30.1 Delay: In the event of a delay for which the City is solely responsible, which is unreasonable under the circumstances and which was not within the contemplation of City and Contractor at the time this Contract is executed, City and Contractor shall negotiate, in good faith, a payment by the City to Contractor for the expenses incurred by Contractor as a result of such delay, in accordance with the City of Glendale Engineering Department's POLICY STATEMENT FOR CALCULATING DELAYS AND DAMAGES. This provision shall not be construed to void any provision in the contract which requires notice of delay or provides for liquidated damages. However, if the delay is the result of any act or neglect of a third party, including the architect, engineer or other contractor employed by the City, or by labor disputes, fire, unusual delay in transportation, adverse weather conditions not reasonably foreseeable, unavoidable casualties, or any causes beyond the Contractor's control, the Contractor shall not be entitled to any payments or compensation for expenses incurred as a result of such delay, but the Contract Time shall be extended by Change Order for such reasonable time as the Engineer may determine. No extension or compensation will be granted for any delay which is the result, wholly or partially, of any act or neglect of Contractor or any Subcontractor hired by Contractor.

31. LIQUIDATED DAMAGES:

31.1 Should the contractor fail to substantially complete the work under this contract within the time for completion stated in the paragraph "Time of Completion," in the Information for Bidders, then the contractor shall pay the City of Glendale, Arizona, liquidated damages, pursuant to the provisions of Section 108.9, Standard Specifications for Public Works Construction, Maricopa Association of Governments, until the work is substantially complete.

31.2 Should the contractor fail to fully and finally complete the work under this contract within the time for completion set forth in the paragraph "Time of Completion," in the Information for Bidders, even though the contractor has achieved substantial completion of the work within such time, then the

contractor shall pay the City of Glendale, liquidated damages (pursuant to the provisions of Section 108.9, Standard Specifications for Public Works Construction, Maricopa Association of Governments), in an amount equal to 100% of the applicable liquidated damage rate set forth in MAG Section 108.9 for each and every calendar day of delay until the work is fully and finally complete and accepted.

31.3 The date of substantial completion shall be the date when the work is sufficiently complete, in accordance with the contract documents, so the owner can fully occupy and utilize the work or designated portion thereof for the use for which it is intended, with all the project's parts and systems operable as required by the contract documents and all the work is complete, accessible, operable, and usable by the owner for its intended purpose(s), and all parts, systems and sitework are 100% complete and cleaned for the owner's use. Only incidental corrective work and final cleaning (if required), beyond cleaning needed for the owner's full use, may remain for final completion.

31.4 Full and final completion shall be that date when all work under the project, including incidental corrective work under punch list and final cleaning, has been completed and the entire project is accepted by the owner.

32. PAYMENTS TO CONTRACTOR: The measurements of quantities and the payments to the Contractor shall be in accordance with MAG Uniform Standard Specifications for Public Works Construction, Part 100 - General Conditions, Section 109 - Measurements and Payments.

Payments will be made on the basis of itemized, monthly statements prepared by the City and signed by the Contractor. The Contractor shall submit an itemized, duly certified and approved estimate for work completed through the last day of the preceding month in accordance with MAG Specifications, as amended by these Supplemental General Conditions. Upon approval of the pay estimate, the City will mail the check directly to the Contractor.

The pay estimate shall be accompanied by an updated progress schedule as required by these Supplemental General Conditions and a cash flow report when required by the Special Provisions. Approval of progress payments shall be conditional upon submittal of progress schedules and cash flow reports, when required, which are acceptable to the Engineer.

Upon 100% completion and acceptance of the project, and with the request for final payment, the Contractor shall complete and submit the "Contractor's Affidavit Regarding Settlement of Claims" form which is included in these specifications. Before final payment and release of retention, Contractor must arrange for its Surety to provide the City with a fully executed AIA Consent of Surety form. To avoid delays in the final payment, the Surety may send the Consent of Surety directly to the City via fax at (623) 915-2861, and mail the original to the City of Glendale Engineering Department, 5850 West Glendale Avenue, Glendale, Arizona 85301. Should any ambiguity arise between the Contract and these Conditions, the provisions of the Contract shall prevail.

33. WARRANTY: This project shall have a 2 year warranty. The warranty period shall begin upon final acceptance of the work by the City of Glendale.

END OF SUPPLEMENTAL GENERAL CONDITIONS

SPECIAL PROVISIONS

1. SCOPE OF WORK: **CDBG STREET IMPROVEMENTS.** Community Development Block Grant (CDBG) funded reconstruction of selected streets within a low to moderate income neighborhood by removing and replacing existing asphalt pavement. Non-compliant sidewalk ramps will be replaced with new ADA sidewalk ramps and new ADA ramps will be installed where none exist. Minor repairs to existing curb and sidewalk are included.

SCHEDULING NOTE: Streets intended for pavement replacement must be completed sequentially. Asphalt pavement removal is not to begin on a designated street without pavement replacement completed on the previous street. Designated streets (in no particular order) are:

- **McLellan, 62nd Avenue to 63rd Avenue**
- **62nd Drive, McLellan to Ocotillo Road**
- **Tuckey Lane, 63rd Avenue to 64th Avenue**
- **64th Avenue, Ocotillo Road to Tuckey Lane**

2. DEFINITIONS:

A. Section: Reference to a Section on the plans or in these Specifications shall mean a Section of the Uniform Standard Specifications for Public Works Construction, sponsored and distributed by Maricopa Association of Governments (MAG), latest revision. The provisions of MAG Uniform Standard Specifications and Details for Public Works Construction, which are not altered or modified by the drawings or by these Special Provisions or by any subsequently issued Addendum, shall apply to the contract even though the Contractor's attention is not specifically drawn to such provisions.

B. Standard Detail: Reference to a MAG Standard Detail (MAG S.D.) on the plans or in these specifications shall mean a standard detail drawing in the latest revision of the Uniform Standard Specifications for Public Works Construction, sponsored and distributed by Maricopa Association of Governments. City of Glendale Standard Detail (C.O.G. S.D.) shall mean a standard detail drawing in the City of Glendale's Engineering Design and Construction Standards, latest revision. City of Phoenix Standard Detail (C.O.P. S.D.) shall mean a standard detail drawing in the Phoenix Supplemental Standard Details for Public Works Construction, latest revision.

3. CONSTRUCTION SURVEYING AND LAYOUT: The work under this item shall consist of furnishing all materials, personnel, equipment, and traffic control necessary to perform all surveying, staking, and verification of the accuracy of all control points per the plans and as directed by the Engineer. Included in this work shall be all calculations required for the satisfactory completion of the project in conformance with the plans and these Special Provisions. The work shall be done under the direction of a registered professional engineer or a registered land surveyor employed by the Contractor. The crew chief shall be NICET Certified Level III or a registered land surveyor. The Contractor shall furnish all equipment, materials and other devices necessary for establishing, checking, marking and maintaining points, lines, grades and layouts.

Throughout the work, the Contractor shall set all stakes including, but not limited to; centerline stakes; offset stakes; reference point stakes; slope stakes; pavement lines, curb lines and grade stakes at intervals not greater than 25 feet; stakes for sewers, roadway drainage, pipe, under drains, clearing, paved gutter, fence, right of way markers, and survey monuments; blue tops of subgrade, subbase and base courses at intervals not greater than 50 feet; permanent as-built elevation marks; and all other horizontal or vertical controls necessary for complete and accurate layout and construction of the work. Stakes for horizontal and vertical curves shall be set at intervals appropriate for the length of curve. The coordinates of any new control points established by the Contractor during the course of

the work shall be given to the Engineer within five working days of control point establishment.

Field notes shall be kept in standard field notebooks furnished by the Contractor. Field notes shall be kept in a clear, orderly and neat manner consistent with standard surveying practices. The standard field notebooks or copies of, shall be made available to the Engineer upon request at any time during the prosecution of the work.

When utility adjustments are a part of the contract, the Contractor shall perform all layout work and set all control points, stakes and references necessary for carrying out all such adjustments.

The Contractor shall cross-section all fill areas for monthly, quantity estimates and as directed by the Engineer. The Engineer may verify the accuracy of same. The Engineer shall check all measurements that involve determination of final quantities.

Any errors, omissions or discrepancies in the project plans shall be immediately brought to the attention of the Engineer. The Contractor shall promptly notify the Engineer in writing, explaining the problem in detail. The Engineer will advise the Contractor within three working days of any corrective actions deemed necessary. No changes in the project plans will be allowed without the approval of the Engineer.

The Contractor shall be compensated for additional work associated with survey and layout when:

A. The project plans do not provide sufficient information and new calculations must be performed.

B. The Contractor performs survey work based on erroneous plan information, which results in the duplication of work.

C. Changes by the Engineer to the plan information for which the Contractor has already performed the work and results in the duplication of such work.

The Contractor shall not be due compensation for any survey work when:

A. Information provided on the plans is sufficiently complete to allow any additional information necessary for the complete layout of the work to be routinely calculated.

B. The Contractor fails to inform the Engineer of discovered plan errors before the performance of any extra survey work.

C. Work is included in any other pay item.

The Contractor shall inform the Engineer in a timely manner of any omissions, ambiguities, or errors which the Contractor feels may result in extra calculations or survey work, so as not to delay the project or create any unnecessary calculations.

All additional survey work shall be documented by the Contractor and verified by the Engineer before compensation may be granted. Documentation shall consist of a detailed diary specifically addressing the work involved in the alleged problem area. The Contractor may be required to provide calculations, charts, graphs, drawings, or any other physical evidence, which will verify additional work.

The Contractor shall be responsible for verifying curb and gutter grades before placement of concrete

using a steel straightedge, string line or other method approved by the Engineer. The field verification shall be performed in the presence of the Engineer or designated representative.

The Engineer reserves the right to make inspections and random checks of the staking and layout. Inspection or acceptance of all or any part of the Contractor's staking and layout by the Engineer does not relieve the Contractor of full responsibility to secure the proper dimensions, grades and elevations of the work.

If, in the Engineer's opinion, the work is not being performed in a manner that will assure proper controls and accuracy, the Engineer will order any or all of the staking and layout work redone at no additional cost to the City. If any portion of the Contractor's staking and layout work is ordered redone and requires additional rechecking by the Engineer, the City shall be reimbursed for all costs for such additional checking. The amount of such costs will be deducted from the Contractor's monthly estimate.

The Contractor shall provide final "as-constructed" field surveying, including both vertical and horizontal data based on the finished work. The Contractor shall also furnish final Record Drawings for all improvements. The Record Drawings shall be prepared by a Registered Land Surveyor and submitted to the Owner for approval prior to final acceptance of the project. The Record Drawings shall be prepared on a set of reproducible copies of the construction plans. The completed drawings shall be signed and sealed by the Registered Land Surveyor responsible for obtaining the As-built information and preparing the Record Drawings.

All survey field books and documentation shall be available for inspection by the Engineer.

Payment for this item will be made at the contract lump sum price fully complete for **CONSTRUCTION SURVEYING AND LAYOUT**.

4. SUSPENSION OF WORK: The Engineer reserves the right to suspend the work wholly or in part if deemed necessary for the best interest of the City. This suspension will be without compensation to the Contractor, other than to adjust the contract time in accordance with MAG Section 108.

5. COMPLIANCE WITH MANUFACTURER'S INSTRUCTIONS: In all instances wherein the item and/or specifications require installation or construction in accordance with either manufacturer's or supplier's recommendations and/or instructions, said recommendations and/or instructions shall be submitted with the applicable portions clearly marked for approval prior to the commencement of work on that item or portion of the contract.

6. TRAFFIC REGULATIONS:

6.1 All traffic affected by this construction shall be regulated in accordance with the City of Phoenix "Traffic Barricade Manual," the "Manual of Uniform Traffic Control Devices" and these Special Provisions. The following traffic restrictions are minimum requirements throughout the construction period:

6.1.1 All references in the City of Phoenix "Traffic Barricade Manual" and the "Manual of Uniform Traffic Control Devices" to "arterial" and/or "collector" streets shall mean "arterial and/or major arterial" streets and are referred to as "major" streets in the following sections.

6.1.2 A minimum of two travel lanes (one for each direction) shall be maintained open to traffic at all times on all major streets. All work that enters or crosses a major street must be done at times other than 6:00 a.m. to 8:30 a.m., and 4:00 p.m. to 6:00 p.m. unless

approved by the Transportation Director or Designee.

6.1.3 A travel lane shall be defined as ten (10) feet of roadway not obstructed by traffic control devices with a safe motor vehicle operating speed of twenty-five (25) miles per hour.

6.1.4 A travel lane will not be considered as open to traffic until it has been graded reasonably smooth and is paved with a minimum of two (2) inches of asphalt. This shall be considered temporary pavement and shall be removed completely before proceeding with final surfacing.

6.1.5 The Contractor shall provide and maintain all required and requested traffic control devices to protect and guide traffic for all work in the construction area.

6.1.6 Intersection area shall be defined as all of the area within the right-of-way of intersecting streets, plus two-hundred fifty (250) feet beyond the center of the intersected streets on all legs of the intersection.

6.1.7 The Contractor shall maintain all existing traffic signs erect, clean and in full view of the intended traffic at all times. Street name signs at major street intersections shall be maintained erect at all times. If any signs interfere with construction, the Contractor shall notify the Transportation Department at least 48 hours in advance before covering or removing said signage. The Contractor shall be responsible for reinstalling all signs removed or covered and verifying they are correctly placed. The Transportation Department will inspect all signage prior to completion of the project.

6.1.8 Local access to all properties on the subject project shall be maintained at all possible times in the form of a safe and reasonable direct route to at least one of the above defined major streets. Whenever local access cannot be maintained, the Contractor shall notify the affected property owner or user and the Engineer at least Seventy-Two (72) hours in advance.

6.1.9 The Contractor shall be required to provide a uniformed off-duty City of Glendale police officer to assist with traffic control whenever traffic in any one direction is restricted to one lane at a signalized major intersection or at other locations if it should become necessary in the opinion of the Transportation Director or Designee. If the Contractor chooses to use a police officer at other locations during peak traffic hours or to assist with his other traffic control operations, the cost shall be included in the lump sum for "Traffic Control" and not paid out of the hours allowed for "Off Duty Glendale Police Officer." All requests for off-duty officers will be made through the Glendale Police Department, Off-Duty Work Administrator. The Contractor must provide evidence of workmen's compensation coverage before any officer will be permitted to work.

Measurement for payment of the uniformed off-duty Glendale police officer hours will be made by the actual number of man-hours used for traffic control at signalized major intersections or as approved by the Engineer. Because the quantity of hours is dependent on the Contractors schedule of activities, the unit price bid for this item will be administered as a contingency bid item and any adjustment in hours will not be subject to the 20 percent limitation.

Payment for the off-duty Glendale police officer will be made at the contract unit price bid per hour for OFF DUTY GLENDALE POLICE OFFICER and shall include the net hourly rate of $35.00 per police officer with a three (3) hour minimum. The net hourly rate shall be increased to include withholding for Federal, State, FICA, Medicare, Workmen's Compensation insurance and any payroll administrative costs.

6.1.10 The Contractor shall prepare a traffic control plan for the project and submit it to the City Transportation Director or Designee for review and approval at least fifteen (15) working days prior to the start of construction. The traffic control plan must be submitted through the City of Glendale on-Line Traffic Control Plan application process at

www.glendaleaz.com/transportation/TrafficControlForm.cfm. The traffic control plan shall include message boards installed a minimum of seven (7) working days prior to restrictions when requested by the Transportation Director or Designee, additional public notification shall be required for major restrictions that impact adjacent stakeholders. Any changes to the traffic control plan during construction shall be submitted to the City Transportation Director or Designee for approval at least seventy-two (72) hours before implementation.

Payment for this item shall be made at the contract lump sum price for TRAFFIC CONTROL.

6.1.11 It is the City's desire to maintain one lane of traffic in each direction on minor streets whenever possible. Should it become imperative for the Contractor to close off a portion of any minor street or reduce the travel way to a single lane, he/she must obtain approval from the City Transportation Director or Designee Seventy-Two (72) hours prior to implementing a traffic control change. He/she must provide all the necessary signs to detour traffic and/or flag person to control traffic for a single lane. The maximum amount of time that the street may be closed is from 9:00 a.m. until 4:00 p.m.

6.1.12 Flagger Requirements: All flaggers shall be properly trained and certified by a recognized source, such as the American Traffic Safety Services Association (ATSSA) or National Safety Council, and shall carry with them at all times proof that training and certification requirements have been completed within the last two years.

7. ENERGIZED AERIAL ELECTRICAL POWER LINES: The utility company maintains energized aerial electrical power lines in the immediate vicinity of this project. Do not consider these lines to be insulated. Construction personnel working in proximity to these lines are exposed to an extreme hazard from electrical shock. Contractors, their employees, and all other construction personnel working on this project must be warned of the danger and instructed to take adequate protective measures, including maintaining a minimum ten (10) feet clearance between the lines and all construction equipment and personnel. (See: OSHA Standard 1926.550(a)15.) As an additional safety precaution, Contractors should also be instructed to call the utility company to arrange, if possible, to have these lines de-energized or relocated when the work reaches their immediate vicinity. The cost of such temporary arrangements would be borne by the Contractor. The utility company can often respond to such requests if two days advance notice is given, but some situations may require up to sixty (60) days lead time for relocation or other arrangements.

8. PUBLIC INFORMATION/NEWSLETTER: The contractor shall notify all residents within the limits of the project of upcoming construction activity by hand distributing, at the beginning of the project, a Construction Notice that includes scheduling and nature of activities, one week before construction activities commence. Detours and Hotline telephone numbers shall be included. Once every two weeks, throughout the course of the project, the Contractor shall hand distribute a newsletter updating current and future construction activities to all residents within the project limits.

Payment for this item will be made at the contract lump sum price for PUBLIC INFORMATION/NEWSLETTER.

9. CONCRETE GUTTER WATER TESTING: The MAG Uniform Standard Specifications, Section 340.3, CONSTRUCTION METHODS, shall be modified as follows: The 1/2 inch referenced in Paragraph 16 beginning, "When required by the Engineer, gutter having a slope of 0.8 foot...," shall be changed to 1/4 inch.

10. RECORD DRAWINGS: The Contractor shall maintain one set of contract drawings with all changes, deviations, additions and deletions clearly marked thereon. Upon completion of the work, this set of drawings, shall be marked "RECORD DRAWINGS," dated, and delivered to the Engineer prior to approval of the Contractor's final payment request.

11. AZPDES Permit Requirements:

A. This project is subject to the Arizona Pollutant Discharge Elimination System (AZPDES) Stormwater requirements for construction sites under the Environmental Protection Agency (EPA) General Permit for Arizona. Under provisions of that permit, the Contractor shall be designated as permittee, and shall take all necessary measures to assure compliance with the AZPDES General Permit for Arizona as well as all other applicable Federal, State and local laws, ordinances, statutes, rules and regulations pertaining to stormwater discharge. As the permittee, the Contractor is responsible for preparing, in a manner acceptable to the EPA, **ADEQ, and the City of Glendale,** all documents required by this regulation, including but not necessarily limited to:

1. Stormwater Pollution Prevention Plan (SWPPP) for the project, including certification of compliance form. Contractor shall be required to develop, implement, update and revise the SWPPP, as necessary, in order to assure compliance with the ADEQ permit requirements. **All SWPPP revisions must be reviewed by the City of Glendale's Engineering Department prior to implementation.** The SWPPP shall be retained on the project site at all times during construction.

2. Notice of Intent (NOI) to assure compliance with the AZPDES General Permit for Arizona, including certification of signatures.

3. Notice of Termination (NOT) of coverage under AZPDES General Permit for Arizona.

B. Three copies of the SWPPP and the NOI shall be submitted to the City of Glendale during the pre-construction meeting and shall be subject to review by the City prior to implementation.

C. Contractor shall submit the completed and duly signed NOI forms no later than forty-eight (48) hours prior to the **pre-construction meeting** for the project to the following agency:

Arizona Department of Environmental Quality; Surface Water Section/Stormwater
and General Permits Unit
1110 West Washington, 5415A-1
Phoenix, AZ 85007

The contractor may also go online and use the Stormwater SMART NOI System at:

http://www.az.gov/webapp/noi/main.do

Failure by the Contractor (or Subcontractors of any tier) to submit NOI's within the mandated time frame shall result in delay of the construction start date, and no claim for extension of time will be granted for such delay. A copy of the completed NOI shall be posted at the construction site.

D. Inspections of all stormwater pollution control devices on the project shall be performed by the Contractor on a monthly basis and following each rainfall of 0.50 inches or more in a 24-hour period at the project site as required under provisions of the AZPDES General Permit for Arizona. Contractor shall prepare reports on such inspections and retain the reports for a period of three years following the completion of the project. Inspection reports shall be submitted monthly to the City along with progress payment requests. Additionally, Contractor shall maintain all stormwater pollution control devices on the project in proper working order, which shall include cleaning and/or repair during the

duration of the project.

E. Contractor warrants that its employees and Subcontractors of any tier and their employees shall at all times comply with all applicable laws, ordinances, statutes, rules and regulations set forth by all federal, state and local governments and the Arizona Department of Environmental Quality in connection with AZPDES Permitting requirements and laws and regulations pertaining to air, groundwater and surface water quality.

Fines and penalties imposed by the ADEQ against the City of Glendale or the Contractor, for Contractor's failure to comply with any of the requirements of AZPDES General Permit of Arizona, shall be borne by the Contractor.

F. Upon project completion, acceptance and demobilization, Contractor shall use the SMART NOI web-based service to complete the NOT process and also provide a copy of the NOT to **the City of Glendale** thereby terminating all AZPDES permit coverage for the project. Contractor shall then surrender to the City all inspection information and other documents prepared and maintained by the Contractor in compliance of the AZPDES General Permit. Contractor shall retain the originals of such documents for a period of three (3) years following the completion of the project.

G. Copies of all required forms and guidance for preparing the SWPPP are available at the ADEQ website http://www.azdeq.gov/environ/water/permits/stormwater.html.

H. The Lump Sum price for the SWPPP shall include all material, labor, and all other costs relating to the preparation, installation and maintenance of the SWPPP during project construction, including assuring proper operation of the pollution control devices installed, and all maintenance, cleaning, and disposal costs associated with clean-up and repair following storm events, runoff or releases on the project. The Lump Sum price for the SWPPP shall be inclusive of all costs, and no additional claims shall be made by Contractor under any other specification provision of these documents, including Change Conditions. Payment for this bid item shall be upon final completion and acceptance of the project, as per Section 109.1.

Payment for AZPDES permit requirements shall be made on the basis of lump sum for all work for **STORMWATER POLLUTION PREVENTION PLAN.** Payment shall include installation of inlet markers, supplied by the City, on all catch basins, scuppers, drywells and elsewhere as directed by the City. Markers shall be installed using a suitable 2-part epoxy as approved by the City.

12. CONSTRUCTION MATERIALS SAMPLING AND TESTING: The contractor, at their expense, shall provide adequate personnel for construction materials sampling and testing functions as required by the City of Glendale. Proof of certifications of the following requirements shall be provided to the City of Glendale prior to commencement of construction:

A. LABORATORY TESTING SERVICES: Construction materials testing laboratories must meet the following requirements in order to perform laboratory testing on construction materials samples:
    a. Possess and maintain current AASHTO accreditation (including R18) provided by the AASHTO Materials Reference Laboratory (AMRL), and Cement and Concrete Reference Laboratory (CCRL) in any test methods preformed and be currently participating in their respective proficiency programs.
    b. Concrete strength testing must be performed by a technician currently certified by the American Concrete Institute (ACI) as a "Concrete Strength Testing Technician".

B. FIELD TESTING AND SAMPLING SERVICES: Field technicians shall be employed by the construction materials testing laboratory noted above and have current "*Field Technician Certification*" from the Arizona Technical Testing Institute (ATTI) and current "*Concrete Field Testing Technician – Grade 1*" certification from the American Concrete Institute.

C. TESTING FREQUENCIES: Laboratory and field testing and sampling shall adhere to the current City of Glendale minimum frequencies (see tables below) formal documentation, records etc. shall be provided to the City in a timely manner and as part of required project documentation for overall project acceptance. The City reserves the right to utilize independent / additional testing to confirm prior results.

Payment for this item will be made at the contract lump sum price fully complete for CONSTRUCTION MATERIALS SAMPLING AND TESTING.

CITY OF GLENDALE - CONSTRUCTION ENGINEERING

MATERIALS TESTING SECTION

ASPHALTIC CONCRETE MINIMUM SAMPLING AND TESTING FREQUENCY

TYPE OF SAMPLE	REQUIRED TEST(S)	TEST METHOD DESIGNATION	MINIMUM SAMPLE FREQUENCY	MINIMUM SIZE OF SAMPLE
COLD FEED AGGREGATE OR COMBINED HOT-BIN AGGREGATE SAMPLES	SIEVE ANALYSIS	A S T M C - 136	1 - EVERY 500 TONS	25Kg
	SAND EQUIVALENT	A S T M D - 2419	1 - PER DAY	10Kg
	SPECIFIC GRAVITY (COARSE & FINE)	A S T M C-127 / C-128	1 - PER DAY	12Kg
	SIEVE ANALYSIS	A S T M C - 136	1 - PER EACH ADDITIONAL 500 TONS PRODUCED	25Kg
UNCOMPACTED ASPHALTIC CONCRETE MIXTURE	IGNITION-GRADATION	ARIZ 427	1 - PER FIRST 500 TONS PER DAY	9 Kg
	GYRATORY COMPACTION	AASHTO TP4	1 - PER FIRST 500 TONS PER DAY	9 Kg
	MAX THEORETICAL SPECIFIC GRAVITY	A S T M D - 2041	1 - PER FIRST 500 TONS PER DAY	7 Kg
	IGNITION-GRADATION	ARIZ 427	1 - PER EACH ADDITIONAL 500 TONS PRODUCED	9 Kg
	MARSHAL COMPACTION	ASTM D-6926/D6927	1 - PER FIRST 500 TONS PER DAY	9 Kg
COMPACTED ASPHALTIC CONCRETE MIXTURE	NUCLEAR DENSITY	A S T M D - 2950	1 - PER 750 LINEAR FT PER PASS OR RIBBON	N/A
	SPECIFIC GRAVITY BY CORE SAMPLE	A S T M D - 2726	1 - PER 750 LINEAR FT PER PASS OR RIBBON	N/A

revised 1/07/2013

City of Glendale				
Minimum Construction Materials Field Testing Frequency				
Type of Material	Type of Structure	Minimum Test Frequency	Minimum Test Requirement	Test Method
Native In-Situ	Curb, Gutter & Sidewalk	1-per 500 lin ft	90% & +2 -4% of optimum moisture	ASTM D-698 / D-2922
Native In-Situ	Roadway Subgrade	1-per 500 lin ft.	95% & +2 -4% of optimum moisture	ASTM D-698 / D-2922
Native In-Situ	Trench Backfill	1-per 500 lin ft per 1 ft lift	95% & +2 -4% of optimum moisture	ASTM D-698 / D-2922
Native In-Situ	Structural Fill	1-per lift	95% & +2 -4% of optimum moisture	ASTM D-698 / D-2922
Native In-Situ	Driveways, Aprons, Valley Gutters	1- per structure	95% & +2 -4% of optimum moisture	ASTM D-698 / D-2922
Aggregate Base	Pipe Bedding	1-per 500 lin ft	95%	ASTM D-698 / D-2922
Aggregate Base	Curb, Gutter & Sidewalk	1-per 500 lin ft	95%	ASTM D-698 / D-2922
Aggregate Base	Roadway Base	1-per 500 lin ft	100%	ASTM D-698 / D-2922
Aggregate Base	Structural Fill	1-per lift	95%	ASTM D-698 / D-2922
Concrete	Curb, Gutter, Sidewalk, Driveways	1 set per 50 yards or 1/2 days pour	1 set of (4) 4X8 Cylinders	ASTM C-71 / C-172
Asphaltic Concrete	Roadway (Artenal)	1-per 750 lin.ft per pass	92% - Nuclear Density	ASTM D-2950 / D-2041
Asphaltic Concrete	Roadway (Artenal)	1-per 750 lin ft per pass	92% - Core Density	ASTM D-2726
Asphaltic Concrete	Roadway (Residential)	1-per 750 lin ft per pass	95% - Marshall Density	ASTM D-6926/D6927
Asphaltic Concrete	Roadway (Residential)	1-per 750 lin ft. per pass	95% - Core Density	ASTM D-2726
Asphaltic Concrete	Roadway	1 Sample per 500 tons	Uncompacted Field Sample	AC Laboratory Tests*
NOTE: This table is based on the approximate **minimum** number of tests to be performed and requirements may be increased depending on site conditions or other circumstances at the discretion of the City of Glendale * All Asphaltic Concrete Laboratory Tests are covered on another sheet provided upon request.				

Revised 01/07/2013

13. CASH FLOW REPORT: The Contractor shall prepare a Cash Flow Report for projected monthly project cash flow on a City provided form and submit it for approval prior to issuance of the Notice to Proceed. The accumulation of monthly pay estimate costs shall be plotted versus time in accordance with the proposed construction schedule. After approval, the Contractor shall submit an updated Cash Flow Report prior to the receipt of each Progress Payment. Each updated Cash Flow Report shall reflect the Contractor's actual monthly payment versus the actual elapsed contract time.

At the City's request, if the projected quarterly project cash flow varies by more than ten percent of the total contract price, the Contractor shall prepare a revised Cash Flow Report. Each revised Cash Flow Report is subject to approval by the City prior to issuance of the progress payment.

Revisions to the report resulting from Contractor initiated delays or work schedule changes shall be at no cost to the City. Any revisions required by City initiated delays or changes to the work shall be paid as an integral part of the approved Change Order.

14. CONSTRUCTION SIGN: The project type to be indicated on the sign shall be 121315 - CDBG STREET IMPROVEMENTS . See "Construction Sign Detail."

15. ALLOWANCE FOR CONSTRUCTION CONTINGENCIES: The Bid Schedule includes a lump sum contingency allowance. This allowance is at all times the property of the City and is for the sole purpose of reimbursing the Contractor for any unforeseen work not apparent at the time of bidding or additional work requested by the CITY OF GLENDALE.

No work anticipated for reimbursement under this Bid Item shall be initiated by the Contractor until the Contractor and the City agree on the scope and cost to perform the additional work. The Contractor shall prepare and submit to City a cost itemization and summary for the additional work. The City shall review and approve prior to the Contractor proceeding with any additional work. Any portion of the stated sum not expended remains the property of the City.

Work under this section shall consist of any additional work identified by the City and Contractor due to construction activity. All work under this item shall be itemized as per MAG Section 109.5 requirements and deducted from the set amount of $18,000.00. The Contractor shall be compensated for the actual cost of the work performed. All work under this section shall include but is not limited to all necessary materials, tools, equipment, layout and labor required to complete each task.

Payment for work performed on an actual cost basis will not be made until the Contractor has furnished the Engineer, on forms agreed to by the City, duplicate itemized statements of such work, including subcontractor(s) costs, detailed as follows:
(1) Name, classification, date, daily hours, total hours, rate and extension for each laborer and foreman, when he is in direct charge of the operation.
(2) Designation, dates, daily hours, total hours, rental rates and extension for each unit of equipment, and machinery, except for small tools and manual equipment.
(3) Quantities of material, prices, extension and transportation cost on a daily basis. These charges shall be substantiated by vendor invoices.

Payment for Bonds and Insurance premiums will not be considered as a portion of the actual cost of the work and no additional payment for bonds and insurance premiums will be authorized.

Measurement and payment for this item shall be made on an individual basis per task and as described above. Limit for this item is set at $18,000.00 on the bid form, under line item ALLOWANCE FOR CONSTRUCTION CONTINGENCY.

END OF SPECIAL PROVISIONS

Project Life Cycle Cash Flow Schedule

GLENDALE

Project No _____ Date _____

Project Name 2012 FIRE HYDRANT & VALVE REPLACEMENT

Company Name.

Project Start Date _____ Project Completion Date _____

Original ☐ Updated ☐ Revised ☐

		Estimated		Actual	
Qtr	Fiscal Yr	Amount	Accum	Amount	Accum
1st	07/11 - 09/11				
2nd	10/11 - 12/11				
3rd	01/12 - 03-12				
4th	04/12 - 06/12				
1st	07/12 - 09/12				
2nd	10/12 - 12/12				
3rd	01/13 - 03/13				
4th	04/13 - 06/13				
1st	07/13 - 09/13				
2nd	10/13 - 12/13				
3rd	01/14 - 03/14				
4th	04/14 - 06/14				
1st	07/14 - 0914				
2nd	10/14 - 12/14				
3rd	01/15 - 03/15				
4th	04/15 06/15				
1st	07/15 - 09/15				
2nd	10/15 - 12/15				
3rd	01/16- 03/16				
4th	04/16- 06/16				
	Totals	$ -	$ -	$ -	$ -

* COG's fiscal year is July 1, (current year) through June 30, (following year)

For Engineering Use Only:

Account No _____ PO No _____

CONSTRUCTION SIGN DETAIL

CONSTRUCTION SIGNS ARE TO BE IN PLACE BEFORE PHYSICAL CONSTRUCTION BEGINS

SIGNS SHALL BE MADE OF 3/4" AC EXTERIOR PLYWOOD OR OTHER MATERIAL APPROVED BY THE ENGINEER

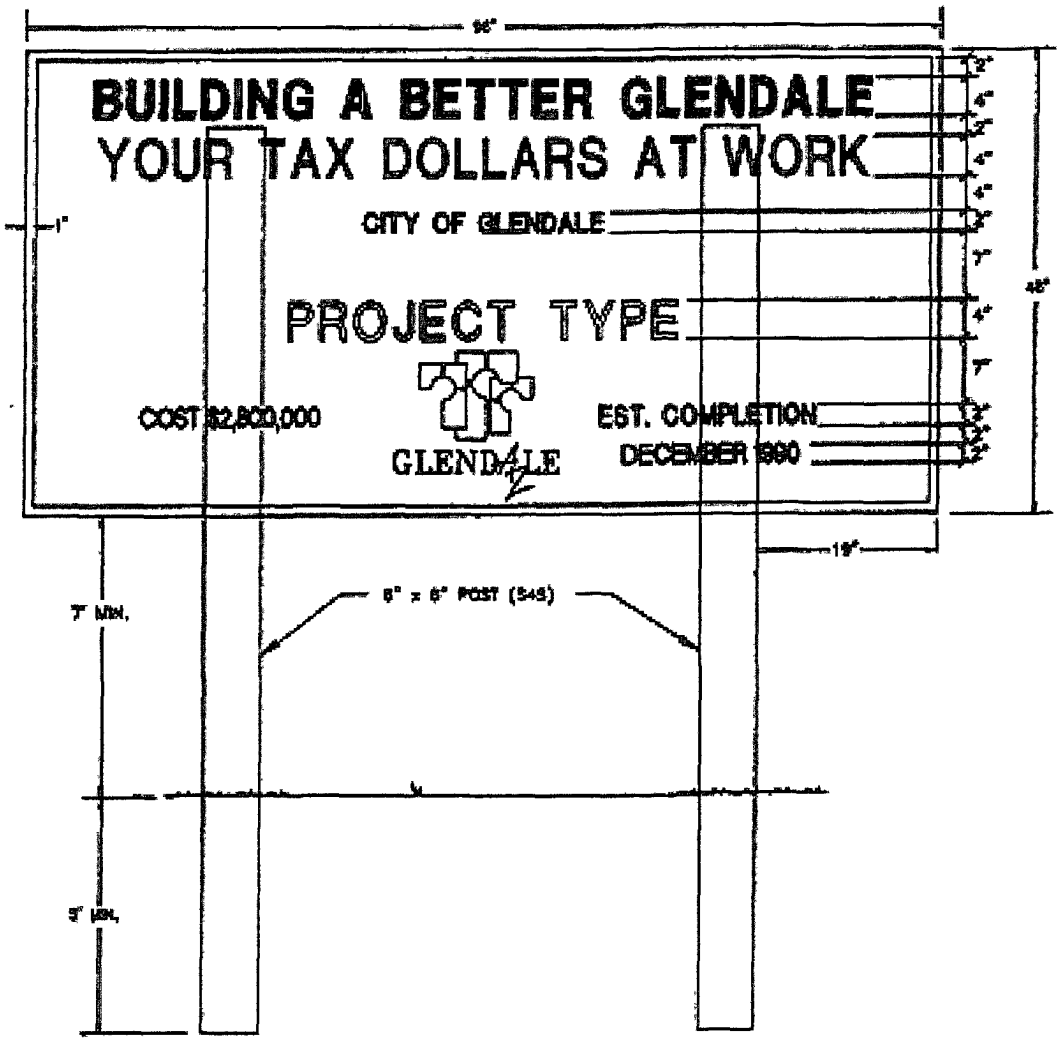
BACKGROUND TO BE PAINTED WHITE WITH STENCIL BLACK LETTERS, NUMERALS AND BORDER.

POSTS SHALL BE PAINTED WHITE. ALL MOUNTING HARDWARE TO BE RUST PROOF MATERIAL

SIGNS SHALL BE SO PLACED THAT THEY WILL NOT OBSCURE OR DETRACT FROM OTHER SIGNING.

CONTRACTOR TO FILL IN THE PROJECT TYPE, COMPLETION DATE, AND COST AS DIRECTED.

THE TWO COLOR GLENDALE LOGO IS AVAILABLE BY CONTACTING THE CITY OF GLENDALE ENGINEERING DEPT. AT 623-930-3630.



General Decision Number: AZ130008 03/22/2013 AZ8

Superseded General Decision Number: AZ20120013

State: Arizona

Construction Type: Highway

Counties: Coconino, Maricopa, Mohave, Pima, Pinal, Yavapai and Yuma Counties in Arizona.

HIGHWAY CONSTRUCTION PROJECTS

Modification Number	Publication Date
0	01/04/2013
1	01/11/2013
2	02/22/2013
3	03/22/2013

CARP0408-005 10/01/2012

	Rates	Fringes
CARPENTER (Including Cement Form Work)	$ 23.58	9.49

ENGI0428-001 01/01/2012

	Rates	Fringes
OPERATOR: Power Equipment		
Group 1	$ 19.89	9.05
Group 2	$ 23.16	9.05
Group 3	$ 24.24	9.05
Group 4	$ 25.27	9.05

POWER EQUIPMENT OPERATORS CLASSIFICATIONS:

GROUP 1: A-frame boom truck, air compressor, Beltcrete, boring bridge and texture, brakeman, concrete mixer (skip type), conductor, conveyor, cross timing and pipe float, curing machine, dinky (under 20 tons), elevator hoist (Husky and similar), firemen, forklift, generator (all), handler, highline cableway signalman, hydrographic mulcher, joint inserter, jumbo finishing machine, Kolman belt loader, machine conveyor, multiple power concrete saw, pavement breaker, power grizzly, pressure grout machine, pump, self-propelled chip spreading machine, slurry seal machine (Moto paver driver), small self-propelled compactor (with blade-backfill, ditch operation), straw blower, tractor (wheel type), tripper, tugger (single drum), welding machine, winch truck

GROUP 2:
ALL COUNTIES INCLUDING MARICOPA: Aggregate Plant, Asphalt plant Mixer, Bee Gee, Boring Machine, Concrete Pump, Concrete Mechanical Tamping-Spreading Finishing Machine, Concrete Batch Plant, Concrete Mixer (paving & mobile), Elevating Grader (except as otherwise classified), Field

Equipment Serviceman, Locomotive Engineer (including Dinky 20 tons & over), Moto-Paver, Oiler-Driver, Operating Engineer Rigger, Power Jumbo Form Setter, Road Oil Mixing Machine, Self-Propelled Compactor (with blade-grade operation), Slip Form (power driven lifting device for concrete forms), Soil Cement Road Mixing Machine, Pipe-Wrapping & Cleaning Machine (stationary or traveling), Surface Heater & Planer, Trenching Machine, Tugger (2 or more drums).

MARICOPA COUNTY ONLY: Backhoe < 1 cu yd, Motor Grader (rough), Scraper (pneumatic tired), Roller (all types asphalt), Screed, Skip Loader (all types 3<6 cu yd), Tractor (dozer, pusher-all).

GROUP 3:
ALL COUNTIES INCLUDING MARICOPA: Auto Grade Machine, Barge, Boring Machine (including Mole, Badger & similar type directional/horizontal), Crane (crawler & pneumatic 15>100 tons), Crawler type Tractor with boom attachment & slope bar, Derrick, Gradall, Heavy Duty Mechanic-Welder, Helicopter Hoist or Pilot, Highline Cableway, Mechanical Hoist, Mucking Machine, Overhead Crane, Pile Driver Engineer (portable, stationary or skid), Power Driven Ditch Lining or Ditch Trimming Machine, Remote Control Earth Moving Machine, Slip Form Paving Machine (including Gunnert, Zimmerman & similar types), Tower Crane or similar type.

MARICOPA COUNTY ONLY: Backhoe<10 cu yd, Clamshell < 10 cu yd, Concrete Pump (truck mounted with boom only), Dragline <10 cu yd, Grade Checker, Motor Grader (finish-any type power blade), Shovel < 10 cu yd.

GROUP 4: Backhoe 10 cu yd and over, Clamshell 10 cu yd and over, Crane (pneumatic or crawler 100 tons & over), Dragline 10 cu yd and over, Shovel 10 cu yd and over.

All Operators, Oilers, and Motor Crane Drivers on equipment with Booms, except concrete pumping truck booms, including Jibs, shall receive $0.01 per hour per foot over 80 ft in addition to regular rate of pay

Premium pay for performing hazardous waste removal $0.50 per hour over base rate.

IRON0075-004 01/01/2013

COCONINO, MARICOPA, MOHAVE, YAVAPAI & YUMA COUNTIES

	Rates	Fringes
Ironworker, Rebar.....	$ 26.52	20.65

Zone 1: 0 to 50 miles from City Hall in Phoenix or Tucson
Zone 2: 050 to 100 miles - Add $4.00
Zone 3: 100 to 150 miles - Add $5.00
Zone 4: 150 miles & over - Add $6.50

LABO0383-002 06/01/2010

	Rates	Fringes
Laborers:		
Group 1	$ 17.61	4.35
Group 2	$ 18.63	4.35
Group 3	$ 19.42	4.35
Group 4	$ 20.51	4.35
Group 5	$ 21.49	4.35

LABORERS CLASSIFICATIONS:

GROUP 1: All Counties: Chipper, Rip Rap Stoneman. Pinal County Only: General/Cleanup Laborer. Maricopa County Only: Flagger.

GROUP 2: Asphalt Laborer (Shoveling-excluding Asphalt Raker or Ironer), Bander, Cement Mason Tender, Concrete Mucker, Cutting Torch Operator, Fine Grader, Guinea Chaser, Power Type Concrete Buggy

GROUP 3: Chain Saw, Concrete Small Tools, Concrete Vibrating Machine, Cribber & Shorer (except tunnel), Hydraulic Jacks and similar tools, Operator and Tender of Pneumatic and Electric Tools (not herein separately classified), Pipe Caulker and Back-Up Man-Pipeline, Pipe Wrapper, Pneumatic Gopher, Pre-Cast Manhole Erector, Rigger and Signal Man-Pipeline

GROUP 4: Air and Water Washout Nozzleman; Bio-Filter, Pressman, Installer, Operator; Scaffold Laborer; Chuck Tender; Concrete Cutting Torch; Gunite; Hand-Guided Trencher; Jackhammer and/or Pavement Breaker; Scaler (using boson's chair or safety belt); Tamper (mechanical all types).

GROUP 5: AC Dumpman, Asbestos Abatement, Asphalt Raker II, Drill Doctor/Air Tool Repairman, Hazardous Waste Removal, Lead Abatement, Lead Pipeman, Process Piping Installer, Scaler (Driller), Pest Technician/Weed Control, Scissor Lift, Hydro Mobile Scaffold Builder.

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* PAIN0086-001 04/01/2012

	Rates	Fringes
PAINTER		
PAINTER (Yavapai County only), SAND BLASTER/WATER BLASTER (all Counties)	$ 19.35	4.75

ZONE PAY: More than 100 miles from Old Phoenix Courthouse $3.50 additional per hour.

SUAZ2009-001 04/20/2009

	Rates	Fringes
CEMENT MASON	$ 19.28	3.99

ELECTRICIAN.....$ 22.84 6.48

IRONWORKER (Rebar)
Pima County.....$ 23.17 14.83
Pinal County.....$ 20.27 8.35

LABORER
Asphalt Raker.....$ 15.49 3.49
Compaction Tool Operator....$ 14.59 2.91
Concrete Worker.....$ 13.55 3.20
Concrete/Asphalt Saw.....$ 13.95 2.58
Driller-Core, diamond,
wagon, air track.....$ 16.94 3.12
Dumpman Spotter.....$ 14.99 3.16
Fence Builder.....$ 13.28 2.99
Flagger
Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 12.35 1.59
Formsetter.....$ 16.09 3.97
General/Cleanup Laborer
Coconino, Maricopa,
Mohave, Pima, Yavapai &
Yuma.....$ 14.54 3.49
Grade Setter (Pipeline).....$ 17.83 5.45
Guard Rail Installer.....$ 13.28 2.99
Landscape Laborer.....$ 11.39
Landscape Sprinkler
Installer.....$ 15.27
Pipelayer.....$ 14.81 2.96
Powderman, Hydrasonic.....$ 16.39 2.58

OPERATOR: Power Equipment
Asphalt Laydown Machine.....$ 21.19 6.05
Backhoe < 1 cu yd
Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 17.37 3.85
Backhoe < 10 cu yd
Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 18.72 3.59
Clamshell < 10 cu yd
Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 18.72 3.59
Concrete Pump (Truck
Mounted with boom only)
Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 19.92 7.10
Crane (under 15 tons).....$ 21.35 7.36
Dragline (up to 10 cu yd)
Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 18.72 3.59
Drilling Machine
(including Water Wells).....$ 20.58 5.65
Grade Checker
Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 16.04 3.68
Hydrographic Seeder.....$ 15.88 7.67
Mass Excavator.....$ 20.97 4.28
Milling Machine/Rotomill....$ 21.42 7.45
Motor Grader (Finish-any
type power blade)

Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 21.92 4.66
Motor Grader (Rough)
Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 20.07 4.13
Oiler.....$ 18.15 8.24
Power Sweeper.....$ 16.76 4.44
Roller (all types Asphalt)
Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 18.27 3.99
Roller (excluding asphalt)..$ 15.65 3.32
Scraper (pneumatic tired)
Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 17.69 3.45
Screed
Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 17.54 3.72
Shovel < 10 cu yd
Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 18.72 3.59
Skip Loader (all types <3
cu yd).....$ 18.28 5.30
Skip Loader (all types 3 <
6 cu yd)
Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 18.64 4.86
Skip Loader (all types 6 <
10 cu yd).....$ 20.15 4.52
Tractor (dozer, pusher -
all)
Coconino, Mohave, Pima,
Pinal, Yavapai & Yuma.....$ 17.26 2.65

PAINTER
Coconino, Maricopa,
Mohave, Pima, Pinal & Yuma..$ 15.57 3.92

TRUCK DRIVER
2 or 3 Axle Dump or
Flatrack.....$ 16.27 3.30
5 Axle Dump or Flatrack.....$ 13.97 2.89
6 Axle Dump or Flatrack (<
16 cu yd).....$ 17.79 6.42
Belly Dump.....$ 14.67
Oil Tanker Bootman.....$ 22.03
Self-Propelled Street
Sweeper.....$ 13.11 5.48
Water Truck 2500 < 3900
gallons.....$ 18.14 4.55
Water Truck 3900 gallons
and over.....$ 15.92 3.33
Water Truck under 2500
gallons.....$ 15.94 4.16

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

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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 union or non-union.

Union Identifiers

An identifier enclosed in dotted lines beginning with characters other than "SU" denotes that the union classification and rate have found to be prevailing for that classification. Example: PLUM0198-005 07/01/2011. The first four letters , PLUM, indicate the international union and the four-digit number, 0198, that follows indicates the local union number or district council number where applicable , i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. The date, 07/01/2011, following these characters is the effective date of the most current negotiated rate/collective bargaining agreement which would be July 1, 2011 in the above example.

Union prevailing wage rates will be updated to reflect any changes in the collective bargaining agreements governing the rates.

0000/9999: weighted union wage rates will be published annually each January.

Non-Union Identifiers

Classifications listed under an "SU" identifier were derived from survey data by computing average rates and are not union rates; however, the data used in computing these rates may include both union and non-union data. Example: SULA2004-007 5/13/2010. SU indicates the rates are not union majority rates, LA indicates the State of Louisiana; 2004 is the year of the survey; and 007 is an internal number used in producing the wage determination. A 1993 or later date, 5/13/2010, indicates the classifications and rates under that identifier were issued as a General Wage Determination on that date.

Survey wage rates will remain in effect and will not change until a new survey is conducted.

WAGE DETERMINATION APPEALS PROCESS

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

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

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

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

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

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

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

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

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

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

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

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END OF GENERAL DECISION

Federal Labor Standards Provisions

U.S. Department of Housing and Urban Development
Office of Labor Relations

Applicability

The Project or Program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance

A. 1. (i) Minimum Wages. All laborers and mechanics employed or working upon the site of the work 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 l(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 particular 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 on 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

(ii) (a) 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 and fringe benefits therefor only when the following criteria have been met.

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination, and

(2) The classification is utilized in the area by the construction industry, and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(b) 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 c its designee to the Administrator of the Wage and Hour Divisior Employment Standards Administration, U S Department of La bor, Washington, D C 20210 The Administrator, or an authorize representative, will approve, modify, or disapprove every additiona classification action within 30 days of receipt and so advise HUI or its designee or will notify HUD or its designee within the 30-da period that additional time is necessary. (Approved by the Offic of Management and Budget under OMB control number 1215 0140)

(c) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUI or its designee do not agree on the proposed classification anc 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 recommenda tion of HUD or its designee, to the Administrator 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 (Approved by the Office of Management and Budget under OMB Control Number 1215-0140)

(d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii)(b) or (c) of 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

(iii) 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.

(iv) 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 (Approved by the Office of Management and Budget under OMB Control Number 1215-0140)

2. Withholding. 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 on the site of the work, all or part

of the wages required by the contract, HUD or its designee may, after written notice to the contractor, sponsor, applicant, or owner, 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 The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts

3. (i) Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. 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 l(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 any costs reasonably anticipated in providing benefits under a plan or program described in Section l(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 (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017)

(ii) (a) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, 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 29 CFR 5.5(a)(3)(i) This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1), U.S. Government Printing Office, Washington, DC 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 1215-0149)

(b) 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

(1) That the payroll for the payroll period contains the information required to be maintained under 29 CFR 5 5 (a)(3)(i) and that such information is correct and complete;

(2) 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,

(3) 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.

(c) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A 3 (ii)(b).

(d) 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 231 of Title 31 of the United States Code

(iii) The contractor or subcontractor shall make the records required under subparagraph A 3 (i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee 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, sponsor, applicant or owner, 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.

4. Apprentices and Trainees.

(i) 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, or with a State Apprenticeship Agency recognized by the Office, 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 the Office of Apprenticeship Training, Employer and Labor Services 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 above, 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

journeymen 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 determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, 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

(ii) 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 on 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 on 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 on the wage determination for the 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 on 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.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

5. Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract

6. Subcontracts. The contractor or subcontractor will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 of this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this paragraph.

7. Contract termination; debarment. A breach of the contr clauses in 29 CFR 5 5 may be grounds for termination of the co tract and for debarment as a contractor and a subcontractor provided in 29 CFR 5 12.

8. Compliance with Davis-Bacon and Related Act Requiremen All rulings and interpretations of the Davis-Bacon and Relat Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorp rated by reference in this contract

9. Disputes concerning labor standards. Disputes arising c of the labor standards provisions of this contract shall not be su ject to the general disputes clause of this contract. Such disput shall be resolved in accordance with the procedures of the D partment of Labor set forth in 29 CFR Parts 5, 6, and 7 Disput within the meaning of this clause include disputes between tl contractor (or any of its subcontractors) and HUD or its designe the U.S Department of Labor, or the employees or their repr sentatives

10. (i) Certification of Eligibility. By entering into this contra the contractor certifies that neither it (nor he or she) nor any pe son or firm who has an interest in the contractor's firm is a perso or firm ineligible to be awarded Government contracts by virtue Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to b awarded HUD contracts or participate in HUD programs pursua to 24 CFR Part 24.

(ii) No part of this contract shall be subcontracted to any perso or firm ineligible for award of a Government contract by virtue Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to b awarded HUD contracts or participate in HUD programs pursua to 24 CFR Part 24

(iii) The penalty for making false statements is prescribed in th U S Criminal Code, 18 U.S C. 1001 Additionally, U.S Crimin Code, Section 1 01 0, Title 18, U S.C , "Federal Housing Adminis tration transactions", provides in part "Whoever, for the purpos of influencing in any way the action of such Administration . makes, utters or publishes any statement knowing the same to b false . . shall be fined not more than $5,000 or imprisoned no more than two years, or both"

11. Complaints, Proceedings, or Testimony by Employees No laborer or mechanic to whom the wage, salary, or other labo standards provisions of this Contract are applicable shall be dis charged or in any other manner discriminated against by the Cor tractor or any subcontractor because such employee has filed an complaint or instituted or caused to be instituted any proceedin or has testified or is about to testify in any proceeding under c relating to the labor standards applicable under this Contract t his employer.

B. Contract Work Hours and Safety Standards Act. The provi sions of this paragraph B are applicable only where the amount c the prime contract exceeds $100,000 As used in this paragraph, th terms "laborers" and "mechanics" include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor con tracting for any part of the contract work which may require or involv the employment of laborers or mechanics shall require or permit an such laborer or mechanic in any workweek in which he or she i employed on such work to work in excess of 40 hours in such work week unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for al 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 clause set forth in subpara

graph (1) of this paragraph, 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 clause set forth in subparagraph (1) of this paragraph, 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 the clause set forth in sub paragraph (1) of this paragraph.

(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 other Federal contract with the same prime contract, 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 clause set forth in subparagraph (2) of this paragraph.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (4) of this paragraph and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in subparagraphs (1) through (4) of this paragraph.

C. Health and Safety. The provisions of this paragraph C are applicable only where the amount of the prime contract exceeds $100,000

(1) No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

(2) The Contractor shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, 40 USC 3701 et seq.

(3) The Contractor shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each subcontractor. The Contractor shall take such action with respect to any subcontract as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions

U.S. Department of Housing and Urban Developme
Office of Labor Relatior

A Contractor's Guide to Davis-Bacon Wage Requirements & Certified Payroll Reports

(As edited by the Arizona Department of Housing, CDBG Program, 2/98)

(Prevailing Wage Requirements for Federal and Federally-assisted Construction Projects)

March 1997

INTRODUCTION

The purpose of this Guide is to explain in simple and non-bureaucratic terms exactly what is required of contractors and subcontractors working on construction projects covered by Federal Davis-Bacon prevailing wage and reporting requirements. HUD's Office of Labor Relations is providing this Guide as a service to assist you in better understanding your labor standards and compliance responsibilities. This Guide has been developed in consultation with the Department of Labor's Wage and Hour Division. **This guide has also been edited by the State of Arizona Department of Housing, CDBG Program, for applicability to the state's program requirements.**

There are three chapters in this Guide. The first chapter provides a brief description of the laws and regulations associated with Federal labor standards administration and enforcement and discusses both what's in your contract that requires Davis-Bacon compliance as well as your responsibilities. The second chapter deals with labor standards and payroll reporting requirements The third chapter discusses what can happen in the event there is a dispute about the wage rates that should be (or have been) paid and any back wages that may be due

This Guide is focused primarily on the requirements and responsibilities associated with HUD-assisted construction work subject to Davis-Bacon wage rates, but the guidance is also generally applicable to Davis-Bacon covered projects administered by other Federal agencies.

Not all HUD construction projects are covered by Davis-Bacon wage rates. For the purpose of this Guide, we shall assume that a determination has already been made that Davis-Bacon wage rates are applicable.

Look for these boxes throughout this Guide for time saving tips, cross references, and other helpful information

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Visit the Office of Labor Relations on the World Wide Web HUD Home Page at ***http://www.hud.gov/***

and

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TABLE OF CONTENTS

CHAPTER 1. LAWS, REGULATIONS, CONTRACTS AND RESPONSIBILITIES

1-1 Davis-Bacon and Other Labor Laws
- a. The Davis-Bacon Act (DBA)
- b. The Contract Work Hours and Safety Standards Act (CWHSSA)
- c The Copeland Act (Anti-Kickback Act)
- d. The Fair Labor Standards Act (FLSA)

1-2 Davis-Bacon Regulations
1-3 Construction Contract Provisions
1-4 Responsibility of the Principal Contractor
1-5 Responsibility of the Contract Administrator

CHAPTER 2. HOW TO COMPLY WITH LABOR STANDARDS AND PAYROLL REPORTING REQUIREMENTS

SECTION I THE BASICS

2-1 The Wage Decision
- a. The work classifications and wage rates.
- b. Posting the wage decision.

2-2 Additional "Trade" Classifications and Wage Rates
- a. Additional classification rules
- b. Making the request.
- c. HUD review.
- d. DOL decision.

2-3 Certified Payroll Reports
- a. Payroll formats.
- b. Payroll certifications.
- c. "No work" payrolls.
- d. Payroll review and submission.
- e. Payroll retention.
- f. Payroll inspection.

2-4 Davis-Bacon Definitions
- a. Laborer or mechanic.
- b. Employee.
- c. Apprentices and trainees.
- d. Prevailing wages or wage rates.
- e. Fringe benefits.
- f. Site of work.
- g. Overtime.
- h. Deductions.
- I. Proper designation of trade.

SECTION II REPORTING REQUIREMENTS

2-5 Completing a Payroll Report
- a Project and contractor/subcontractor information.
- b. Employee information.
- c. Work classification.
- d. Hours worked.
- e. Rate of pay.
- f. Gross wages earned.
- g. Deductions.
- h. Net pay.
- I. Statement of compliance.
- j. Signature

SECTION III PAYROLL REVIEWS AND CORRECTIONS

2-6 Compliance Reviews
- a. On-site interviews.
- b. Project payroll reviews.

2-7 Typical Payroll Errors and Required Corrections.
- a. Inadequate payroll information.
- b. Missing addresses and Social Security Numbers.
- c. Incomplete payrolls
- d. Classifications.
- e. Wage rates.
- f Apprentices and trainees.
- g. Overtime.
- h. Computations.
- i. Deductions.
- j. Fringe benefits.
- k. Signature.
- l. On-site interview comparisons.

2-8 Restitution for Underpayment of Wages
- a. Notification to the prime contractor.
- b Computing wage restitution.
- c. Correction payrolls.
- d. Employee signature.
- e. Review of correction CPR.
- f. Unfound workers.

CHAPTER 3. LABOR STANDARDS DISPUTES, ADMINISTRATIVE REVIEWS, WITHHOLDING AND DEPOSITS AND ESCROW ACCOUNTS

3-1 Introduction

3-2 Administrative Review on Labor Standards Disputes
    a. Additional classifications and wage rates.
    b. Findings of underpayment.

3-3 Withholding
3-4 Deposits and Escrow Accounts
3-5 Debarment.

EXHIBITS

LS-4, Payroll Form
LS-5, Statement of Compliance

CHAPTER 1 LAWS, REGULATIONS, CONTRACTS AND RESPONSIBILITIES

The following paragraphs describe what the labor standards laws and regulations actually say and what means to you on HUD projects:

1-1 DAVIS-BACON AND OTHER LABOR LAWS.

a. **The Davis-Bacon Act (DBA).** The Davis-Bacon Act requires the payment of prevailing wag rates (which are determined by the U S. Department of Labor) to all laborers and mechanics c Federal construction projects in excess of $2,000. Construction includes alteration and/or repai including painting and decorating, of public buildings or public works.

b **The Contract Work Hours and Safety Standards Act (CWHSSA).** CWHSSA requires time an one-half pay for overtime (O/T) hours (over 40 in any workweek) worked on the covered projec The CWHSSA applies to both direct Federal contracts and to indirect Federally-assisted contract ***except*** where the assistance is solely in the nature of a loan guarantee or insurance CWHSS violations carry a liquidated damages penalty ($10/day per violation). Intentional violations c CWHSSA standards are considered a Federal criminal misdemeanor

> ⏲ The CWHSSA does not apply to *contracts* of $100,000 or less. Even though CWHSS overtime pay is not required. Fair Labor Standards Act (FLSA) overtime pay is probably sti applicable. *(See also* Labor Relations Letter *SL-95-01, CWHSSA Coverage threshold fc overtime and health and safety provisions.)*

c **The Copeland Act (Anti-Kickback Act).** The Copeland Act makes it a crime for anyone tc require any laborer or mechanic (employed on a Federal or Federally-assisted project) to ***kickbac*** any part of their wages. The Copeland Act also requires every employer (contractors anc subcontractors) to submit weekly certified payroll reports (CPRs).

d **The Fair Labor Standards Act (FLSA).** The FLSA contains Federal minimum wage rates anc overtime (O/T) requirements. These requirements generally apply to any labor performed and may be ***pre-empted*** by other Federal standards such as the DBRA prevailing wage requirements anc CWHSSA O/T provisions. Only the DOL has the authority to administer and enforce FLSA. HUD wil refer to the DOL any possible FLSA violations that are found on HUD projects.

1-2 **DAVIS-BACON REGULATIONS.** The Department of Labor has published rules and instructions concerning Davis-Bacon and other labor laws in the Code of Federal Regulations (CFR). These regulations can be found in ***Title 29 CFR Parts 1, 3, 5, 6 and 7***. *Part 1* explains how the DOL establishes anc publishes DBA wage determinations and provides instructions on how to use the determinations. *Part 3* describes Copeland Act requirements for payroll deductions and the submission of weekly certified payroll reports *Part 5* covers the labor standards provisions that are in your contract relating to Davis-Bacon Act wage rates and the responsibilities of contractors and contracting agencies to administer and enforce the provisions *Part 6* provides for administrative proceedings enforcing Federal labor standards on construction and service contracts Last, *Part 7* sets parameters for practice before the Wage Appeals Board (*renamed Administrative Review Board*) These regulations are used as the basis for administering and enforcing the laws

> ⏲ DOL Regulations are available on-line on the World Wide Web:
> **http://www.dol.gov/dol/esa/public/regs/cfr/whdcfr.htm**.

1-3 **CONSTRUCTION CONTRACT PROVISIONS.** Each contract subject to Federal (Davis-Bacon) labor standards requirements must contain contract provisions containing labor standards clauses and a Davis-Bacon wage decision These documents are normally bound into the contract specifications.

a. **The labor standards clauses.** The labor standards clauses describe the responsibilities of the contractor concerning Davis-Bacon wages and obligate the contractor to comply with the labor requirements. The labor standards clauses also provide for remedies in the event of violations, including withholding from payments due to the contractor to ensure the payment of wages or liquidated damages which may be found due. These contract clauses enable the contract administrator to enforce the Federal labor standards applicable to the project. HUD has standard forms that contain contract clauses. For example, the HUD-4010, Federal Labor Standards Provisions, which is used for CDBG and HOME projects.

b. **Davis-Bacon Wage Decisions.** The Davis-Bacon wage decision is a listing of various construction work classifications such as Carpenter, Plumber, and Electrician, for example, and the minimum wage rates (and fringe benefits, where prevailing) that people performing work in those classifications must be paid.

1-4 **RESPONSIBILITY OF THE PRINCIPAL CONTRACTOR.** The principal contractor (also referred to as the ***prime*** or ***general contractor***) is responsible for the full compliance of all employers (the contractor, subcontractors and any lower-tier subcontractors) with the labor standards provisions applicable to the project. Because of the contractual relationship between a prime contractor and his/her subcontractors, questions to, or from, or about subcontractors should always be channeled through the prime contractor.

> ✆ To make this Guide easier to understand, the term ***"prime contractor"*** will mean the principal contractor; ***"subcontractor"*** will mean all subcontractors including lower-tier subcontractors, and the term ***"employer"*** will mean all contractors as a group, including the prime contractor and any subcontractors and lower-tier subcontractors.

1-5 **RESPONSIBILITY OF THE CONTRACT ADMINISTRATOR.** The ***contract administrator***(s) is responsible for the proper administration and enforcement of the Federal labor standards provisions on contracts covered by Davis-Bacon requirements and will likely be local grantee staff or under contract to the local governement We use this term to represent the person (or persons) who will provide labor standards preconstruction advice and support to you and other project principals (for example, the owner, sponsor, architect), including providing the proper Davis-Bacon wage decision (see paragraph 2-1, ***The Wage Decision***) and ensuring that the wage decision and contract clauses are incorporated into the contract for construction.

The DOL also has a role in monitoring Davis-Bacon administration and enforcement. A DOL investigator or other DOL representative may visit Davis-Bacon construction sites to interview construction workers or review payroll information.

> ✆ All communications to or from the prime contractor concerning the labor standards applicable to a particular contract, or concerning compliance with those standards should go through the contract administrator.

CHAPTER 2 HOW TO COMPLY WITH LABOR STANDARDS AND PAYROLL REPORTING REQUIREMENTS

WHERE TO START? Now that you know you're on a Davis-Bacon project and you know some of the leg and practical implications, what's next?

SECTION I THE BASICS

2-1 **THE WAGE DECISION.** Davis-Bacon labor standards stipulate the wage payment requirements fc *Carpenters, Electricians, Plumbers, Roofers, Laborers, and other construction work classifications* that ma be needed for the project The ***Davis-Bacon wage decision*** that applies to the project contains a schedul of work classifications and wage rates that must be followed. If you don't have it already (and by now yo should), you'll want to get a copy of the applicable ***Davis-Bacon wage decision.***

> ① Remember, the wage decision is contained in the contract specifications along with the labo standards clauses. *See ¶1-3, Construction Contract Provisions.*

a. **The work classifications and wage rates.** A Davis-Bacon wage decision is simply a listing o different work classifications and the minimum wage rates that must be paid to anyone performin work in those classifications. You'll want to make sure that the work classification(s) you need are contained in the wage decision and make certain you know exactly what wage rate(s) you will nee to pay Some wage decisions cover several counties and/or types of construction work (fo example, residential and commercial work) and can be lengthy and difficult to read. Contact the *contract administrator* (HUD Labor Relations field staff or local agency staff) if you have any trouble reading the wage decision or finding the work classification(s) you need.

b. **Posting the wage decision.** If you are the prime contractor, you will be responsible for posting a copy of the wage decision (or the Project Wage Rate Sheet) and a copy of a DOL poster callec *Notice to Employees* at the job site in a place that is easily accessible to all of the constructior workers employed at the project and where the wage decision and poster won't be destroyed by wind or rain, etc The *Notice to Employees* poster is also available with Spanish text.

2-2 **ADDITIONAL "TRADE" CLASSIFICATIONS AND WAGE RATES. What if the work classification you need isn't on the wage decision?** If the work classification(s) that you need doesn't appear on the wage decision, you will need to request an ***additional classification and wage rate.*** This process is usually very simple and you'll want to start the request right away. Basically, you identify the classification you need and recommend a wage rate for DOL to approve for the project. There are a few rules about additional classifications, you'll find these rules in the DOL regulations, Part 5, and in the labor clauses in your contract The rules are summarized for you here.

a. **Additional classification rules.** Additional classifications and wage rates can be approved if:

1) The requested classification is used by construction contractors in the area of the project. (The area is usually defined as the *county* where the project is located).

2) The work that will be performed by the requested classification is not already performed by another classification that is already on the wage decision. (In other words, if there already is an Electrician classification and wage rate on the wage decision you can't request another Electrician classification and rate.)

3) The proposed wage rate for the requested classification "fits" with the other wage rates already on the wage decision (For example, the wage rate proposed for a trade classification such as Electrician must be at least as much as the lowest wage rate for other trade classifications already contained in the wage decision.) And,

4) The workers that will be employed in the added classification (if it is known who the workers are/will be), or the workers' representatives, must agree with the proposed wage rate.

b. **Making the request.** A request for additional classification and wage rate must be made in writing through the contract administrator. (If the contract administrator is a local agency, the agency will send the request to the HUD Labor Relations staff) If you are a subcontractor, your request should also go through the prime contractor. All you need to do is identify the work classification that is missing and recommend a wage rate (usually the rate that employer is already paying to the employees performing the work) for that classification. You may also need to describe the work that the new classification will perform.

c **DOL review and decision.** The contract administrator will then send the request to the Department of Housing, CDBG Program The request is then forwarded the Department of Labor for approval The DOL will respond to Housing in writing about the additional classification and wage rate request. Housing will notify the contract administrator of the DOL decision in writing. If the DOL approves the request, the prime contractor must post the approval notice on the job site with the wage decision.

If the DOL *does not* approve the request, you will be notified about what classification and wage rate should be used for the work in question.

2-3 **CERTIFIED PAYROLL REPORTS.** You'll need to submit a weekly certified payroll report beginning with the first week that your company works on the project and for every week afterward until your firm has completed its work. It's always a good idea to number the payroll reports beginning with #1 and to clearly mark your last payroll for the project "Final."

a **Payroll formats.** The easiest form to use is DOL's LS-4, ***Payroll*** A sample copy of the LS-4 is included in the back of this Guide Also, the contract administrator can provide a few copies of the LS-4 that you can reproduce

> ⏲ You are *not required* to use Payroll Form LS-4. You are welcome to use any other type of payroll, such as computerized formats, as long as it contains all of the information that is required on the LS-4.

b. **Payroll certifications.** The weekly payrolls are called *certified* because each payroll is signed and contains language certifying that the information is true and correct. The payroll ***certification*** language is on the LS-5 ***Statement of Compliance.*** If you are using another type of payroll format you may attach the certification. A copy of the LS-5 is included in the back of this Guide. Copies of the LS-5 are also available from the contract administrator.

c. **"No work" payrolls.** "No work" payrolls may be submitted whenever there is a temporary break in your work on the project. *(See Tip Box, below, for "no work" payroll exemption!)* For example, if your firm is not needed on the project right now but you will be returning to the job in a couple of weeks. However, if you know that your firm will not be working on the project for an extended period of time, you may wish to send a short note to the contract administrator to let them know about the break in work and to give an approximate date when your firm will return to the project. If you send a note, you *do not* need to send "no work" payrolls.

> ⏲ If you number your payroll reports consecutively, you *do not* need to submit "no work" payrolls!

d. **Payroll review and submission.** The prime contractor should **review** each subcontractor's payroll reports for compliance ***prior*** to submitting the reports to the contract administrator. Remember, the prime contractor is responsible for the full compliance of all subcontractors on the contract and will be held accountable for any wage restitution that may be found due to any laborer or mechanic that is underpaid *and* for any liquidated damages that may be assessed for overtime violations. All of the payroll reports for any project must be submitted to the contract administrator *through* the prime contractor.

> ⏲ An alert prime contractor that reviews subcontractor payroll submissions can detect any misunderstandings early, prevent costly underpayments and protect itself from financial loss should underpayments occur.

e. **Payroll retention.** Every contractor (including every subcontractor) must keep a complete set of their own payrolls and other basic records such as time cards, for a Davis-Bacon project for at least 3 years after the project is completed. The prime contractor must keep a complete set of all of the payrolls for every contractor (including subcontractors) for at least 3 years after completion of the project.

f **Payroll inspection.** In addition to submitting payrolls to the contract administrator, every contractor (including subcontractors) must make their *own* copy of the payrolls available for review or copying to any authorized representative from HUD or from DOL.

2-4 **DAVIS-BACON DEFINITIONS.** Before we discuss how to complete the weekly payroll forms, we need to review a couple of definitions. These definitions can help you understand what will be required of you:

a. **Laborer or mechanic.** "Laborers" and "mechanics" mean anyone who is performing construction work on the project, including trade journeymen (carpenters, plumbers, sheet metal workers, etc.), apprentices, trainees and, for CWHSSA purposes, watchmen and guards. "Laborers" and "mechanics" are the two groups of workers that must be paid not less than Davis-Bacon wage rates.

1) **Working foremen.** Foremen or supervisors that regularly spend **more** than 20% of their time performing construction work are covered "laborers" and "mechanics" for labor standards purposes

2) **Exclusions.** People whose duties are primarily administrative, managerial or clerical are not laborers or mechanics. For example, office staff, timekeepers, messengers, etc. (Contact the contract administrator if you have any questions about whether a particular employee is excluded.)

b. **Employee.** Every person who performs the work of a laborer or mechanic is "*employed*" regardless of any contractual relationship which may be alleged to exist between a contractor or subcontractor and such person. This means that even if there is a contract between a contractor and a worker, the contractor must make sure that the worker is paid at least as much as the wage rate on the wage decision for the classification of work they perform.

> ⏲ Labor Relations Letters and other helpful Labor relations publications are available at HUDs website (see *Introduction* at the beginning of this Guide.

c. **Apprentices and trainees.** The only workers who can be paid less than the wage rate on the wage decision for their work classification are "apprentices" and "trainees" registered in approved apprenticeship or training programs, including *Step-Up* apprenticeship programs designed for Davis-Bacon construction work. Approved programs are those which have been registered with the DOL, Bureau of Apprenticeship and Training (BAT) or with a BAT-recognized State Apprenticeship

Agency (SAC). Apprentices and trainees are paid wage rates in accordance with the wag schedule in the approved program.

> ⏲ Most often, the apprentice/trainee wage rate is expressed as a series of percentages tied t the amount of time spent in the program For example, 0-6 months: 65%; 6 months - 1 yea 70%, etc The percentage is applied to the journeyman's wage rate On Davis-Bacon project the percentage must be applied to the journeyman's wage rate *on the applicable wage decisio* for that craft.

1) **Probationary apprentice.** A "probationary apprentice" can be paid as an apprentice (les than the rate on the wage decision) if the BAT or SAC has certified that the person is eligibl for probationary employment as an apprentice.

2) **Pre-apprentice.** A "pre-apprentice", that is, someone who is not registered in a progran and that hasn't been BAT- or SAC-certified for probationary apprenticeship is ***no*** considered to be an "apprentice" and must be paid the full journeyman's rate on the wag decision for the classification of work they perform.

3) **Ratio of apprentices and trainees to journeymen.** The maximum number o apprentices or trainees that you can use on the job site cannot be more than the ratio o apprentices or trainees to journeymen allowed in the approved program.

d **Prevailing wages or wage rates.** Prevailing wage rates are the wage rates listed on the wag decision for the project The wage decision will list a minimum basic hourly rate of pay for each wor classification. Some wage decisions include fringe benefits, which are usually listed as an hourl fringe rate. If the wage decision includes a fringe benefit rate for a classification, you will need t add the fringe benefit rate to the basic hourly rate *unless* you provide bona fide fringe benefits fo your employees

> ✐ ***Note*** that the *total* hourly wage rate paid to any laborer or mechanic (basic wage *or* basic wage plus fringe benefits) may be no less than the total wage rate (basic wage *or* basic wage plus fringe benefits) on the wage decision for their craft If the value of the fringe benefit(s) you provide is less than the fringe benefit rate on the wage decision, you will need to add the balance of the wage decision fringe benefit rate to the basic rate paid to the employee. For example, if the wage decision requires $10/hour basic rate plus $5/hour fringe benefits, you must pay no less than that total ($15/hour) in the basic rate *or* basic rate plus whatever fringe benefit you may provide.

e **Fringe benefits** include health insurance, retirement, life insurance, vacation and some contributions to training funds Fringe benefits ***do not*** include employer payments or contributions required by other Federal, State or local laws, such as the employer's contribution to Social Security or some disability insurance payments.

f **Site of work.** The "site of work" is where the Davis-Bacon wage rates apply. Usually, this means the boundaries of the project "Site of work" can also include other adjacent or nearby property used by a contractor or subcontractor in the construction of the project, like a fabrication site.

g. **Overtime.** Overtime hours are defined as all hours worked on the site of the work in excess of 40 hours in any work week Overtime hours must be paid at no less than one and one-half times the regular rate of basic pay plus the straight-time rate of any required fringe benefits.

h. **Deductions.** You may make payroll deductions as permitted by DOL Regulations 29 CFR Part 3. These regulations prohibit the employer from requiring employees to "kick-back" any of their earnings. Allowable deductions include employee obligations for income taxes, Social Security

payments, insurance premiums, retirement, savings accounts, and any other legally-permissible deduction authorized by the employee. Deductions may also be made for payments on judgements and other financial obligations legally imposed against the employee.

i. **Proper designation of trade.** You must select a work classification on the wage decision for each worker based on the actual type of work he/she performed and you must pay each worker no less than the wage rate on the wage decision for that classification regardless of their level of skill. In other words, if someone is performing carpentry work on the project, they must be paid no less than the wage rate on the wage decision for Carpenters *even* if they aren't considered by you to be fully trained as a Carpenter. ***Remember***, the only people who can be paid less than the rate for their craft is apprentices and trainees registered in approved programs.

1) **Split-classification.** If you have employees that perform work in more than one classification, you can pay the wage rates specified for each classification ***only*** if you maintain accurate time records showing the amount of time spent in each classification of work. If you do not maintain accurate time records, you must pay these employees the *highest* wage rate of all of the classifications of work performed.

SECTION II REPORTING REQUIREMENTS

2-5 **COMPLETING A PAYROLL REPORT. What information has to be reported on the payroll form**
The weekly payroll form doesn't ask for any information that you don't already need to keep for wa payment and tax purposes. For example, you need to know each employee's ***name, address*** and ***soc security number***; his or her ***work classification*** (who is working for you and what do they do?), the ***hou worked*** during the week, his or her ***rate of pay***, the ***gross amount earned*** (how much did they earn?), t amounts of any ***deductions*** for taxes, etc., and the ***net amount paid*** (how much should the paycheck b made out for?). No more information than you need to know in order to manage your work crew and mak certain they are paid properly And, certainly, no more information than you need to keep for IRS, Soci Security and other tax and employment purposes.

> **FOR MOST CONTRACTORS, THE WEEKLY CERTIFIED PAYROLL IS ALL TH PAPERWORK THAT IS REQUIRED FOR A DAVIS-BACON PROJECT!**

a **Project and contractor/subcontractor information.** Each payroll should show the contractor subcontractor's name and address, the project name and number, and the week ending dat Indicate the *dates* in the spaces provided. Numbering payrolls is optional but strong recommended.

b. **Employee information.** The first payroll on which each employee appears must contain th employee's name, address and Social Security Number. Afterward, the address and Social Secur Number only need to be reported if there is a change in this information.

c **Work Classification.** Each employee must be classified in accordance with the wage decisio based on the type of work they actually perform.

1) **Apprentices or Trainees.** The first payroll on which any apprentice or trainee appear must be accompanied by a copy of that apprentice's or trainee's registration in an approve program. A copy of the portions of the approved program pertaining to the wage rates an ratios shall also accompany the first LS-4 on which the first apprentice or trainee appears.

2) **Split classifications.** For employees in split classifications, list the employees once fo *each classification, distributing the hours of work accordingly, and reflecting the rate of pa* and gross earnings for each classification. Deductions and net pay may be based upon th total gross amount earned for all classifications.

d. **Hours Worked.** The payroll should show ONLY the regular and overtime hours worked on thi project. Show both the daily and total weekly hours for each employee. If an employee perform work at job sites other than the project for which the payroll is prepared, those "other job" hour *should not* be reported on the payroll. In these cases, you should list the employee's name classification, hours for this project only, the rate of pay and gross earnings for this project, and th gross earned for *all projects*. Deductions and net pay may be based upon the employee's tota earnings (for all projects) for the week.

e. **Rate of Pay.** Show the basic hourly rate of pay for each employee for this project. If the wag decision includes a fringe benefit and you ***do not*** participate in approved fringe benefit programs ***add*** the fringe benefit rate to the basic hourly rate of pay. Also list the overtime rate if overtim hours were worked

> Remember, the overtime rate is computed at one and one-half times the *basic* rate of pa plus any fringe benefits. For example, if the wage decision requires $10/hour basic plus $5/hou fringe benefits, the overtime rate would be ($10 x 1½) + $5 = $20/hour.

f. **Gross Wages Earned.** Show the gross amount of wages earned for work performed on this project *Note·* For employees with work hours and earnings on other projects, you may show gross wages for this project over gross earnings all projects (for example, $425.40/$764.85) and base deductions and net pay on the "all projects" earnings.

g **Deductions.** Show the amounts of any deductions from the gross earnings "Other" deductions should be identified (for example, Savings Account or Loan Repayment). Any voluntary deduction (that is, not required by law or by an order of a proper authority) must be authorized in writing by the employee. A LS-15 signed by the employee is all that is needed and should accompany the first payroll on which the other deduction appears.

> ⓘ Only one employee authorization is needed for recurring (e.g., weekly) other deductions Written employee authorization is not required for income tax and Social Security deductions.

h. **Net Pay.** Show the net amount of wages paid.

i. **Statement of Compliance.** The Statement of Compliance is the certification. It is located on the reverse side of a standard payroll form (LS-4) or on form LS-5 Be sure to complete the identifying information at the top, particularly if you are attaching the Statement of Compliance to an alternate payroll form such as a computer payroll. **Also, you must check either 4(a) or 4(b) if the wage decision contains a fringe benefit.** Checking 4(a) indicates that you are paying required fringe benefits to approved plans or programs; and 4(b) indicates that you are paying any required fringe benefit amounts directly to the employee by adding the fringe benefit rate to the basic hourly rate of pay. If you are paying a portion of the required fringe benefit to programs and the balance directly to the employee, explain those differences in box 4(c).

j **Signature.** Make sure the payroll is **signed** with an original signature. The payroll must be signed by a principal of the firm (owner or officer such as the President, Treasurer or Payroll Administrator) or by an authorized agent (a person authorized by a principal in writing to sign the payroll reports) Signature authorization (for persons other than a principal) should be submitted with the first payroll signed by such an agent.

> ⓘ Only one Statement of Compliance is required for each employer's weekly payroll no matter how many pages are needed to report the employee data.

SECTION III PAYROLL REVIEWS AND CORRECTIONS

2-6 **COMPLIANCE REVIEWS.** The contract administrator or other inspector may visit the project site ar interview some of the workers concerning their employment on the project. In addition, the contra administrator will periodically review payrolls and related submissions, comparing the interview informatic to the payrolls, to ensure that the labor standards requirements have been met. You will be notified by th contract administrator if these reviews find any discrepancies or errors. You will be given instructions abo what steps must be taken to correct any problems.

a. **On-site Interviews.** Every employer (contractor, subcontractor, etc) must make their employee available for interview at the job site with the contract administrator, other local governmen Department of Housing, HUD or DOL representative. The interviews are confidential and th employee will be asked about the kind of work they perform and their rate of pay Every effort wi be made to ensure that these interviews cause as little disruption as possible to the on-going wor The interviewer will record the interview information, usually on a form LS-9, *Employee Interview.*

b. **Project payroll reviews.** The contract administrator will compare the information on th interview forms to the corresponding payrolls to ensure that the workers are properly listed on th payrolls for the days, work classification and rate of pay. The contract administrator will also revie the payroll submissions to make certain that the payrolls are complete and signed; that employee are paid no less than the wage rate for the work classification shown; apprentice and traine certifications are submitted (where needed), employee authorizations for other deductions ar submitted (where needed), etc.

2-7 **TYPICAL PAYROLL ERRORS AND REQUIRED CORRECTIONS.** The following paragraphs describe common payroll errors and the corrective steps you must take.

a. **Inadequate payroll information.** If the alternate payroll (such as a computer payroll) does no contain all of the information that would be on the optional form LS-4, the employer will be asked t resubmit the payrolls on an acceptable form.

b. **Missing addresses and Social Security Numbers.** If the first payroll on which an employee appears does not contain the employee's address and Social Security Number, the employer will be asked to supply the missing information. A short note providing the information is all that is needed.

c **Incomplete payrolls.** If the information on the payroll is not complete, for example, if wor classifications or rates of pay are missing, the employer will be asked to send a corrected payroll.

d. **Classifications.** If the payrolls show work classifications that do not appear on the wage decision, the employer will be asked to reclassify the employees in accordance with the wage decision ***or*** the employer may request an ***additional classification and wage rate*** (*See paragraph 2-2)* If reclassification results in underpayment (the wage rate paid on the payroll is less than the rate required for the new classification, the employer will be asked to pay ***wage restitution*** to all affected reclassified employees (*See paragraph 2-8 for instructions about wage restitution.*)

e. **Wage Rates.** If the wage rates on the payroll are less than the wage rates on the wage decision for the work classification reported, the employer will be asked to pay wage restitution to all affected employees.

f. **Apprentices and trainees.** If a copy of the employee(s) registration or approved program ratio and wage schedule is not submitted with the first payroll on which an apprentice or trainee appears, the employer will be asked to submit a copy of each apprentice's or trainee's registration and/or the approved program ratio and wage schedule If the ratio of apprentices or trainees to journeymen on the payroll is greater than the ratio in the approved program, the employer will be asked to pay wage restitution to any excess apprentices or trainees. Also, any apprentice or trainee that is *not*

registered in an approved program must receive the journeyman's wage rate for the classification o work they performed.

g **Overtime.** If the employees did not receive at least time and one-half for any overtime hour: worked on the project, the following will occur:

1) If the project is subject to *CWHSSA overtime* requirements, the employer will be asked tc pay wage restitution for all overtime hours worked on the project (overtime hours worked a other projects are not subject to CWHSSA). The employer may also be liable to the Unitec States for liquidated damages computed at $10 per day per violation. Or,

2) If the project is ***not*** subject to CWHSSA, the employer will be notified of the possible *FLSA overtime* violations. Also, the Labor Relations staff may refer the violations to the DOL for further review.

h. **Computations.** If the payroll computations (hours worked times rate of pay) or extensions (deductions, net pay) show frequent errors, the employer will be asked to take greater care Wage restitution may be required if underpayments resulted from the errors.

i **Deductions.** If there are any "Other" deductions that are not identified, or if employee authorization isn't provided, or if there is any unusual (very high, or large number) deduction activity, the employer will be asked to identify the deductions, provide employee authorization or explain unusual deductions, as necessary.

j **Fringe benefits.** If the wage decision contains fringe benefits but the payroll does not indicate how fringe benefits were paid [neither 4(a) nor 4(b) is marked on the payroll form], the employer may be asked to submit corrected payrolls ***and*** will be required to pay wage restitution if underpayments occurred. *However,* if the basic hourly rates for the employees are at least as much as the total wage rate on the wage decision (basic hourly rate *plus* the fringe benefit rate), no correction is necessary.

k. **Signature.** If the payroll *Statement of Compliance* is not signed or is missing, the employer will be asked to submit a signed Statement of Compliance for each payroll affected.

l. **On-site interview comparisons.** If the comparison of on-site interviews to the payrolls indicates any discrepancies (for example, the employee does not appear on the payroll for the date of the interview), the employer will be asked to submit a corrected payroll report.

2-8 **RESTITUTION FOR UNDERPAYMENT OF WAGES.** Where underpayments of wages have occurred, the employer will be required to pay wage restitution to the affected employees Wage restitution must be paid promptly in the full amounts due, less permissible and authorized deductions.

a. **Notification to the prime contractor.** The contract administrator will notify the prime contractor in writing of any underpayments that are found during payroll or other reviews. The notice will describe the underpayments and provide instructions for computing and documenting the restitution to be paid. The prime contractor is allowed 30 days to correct the underpayments. Note that the prime contractor is responsible to the contract administrator for ensuring that restitution is paid If the employer is a subcontractor, the subcontractor will usually make the computations and restitution payments and furnish the required documentation through the prime contractor.

b. **Computing wage restitution.** Wage restitution is simply the difference between the wage rate paid to each affected employee and the wage rate required on the wage decision for all hours worked where underpayments occurred The difference in the wage rates is called the *adjustment*

rate. The adjustment rate times the number of hours involved equals the gross amount of restitution due.

c. **Correction payrolls.** The employer will be required to report the restitution paid on a correction certified payroll. The correction payroll will reflect the period of time for which restitution is due (for example, Payrolls #1 through #6, or a beginning date and ending date) The correction payroll will list each employee to whom restitution is due and their work classification; the total number of work hours involved (daily hours are usually not applicable for restitution); the adjustment wage rate (the difference between the required wage rate and the wage rate paid); the gross amount of restitution due; deductions and the net amount to be paid. A signed Statement of Compliance must be attached to the corrected payroll.

d. **Employee signature.** Each employee who has received restitution signs the correction payroll as evidence of their receipt of the payment.

e. **Review of correction CPR.** The contractor administrator will review the correction payroll to ensure that full restitution was paid. The prime contractor shall be notified in writing of any discrepancies and will be required to make additional payments, if needed, documented on a supplemental correction payroll within 30 days.

f. **Unfound workers.** Sometimes, wage restitution cannot be paid to an affected employee because, for example, the employee has moved and can't be located.

In these cases, at the end of the project the prime contractor will be required to place in a deposit or escrow account an amount equal to the total amount of restitution that could not be paid because the employee(s) could not be located The contract administrator will continue to attempt to locate the unfound workers for 3 years after the completion of the project. After 3 years, any amount remaining in the account for unfound workers will be credited and/or forwarded by the contract administrator to Housing which shall send it to HUD.

CHAPTER 3 LABOR STANDARDS DISPUTES, ADMINISTRATIVE REVIEWS, WITHHOLDING AND DEPOSITS AND ESCROW ACCOUNTS

WHAT HAPPENS WHEN THINGS GO WRONG?

3-1 **INTRODUCTION.** Even in the best of circumstances, things can go wrong. In a Davis-Bacon contex "things going wrong" usually means there's a difference of opinion - a dispute - about whether and to wh extent underpayments have occurred These disputes are usually between the contract administrator an one or more employers (the prime contractor and/or a subcontractor). The dispute may involve somethin simple such as an additional classification request that is pending before the DOL; or something a significant as investigative findings following a complaint of underpayment. This chapter discusses some c what you may expect and what you can do to make your views known and to lessen any delays.

3-2 **ADMINISTRATIVE REVIEW ON LABOR STANDARDS DISPUTES.** As mentioned in the Introductior above, a dispute about labor standards and compliance can arise for a number of reasons. The labc standards clauses in your contract and DOL regulations provide for administrative review of issues wher there is a difference of views between the contract administrator and any employer. The most commo circumstances include:

a. **Additional classifications and wage rates.** Additional classification and wage rate requests ar sometimes denied by the DOL. An employer that is dissatisfied with the denial can reques reconsideration by the DOL Wage and Hour Administrator. The employer may continue to pay th wage rate, as requested, until a final decision is rendered on the matter. When the final decision i known, the employer will be required to pay any additional wages that may be necessary to satisf the wage rate that is established.

1) **Reconsideration.** The DOL normally identifies the reasons for denial in its response t the request. Any interested person (*for example*, the contract administrator, employer representatives of the employees) may request reconsideration on the decision on th additional classification request. The request for reconsideration should be made in writin and should thoroughly address the denial reasons identified by the DOL. Requests fo reconsideration should be made through the contract administrator (*See ¶2-2(d), and alsc DOL Regulations 29 CFR 1.8.*)

2) **Administrative Review Board.** Any interested party may request a review of the Administrator's decision on reconsideration by the ***Administrative Review Board*** (*formerly Wage Appeals Board*). DOL regulations 29 CFR Part 7 explain the procedures for suct reviews. (*See also 29 CFR 1.9*)

b. **Findings of underpayment.** Compliance reviews and other investigations may result in findings of underpayment. The primary goal in every case and at every step in this process is to reach agreements about who may have been underpaid and how much wage restitution may be due and of course, to deliver restitution to any underpaid workers The contract administrator will usually work informally with you to reach such agreements. You will have an opportunity to provide additional information to the contract administrator that may explain apparent inconsistencies and/or resolve the discrepancies.

If informal exchanges do not result in agreement, the final determination and schedule of wages due will be presented to you in writing and you will be permitted 30 days in which to correct the underpayment(s) *or* to request a hearing on the matter before the DOL. The request for hearing should be made in writing and should explain what findings are in dispute and the reasons. The

request should be made through the contract administrator. The contract administrator will submit a report of the findings and the hearing request to the DOL for review and further consideration.

3-3 **WITHHOLDING.** The contract administrator may cause withholding from payments due to the prime contractor to ensure the payment of wages which are believed to be due and unpaid, for example, if wage underpayments or other violations are not corrected within 30 days after notification to the prime contractor. Withholding is considered to be serious and is not taken unless warranted. Very often, the amount kept in retention is sufficient to cover any back wage liability so withholding from payments is not considered necessary. However, if withholding is deemed necessary, you will be notified in writing. Only the amounts necessary to meet the contractor's (and/or subcontractor's) liability shall be withheld.

> ⏲ Remember, the prime contractor is responsible and will be held liable for any wage restitution that is due to any worker employed in the construction of the project, including workers employed by subcontractors and any lower-tier subcontractors. *See ¶1-4, Responsibility of the Principal Contractor, and ¶2-8(a),Restitution for underpayment of wages.*

3-4 **DEPOSITS AND ESCROWS.** In every case, we attempt to complete compliance actions and resolve any disputes before the project is completed and final payments are made. Sometimes, corrective actions or disputes continue after completion and provisions must be made to ensure that funds are available to pay any wage restitution that is ultimately found due. In these cases, we allow the project to proceed to final closings and payments ***provided*** the prime contractor deposits an amount equal to the potential liability for wage restitution and liquidated damages, if necessary, in a special account. The deposit or *escrow account* is controlled by the contract administrator. When a final decision in rendered, the contract administrator makes disbursements from the account in accordance with the decision. Deposit/escrow accounts are established for one or more of the following reasons:

a. Where the parties have agreed to amounts of wage restitution that are due *but* the employer hasn't furnished evidence yet that all of the underpaid workers have received their back wages The deposit is equal to the amount of restitution due to workers lacking payment evidence. As proper documentation is received, amounts corresponding to the documentation is returned to the depositor Amounts for any workers who can not be located are held in the escrow account for three years and disbursed as described in ¶2-8(f) of this Guide.

b. Where underpayments are suspected or alleged and an investigation has not yet been completed. The deposit is equal to the amount of wage restitution and any liquidated damages, if applicable, that is estimated to be due. If the final determination of wages due is less than the amount estimated and placed in the escrow account, the escrow will be reduced to the final amount and the difference will be returned to the depositor. If the parties agree to the investigative findings, the amounts due to the workers will be disbursed from the escrow account in accordance with the schedule of wages due. Amounts for unfound workers will be retained as described above (*See ¶2-8(f) and 3-4(a)).*

If the parties *do not* agree and an administrative hearing is requested, the escrow will be maintained as explained in ¶3-4(c), below.

c Where the parties are waiting for the outcome of an administrative hearing that has been or will be filed contesting a final determination of wages due. The deposit shall be equal to the amount of wage restitution and liquidated damages, if applicable, that have been determined due. Once a final decision is rendered, disbursements from the escrow account are made in accordance with the decision.

3-5 **DEBARMENT.** Contractors and/or subcontractors that are found by the Secretary of Labor to be aggravated or willful violation of the labor standards provisions of the Davis-Bacon and Related Ac (DBRA) will be ineligible (***debarred***) to participate in any DBRA or Davis-Bacon Act contracts for up to years. Debarment includes the contractor or subcontractor and any firm, corporation, partnership association in which the contractor or subcontractor has a substantial interest Debarment proceedings ca be recommended by the contractor administrator or can be initiated by the DOL on its motion. Debarme proceedings are described in DOL regulations 29 CFR 5.12.

The Contract Work Hours and Safety Standards Act (CWHSSA)

- Overview
- Compliance Assistance Materials
  - Basic Information
  - Fact Sheets
- Recordkeeping
- Applicable Laws and Regulations
- Related Topics and Links
- DOL Contacts
- Return to By Law Menu

OVERVIEW

The Contract Work Hours and Safety Standards Act (CWHSSA) applies to federal service contracts and federal and federally assisted construction contracts over $100,000. It requires contractors and subcontractors on covered contracts to pay laborers and mechanics employed in the performance of the contracts one and one-half times their basic rate of pay for all hours worked over 40 in a workweek. This Act also prohibits unsanitary, hazardous, or dangerous working conditions on federal and federally financed and assisted contruction projects.

The Wage and Hour Division (WHD) within the U.S. Department of Labor (DOL) enforces the compensation requirements of this Act, while DOL's Occupational Safety and Health Administration (OSHA) enforces the safety and health requirements.

COMPLIANCE ASSISTANCE MATERIALS

BASIC INFORMATION

- Employment Law Guide· Hours and Safety Standards in Construction Contracts

FACT SHEETS

- Occupational Safety and Health Administration (OSHA) Compliance Assistance Fact Sheet (PDF)

RECORDKEEPING

Depending on the type of federal procurement contract involved, the recordkeeping requirements the Copeland Act or the McNamara-O'Hara Service Contract Act apply to contracts subject to the Contract Work Hours and Safety Standards Act (CWHSSA).

APPLICABLE LAWS AND REGULATIONS

- Title I - Contract Work Hours and Safety Standards Act

- 29 CFR Part 4 - Regulations describing the labor standards for federal service contracts.
- 29 CFR Part 6 - Regulations describing the Rules of Practice for administrative proceedings enforcing labor standards in federal and federally assisted construction contracts and federal service contracts.
- 29 CFR Part 8 - Regulations describing practice before the Administrative Review Board with regard to federal service contracts.
- 29 CFR Part 5 - Regulations regarding the labor standards provisions applicable to contracts covering federally financed and assisted construction, as well as the labor standards applicable to nonconstruction contracts subject to the Contract Work Hours and Safety Standards Act.
- The Occupational Safety and Health (OSH) Act of 1970 (PDF)
- 29 CFR Parts 70 to 240 - Regulations issued by the Occupational Safety and Health Administration (OSHA) that cover a broad array of subjects, including procedures for state agreements; standards applicable to specific industries, such as shipyards, marine terminals, and agriculture; recording and reporting occupational injuries and illness; safety standards; health standards; and criteria for assessment of penalties.

RELATED TOPICS AND LINKS

- Employment Law Guide - "Kickbacks" in Federally Funded Construction (Copeland Act) - Prohibits a contractor or subcontractor from in any way inducing an employee to give up any part of the compensation to which he or she is entitled under his or her contract and requires contractors and subcontractors on certain federally funded construction contracts to submit weekly statements of compliance. **See also Compliance Assistance By Law - The Copeland "Anti-Kickback" Act.**
- Davis-Bacon and Related Acts Compliance Assistance Web Page
- McNamara-O'Hara Service Contracts Act Compliance Assistance Web Page
- Wage Determinations OnLine - This Web site provides a single location for federal contracting officers and the public to use in obtaining appropriate Service Contract Act (SCA) and Davis-Bacon Act (DBA) wage determinations (WDs) for each official contract action.
- State Occupational Safety and Health Plans
- OSHA Industry-Specific Resources

DOL CONTACTS*

Wage and Hour Division
200 Constitution Avenue, NW
Room S-3502
Washington, DC 20210
Contact WHD
Tel: 1-866-4USWAGE (1-866-487-9243)
TTY: 1-877-889-5627
Local Offices

- **Occupational Safety and Health Administration (OSHA)**
  200 Constitution Avenue, NW
  Washington, DC 20210
- Contact OSHA
  Tel.: 1-800-321-OSHA (1-800-321-6742)
  TTY: 1-877-889-5627
- Local Offices
- **For questions on other DOL laws,**
  please call DOL's Toll-Free Help Line at 1-866-4-USA-DOL (1-866-487-2365). Live assistance is available in English and Spanish, Monday through Friday from 8:00 a.m. to 8:00 p.m. Eastern Time. Additional service is available in more than 140 languages through a translation service. Tel: 1-866-4-USA-DOL (1-866-487-2365)
  TTY: 1-877-889-5627

Pursuant to the U.S. Department of Labor's Confidentiality Protocol for Compliance Assistance Inquiries, information provided by a telephone caller will be kept confidential within the bounds of the law. Compliance assistance inquiries will not trigger an inspection, audit, investigation, etc.

The Copeland "Anti-Kickback" Act

OVERVIEW

The Copeland "Anti-Kickback" Act generally prohibits federal contractors or subcontractors engaged in building construction or repair from inducing an employee to give up any part of the compensation to which he or she is entitled under his or her employment contract and requires such contractors and subcontractors to submit weekly statements of compliance.

COMPLIANCE ASSISTANCE MATERIALS

BASIC INFORMATION

- Employment Law Guide - "Kickbacks" in Federally Funded Construction (Copeland Act) - Describes the basic provisions of the Copeland "Anti-Kickback" Act.
- Copeland "Anti-Kickback" Act Compliance Assistance Web Page

RECORDKEEPING

Each covered contractor or subcontractor must provide a weekly statement of the wages paid to each of its employees engaged in covered work. The statement shall be executed by the contractor or subcontractor or by an authorized officer or employee of the contractor or subcontractor who supervises the payment of wages and shall be on the "Statement of Compliance" form on the back of WH-347 "Payroll (For Contractors Optional Use") or on any form with identical wording. Within seven days after the regular pay date for the pay period the statement shall be delivered to a representative of the federal or state agency in charge.

APPLICABLE LAWS AND REGULATIONS

- The Copeland "Anti-Kickback" Act, 40 USC §276c and 18 USC §874 - The "Anti-Kickback" section of the Act precludes a contractor or subcontractor from inducing an employee to give up any part of the compensation to which he or she is entitled under his or her contract of employment. The Act also require the contractor and subcontractor to submit a weekly statement of the wages paid to each employee performing on covered work during the preceding payroll period.
- 29 CFR Part 3 - Regulations implementing the requirements of the "anti-kickback" section of the Copeland Act.

RELATED TOPICS AND LINKS

- Employment Law Guide - Prevailing Wages in Construction Contracts - Describes the coverage and basic requirements of prevailing wages in construction contracts. **See also Compliance Assistance By Law - The Davis-Bacon and Related Acts (DBRA).**
- Employment Law Guide - Hours and Safety Standards in Construction Contracts - Describes the Contract Work Hours and Safety Standards Act (CWHSSA) which requires contractors and subcontractors with covered contracts to pay laborers and mechanics employed in the performance of the contracts one and one-half times their basic rate of pay for all hours worked over 40 in a workweek. **See also Compliance Assistance By Law - The Contract Work Hours and Safety Standards Act (CWHSSA).**

DOL CONTACTS*

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American Made Components

Federally Funded Project

City of Glendale
Engineering Division
5850 W. Glendale Avenue
Glendale, AZ 85301

Prime Contractor or Sub Contractor Company Name address:_____
Mailing Address:_____
Phone Number and Fax Number_____
DUNNS Number:_____

Verification of U. S. Made Components

_____ (Contractor's Name) has sought to secure American – made components or assembled component for the _____ (Project Address & Name). The contractor has called out and will be using _____(Product Name & Supplier) which was manufactured or assembled in _____(Location in America). The Contractor has also provided in the attached documentation proof including but not limited to the verifiable documentation and full description of the Contractors efforts to secure American – made components or assembled as outline in federal regulations.

x_____ _____
Contractor or Subcontractor Signature DATE

U.S. Housing and Urban Development

Section 3

Clause Requirements

Section 3 Clause

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

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send will post copies of the bid notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice.

D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.