00 91 13

ADDENDUM NO. 1

DATE: November 9, 2023

FROM: Baxter & Woodman, Inc., Consulting Engineers

TO: Planholders of record for the Work titled:

City of Joliet, Illinois
Krings Acres Phase 2B Water Main Improvements
City of Joliet Contract No. 2780-0124

The Bidding Documents are amended as follows:

1. SPECIFICATIONS

A. Section 00 21 00.41 BIDDER INSTRUCTIONS

Delete Section 00 21 00.41, BIDDER INSTRUCTIONS in its entirety and insert the attached BIDDER INSTRUCTIONS, revision dated November 9, 2023, in lieu thereof in order to revise page numbers.

B. Section 01 22 29, MEASUREMENT AND PAYMENT:

Page 01 22 29-5, delete paragraph 1.5.13 and replace with the following:

"13. The City will provide initial field locating of sanitary service laterals. Secondary locates of sanitary services are to be performed by the Contractor as needed and is incidental to the cost of installation of water main. The City will provide GIS files of sanitary service locations to assist with the Contractor's secondary locating. This Pay Item does not include replacement, adjustment, or relocation of any sanitary services, which shall be paid for under ADJUSTING SANITARY SEWER SERVICE LINE."

C. Section 01 32 53, DIGITAL UTILITY DATA COLLECTION:

Page 01 32 53-2, delete paragraph 2.1.D and replace with the following:

"D. A 2-hour training session will be provided at the start of construction and support for up to 4-hours per month."

Page 01 32 53-3, add the following between paragraphs 3.2.A.6 and 3.2.A.7 and renumber:

"7. Exposed utility crossings (gas, electric, communications, pipelines, etc.)"

Nothing in this Addendum shall be construed as changing other requirements of the Bidding Documents. Each Bidder shall acknowledge receipt of this Addendum where indicated in the Bid Form.

END OF ADDENDUM NO. 1

00 21 00.41

BIDDER INSTRUCTIONS

1. DEFINED TERMS

1.01 Terms used in these Bidder Instructions which are defined in the “Standard General Conditions of the Construction Contract” (EJCDC No. C-700, 2007 edition) have the meanings assigned to them in the General Conditions. The term "Bidder" means one who submits a Bid directly to Owner, as distinct from a sub-bidder, who submits a bid to a Bidder. The term "Successful Bidder" means the lowest, qualified, responsible and responsive Bidder to whom Owner (on the basis of Owner's evaluation as hereinafter provided) makes an award. The term "Bidding Documents" includes the Advertisement for Bids, Bidder Instructions, the Bid Form, all submittals listed in 00 43 93.41 Bid Submittal Checklist, and the proposed Contract Documents, including all Addenda issued prior to receipt of Bids.

2. COPIES OF BIDDING DOCUMENTS

2.01 Complete sets of the Bidding Documents can be obtained from the Office of the City Clerk, City of Joliet Municipal Building, 150 West Jefferson Street, Joliet, Illinois 60432 in accordance with the Advertisement for Bids.

2.02 Complete sets of Bidding Documents must be used in preparing Bids; neither Owner nor Engineer assume any responsibility for errors or misinterpretations resulting from the use of incomplete sets of Bidding Documents.

2.03 Owner and Engineer in making copies of Bidding Documents available do so only for the purpose of obtaining Bids on the Work and do not confer a license or grant for any other use.

3. QUALIFICATIONS OF BIDDERS

3.01 To demonstrate qualifications to perform the Work, each Bidder must be prequalified to complete work for the City of Joliet. The Bidder/Contractor will be considered prequalified in one or more of three ways as stated in 00 11 13 Advertisement for Bids:

1) Being prequalified with the Illinois Department of Transportation;
2) Being prequalified with the State of Illinois Capital Development Board;
3) Being previously prequalified with the City of Joliet and included on their list of prequalified Contractors, or submitting the necessary from and financial statement to the City of Joliet at least six (6) days prior to the bid opening.

Financial prequalification forms can be obtained from the City of Joliet website at https://www.joliet.gov/departments/finance/purchasing/prequalification-process.

This prequalification must be renewed yearly. The current price for City of Joliet prequalification is $175, which offsets the costs for independent auditor review of the documents. Those documents are to be submitted to the Office of the City Clerk, City of Joliet, 150 West Jefferson Street, Joliet, Illinois 60432 at least six (6) days prior to the bid opening and must be accompanied by $175. To check prequalification status, contact purchasing@joliet.gov.

4. EXAMINATION OF CONTRACT DOCUMENTS AND SITE

4.01 It is the responsibility of each Bidder before submitting a Bid to: (a) examine the Contract Documents thoroughly; (b) visit the site to become familiar with local conditions that may affect cost, progress, performance, or furnishing of the Work; (c) consider federal, state and local Laws and Regulations that may affect cost, progress, performance of furnishing of the Work; (d) study and carefully correlate Bidder's observations with the Contract Documents, and (e) notify Engineer of all conflicts, errors or discrepancies in the Contract Documents.

4.02 Provisions concerning responsibilities for the adequacy of data furnished to prospective Bidders on subsurface conditions, Underground Facilities, and other physical conditions, and possible changes in the Contract Documents due to differing conditions appear in Paragraphs 4.02, 4.03 and 4.04 of the General Conditions.

4.03 Before submitting a Bid, each Bidder will, at Bidder's own expense, make or obtain any additional examinations, investigations, explorations, tests and studies, and obtain any additional information and data which pertain to the physical conditions (surface, subsurface, and Underground Facilities) at or contiguous to the site or otherwise which may affect cost, progress, performance or furnishing of the Work, and which Bidder deems necessary to determine his Bid for performing and furnishing the Work in accordance with the time, price, and other terms and conditions of the Contract Documents.

4.04 On request in advance, Owner will provide each Bidder access to the site to conduct such explorations and tests as each Bidder deems necessary for submission of a Bid. Bidder shall fill all holes, clean up and restore the site to its former condition upon completion of such explorations.

4.05 The lands upon which the Work is to be performed, rights-of-way and easements for access thereto, and other lands designated for use in performing the Work are identified in the Contract Documents. All additional lands and access thereto required for temporary construction facilities or storage of materials and equipment are to be provided by the Successful Bidder. Easements for structures or changes in existing structures are to be obtained and paid for by Owner unless otherwise provided in the Contract Documents.

4.06 The submission of a Bid will constitute an incontrovertible representation by Bidder that Bidder has complied with every requirement of this Article 4, that without exception, the Bid is premised upon performing and furnishing the Work required by the Contract Documents and such means, methods, techniques, sequences or procedures of construction as may be indicated in or required by the Contract Documents, and that the Contract Documents are sufficient in scope and

detail to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.

4.07 The Contract Documents contain the provisions required for the construction of the Project. Information obtained from an officer, agent, or employee of the Owner or any person shall not affect the risks or obligations assumed by the Contractor or relieve him from fulfilling any of the conditions of the contract.

5. PRE-BID CONFERENCE

5.01 A **mandatory** Pre-Bid Conference will be held at the time and place given in the ADVERTISEMENT FOR BIDS. Representatives of Owner and Engineer will be present to discuss the Project. Bidders are **required** to attend and participate in the conference. Engineer will transmit to all prospective Bidders of record such Addenda as Engineer considered necessary in response to questions arising at the conference. Oral statements may not be relied upon and will not be binding or legally effective.

6. INTERPRETATIONS AND ADDENDA

6.01 Direct all questions about the meaning or intent of the Contract Documents to Engineer (Telephone 815.444.3371 or email mkenny@baxterwoodman.com). Interpretations or clarifications considered necessary by Engineer in response to such questions will be issued by Addendum emailed by the Engineer or the Engineer's designated independent distributor to all parties recorded by Engineer as having received the Bidding Documents. Questions received less than 72 hours prior to the Bid Opening might not be answered. Only questions answered by formal written Addendum will be binding. Oral and other interpretations or clarifications will be without legal effect.

6.02 Addenda may also be issued to modify the Bidding Documents as deemed advisable by Owner or Engineer.

6.03 Addenda will be provided in an electronic format (.pdf format) via email. All Bidding Document holders should sign up for the RSS feeds at https://www.joliet.gov/government/departments/purchasing/bids-proposals/construction-public-utilities and provide first and last name and email address to automatically receive addendums. Addendums will also be posted on the City of Joliet's website at https://www.joliet.gov/government/departments/purchasing/bids-proposals/construction-public-utilities. All Bidding Document holders must provide a name, address, and e-mail address to receive electronic addenda and must reply to the e-mail to indicate receipt of the addenda.

7. BID SECURITY

7.01 Each Bid must be accompanied by Bid security made payable to Owner in an amount and in the form stated in the Advertisement for Bids.

7.02 The Bid securities of all except the three lowest responsive, responsible Bidders will be returned promptly after the Bids have been tabulated and checked. The Bid securities of the three lowest responsive, responsible Bidders will be returned as soon as the contract and bonds of the successful Bidder have been properly executed and approved.

8. CONTRACT TIMES

8.01 The number of days within which, or the dates by which, the Work is to be (a) Substantially Completed and (b) also completed and ready for final payment are set forth on the Bid Form.

9. LIQUIDATED DAMAGES

9.01 Provisions for liquidated damages, if any, are set forth in the Supplementary Conditions, Article 12.

10. SUBSTITUTE OR "OR EQUAL" ITEMS

10.01 The Contract, if awarded, will be based solely on the materials and equipment described in the Drawings and Specifications without consideration of possible substitute or "or equal" items.

11. SUBCONTRACTORS, SUPPLIERS, AND OTHERS

11.01 The apparent low Bidder, or any other Bidder so requested, shall submit to the office of Engineer within five (5) business days after the receipt of Bids, the following information on 00 43 36 Proposed Subcontractor Form:

A. A list of the names of Bidder's proposed Subcontractors whose portion of the Work exceeds $10,000, along with a description of the Work to be performed by each.

11.02 Bidder shall be required to perform with his own Work forces at least 30% of the Work, unless written consent to subcontract a greater percentage of the Work is obtained from Owner.

12. BID FORM

12.01 Only the Bid Forms attached hereto shall be used. Where required, the Bid price of each item shall be in writing and in figures; in case of conflict, the former shall apply.

12.02 Bidder, when signing the Bid, shall meet the following requirements:

A. The full name, telephone number, and business address of each Bidder must be entered on the Bid submitted. The Bid shall be signed in the space provided therefore by written

signature of the person or persons properly authorized to sign it. All names must be typed or printed below the signature.

B. A Bid submitted by an individual shall be signed by Bidder or by an authorized agent.

C. Bids by partnerships must be executed in the partnership names and signed by a partner, whose title must appear under the signature and the official address of the partnership must be shown below the signature.

D. Bids by corporations must be executed in the corporate name by the president or a vice-president (or other corporate officer accompanied by evidence of authority to sign) and the corporate seal must be affixed and attested by the secretary or an assistant secretary. The state of incorporation shall be shown below the signature. Such corporation must be licensed to do business in the state in which the Project is located before a Contract to do the Work embraced in the Bid can be signed. If a foreign corporation, the state under which it is incorporated must be named.

E. Bids which are signed by an attorney-in-fact for individuals, firms, partnerships or joint ventures shall have attached thereto a power-of-attorney evidencing authority to sign the Bid.

12.03 The Bid shall contain an acknowledgment of receipt of all Addenda, the numbers and dates of which shall be filled in on the Bid Form.

12.04 It is the responsibility of the Bidder to submit a neat, accurate, and complete Bid.

13. BASIS OF BID; EVALUATION OF BIDS

13.01 Unit price:

A. Bidders shall submit a Bid on a unit price basis for each item of Work listed in the Bid schedule.

B. The total of all estimated prices will be determined as the sum of the products of the estimated quantity of each item and the unit price Bid for the item. The final quantities and Contract Price will be determined in accordance with paragraph 11.03 of the General Conditions.

C. Discrepancies between the multiplication of units of Work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum. Discrepancies between words and figures will be resolved in favor of the words.

13.02 The Bid price shall include such amounts as the Bidder deems proper for overhead and profit on account of cash allowances, if any, named in the Contract Documents as provided in Paragraph 11.02 of the General Conditions.

14 SUBMISSION OF BIDS

14.01 Bids shall be submitted at the time and place indicated in the Advertisement for Bids and shall be sealed in an opaque envelope, marked with the Project title (and if applicable, the designated portion of the Project for which the Bid is submitted and acknowledgement of any addenda), name and address of the Bidder, and accompanied by the Bid Security and other required documents. If the Bid is sent through the mail or other delivery system, the sealed envelope shall be enclosed in a separate envelope addressed to the Owner with the notation "BID ENCLOSED" on the face thereof. Any Bids received after the official Bid closure time will be returned to the Bidder unopened.

15 MODIFICATION AND WITHDRAWAL OF BID

15.01 Bids may be modified or withdrawn by notice to Owner at the place designated for receipt of Bids any time prior to opening of Bids. Such notice shall be in writing and signed by Bidder.

15.02 Withdrawn Bids may be resubmitted up to the time designated for the receipt of Bids provided that they are then fully in conformance with these Bidder Instructions.

15.03 Bid security shall be in an amount sufficient for the Bid as modified or resubmitted.

15.04 After the Bid opening, no Bid may be modified, withdrawn or canceled by Bidder without consent of Owner.

16 OPENING OF BIDS

16.01 Bids will be publicly opened and read aloud. An abstract of the amounts of the base Bids and major alternates (if any) will be made available by Owner to Bidders after opening of Bids.

17 BIDS TO REMAIN SUBJECT TO ACCEPTANCE

17.01 All Bids will remain subject to acceptance for the period of time stated in the Bid Form, but Owner may, in its sole discretion, release any Bid and return the Bid security prior to the end of this period.

18 AWARD OF CONTRACT

18.01 Owner reserves the right to reject Bids, to waive informalities not involving price, time or changes in the Work, and to disregard all nonconforming, nonresponsive, unbalanced or conditional Bids. Also, Owner reserves the right to reject the Bid of any Bidder if Owner believes that it would not be in Owner's best interest to make an award to that Bidder, whether because the Bid is not responsive or the Bidder is unqualified or of doubtful financial ability or fails to meet any other pertinent criteria established by Owner.

18.02 In evaluating Bids, Owner shall consider the qualifications of the Bidders, whether or not the Bids comply with the prescribed requirements, and such alternates, unit prices, supplemental prices, and other data as may be requested in the Bid Form or prior to the Notice of Award.

18.03 Owner may conduct such investigations as Owner deems necessary to assist in the evaluation of any Bid and to establish the responsibility, qualifications, and financial ability of the Bidders, proposed Subcontractors, Suppliers, and other persons and organizations to perform and furnish the Work in accordance with the Contract Documents to Owner's satisfaction within the prescribed time.

18.04 Owner shall have the right to accept alternative in any order or combination, unless specifically otherwise provided.

18.05 A Bid which has not been prepared according to the instructions contained herein or which does not contain a unit price which is both adequate and reasonable for each and every item named in the Bid may be considered irregular and subject to rejection. Unbalanced Bids which cannot be resolved by mathematical correction without resorting to information not contained in the Bid, are subject to rejection.

18.06 If the Contract is to be awarded, it will be awarded to the lowest responsive, responsible Bidder.

18.07 If the Contract is awarded, Owner will give Successful Bidder notification in writing at the earliest possible date.

19 CONTRACT SECURITY AND INSURANCE

19.01 Article 5 of the General Conditions and the Supplementary Conditions set forth Owner's requirements as to Performance, Payment and other bonds, and insurance requirements. When the Successful Bidder delivers the executed Agreement to Owner, it shall be accompanied by the required Performance Bond, Payment Bond, and Certificate of Insurance.

20 SIGNING OF AGREEMENT

20.01 When Owner gives a Notice of Award to the Successful Bidder, it will be accompanied by the appropriate number of unsigned counterparts of the Agreement with all other Contract Documents attached. Within ten (10) days after the date of the Notice of Award, the Successful Bidder shall sign and deliver the required number of counterparts of the Agreement and attached documents to Owner or Engineer, as so directed, with the required bonds and insurance certificate(s). Within ten (10) days thereafter, Owner will deliver fully signed counterparts to Engineer for further distribution to Contractor.

20.02 Failure on the part of the Successful Bidder to execute the Agreement and provide acceptable bonds and insurance certificate(s) within ten (10) days after the date the contract was mailed or otherwise delivered to him, will be just cause for the annulment of the award and the

forfeiture of the Bid security to Owner, not as a penalty but in payment of liquidated damages sustained as a result of such failure. If Owner fails to execute the Agreement within a reasonable time, not to exceed ninety (90) days after receiving the executed Agreement and acceptable bonds from the Successful Bidder, the Successful Bidder shall have the right to withdraw his proposal without forfeiture of his Bid security.

21 SALES AND USE TAXES

21.01 Owner is exempt from Illinois State sales and use taxes on materials and equipment to be incorporated in the Work. Said taxes shall not be included in the Bid.

22 WAGE RATE REQUIREMENTS

22.01 No less than the prevailing rate of wages under the Davis-Bacon Wage Act (40 USC 276a through 276a-5) as determined by the U.S. Department of Labor shall be paid to all laborers, workmen and mechanics performing work under this contract. Contractor and all Subcontractors engaged in any part of the Project will be required to comply with the Davis-Bacon Wage Act requirements and the cost of doing so must be included in the Bid as no extra payment on account of this provision of law will be allowed.

22.02 If the Department of Labor revises prevailing wage rates, the revised prevailing wage rates on the Department of Labor's website (https://www2.illinois.gov/idol/Pages/default.aspx) shall apply to this contract and the Contractor will not be allowed additional compensation on account of said revisions. The Contractor shall review the wage rates applicable to the work of the contract at regular intervals to ensure timely payment of current wage rates. The Contractor agrees no additional notice is required. The Contractor shall be responsible for notifying each subcontractor of the wage rates set forth in this contract and any revisions thereto.

22.03 Provide certified weekly payroll records to the Department of Labor or other agencies as required, and to the Owner if requested, on a weekly basis to demonstrate compliance.

23 STATE OF ILLINOIS DRUG FREE WORKPLACE CERTIFICATION

23.01 The Drug Free Workplace Act (Illinois Compiled Statutes Chapter 30-580) requires that no Contractor be considered for the purposes of being awarded a contract for the procurement of any property or services from the State unless that Contractor has certified to the State that the Contractor will provide a drug free workplace.

23.02 For the purpose of this certification, "Contractor" means a corporation, partnership, or other entity with twenty-five (25) or more employees at the time of issuing the grant, or a department, division, or other unit thereof, directly responsible for the specific performance under a contract of $5,000 or more from the State.

23.03 Provide a signed certification of Drug Free Workplace Act compliance (Certificate 00 62 03) with the Bid.

24 STEEL PRODUCTS PROCUREMENT

24.01 Comply with the provisions of the Illinois Steel Products Procurement Act (30 ILCS 565/).

25 SUBSTANCE ABUSE PREVENTION PROGRAM

25.01 Illinois P. A. 095-0635, Substance Abuse Prevention on Public Works Projects Act requires that all Contractors and Subcontractors have a written Substance Abuse Prevention Program, or collective bargaining agreement, in effect that includes a Substance Abuse Prevention Program. Submit a copy of the Substance Abuse Prevention Program or collective bargaining agreement with the governing body, along with a cover letter certifying that their program meets the requirements of the Act, or, as an alternative, use Certificate 00 62 07 from these Specifications. This requirement applies to Contractors and Subcontractors.

25.02 Provide all necessary documentation at the time of the preconstruction meeting.

26 EMPLOYMENT OF ILLINOIS WORKERS

26.01 Comply with the provisions of the Employment of Illinois Workers on Public Works Act (30 ILCS 570/) as they may apply to this project.

26.02 If at the time the Agreement for this Project is executed, or if during the term of the Agreement, there is excessive unemployment in Illinois as defined in the Employment of Illinois Workers on Public Works Act, 30 ILCS 570/0.01 et seq., as two consecutive months of unemployment exceeding 5%, the Bidder agrees to employ Illinois laborers in accordance with the “Employment of Illinois Workers on Public Works Act”. An “Illinois laborer” is defined as any person who has resided in Illinois for at least thirty (30) days and intends to become or remain an Illinois resident.

26.03 Provide signed certification of compliance (Certificate 00 62 08) with the bid.

27 UNCONTAMINATED SOIL CERTIFICATION AND DISPOSAL

27.01 Comply with the requirement of Sections 22.51(f)(2)(B) and 22.51a(d)(2)(B) of the Illinois Environmental Protection Act ([415 ILCS5/22.51(f)26(B)] and [415 ILCS5/22.51a(d)(2)(B)]) for the disposal of uncontaminated soils including uncontaminated soil mixed with other clean construction or demolition debris (CCDD) materials.

28 AUDIT AND ACCESS TO RECORDS

28.01 Any contract entered into by the loan recipient and any sub-agreement thereunder shall provide that representatives of the Agency will have access to the work whenever it is in preparation or progress and that the Contractor or Subcontractor will provide proper facilities for such access and inspection. Such contract or sub-agreement must also provide that the Agency or any authorized representative shall have access to any books, documents, papers, and records of the Contractor or Subcontractor which are pertinent to the project for the purpose of making audit, examination, excerpts, and transcriptions thereof.

29 DISCRIMINATION

29.01 Bidder shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.

30 PUBLIC WATER SUPPLY LOAN PROGRAM DOCUMENTS

30.01 The following documents attached to this Section describe the requirements of the loan program:

- Affirmative Action for Equal Employment Opportunity (E.O. 11246)
- USEPA Certification of Nonsegregated Facilities (Certificate 00 74 23.05)
- Nondiscrimination in Employment Form (Certificate 00 74 23.06)
- USEPA Certification Regarding Debarment, Suspension, and Other Responsibility Matters (Certificate 00 74 23.07)
- Construction Contracts of Loan Recipient and Other Sections from “Procedures For Issuing Loans From the Public Water Supply Loan Program” (Section 00 21 00.41, Pages 23 to 26)
- Disadvantaged Business Enterprise Participation Specifications (Section 00 21 00.41, Pages 27 to 30)
- Davis-Bacon Wage Act Compliance Guidance
- Use of American Iron and Steel
- Illinois Works Jobs Program Act - Apprenticeship Initiative Information for Contractors

31 WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT (WIFIA)

31.01 The goods and services under this Contract are being completed with funding made available by the United States Environmental Protection Agency (EPA) WIFIA program. The Contractor is required to comply with all applicable WIFIA statutes and regulations and any additional terms and conditions imposed by EPA in connection with WIFIA funding for the Project.

31.02 EPA provided compliance language “WIFIA Specification Package and Bid Contract Language” is included as Appendix A and is part of the Contract Documents. Compliance with all provisions of the WIFIA requirements is required. Some requirements will be met by following requirements in the General Conditions, and others are not applicable to the project.

NOTICE OF REQUIREMENT FOR
AFFIRMATIVE ACTION TO ENSURE EQUAL EMPLOYMENT OPPORTUNITY
(EXECUTIVE ORDER 11246)

1. The Bidder's attention is called to the "Equal Opportunity Clause" and the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" set forth herein.

2. The goals and timetables for minority and female participation, expressed in percentage terms for the Bidder's aggregate workforce in each trade on all construction work in the covered area, are as follows:

Timetables	Goals for Minority Participation for Each Trade	Goals for Female Participation in Each Trade
	20.9%	6.9%

These goals are applicable to all the Bidder's construction work (whether or not it is federal or federally assisted) performed in the covered area.

The Bidder's compliance with the Executive Order and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a), and its efforts to meet the goals established for the geographical area where the contract resulting from this solicitation is to be performed. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the Bidder shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from Contractor to Contractor or from project to project for the sole purpose of meeting the Bidder's goals shall be a violation of the contract, the Executive Order and the regulations in 41 CFR 60-4. Compliance with the goals will be measured against the total work hours performed.

3. The Bidder shall provide written notification to the director of the Office of Federal Contract Compliance Programs within 10 working days of award of any construction subcontract in excess of $10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address and telephone number of the subcontractor; employer identification number; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the contract is to be performed.

4. As used in this notice, and in the contract resulting from this solicitation, the "covered area" is **the** City of Joliet, Will County, in the State of Illinois.

41 CFR 60

60-4.1 Scope and Application.

This part applies to all contractors and subcontractors that hold any Federal or federally assisted construction contract in excess of $10,000. The regulations in this part are applicable to all of a construction contractor's or subcontractor's construction employees who are engaged in on site construction including those construction employees who work on a non-Federal or non-federally assisted construction site. This part also establishes procedures, which all Federal contracting officers and all applicants, as applicable, shall follow in soliciting for and awarding Federal or federally assisted construction contracts. Procedures also are established which administering agencies shall follow in making any grant, contract, loan, insurance, or guarantee involving federally assisted construction which is not exempt from the requirements of Executive Order 11246, as amended. In addition, this part applies to construction work performed by construction contractors and subcontractors for Federal non-construction contractors and subcontractors if the construction work is necessary in whole or in part to the performance of a non-construction contract or subcontract.

[43 FR 49254, OCT. 20, 1978; 43 FR 51404, NOV. 3, 1978]

60-4.2 Solicitations.

(a) All Federal contracting officers and all applicants shall include the notice set forth in paragraph (d) of this section and the Standard Federal Equal Employment Opportunity Construction Contract Specifications set forth in § 60-4.3 of this part in all solicitations for offers and bids on all Federal and federally assisted construction contracts or subcontracts to be performed in geographical areas designated by the Director pursuant to § 60-4.6 of the part. Administering agencies shall require the inclusion of the notice set forth in paragraph (d) of this section and the specifications set forth in § 60-4.3 of this part as a condition of any grant, contract, subcontract, loan, insurance or guarantee involving federally assisted construction covered by this Part 60-4.

(b) All non-construction contractors covered by Executive Order 11246 and the implementing regulations shall include the notice in paragraph (d) of this section in all construction agreements, which are necessary in whole or in part to the performance of the covered non-construction contract.

(c) Contracting officers, applicants and non-construction contractors shall given written notice to the Director within 10 working days of award of a contract subject to these provisions. The notification shall include the name, address and telephone number of the contractor; employer identification number; dollar amount of the contract, estimated starting and completion dates of the contract; the contract number; and geographical area in which the contract is to be performed.

(d) The following notice shall be included in, and shall be a part of, all solicitations for offers and bids on all Federal and federally assisted construction contracts or subcontracts in excess of

$10,000 to be performed in geographical areas designated by the Director pursuant to § 60-4.6 of this part (see 41 CFR 60-4.2(a)):

Notice of Requirement for Affirmative Action To Ensure Equal Employment Opportunity (Executive Order 11246)

1. The Offeror or Bidder's attention is called to the "Equal Opportunity Clause" and the "Standard Federal Equal Employment Specifications" set forth herein.

2. The goals and timetables for minority and female participation, expressed in percentage terms for the Contractor's aggregate workforce in each trade on all construction work in the covered area, are as follows:

Timetables	Goals for minority participation for each trade	Goals for female participation in each trade
	20.9%	6.9%

These goals are applicable to all the Contractor's construction work (whether or not it is Federal or federally assisted) performed in the covered area. If the contractor performs construction work in a geographical area located outside of the covered area, it shall apply the goals established for such geographical area where the work is actually performed. With regard to this second area, the contractor also is subject to the goals for both its federally involved and non-federally involved construction.

The Contractor's compliance with the Executive Order and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a), and its efforts to meet the goals. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the contractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from Contractor to Contractor or from project to project for the sole purpose of meeting the Contractor's goals shall be a violation of the contract, the Executive Order and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

3. The Contractor shall provide written notification to the Director of the Office of Federal Contract Compliance Programs within 10 working days of award of any construction subcontract in excess of $10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address and telephone number of the subcontractor; employer identification number of the subcontractor; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the subcontract is to be performed.

4. As used in this Notice, and in the contract resulting from this solicitation, the “covered area” is the City of Joliet, Will County, in the State of Illinois.

[43 FR 49254, OCT. 20, 1978; 43 FR 51401, NOV. 3, 1978, AS AMENDED AT 45 FR 65977, OCT. 3, 1980]

60-4.3 Equal Opportunity Clauses.

(a) The equal opportunity clause published at 41 CFR 60-1.4(a) of this chapter is required to be included in, and is part of, all nonexempt Federal contracts and subcontracts, including construction contracts and subcontracts. The equal opportunity clause published at 41 CFR 60-1.4(b) is required to be included in, and is a part of, all nonexempt federally assisted construction contracts and subcontracts. In addition to the clauses described above, all Federal contracting officers, all applicants and all non-construction contractors, as applicable, shall include the specifications set forth in this section in all Federal and federally assisted construction contracts in excess of $10,000 to be performed in geographical areas designated by the Director pursuant to § 60-4.6 of this part and in construction subcontracts in excess of $10,000 necessary in whole or in part to the performance of non-construction Federal contracts and subcontracts covered under the Executive order.

Standard Federal Equal Employment Opportunity Construction Contract Specifications (Executive Order 11246)

1. As used in these specifications:

a. “Covered area,” means the geographical area described in the solicitation from which this contract resulted:

b. “Director” means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority;

c. “Employer identification number” means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.

d. “Minority” includes:

(i) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);

(ii) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race);

(iii) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and

(iv) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).

2. Whenever the Contractor, or any Subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of $10,000 the provisions of these specifications and the Notice which contains the applicable goals

for minority and female participation and which is set forth in the solicitations from which this contract resulted.

3. If the Contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each Contractor or Subcontractor participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other Contractors or Subcontractors toward a goal in an approved Plan does not excuse any covered Contractor or Subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.

4. The Contractor shall implement the specific affirmative action standards provided in paragraphs 7 a through p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered Construction contractors performing construction work in geographical areas where they do not have a Federal or federally assisted construction contract shall apply the minority and female goals established for the geographical area where the work is being performed. Goals are published periodically in the Federal Register in notice form, and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The Contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.

5. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor's obligations under these specifications, Executive Order 11246, nor the regulations promulgated pursuant thereto.

6. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, the Contractor must employ such apprentices and trainees during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.

7. The Contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Contractor shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:

a. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible, will assign two or more women to each construction project. The Contractor shall specifically ensure that all foremen, superintendents, and other on-site

supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

b. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.

c. Maintain a current file of the names, addresses and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefore; along with whatever additional actions the Contractor may have taken.

d. Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement has not referred to the Contractor a minority person or woman sent by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.

e. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall provide notice of these programs to the sources compiled under 7b above.

f. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.

g. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions including specific review of these items with onsite supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

h. Disseminate the Contractor’s EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written

notification to and discussing the Contractor's EEO policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.

i. Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.

j. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of a Contractor's work force.

k. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.

l. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.

m. Ensure that seniority practices, job classifications, work assignments and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Contractor's obligations under these specifications are being carried out.

n. Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.

o. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.

p. Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and affirmative action obligations.

8. Contractors are encouraged to participate in voluntary associations, which assist in fulfilling one or more of their affirmative action obligations (7a through p). The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 7a through p of these Specifications provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female workforce participation, makes a

good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation to comply, however, is the Contractor's and failure of such a group to fulfill an obligation shall not be a defense for the Contractor's noncompliance.

9. A single goal for minorities and a separate single goal for women have been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).

10. The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.

11. The Contractor shall not enter into any Subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.

12. The Contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any Contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.

13. The Contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.

14. The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government and to keep records. Records shall at least include for each employee the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

15. Nothing herein provided shall be construed as a limitation upon the application of other laws, which establish different standards of compliance or upon the application of requirements for the

hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

(a) The notice set forth in 41 CFR 60-4.2 and the specifications set forth in 41 CFR 60-4.3 replace the New Form for Federal Equal Employment Opportunity Bid Conditions for Federal and Federally Assisted Construction published at 41 FR 32482 and commonly known as the Model Federal EEO Bid Conditions, and the New Form shall not be used after the regulations in 41 CFR Part 60-4 become effective.

[43 FR 49254, OCT. 20, 1978; 43 FR 51401, NOV. 3, 1978, AS AMENDED AT 45 FR 65978, OCT. 3, 1980]

60-4.4 Affirmative Action Requirements.

(a) To implement the affirmative action requirements of Executive Order 11246 in the construction industry, the Office of Federal Contract Compliance Programs previously has approved affirmative action programs commonly referred to as “Hometown Plans”, has promulgated affirmative action plans referred to as "Imposed Plans" and has approved “Special Bid Conditions” for high impact projects constructed in areas not covered by a Hometown or an Imposed Plan. All solicitations for construction contracts made after the effective date of the regulations in this part shall include the notice specified in § 60-4.2 of this part and the specifications in § 60-4.3 of this part in lieu of the Hometown and Imposed Plans including the Philadelphia Plan and Special Bid Conditions. Until the Director has issued an order pursuant to § 60-4.6 of this part establishing goals and timetables for minorities in the appropriate geographical areas or for a project covered by Special Bid Conditions, the goals and timetables for minorities to be inserted in the Notice required by 41 CFR 60-4.2 shall be the goals and timetables contained in the Hometown Plan, Imposed Plan or Special Bid Conditions presently covering the respective geographical area or project involved.

(b) Signatories to a Hometown Plan (including heavy highway affirmative action plans) shall have 45 days from the effective date of the regulations in this part to submit under such a Plan (for the director's approval) goals and timetables for women and to include female representation on the Hometown Plan Administrative Committee. Such goals for female representation shall be at least as high as the goals established for female representation in the notice issued pursuant to 41 CFR 60-4.6. Failure of the signatories, within the 45-day period, to include female representation and to submit goals for women or a new plan, as appropriate, shall result in an automatic termination of the Office of Federal Contract Compliance Program’s approval of the Hometown Plan. At any time the Office of Federal Contract Compliance Programs terminates or withdraws its approval of a Hometown Plan, or when the plan expires and another plan is not approved, the contractors signatory to the plan shall be covered automatically by the specifications set forth in § 60-4.3 of this part and by the goals and timetables established for that geographical area pursuant to § 60-4.6 of this part.

60-4.5 Hometown Plans

(a) A contractor participating, either individually or through an association, in an approved Hometown Plan (including heavy highway affirmative action plans) shall comply with its affirmative

action obligations under Executive Order 11246 by complying with its obligations under the plan: *Provided,* That each contractor or subcontractor participating in an approved plan is individually required to comply with the equal opportunity clause set forth in 41 CFR 60-1.4; to make a good faith effort to achieve the goals for each trade participating in the plan in which it has employees; and that the overall good performance by other contractors or subcontractors toward a goal in an approved plan does not excuse any covered contractor's or subcontractor's failure to take good faith efforts to achieve the plan's goals and timetables. If a contractor is not participating in an approved Hometown Plan it shall comply with the specifications set forth in § 60-4.3 of this part and with the goals and timetables for the appropriate area as listed in the notice required by 41 CFR 60-4.2 with regard to that trade. For the purposes of this part 60-4, a contractor is not participating in a Hometown Plan for a particular trade if it:

(1) Ceases to be signatory to a Hometown Plan covering that trade;

(2) Is signatory to a Hometown Plan for that trade but is not party to a collective bargaining agreement for that trade;

(3) Is signatory to a Hometown Plan for that trade but is party to a collective bargaining agreement with labor organizations, which are not or cease to be signatories to the same Hometown Plan for that trade;

(4) Is signatory to a Hometown Plan for that trade but is party to a collective bargaining agreement with a labor organization for that trade but the two have not jointly executed a specific commitment to minority and female goals and timetables and incorporated the commitment in the Hometown Plan for that trade;

(5) Is participating in a Hometown Plan for that trade which is no longer acceptable to the Office of Federal Contract Compliance Programs;

(6) Is signatory to a Hometown Plan for that trade but is party to a collective bargaining agreement with a labor organization for that trade and the labor organization and the contractor have failed to make a good faith effort to comply with their obligations under the Hometown Plan for that trade.

(b) Contractors participating in Hometown Plans must be able to demonstrate their participation and document their compliance with the provision of the Hometown Plan.

[43 FR 49254, OCT. 20, 1978; 43 FR 51401, NOV. 3, 1978]

60-4.6 Goals and Timetables.

The Director, from time to time, shall issue goals and timetables for minority and female utilization, which shall be based on appropriate workforce, demographic, or other relevant data and which shall cover construction projects or construction contracts performed in specific geographical areas. The goals, which shall be applicable to each construction trade in a covered contractor’s or subcontractor’s entire workforce which is working in the area covered by the goals and

timetables, shall be published as notices in the Federal Register, and shall be inserted by the contracting officers and applicants, as applicable, in the Notice required by 41 CFR 60-4.2. Covered construction contractors performing construction work in geographical areas where they do not have a Federal or federally assisted construction contract shall apply the minority and female goals established for the geographical area where the work is being performed.

[45 FR 65978, OCT. 3, 1980]

60-4.7 Effect on Other Regulations.

The regulations in this part are in addition to the regulations contained in this chapter, which apply to construction contractors and subcontractors generally. See particularly, 41 CFR 60-1.4 (a), (b), (c), (d), and (e); 60-1.5; 60-1.7; 60-1.8; 60-1.26; 60-1.29; 60-1.30; 60-1.32; 60-1.41; 60-1.42; 60-1.43; and 41 CFR Part 60-3; Part 60-20; Part 60-30; Part 60-40; and Part 60-50.

60-4.8 Show Cause Notice.

If an investigation or compliance review reveals that a construction contractor or subcontractor has violated the Executive order, any contract clause, specifications or the regulations in this chapter and if administrative enforcement is contemplated, the Director shall issue to the contractor or subcontractor a notice to show cause which shall contain the items specified in paragraphs (i) through (iv) of 41 CFR 60-2.2(c)(1). If the contractor does not show good cause within 30 days, or in the alternative, fails to enter an acceptable conciliation agreement which includes where appropriate, make up goals and timetables, back pay, and seniority relief for affected class members, the OFCCP shall follow the procedure in 41 CFR 60-1.26(b): *Provided,* That where a conciliation agreement has been violated, no show cause notice is required prior to the initiation of enforcement proceedings.

[43 FR 49254, OCT. 20, 1978; 43 FR 51401, NOV. 3, 1978]

60-4.9 Incorporation by Operation of the Order.

By operation of the order, the equal opportunity clause contained in § 60-1.4, the Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (Executive Order 11246) contained in § 60-4.2, and the Standard Federal Equal Employment Opportunity Construction Contract Specifications (Executive Order 11246) contained in § 60-4.3 shall be deemed to be a part of every solicitation or of every contract and subcontract, as appropriate, required by the order and the regulations in this chapter to include such clauses whether or not they are physically incorporated in such solicitation or contract and whether or not the contract is written.

Construction Contracts of Loan Recipient and Other Sections From

"Procedures For Issuing Loans From the Public Water Supply Loan Program"

Section 662.420(b)(2) Negotiations of Contract Amendments (Change Orders)

1) When the loan recipient authorizes the contractor to add, delete, or revise the work within the general scope of the contract documents, or authorizes an adjustment in the contract price or contract time, the loan recipient shall submit a change order to the Agency.

2) For each change order, the loan recipient shall submit to the Agency for approval the following documentation:

   i) one copy of the fully executed change order signed by the loan recipient, construction engineer, and the contractor; and
   ii) a description of any changes, with justification for the changes.

3) Prior approval by the Agency of a change order is required when a change order results in:

   i) alterations in design scope that require a modification to a construction permit; or
   ii) an increase in the amount of loan funds needed to complete the project.

4) Failure to give timely notice of proposed project changes or action by the loan recipient that is not consistent with the Agency's determination on those changes may result in disallowance of loan participation for costs incurred that are attributable to the change.

Section 662.620(f) Required Construction Contract Provisions

Each construction contract shall include the following provisions:

1) Audit; access to records:
   A) The contractor shall maintain books, records, documents and other evidence directly pertinent to performance on loan work consistent with generally accepted accounting principles. The contractor shall also maintain the financial information and data used by the contractor in the preparation or support of any cost submissions required under subsection (b) above, (Negotiation of Contract Amendments, Change Orders) and a copy of the cost summary submitted to the Owner. The Illinois Auditor General, the Owner, the Agency, or any of their duly authorized representatives shall have access to the books, records, documents, and other evidence for purposes of inspection, audit, examination, excerpts, transcriptions, and copying. The contractor shall provide facilities for access and inspection.

   B) For a formally advertised, competitively awarded, fixed price contract, the contractor shall include access to records as required by subsection (a)(1)(A) for all negotiated change orders and contract amendments in excess of $25,000 that affect the contract price. In the case of all other prime contracts, the contractor shall agree to include access to records required by subsection (a)(1)(A) in all contracts and all tier

subcontracts or change orders in excess of $25,000 that are directly related to project performance.

C) Audits shall be in accordance with auditing standards generally accepted in the United States.

D) The contractor agrees to the disclosure of all information and reports resulting from access to records pursuant to subsection (a)(1)(A) above. When the audit concerns the contractor, the auditing agency shall afford the contractor an opportunity for an audit exit conference and an opportunity to comment on the pertinent portions of the draft audit report. The final audit report shall include the written comments, if any, of the audited parties.

E) The records required by subsection (a)(1)(A) above shall be maintained and made available during performance of the work under this loan agreement and for three years after the date of final loan audit. In addition, records that relate to any dispute or litigation or the settlement of claims arising out of any performance, costs or items to which an audit exception has been taken, shall be maintained and made available for three years after the date of resolution of such dispute, appeal, litigation, claim or exception.

F) The right of access will generally be exercised with respect to financial records under:
   i) Negotiated prime contractors;
   ii) Negotiated change orders or contract amendments in excess of $25,000 affecting the price of any formally advertised, competitively awarded, fixed price contract; and
   iii) Subcontracts or purchase orders under any contract other than a formally advertised, competitively awarded, fixed price contract.

G) The right of access will generally not be exercised with respect to a prime contract, subcontract, or purchase order awarded after effective price competition. In any event, the right of access shall be exercised under any type of contract or subcontract:
   i) With respect to records pertaining directly to contract performance, excluding any financial records of the contractor; and
   ii) If there is any indication that fraud, gross abuse, or corrupt practices may be involved in the award or performance of the contract or subcontract.

2) Covenant against contingent fees

The contractor shall warrant that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. For breach or violation of this warranty, the Owner shall have the right to annul the contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

3) Wage provisions

   The Contractor shall pay prevailing wages in accordance with the Davis-Bacon Act (40 USC 3141 through 3148) as defined by the U.S. Department of Labor.

4) Disadvantaged business enterprise requirements.

   The contractor shall provide evidence that the contractor has taken affirmative steps in accordance with 40 CFR 33 to assure that disadvantaged business enterprises are used when possible as sources of supplies, equipment, construction, and services, consistent with the provisions of the Agency's Operating Agreement with USEPA.

5) Debarment and suspension provisions.

   The contract shall require the successful bidders to submit a Certificate Regarding Debarment, Suspension and Other Responsibility Matters (EPA Form 5700-49) showing compliance with federal Executive Order 12549.

6) Nonsegregated facilities provisions

   The contractor shall be required to submit a Certification of Nonsegregated Facilities on forms provided by the Agency.

7) American Iron and Steel

   The contractor shall be required to use American Iron and Steel, if required by USEPA for that fiscal year.

8) No contractor or subcontractor shall discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor or subcontractor shall carry out applicable requirements of 40 CFR 33 in the award and administration of contracts awarded under the PWSLP. Failure by the contractor or subcontractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.

9) Illinois Works Jobs Program Act – Apprenticeship Initiative

   The contractor shall provide physical evidence, such as emails, letters, logs, records, etc. that will prove to the Lending Agency the contractor has taken affirmative steps to assure that apprentices are used when possible.

Section 662.620(g) Subcontracts under Construction Contracts

The award or execution of all subcontracts by a prime contractor and the procurement and negotiation procedures used by the prime contractor shall comply with:

1) All applicable provisions of Federal, State and local law;

2) All provisions of this Part 662 regarding fraud and other unlawful or corrupt practices;

3) All provisions of this Part 662 with respect to access to facilities, records and audit of records; and
4) All provisions of subsection 662.620(f)(5) that require a Certification Regarding Debarment, Suspension, and Other Responsibility Matters (EPA Form 5700-49) showing compliance with any controlling federal Executive Orders.

Section 662.620 (h) Contractor Bankruptcy

In the event of a contractor bankruptcy, the loan recipient shall notify the Agency and shall keep the Agency advised of any negotiations with the bonding company, including any proposed settlement. The Agency may participate in those negotiations and will advise the loan recipient of the impact of any proposed settlement to the loan agreement. The loan recipient shall be responsible for assuring that every appropriate procedure and incidental legal requirement is observed in advertising for bids and re-awarding a construction contract.

Section 662.620 (i) Access

Every contract entered into by the loan recipient for construction work, and every subagreement, shall provide Agency representatives with access to the work. The contractor or subcontractor shall provide facilities for access and inspection.

Section 662.640 (c) Remedies

All claims, counter-claims, disputes, and other matters in question between the recipient and the contractor arising out of, or relating to, a sub-agreement or its breach shall be decided by arbitration if the parties agree, or in a court of competent jurisdiction within the State.

City of Joliet Specification for Disadvantaged Business Enterprise Participation

I. Disadvantaged Business Enterprise Policy

A. It is the policy of the State of Illinois to award a fair share of sub-agreements to disadvantaged businesses. In complying with this requirement, Bidders or Offerors are required to take affirmative steps to assure that disadvantaged businesses are used when possible as sources of supplies, equipment, construction, and services as explained herein.

B. These specifications define the terms, conditions, and requirements of the State Revolving Fund Loan Program, and the City of Joliet policy and procedures for complying with these requirements.

C. As required by the award conditions of USEPA's Assistance Agreement with IEPA, the fair share percentages are 5% for MBEs and 12% for WBEs.

II. Pre-Contract Award Obligations

A. Bidders are required to advertise subcontracting opportunities and to negotiate with disadvantaged businesses prior to the day of the bid opening. Failure to document such affirmative efforts shall be deemed, relative to disadvantaged business compliance non-responsive.

B. To establish a bid as responsible, the Bidder will be required to document the proposed utilization of disadvantaged businesses with letters of intent signed by the bidder and by the disadvantaged business listed in the bid. The documentation requirements are outlined in Section III.

C. City of Joliet disadvantaged business policy clearly intends for Bidders to contact and encourage the participation of disadvantaged businesses prior to bid opening. Affirmative efforts (the written record of conscientious and honest communications between the bidder and disadvantaged business) must be initiated and completed by the bidder prior to bid opening. All bidders must document compliance with the requirements of the disadvantaged business policy.

III. Evaluation of Disadvantaged Business Utilization and Affirmative Efforts

A. As a prerequisite to demonstrate compliance with the City of Joliet disadvantaged business policy, ALL bidders shall provide the following with its bid:

1. Completed and signed certification from the bidder(s), attesting that the bidder will award no sub-agreements, including the procurement of equipment, materials, supplies and services, in the performance of this contract.

OR

1. "Certification of publication", or adequate proof of publication, including an actual copy of the newspaper advertisement from a daily newspaper. The advertisement must run one day at least (16) days prior to bid opening. An example advertisement follows this section.

   Bidders may publish the advertisement in an established, online Bidder's clearinghouse such as the "Dodge Report (http://construction.com/dodge/)". If an online advertisement is placed with the "Dodge Report" or an equivalent website, a screenshot of the advertisement along with the webpage address, and a payment receipt is required as documentation. **The advertisement must run one day at least (16) days prior to bid opening.** See the "Suggested Disadvantaged Business (DBE) Advertisement for Construction Contractors", which can be found on page 30 of this Section.

2. List of all disadvantaged business enterprise (DBE) and non-DBEs that submitted proposals to the Bidder along with the date of the proposal. Names, addresses, phone number and/or e-mail are required. CERTIFICATE 00 74 23.03 DBE FORM #4 (BIDDER'S LIST) may be used for this purpose, but any list that contains the required information may be submitted. This list does not have to be submitted with the Bid. This list shall be submitted within five (5) business days after the receipt of Bids.

3. List of disadvantaged businesses not being utilized and justification for non-utilization (see CERTIFICATE 00 74 23.01 DBE FORM #1 (CONTRACTOR CERTIFICATION)).

4. If DBE subcontractors will be utilized for the project, a completed and signed copy of CERTIFICATE 00 74 23.02 DBE FORM #3 (SUBCONTRACTOR UTILIZATION) or equivalent "Notice of Intent" is needed from each DBE subcontractor.

5. If DBE subcontractors will be utilized for the project, a completed and signed certification from the Bidder(s), attesting that the Bidder has no controlling or dominating interest or conflict of interest with the disadvantaged business that will be utilized (Use CERTIFICATE 00 74 23.01 DBE FORM #1 (CONTRACTOR CERTIFICATION)).

6. In instances where the Bidder(s) does not receive any proposals from disadvantaged businesses prior to bid opening, the Bidder(s) must provide a written certification attesting that no proposals were received (Use CERTIFICATE 00 74 23.01 DBE FORM #1 (CONTRACTOR CERTIFICATION)).

Failure to submit the documentation pursuant to the requirements of A (1-7) above may cause rejection of the bid as non-responsive.

IV. Sanctions

A. The City of Joliet has the option to reject one or all bids where the information submitted by the bidder fails to demonstrate compliance with the disadvantaged business requirements (i.e., the bidder fails to place their pre-bid advertisement in a daily newspaper, or approved website, at least sixteen (16) days prior to the bid opening).

B. Upon finding that any Party has not complied with the requirements of these specifications, including misrepresenting a firm as a disadvantaged business, any one or a combination of the following actions may be taken.

1. Declare the bidder and/or subcontractor non-responsible and therefore ineligible for contract award.
2. Disallow all contract costs associated with non-compliance.
3. Refer any matter, which may be fraudulent to the Illinois Attorney General.

V. Post-Contract Award Compliance

A. As required by the award conditions of USEPA's Assistance Agreement with IEPA, all sub-agreements of the prime contractor must identify that the fair share percentages are 5% for MBEs and 12% for WBEs.

B. After award of the prime contract copies of all disadvantaged business related sub-agreements between the prime contractor and subcontractors shall be submitted to the Owner.

C. After bid submission, any changes in previously reported disadvantaged businesses utilization shall be handled in accordance with 40 CFR Part 33.302(b-h). If the contractor fails to initiate such actions, the Owner may withhold payments and/or institute other appropriate sanctions.

SUGGESTED DISADVANTAGED
BUSINESS ADVERTISEMENT FOR CONSTRUCTION CONTRACTORS*

NOTICE TO DISADVANTAGED BUSINESSES

_____, _____, _____, is
(Name of Company) (Address of Company) (Telephone)

seeking disadvantaged businesses for

the_____
(Name of Loan Recipient)

Project for subcontracting opportunities in the following areas:

_____, _____, _____.

All disadvantaged businesses should contact, in writing,

(certified letter, return receipt requested), _____, to discuss the
(Company Contact Person)

subcontracting opportunities. All negotiations must be completed prior to the bid opening

date _____.
(Date of Bid Opening)

- The advertisement must clearly state the method of evaluating the proposals or quotations, and the relative importance attached to each criterion. Bidders must uniformly and objectively evaluate the proposals submitted by disadvantaged businesses in response to the advertisement based upon the evaluation criteria stated in the advertisement. The evaluation criteria must not be restrictive or exclusionary.

Davis-Bacon Wage Act Compliance Guidance

I. Wage Rate Requirements Under Section 1606 of the American Recovery and Reinvestment Act For Subrecipients That Are Governmental Entities

The following terms and conditions specify how recipients will assist USEPA in meeting its Davis-Bacon (DB) responsibilities when DB applies to USEPA awards of financial assistance under the Recovery Act with respect to IEPA and subrecipients that are governmental entities. If a subrecipient has questions regarding when DB applies, obtaining the correct DB wage determinations, DB provisions, or compliance monitoring, it may contact IEPA for guidance. The subrecipient may also obtain additional guidance from DOL's web site at https://www.dol.gov/agencies/whd/government-contracts/construction.

1. Applicability of the Davis-Bacon (DB) prevailing wage requirements.

Davis-Bacon prevailing wage requirements apply to the construction, alteration, and repair activity of infrastructure, including all construction, alteration and repair activity involving waste water or drinking water treatment plants is subject to DB. If a subrecipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the subrecipient must discuss the situation with IEPA before authorizing work on that site.

2. Obtaining Wage Determinations.

(a) Subrecipients shall obtain the wage determination for the locality in which a covered activity subject to DB will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

(i) While the solicitation remains open, the subrecipient shall monitor https://sam.gov/content/wage-determinations on a weekly basis to ensure that the wage determination contained in the solicitation remains current. The subrecipient shall amend the solicitation of DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the closing date, the subrecipient may request a finding from IEPA that there is not a reasonable time to notify interested contractors of the modification of the wage determination. IEPA will provide a report of its findings to the subrecipient.

(ii) If the subrecipient does not award the contract within 90 days of the closure of the solicitation, any modifications or supersedes DOL makes to the wage determination contained in the solicitation shall be effective unless IEPA, at the request of the subrecipient, obtains an extension of the 90 day period from DOL pursuant to 29 CFR 1.6(c)(3)(iv). The subrecipient shall monitor https://sam.gov/content/wage-determinations on a weekly basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.

(b) If the subrecipient carries out activity subject to DB by issuing a task order, work assignment or similar instrument to an existing contractor (ordering instrument) rather than by publishing a solicitation, the subrecipient shall insert the appropriate DOL wage determination from https://sam.gov/content/wage-determinations into the ordering instrument.

(c) Subrecipient shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.

(d) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a subrecipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the subrecipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the subrecipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The subrecipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

3. Contract and Subcontract provisions.

(a) The Recipient shall insure that the **subrecipient** (s) shall insert in full in any contract in excess of $2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a public building or public work, or building or work financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in § 5.1, the following clauses:

(1) Minimum wages.

(i) 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 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; 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 § 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 paragraph (a)(1)(ii) of this section) 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.

Subrecipient(s) may obtain wage determinations from the U.S. Department of Labor's web site, https://sam.gov/content/wage-determinations.

(ii)(A) The **subrecipient**(s), on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The EPA award official shall approve an additional classification and wage rate and fringe benefits therefore 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 the **subrecipient**(s) 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 the **subrecipient**(s) to the State award official. The State award official will transmit the report, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the State award official or will notify the State award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the and the **subrecipient**(s) do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the questions, including the views of all interested parties and the recommendation of the State award official, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii)(B) or (C) of this section, 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.

(2) Withholding. The **subrecipient** (s), shall upon written request of the EPA Award Official or 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, the (Agency) 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.

(3) Payrolls and basic records.

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working 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 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the

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

(ii)(A) The contractor shall submit weekly, for each week in which any contract work is performed, a copy of all payrolls to the **subrecipient** , that is, the entity that receives the sub-grant or loan from the State capitalization grant recipient. Such documentation shall be available on request of the State recipient or EPA. As to each payroll copy received, the **subrecipient** shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5(a)(1) based on the most recent payroll copies for the specified week. The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on the weekly payrolls. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division website at https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/wh347.pdf or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the **subrecipient** (s) for transmission to the State or EPA if requested by EPA, the State, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the **subrecipient** (s).

(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 provided under § 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under § 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, 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 Regulations, 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 paragraph (a)(3)(ii)(B) of this section.

(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 paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the State, EPA 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, the Federal agency or State 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 classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate 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 this part 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 shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may by appropriate, 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 29 CFR 5.5.

(7) Contract termination: debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) Compliance with Davis-Bacon and Related Act requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and **Subrecipient** (s), State, EPA, the U.S. Department of Labor, or the employees or their representatives.

(10) Certification of eligibility.

(i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

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

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

4. Contract Provision for Contracts in Excess of $100,000.

(a) Contract Work Hours and Safety Standards Act. The **subrecipient** shall insert the following clauses set forth in paragraphs (a)(1), (2), (3), and (4) of this section in full in any contract in an amount in excess of $100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Item 3, above or 29 CFF 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

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

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (a)(1) of this section 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 paragraph (a)(1)

of this section, 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 forty hours without payment of the overtime wages required by the clause set forth in paragraph (a)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The **subrecipient,** upon written request of the EPA Award Official or an authorized representative of the Department of Labor, shall 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 contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a)(1) through (4) of this section 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 paragraphs (a)(1) through (4) of this section.

(b) In addition to the clauses contained in Item 3, above, in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR 5.1, the **Subrecipient** shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the **Subrecipient** shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of the USEPA and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

5. Compliance Verification

(a) The subrecipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(6), all interviews must be conducted in confidence. The subrecipient must use Standard Form 1445 or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from USEPA on request.

(b) The subrecipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, the subrecipient must conduct interviews with a representative group of covered employees within two weeks of each contractor or

subcontractor's submission of its initial weekly payroll data and two weeks prior to the estimated completion date for the contract or subcontract. Subrecipients must conduct more frequent interviews if the initial interviews or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. Subrecipients shall immediately conduct necessary interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence.

(c) The subrecipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors and subcontractors are paying the appropriate wage rates. The subrecipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, the subrecipient must spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. Subrecipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations the subrecipient shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.

(d) The subrecipient shall periodically review contractors and subcontractors use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S. Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Items (b) and (c) above.

(e) Subrecipients must immediately report potential violations of the DB prevailing wage requirements to the USEPA DB contact listed above and to the appropriated DOL Wage and Hour District Office listed at https://www.dol.gov/agencies/whd/contact/local-offices.

Use of American Iron and Steel

Sec. 436. (a)(1) None of the funds made available by a State water pollution control revolving fund as authorized by title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) or made available by a drinking water treatment revolving loan fund as authorized by section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12) shall be used for a project for the construction, alteration, maintenance, or repair of a public water system or treatment works unless all of the iron and steel products used in the project are produced in the United States.

(2) In this section, the term `iron and steel products' means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

(b) Subsection (a) shall not apply in any case or category of cases in which the Administrator of the Environmental Protection Agency (in this section referred to as the `Administrator') finds that--

(1) applying subsection (a) would be inconsistent with the public interest;
(2) iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or
(3) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent.

(c) If the Administrator receives a request for a waiver under this section, the Administrator shall make available to the public on an informal basis a copy of the request and information available to the Administrator concerning the request, and shall allow for informal public input on the request for at least 15 days prior to making a finding based on the request. The Administrator shall make the request and accompanying information available by electronic means, including on the official public Internet Web site of the Environmental Protection Agency.

(d) This section shall be applied in a manner consistent with United States obligations under international agreements.

(e) The Administrator may retain up to 0.25 percent of the funds appropriated in this Act for the Clean and Drinking Water State Revolving Funds for carrying out the provisions described in subsection (a)(1) for management and oversight of the requirements of this section.

(f) This section does not apply with respect to a project if a State agency approves the engineering plans and specifications for the project, in that agency's capacity to approve such plans and specifications prior to a project requesting bids, prior to the date of the enactment of this Act

ALL BIDDERS:

Provide signed **"Bidder Certification Regarding the Use of American Iron and Steel Products" (Certificate 00 62 33.13)** with the bid.

Illinois Works Jobs Program Act – Apprenticeship Initiative
Information for Contractors

Summary: The Illinois Works Jobs Program Act, 30 ILCS 559/Art. 20, is a statewide initiative to ensure that all Illinois residents have access to State capital projects, careers in the construction industry, and to provide contracting and employment opportunities to historically underrepresented populations in the construction industry. This will be accomplished through three programs created by the Illinois Works Jobs Program Act: the Illinois Works Apprenticeship Initiative, the Illinois Works Pre-Apprenticeship Program, and the Illinois Works Bid Credit Program. Additional information is available at the following website: https://www2.illinois.gov/dceo/WorkforceDevelopment/Pages/IllinoisWorksJobsProgramAct.aspx.

The goal of the Illinois Works Apprenticeship Initiative ("10% apprenticeship goal") is that for projects estimated to cost $500,000 or more, apprentices will perform either 10% of the total labor hours actually worked in each prevailing wage classification or 10% of the estimated labor hours in each prevailing wage classification, whichever is less. The 10% apprenticeship goal applies to projects being paid for in whole or in part by appropriated capital funds to construct a public work either through a contract or grant issued by a State agency. This requirement also applies to IEPA loans. The $500,000 threshold applies to the total project cost and NOT the total cost or value of an individual construction contract.

Certification: Apprentices are required to be US Dept. of Labor certified (not limited to pre-apprentice program graduates).

Applicability

If the project is estimated to received $500,000 or more of State Capital Funding:

If the state's contribution to the project amount equals 50% or more of the cost for the project, the 10% apprenticeship requirement applies to all prevailing wage eligible work performed by contractors on the public works project.

If the state's contribution to the project is less than 50% of the cost for the project, the 10% apprenticeship requirement applies only to prevailing wage eligible work being funded from state funds.

If the project has less than $500,000 of State Capital Funding, but the total estimated cost is $500,000 or more:

If the state's contribution to the project amount equals 50% or more of the estimated cost for the project, the 10% apprenticeship requirement applies to all prevailing wage eligible work performed by contractors on the public works project.

If the state's contribution to the project is less than 50% of the estimated cost for the project, the 10% apprenticeship requirement does not apply.

If the Total Estimated Project Cost is less than $500,000: The 10% apprenticeship requirement does not apply. The $500,000 threshold applies to the total project cost and NOT the total cost or value of an individual construction contract.

Waivers from the Requirements: If goals cannot be met, the state has discretion to grant waivers, grant reductions, or to hold public hearings on the issue. Factors to be considered include the scale of the project and whether the contractor or subcontractor seeking the action has previously requested reductions or waivers. A waiver form is available on the IEPA website at:
https://www2.illinois.gov/epa/Documents/epa-forms/water/financial-assistance/apprenticeship/Waiver-Request.pdf.The form can also be obtained from DCEO.

If requesting a waiver, Contractor must provide documentation of good faith efforts to employ apprentices, including records of phone, email, and other correspondence sufficient to prove to the Lending Agency that the Contractor has taken affirmative steps to assure apprentices are used when possible.

Reporting: An example quarterly reporting form is attached. A fillable version is available on the IEPA website. Contractors should coordinate with the loan applicant and their consultant for further instructions regarding these forms. Loan applicants are ultimately responsible for reporting quarterly labor hours to the state, but coordination with their contractor is essential. All loan funded projects are subject to payment of Davis Bacon wages.

For general program questions, please contact the Illinois Works Office at: CEO.ILWorks@Illinois.gov.

END OF BIDDER INSTRUCTIONS