

**SUBMITTAL TO THE BOARD OF COMMISSIONERS  
HOUSING AUTHORITY  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 10.1  
(ID # 24040)**

**MEETING DATE:**  
Tuesday, June 04, 2024

**FROM :** HOUSING AUTHORITY

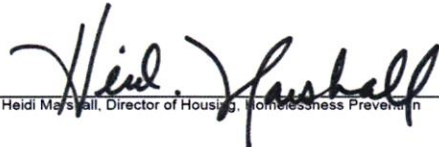
**SUBJECT:** HOUSING AUTHORITY: Approve and Accept Sole Bid for the Reconstruction of Two (2) Fire-Damaged Apartments at the Desert Rose Apartments Located at 24501 School Road in Ripley Submitted by Final Touch Construction & Design, Inc., and Approve the Reconstruction Contract By and Between the Housing Authority and Final Touch Construction & Design, Inc., District 4. [\$276,617; Fire Insurance Funds 100%]; CEQA and NEPA Exempt

**RECOMMENDED MOTION:** That the Board of Commissioners:

1. Find that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301, Existing Facilities Exemption, and Section 15061 General Rule "Common Sense" Exemption;

Continued on Page 2

**ACTION:Policy**



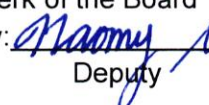
Heidi Marshall, Director of Housing, Homelessness Prevention 1/30/2024

---

**MINUTES OF THE BOARD OF COMMISSIONERS**

On motion of Commissioner Gutierrez, seconded by Commissioner Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: June 4, 2024  
xc: Housing Authority

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

**SUBMITTAL TO THE BOARD OF COMMISSIONERS HOUSING AUTHORITY  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

**RECOMMENDED MOTION:** That the Board of Commissioners:

2. Find that the project is a categorically excluded activity (subject to Title 24 Code of Federal Regulations (CFR) Section 58.5) and meets the conditions specified for such exemption pursuant to Title 24 CFR Section 58.35(a) and in accordance with the National Environmental Policy Act (NEPA) of 1969;
3. Accept the sole bid by Final Touch Construction & Design, Inc. and award the Apartment Reconstruction Contract as the sole responsive and responsible bidder in the amount of \$251,470 for repair and reconstruction of two (2) fire-damaged apartments at the Desert Rose Apartments located at 24501 School Road, Ripley, CA, 92225;
4. Approve the Apartment Reconstruction Contract between the Housing Authority of the County of Riverside (HACR) and Final Touch Construction & Design, Inc. (Contractor) for the Fire Damaged Apartment Reconstruction Project at Desert Rose Apts. (Construction Contract) and the total renovation project budget (including contingency amount) of \$276,617;
5. Authorize the Executive Director of HACR to sign the Construction Contract subject to approval as to form by County Counsel;
6. Authorize the Executive Director of HACR, or designee, to take all necessary steps to implement and accomplish the Construction Contract, including but not limited to, signing all administrative documents, change orders and addendums to the Contract, including amendments or change orders that do not exceed the original total budget by ten percent (10%) to facilitate successful completion of the project, subject to approval as to form by County Counsel; and
7. Direct HACR staff to file the Notice of Exemption with the County Clerk and the State Office of Planning and Research within five (5) business days of approval.

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$276,617	\$0	\$276,617	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS:</b> Fire Insurance Funds 100%			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 23/24	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The Housing Authority of the County of Riverside (HACR) owns, operates, and maintains the apartment building known as the Desert Rose Apartments (Property) located at 24501 School Road, Ripley, CA, 92225. Originally built on this site in 1986, several of the Property's two-bedroom apartment units now require replacement and upgrading to bring it up to current standards. This proposed project will completely remove and replace the old



**SUBMITTAL TO THE BOARD OF COMMISSIONERS HOUSING AUTHORITY  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

fixtures, and damaged and non-working appliances, and repaint the entire apartment to bring it up to standards where these units can be rented out again.

HACR advertised an Invitation for Bids (IFB) No. 2023-001, for the apartment renovation project at the Property with a closing date of June 14, 2023. HACR did not receive any bids. On the second advertisement with a closing date of July 27, 2023, HACR received one bid that was deemed invalid as the bidder had not secured the required bid bond. On the third advertisement with a closing date of September 6, 2023, Final Touch Construction & Design, Inc. (Contractor) was the only bidder that responded to the solicitation that was identified as both responsible and responsive.

During this time, there was a fire involving two other apartments inside the complex. One unit was completely destroyed, including structural damage to the building itself. Since the Contractor was the only bidder to the original renovation project, they were also awarded this project in the interest of expediency and making these two apartments habitable as soon as possible again.

HACR staff recommends that the Board of Commissioners approve and award the Fire Damage Reconstruction Contract between HACR and Final Touch Construction & Design, Inc. in the amount of \$251,470 and approve the project budget as follows:

Renovation Contract	\$251,470
Contingency (10%)	\$25,147
<b>Total:</b>	<b>\$276,617</b>

A 10% construction contingency in the amount of \$25,147 has been included in the project budget to account for errors and omissions in the construction documents or changes in the scope of the project due to unforeseen repairs or site conditions.

HACR staff reviewed the submitted bid and determined that Final Touch Construction & Design, Inc. was the lowest responsive and responsible bidder. County Counsel has reviewed the Construction Contract and has approved it as to form.

**California Environmental Quality Act (CEQA) and NEPA Findings:**

This project will rebuild two (2) existing apartments on the same site, within the same confines of the Property. The project is exempt from CEQA pursuant to Section 15301 Existing Facilities Exemption. This exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The project as proposed is the reconstruction of the two (2) existing apartments. There will be no expansion of the existing use of the Property, which is currently residential use. Additionally, the project is exempt from CEQA pursuant to Section 15061 as there is no possibility the

**SUBMITTAL TO THE BOARD OF COMMISSIONERS HOUSING AUTHORITY  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

apartment reconstruction project will have a significant impact on the environment. Finally, this project is also a categorically excluded activity (subject to Title 24 Code of Federal Regulations (CFR) Section 58.5) and meets the conditions specified for such exemption pursuant to Title 24 CFR Section 58.35(a) and in accordance with the National Environmental Policy Act of 1969.

**Impact on Residents and Businesses**

Approving this item will have a positive impact on the citizens and businesses of Riverside County. The proposed project is expected to generate temporary construction jobs. Additionally, the reconstruction will protect HACR clients by providing safe housing. This improvement will positively impact the overall health of residents and clients and improve the surrounding neighborhood.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

No impact upon the County's General Fund; the project will be fully funded from Fire Insurance Funds and from HACR Building Funds, if needed.

**Contract History and Price Reasonableness**

The HACR advertised an Invitation for Bids (IFB) No. 2023-001 with a bid opening date of September 06, 2023. Final Touch Construction, Inc. was the sole bidder and was found to be responsive and responsible. The cost proposed by the bid of \$251,470 compares well with the other proposed amounts and is deemed to be appropriate, fair, and reasonable. Staff reviewed the submitted bid and determined that Final Touch Construction & Design, Inc. was the sole responsive and responsible bidder.

**Attachments:**

- A. Construction Contract
- B. Notice of Exemption
- C. Performance Bond
- D. Payment Bond
- E. Certificate of Insurance

  
Erianna Lontajo, Principal Management Analyst 5/29/2024

  
Aaron Gettis, Chief of Deputy County Counsel 5/21/2024



## NOTICE OF EXEMPTION

March 25, 2024

**Project Name:** Fire Damage Reconstruction Project at Desert Rose Apartments

**Project Number:** 2024-003

**Project Location:** 24501 School Road, Ripley, CA 92225

**Description of Project:** The Housing Authority of the County of Riverside (HACR) owns, operates, and maintains the apartment complex known as the Desert Rose Apartments (Property) located at 24501 School Road, Ripley, CA 92225. Two of the Property's apartments were damaged in a fire and are in need of complete reconstruction, including but not limited to: new flooring, new drywall, structural beams and new cabinets and fixtures. The scope of the capital improvements will include reconstructing the apartments into their original layouts and design. The existing use of the site will remain the same and of similar intensity. Any existing impacts related to noise, traffic, or utilities will remain similar to existing conditions.

**Name of Public Agency Approving Project:** Housing Authority of the County of Riverside, Dept. of Housing and Workforce Solutions

**Name of Person or Agency Carrying Out Project:** Housing Authority of the County of Riverside

**Exempt Status:** California Environmental Quality Act (CEQA) Guidelines, Section 15301, Existing Facilities and Section 15061 (b) (3), General Rule Exemption.

**Reasons Why Project is Exempt:** The project is exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The project will not cause any impacts to scenic resources, historic resources, or unique sensitive biological environments. The existing structure here that will have some of its apartments renovated does not possess any historic significance and the project site is already developed. Further, no unusual circumstances or potential cumulative impacts would occur that may reasonably create an environmental impact. The replacement of old flooring, cabinets, countertops, and fixtures with new ones will not have any effect on the environment and no significant physical environmental impacts are anticipated to occur.

- Section 15301 – Class 1 Existing Facilities Exemption. This exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The

**Housing Authority of the County of Riverside  
5555 Arlington Avenue, Riverside, CA 92504**

project as proposed is the replacement of the existing interior fixtures, and as proposed, is minimal and would not result in any significant physical impacts related to air quality, traffic, noise, biological or historic resources, nor any other potential physical environmental impacts. Once the replacement of the old fixtures is complete, the property will continue to operate as an apartment building. Therefore, the project meets the scope and intent of the Class 1 Exemption.

- Section 15061(b)(3) – General Rule or “Common Sense” Exemption. The State CEQA Guidelines provides this exemption based upon the general rule that CEQA only applies to projects with the potential to cause a significant effect on the environment. With certainty, there is no possibility that the proposed project may have a significant effect on the environment. The replacement of already existing flooring, cabinets, countertops, and fixtures at the same physical location will not have an effect on the environment. The new fixtures will not increase any potential environmental impacts from either the replacement or installation of the new fixtures. The use and operation of the site will be substantially unchanged and will not create any new environmental impacts to the surrounding area. In fact, the renovation will improve both the existing structure and the surrounding community. Therefore, in no way would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Based upon the identified exemptions above, the County of Riverside, Department of Housing, Homelessness Prevention and Workforce Solutions hereby concludes that no physical environmental impacts are anticipated to occur and the project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed: \_\_\_\_\_



Date: \_\_\_\_\_

3/25/2024

Cindy Hui, Deputy Director  
Housing Authority of the County of Riverside, HWS



**APARTMENT RECONSTRUCTION CONTRACT**

**BY AND BETWEEN**

**THE HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE**

**AND**

**FINAL TOUCH CONSTRUCTION & DESIGN, INC.**

**FOR THE**

**FIRE-DAMAGE RECONSTRUCTION PROJECT AT DESERT ROSE APTS.**

This Reconstruction Contract (“Contract”) is made by and between the **Housing Authority of the County of Riverside**, a public entity, corporate and politic, hereinafter referred to as “AUTHORITY”, or “HACR”, and **Final Touch Construction & Design, Inc.**, a California corporation, hereinafter referred to as “CONTRACTOR”. AUTHORITY and CONTRACTOR are collectively referred to herein as the “Parties”.

**RECITALS**

- A. This Contract pertains to that certain real property owned by AUTHORITY located at 24501 School Road, Ripley, CA 92225, in the County of Riverside, hereinafter referred to as the “Property”;
- B. The term “PROJECT” includes the performance, as set forth in the Contract Documents (defined in Section 1.1. below), by the CONTRACTOR, of all work or improvements on, in and about the Property;
- C. CONTRACTOR was previously the only responsive and responsible bidder for AUTHORITY’S Invitation to Bid no. 2023-001 for the Apartment Renovation Project at Desert Rose Apartments on September 6, 2023. Whereas this was a single-source contract and additional work was required, due to the recent fire here, CONTRACTOR was also awarded this PROJECT; and

**PERFORMANCE BOND**

(Public Work – Public Contract Code Section 20129 (b))

WHEREAS, the Housing Authority of the County of Riverside (“Owner”) on ~~September 6, 2023~~ <sup>February 21, 2024</sup>; has awarded Construction Contract Number: 2023-001A (“Contract”) to the undersigned Final Touch Construction & Design, Inc., as Principal (“Principal”) to perform the work (“Work”) for the following project; Fire Damage Reconstruction Project at Desert Rose Apts., which Contract is by this reference hereby incorporated herein and made a part hereof;

WHEREAS, said Principal is required by the Contract and/or by California Public Contract Code, Section 20129 (b) to furnish a performance bond for the faithful performance of the Contract;

NOW THEREFORE, we, the Principal and The Ohio Casualty Insurance Company (“Surety”), an admitted surety insurer pursuant to Code of Civil Procedure, Section 995.120, are held and firmly bound unto Owner in the penal sum of Two Hundred Fifty-One Thousand, Four Hundred Seventy and 00/100-- Dollars (\$251,470.00--), this amount being not less than one hundred percent (100%) of the total sum payable by Owner under the Contract at the time the Contract is awarded by Owner to the Principal, lawful money of the United States of America, for the payment of which sum well and truly to be made, we, Principal and Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if Principal, its heirs, executors, administrators, successors or assigns approved by Owner, shall in all things stand to and abide by and well and truly keep and perform all the undertakings, terms, covenants, conditions and agreements in the Contract, including, without limitation, all obligations during the original term and any extensions thereof as may be granted by Owner, with or without notice to Surety thereof (including, without limitation, the obligation for Principal to pay liquidated damages), all obligations during the period of any warranties and guarantees required under the Contract and all other obligations otherwise arising under the terms of the Contract (such as, but not limited to, obligations of indemnification), all within the time and in the manner therein designated in all respects according to their true intent and meaning, then this obligation shall become null and void; otherwise, it shall be and remain in full force and effect.

## **PERFORMANCE BOND**

Whenever Principal shall be, and is declared by Owner to be, in default under the Contract, the Surety shall promptly either remedy the default, or, if the Contract is terminated by Owner or the Principal's performance of the Work is discontinued, Surety shall promptly complete the Contract through its agents or independent contractors, subject to acceptance of such agents or independent contractors by Owner as hereinafter set forth, in accordance with its terms and conditions and to pay and perform all obligations of Principal under the Contract (including, without limitation, all obligations with respect to payment of liquidated damages) less the "Balance of the Contract Price" (as hereinafter defined); subject to the penal amount of this bond as set forth above. The term "Balance of the Contract Price," as used in this paragraph, shall mean the total amount payable to Principal by Owner under the Contract and any modifications thereto, less the amount previously paid by Owner to the Principal and less amounts that Owner is authorized to withhold under the terms of the Contract.

If Owner determines that completion of the Contract by Surety or its agents or independent contractors must be performed by a lowest responsible bidder selected pursuant to a competitive bidding process, then Surety shall comply with such processes in accordance with the requirements of Owner and applicable laws. Unless otherwise approved by Owner, in the exercise of its sole and absolute discretion, Surety shall not utilize Principal in completing performance of the Work.

No right of action shall accrue on this bond to or for the use of any person or entity other than Owner or its successors or assigns.

In the event any legal proceeding or arbitration is brought upon this bond by Owner and judgment or award is entered in favor of Owner as the prevailing party, Surety shall pay all costs and attorney's fees incurred by the Owner.

Correspondence or claims relating to this bond shall be sent to Surety at the address set forth below.

Surety, for value received, agrees that no change, extension of time, alteration or addition to the terms of the Contract, or to the work to be performed thereunder, shall in any way impair or affect Surety's obligation under this bond, and Surety does hereby waive notice of any such changes, extensions of time, alterations or additions.



**PERFORMANCE BOND**

Surety's obligations hereunder are independent of the obligations of any other surety for the performance of the Contract, and suit may be brought against Surety and such other sureties, joint and severally, or against any one or more of them or against less than all of them, without impairing Owner's rights against the others. Signed, Sealed, and Dated: March 5, 2024.

Final Touch Construction & Design, Inc.

**(Proper name of Principal)**

(Corporate Seal of Principal, if Corporation)

**By:**



**Signature of Principal authorized representative**

Luis Echeverria

**Print or type authorized representative's Name**

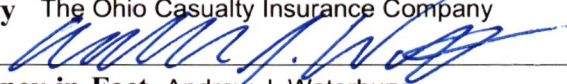
16466 Foothill Boulevard, Fontana, CA 92335

**Print or type Principal's Address**

(Corporate Seal of Surety)

**Surety** The Ohio Casualty Insurance Company

**By:**



**Attorney-in-Fact**, Andrew J. Waterbury

(Attach Attorney-in-Fact Certificate and Required Acknowledgments)

**Name and Address of California Agent of Surety**

Moody Insurance Agency, Inc.

8055 E Tufts Ave., #1000, Denver, CO 80237

(303) 824-6600

**Telephone Number of California Agent of Surety**

Note: Notary acknowledgment of signatures of Principal and Surety, and Surety's Power of Attorney, must be included or attached.



ALL CAPACITY ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF California

COUNTY OF San Bernardino

On 3/11/2024 before me, Nelly Sanchez, Notary Public  
(Date) (Name and title of the officer)

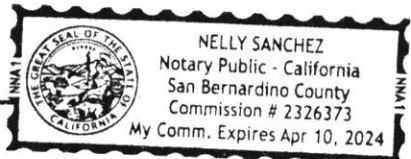
personally appeared Luis Schevernia  
(Name of person signing)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Nelly Sanchez  
Signature of officer



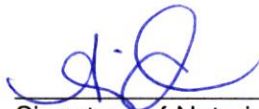
(Seal)

**COLORADO NOTARY ACKNOWLEDGEMENT  
(INDIVIDUAL)**

State of Colorado

County of Denver

This record was acknowledged before me on March 5, 2024 (date) by  
Andrew J. Waterbury (name[s] of individual[s]).

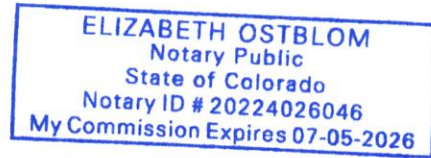


\_\_\_\_\_  
Signature of Notarial Officer  
Elizabeth Ostblom  
Notary Public

\_\_\_\_\_  
Title of Office

My Commission Expires: 07/05/2026

(Seal)





This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

Certificate No: 8206946-965037

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Andrew J. Waterbury, Bradley J. Moody, Elizabeth Ostblom, Evan E. Moody, Jody L. Anderson, Karen A. Feggstad, Lee Dartois

all of the city of Denver state of CO each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 15th day of December, 2021.



Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

By: David M. Carey
David M. Carey, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

For bond and/or Power of Attorney (POA) verification inquiries, please call 610-832-8240 or email HOSUR@libertymutual.com.

State of PENNSYLVANIA
County of MONTGOMERY

On this 15th day of December, 2021 before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at King of Prussia, Pennsylvania, on the day and year first above written.



Commonwealth of Pennsylvania - Notary Seal
Teresa Pastella, Notary Public
Montgomery County
My commission expires March 28, 2025
Commission number 1126044
Member, Pennsylvania Association of Notaries

By: Teresa Pastella
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV - OFFICERS: Section 12. Power of Attorney.

Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation - The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization - By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 5th day of March, 2021.



By: Renee C. Llewellyn
Renee C. Llewellyn, Assistant Secretary



**PAYMENT BOND**

Bond No. 906227252

(Public Work - Civil Code Sections 9550 et seq.)

February 21, 2024

WHEREAS, the Housing Authority of the County of Riverside ("Owner") on ~~September 6th, 2023~~, has awarded Construction Contract Number: 2023-001A ("Contract") to the undersigned Final Touch Construction & Design, Inc., as Principal ("Principal") to perform the work ("Work") for the following project; Fire Damage Reconstruction Project at Desert Rose Apts.

WHEREAS, said Principal is required by the Contract and/or by the California Civil Code Section 9550 et seq. to furnish a payment bond in connection with the Contract;

NOW THEREFORE, we, the Principal and The Ohio Casualty Insurance Company ("Surety"), an admitted surety insurer pursuant to Code of Civil Procedure, Section 995.120, are held and firmly bound unto Owner in the penal sum of Two Hundred Fifty-One Thousand, Four Hundred Seventy and 00/100-- Dollars (\$251,470.00--), this amount being not less than one hundred percent (100%) of the total sum payable by Owner under the Contract at the time the Contract is awarded by Owner to the Principal, lawful money of the United States of America, for the payment of which sum well and truly to be made, we, Principal and Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if Principal, its heirs, executors, administrators, successors, or assigns approved by Owner, or its subcontractors, of any contracting tier, shall fail to pay any person or persons named in California Civil Code, Section 9554, then Surety will pay for the same, in or to an amount not exceeding the penal amount hereinabove set forth, and also will pay to the prevailing party if suit is brought upon this bond, reasonable attorney's fees as provided in California Civil Code, Section 9564.

Surety, for value received, agrees that no change, extension of time, alteration or addition to the terms of the Contract, or to the Work to be performed thereunder, nor any rescission or attempted rescission of the Contract or this bond, nor any conditions precedent or subsequent in the bond or Contract attempting to limit the right of recovery of any claimant otherwise entitled to recover under the Contract or this bond shall in any way impair or affect Surety's obligation under this bond, and Surety does hereby waive notice of any such changes, extensions of time, alterations or additions.

Surety is not released from liability to those for whose benefit this bond has been given, by reason of any breach of the Contract by Owner or Principal.




**PAYMENT BOND**

Surety's obligations hereunder are independent of the obligations of any other surety for the performance of the Contract, and suit may be brought against Surety and such other sureties, joint and severally, or against any one or more of them or against less than all of them, without impairing Owner's rights against the others. Signed, Sealed, and Delivered March 5, 2024.

Final Touch Construction & Design, Inc.  
**(Proper name of Principal)**

(Corporate Seal of Principal, if Corporation)

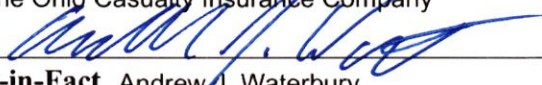
By: 

**Signature of Principal authorized representative**

Luis Echeverria  
**Print or type authorized representative's Name**

16466 Foothill Boulevard, Fontana, CA 92335  
**Print or type Principal's Address**

(Corporate Seal of Surety)

**Surety** The Ohio Casualty Insurance Company  
By:   
**Attorney-in-Fact**, Andrew J. Waterbury

(Attach Attorney-in-Fact Certificate and Required Acknowledgments)

**Name and Address of California Agent of Surety**  
Moody Insurance Agency, Inc.  
8055 E Tufts Ave., #1000, Denver, CO 80237  
(303) 824-6600  
**Telephone Number of California Agent of Surety**

Note: Notary acknowledgment of signatures of Principal and Surety, and Surety's Power of Attorney, must be included or attached.

ALL CAPACITY ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF California

COUNTY OF San Bernardino

On 3/11/2024 before me, Nelly Sanchez, Notary Public

(Date)

(Name and title of the officer)

personally appeared Leis Echeverria

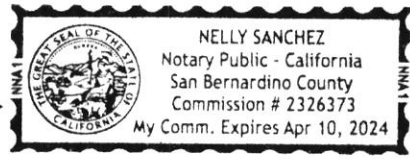
(Name of person signing)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Nelly Sanchez  
Signature of officer



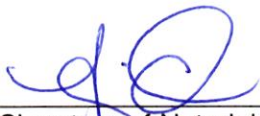
(Seal)

**COLORADO NOTARY ACKNOWLEDGEMENT  
(INDIVIDUAL)**

State of Colorado

County of Denver

This record was acknowledged before me on March 5, 2024 (date) by  
Andrew J. Waterbury (name[s] of individual[s]).

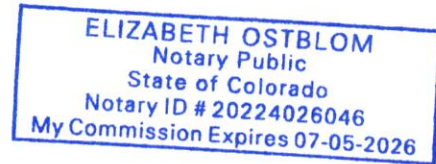


\_\_\_\_\_  
Signature of Notarial Officer  
Elizabeth Ostblom  
Notary Public

\_\_\_\_\_  
Title of Office

My Commission Expires: 07/05/2026

(Seal)







This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

Certificate No: 8206946-965037

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Andrew J. Waterbury, Bradley J. Moody, Elizabeth Ostblom, Evan E. Moody, Jody L. Anderson, Karen A. Feggestad, Lee Dartois

all of the city of Denver state of CO each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 15th day of December, 2021.



Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

By: David M. Carey
David M. Carey, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

State of PENNSYLVANIA
County of MONTGOMERY ss

On this 15th day of December, 2021 before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at King of Prussia, Pennsylvania, on the day and year first above written.



Commonwealth of Pennsylvania - Notary Seal
Teresa Pastella, Notary Public
Montgomery County
My commission expires March 28, 2025
Commission number 1126044
Member, Pennsylvania Association of Notaries

By: Teresa Pastella
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV - OFFICERS: Section 12. Power of Attorney.

Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation - The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization - By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 5th day of March, 2024.



By: Renee C. Llewellyn
Renee C. Llewellyn, Assistant Secretary

For bond and/or Power of Attorney (POA) verification inquiries, please call 610-832-8240 or email HOSUR@libertymutual.com.





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
11/01/2023

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

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

<b>PRODUCER</b> Saint Moore Insurance Agency 1150 Brookside Avenue, Suite Q  Redlands CA 92373	<b>CONTACT NAME:</b> Alissa Lehman <b>PHONE (A/C, No, Ext):</b> (909) 793-2151 <b>FAX (A/C, No):</b> (909) 798-7068 <b>E-MAIL ADDRESS:</b> alissa@stmooreinsurance.com													
	<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A: Gemini Insurance Company</td> <td>10833</td> </tr> <tr> <td>INSURER B: Infinity Select Ins Co</td> <td>20260</td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Gemini Insurance Company	10833	INSURER B: Infinity Select Ins Co	20260	INSURER C:		INSURER D:		INSURER E:		INSURER F:
INSURER(S) AFFORDING COVERAGE	NAIC #													
INSURER A: Gemini Insurance Company	10833													
INSURER B: Infinity Select Ins Co	20260													
INSURER C:														
INSURER D:														
INSURER E:														
INSURER F:														
<b>INSURED</b> Final Touch Construction & Design, Inc.  14860 Arrow Blvd.  Fontana CA 92335 (909) 350-3658														

**COVERAGES** WC **CERTIFICATE NUMBER:** Cert ID 10998 (42) **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	Y	VCGP028456	10/01/2023	10/01/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Pollution Liability \$ 1,000,000
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			504610163847001	10/05/2023	10/05/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$			VCFX001978	10/01/2023	10/01/2024	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
							\$ \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
Project: 2023-001 - Apartment Renovation Project at Desert Rose Apts. (Phase 2) @ 24501 School Road, Ripley, CA 92225.  
Housing Authority of the County of Riverside per General Liability form CG2010 12019, GL Primary per form VE0973 0420, and GL Waiver per form CG2404 1219.

<b>CERTIFICATE HOLDER</b>  angel@finaltouchconstruction.net  Housing Authority of the County of Riverside  5555 Arlington Ave.  Riverside CA 92504	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE  
--	--

© 1988-2015 ACORD CORPORATION. All rights reserved.

Policy Number: VCGP028456  
Insured Name: Final Touch Construction & Design Inc  
Number: 32

CG 20 10 12 19

Effective Date:10/01/2023

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

<b>Schedule</b>	
<b>Name Of Additional Insured Person(s) Or Organization(s)</b>	<b>Location(s) Of Covered Operations</b>
Any person or organization when you have agreed in a written and executed contract, prior to an "occurrence", that such person or organization be added as an additional insured on your policy.	All locations for which you have agreed in a written and executed contract prior to an "occurrence".
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

C. With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable limits of insurance;

whichever is less.

This endorsement shall not increase the applicable limits of insurance.

All other terms and conditions of this Policy remain unchanged.



Policy Number: VCGP028456  
Insured Name: Final Touch Construction & Design Inc  
Number: 42

VE 09 73 04 20

Effective Date: 10/01/2023

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PRIMARY AND NONCONTRIBUTORY – OTHER INSURANCE CONDITION**

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

---

The following is added to the **Other Insurance** Condition and supersedes any provision to the contrary:

### **Primary And Noncontributory Insurance**

This insurance is primary to and will not seek contribution from any other Commercial General Liability insurance available to an additional insured under your policy, but only if:

- (1) The additional insured is a Named Insured under such other Commercial General Liability insurance; and
- (2) You have agreed in writing in a contract or agreement that this insurance would be primary and would not seek contribution from any other Commercial General Liability insurance available to the additional insured.

Coverage granted to an additional insured remains subject to all terms, conditions, limitations, and exclusions set forth in the endorsement form that conferred the additional insured status. In the event of conflict between this endorsement and an endorsement conferring additional insured status, then the endorsement conferring additional insured status shall govern the scope of coverage available to the additional insured.

All other terms and conditions of this Policy remain unchanged.

Policy Number: VCGP028456  
Insured Name: Final Touch Construction & Design Inc  
Number: 36

CG 24 04 12 19

Effective Date: 10/01/2023

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**WAIVER OF TRANSFER OF RIGHTS OF RECOVERY  
AGAINST OTHERS TO US (WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Part

Schedule
<b>Name Of Person(s) Or Organization(s):</b> Any person or organization you have agreed in a written and executed contract, prior to an "occurrence", that you would provide such person or organization a waiver of transfer of rights of recovery against others to us on your policy.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The following is added to Paragraph 8. **Transfer Of Rights Of Recovery Against Others To Us of Section IV – Conditions:**

We waive any right of recovery against the person(s) or organization(s) shown in the Schedule above because of payments we make under this Coverage Part. Such waiver by us applies only to the extent that the insured has waived its right of recovery against such person(s) or organization(s) prior to loss. This endorsement applies only to the person(s) or organization(s) shown in the Schedule above.

All other terms and conditions of this Policy remain unchanged.







1 D. AUTHORITY desires that CONTRACTOR complete the PROJECT on the terms and  
2 conditions hereinafter set forth, and CONTRACTOR agrees to perform the work to  
3 complete said PROJECT on the terms and conditions set forth below.

4 NOW THEREFORE, the AUTHORITY and CONTRACTOR, for the consideration set forth  
5 herein, mutually agree as follows:

6  
7 **ARTICLE 1**

8 **THE RECONSTRUCTION CONTRACT**

9 1.1 The Contract Documents means and includes, without limitation, all of the following which are  
10 incorporated herein by this reference and are made a part of this Contract as if fully set forth herein. The  
11 Contract Documents consist of the following component parts:

12 1.1.1 The Scope of Work, attached hereto as Exhibit "A" and incorporated herein by this  
13 reference;

14 1.1.2 CONTRACTOR'S Form of Bid submitted to AUTHORITY on November 22, 2023,  
15 attached hereto as Exhibit "B" and incorporated herein by this reference;

16 1.1.3 Plans and Drawings from Degenkolb Engineering, attached hereto as Exhibit "C" and  
17 incorporated herein by this reference;

18 1.1.4 Form HUD-92010 Equal Employment Opportunity Certification attached hereto as Exhibit  
19 "D" and incorporated herein by this reference;

20 1.1.4 Form HUD-5370 General Conditions for Construction Contracts – Public Housing  
21 Programs, attached hereto as Exhibit "E" and incorporated herein by this reference; and

22 1.1.5 Federal Prevailing Wage Decision Number CA20230017 MOD 13 7/13/2023 attached  
23 hereto as Exhibit "F" and incorporated herein by this reference.

24  
25 **ARTICLE 2**

26 **STATEMENT OF PROJECT WORK**

27 2.1 Scope of Work

1 CONTRACTOR shall furnish all labor, material, equipment, and services and perform and complete all  
2 Work for the PROJECT identified as the **Fire Damage Reconstruction Project at Desert Rose**  
3 **Apartments**, for the AUTHORITY. CONTRACTOR shall perform all services Monday – Friday, 7:30  
4 a.m. to 5:30 p.m.

5 2.1.1. The full Scope of Work is described in the Contract Documents and more specifically  
6 in Exhibit A, as well as in the approved plans and specifications.

7 2.1.2 All such Work shall be done in strict accordance with the Contract, specifications, and  
8 addenda thereto and the plans and drawings included therein, all as prepared by  
9 AUTHORITY and Degenkolb Engineering.

10 2.2 Site Conditions

11 Data provided in the specifications and drawings are believed to depict the conditions to be encountered by  
12 CONTRACTOR, but AUTHORITY does not guarantee such data as being all-inclusive or complete in  
13 every respect. Nothing contained herein shall relieve CONTRACTOR from making any and all  
14 investigations he/she may deem necessary to apprise him/herself of the Work. CONTRACTOR'S  
15 submission of its bid and execution of the Contract constitutes its representation, acknowledgement and  
16 agreement that it had sufficient time, access and opportunity prior to the bid closing to conduct a careful  
17 and thorough examination, to its satisfaction of: the Contract Documents, and other information provided  
18 by AUTHORITY prior to bid closing concerning the PROJECT, site or existing improvements; the visible  
19 conditions at the site and its surroundings, visible conditions of existing improvements and their existing  
20 uses, and local conditions in the vicinity of the site; the status of any construction at the site concurrently  
21 under construction; and all information concerning visible and concealed conditions above and below the  
22 surface of the ground at the site and in existing improvements, including without limitation, surveys, reports,  
23 data, as-built drawings of existing improvements and utility sources, that was either provided by  
24 AUTHORITY to CONTRACTOR or was reasonably available to CONTRACTOR for review in the public  
25 records.

26  
27 **ARTICLE 3**



1 **TIME OF COMMENCEMENT AND COMPLETION**

2 3.1 Time for Completion

3 The Work, as defined in the HUD General Conditions, to be performed under this Contract shall commence  
4 within ten (10) days after a Notice to Proceed is received by CONTRACTOR, or on the date specified in  
5 the Notice, whichever is later, and shall be completed within **forty-five (45) days** following the said date.

6 Time is of the essence under this Contract as to each provision in which time of performance is a factor.

7 3.2 Liquidated Damages

8 3.2.1 If CONTRACTOR fails to complete the PROJECT within the time specified in the Contract,  
9 or any extension, as specified in HUD Form 5370, attached hereto as Exhibit D, the CONTRACTOR shall  
10 pay to AUTHORITY as liquidated damages, the sum of **three hundred (\$300) dollars** for each day of  
11 delay. If different completion dates are specified in the contract for separate parts or stages of the Work, the  
12 amount of liquidated damages shall be assessed on those parts or stages which are delayed. To the extent  
13 that CONTRACTOR'S delay or nonperformance is excused under another clause in this Contract,  
14 liquidated damages shall not be due AUTHORITY. CONTRACTOR remains liable for damages caused  
15 other than by delay.

16 3.2.2 If AUTHORITY terminates CONTRACTOR'S right to proceed, the resulting damage will  
17 consist of liquidated damages until such reasonable time as may be required for final completion of the  
18 PROJECT together with any increased costs occasioned AUTHORITY in completing the PROJECT.

19 3.2.3 If AUTHORITY does not terminate CONTRACTOR'S right to proceed, the resulting  
20 damage will consist of liquidated damages until the PROJECT is completed or accepted.

21  
22 **ARTICLE 4**

23 **CONTRACT SUM**

24 4.1 The AUTHORITY shall provide to the CONTRACTOR for the performance of the Work, subject  
25 to the additions and/or deductions by Change Order(s) as provided in the Contract, the sum of **Two**  
26 **Hundred Fifty-One Thousand Four Hundred and Seventy Dollars (\$251,470.00)**, including all  
27 expenses ("Contract Sum"). CONTRACTOR exceeds the Contract Sum at their own risk. CONTRACTOR  
28

1 is under no obligation to provide additional services that would cause CONTRACTOR'S fees to exceed the  
2 Contract Sum without prior revision of this amount by written change order.

3 4.2 The Contract Sum set forth herein includes the payment by CONTRACTOR of all sales and use  
4 taxes required by local codes, or any existing law or any other law which may hereafter be adopted by  
5 federal, state or governmental authority, taxing the materials, services required, or labor furnished, and of  
6 any other tax levied by reason of the Work to be performed hereunder.

7 4.3 The Contract Sum is not subject to escalation; CONTRACTOR having satisfied themselves that the  
8 Contract Sum includes all labor and material increases anticipated throughout the duration of this Contract.

9  
10 **ARTICLE 5**

11 **PROGRESS PAYMENTS**

12 5.1 Based upon applications for payment submitted by CONTRACTOR to AUTHORITY, and  
13 certificates for payment issued by the Architect/Consultant, if any, AUTHORITY shall make progress  
14 payments on account of the Contract Sum to CONTRACTOR, as provided in the HUD General Conditions  
15 of the Construction Documents.

16 5.2 AUTHORITY shall promptly review applications for payment and provide its approval or  
17 disapproval, in whole or in part, within fifteen (15) calendar days after receipt of an application for payment  
18 requesting progress payment. Approved applications for progress payments will be paid by the 30<sup>th</sup> day of  
19 each month, provided that the application for payment has been submitted to AUTHORITY on or before  
20 the first working day of the month.

21  
22 **ARTICLE 6**

23 **INDEMNIFICATION AND HOLD HARMLESS**

24 6.1 CONTRACTOR shall indemnify and hold harmless AUTHORITY, County of Riverside, its  
25 Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of  
26 Commissioners, Board of Supervisors, elected and appointed officials, employees, agents and  
27 representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability  
28



1 whatsoever, including but not limited to property damage, bodily injury or death, based or asserted upon  
2 any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising  
3 out of or in any way relating to this Contract. CONTRACTOR shall defend at its sole expense and pay all  
4 costs and fees, including but not limited to, attorney fees, costs of investigation, defense and settlements or  
5 awards, on behalf of the Indemnitees, in any claim or action based upon such services.

6 6.2 With respect to any action or claim subject to indemnification herein by CONTRACTOR,  
7 CONTRACTOR shall, at their sole cost, have the right to use counsel of their choice and shall have the  
8 right to adjust, settle, or compromise any such action or claim without the prior consent of AUTHORITY;  
9 provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or  
10 circumscribes CONTRACTOR'S indemnification to the Indemnitees as set forth herein.

11 6.3 CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided  
12 AUTHORITY the appropriate form of dismissal relieving AUTHORITY from any liability for the action  
13 or claim involved.

14 6.4 The specified insurance limits required in this Construction Contract shall in no way limit or  
15 circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from  
16 third party claims. CONTRACTOR'S indemnification and hold harmless obligations set forth herein shall  
17 survive the termination and expiration of this Contract.

18 6.5 In the event there is a conflict between this clause and California Civil Code Section 2782, this  
19 clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve  
20 CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

21  
22 **ARTICLE 7**

23 **INSURANCE**

24 7.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold  
25 AUTHORITY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole  
26 cost and expense, the following insurance coverages during the term of this Contract. As respects to the  
27 insurance section only, AUTHORITY herein refers to the Housing Authority of the County of Riverside,  
28



1 County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors,  
2 officers, Board of Commissioners, Board of Supervisors, employees, elected or appointed officials, and  
3 agents or representatives as Additional Insureds.

4 7.1.1. Workers' Compensation:

5 If CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain  
6 statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of  
7 California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with  
8 limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation  
9 in favor of AUTHORITY.

10 7.1.2 Commercial General Liability:

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

18 7.1.3 Vehicle Liability:

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

24 7.1.4 General Insurance Provisions - All lines:

- 25 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State  
26 of California and have an AM BEST rating of not less than A: VIII (A:8) unless such  
27 requirements are waived, in writing, by the County of Riverside's Risk Manager. If the  
28

1 County's Risk Manager waives a requirement for a particular insurer such waiver is only  
2 valid for that specific insurer and only for one policy term.

3 2) CONTRACTOR must declare its insurance self-insured retention for each coverage required  
4 herein. If any such self-insured retention exceeds \$500,000 per occurrence each such  
5 retention shall have the prior written consent of the County Risk Manager before the  
6 commencement of operations under this Contract. Upon notification of self-insured retention  
7 unacceptable to AUTHORITY, and at the election of the County's Risk Manager,  
8 CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as  
9 respects this Contract with AUTHORITY, or 2) procure a bond which guarantees payment  
10 of losses and related investigations, claims administration, and defense costs and expenses.

11 3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish AUTHORITY  
12 with either 1) a properly executed original Certificate(s) of Insurance and certified original  
13 copies of Endorsements effecting coverage as required herein, and 2) if requested to do so  
14 orally or in writing by the County Risk Manager, provide original Certified copies of policies  
15 including all Endorsements and all attachments thereto, showing such insurance is in full  
16 force and effect. Further, said Certificate(s) and policies of insurance shall contain the  
17 covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to  
18 AUTHORITY prior to any material modification, cancellation, expiration or reduction in  
19 coverage of such insurance. In the event of a material modification, cancellation, expiration,  
20 or reduction in coverage, this Contract shall terminate forthwith, unless AUTHORITY  
21 receives, prior to such effective date, another properly executed original Certificate of  
22 Insurance and original copies of endorsements or certified original policies, including all  
23 endorsements and attachments thereto evidencing coverage's set forth herein and the  
24 insurance required herein is in full force and effect. CONTRACTOR shall not commence  
25 operations until AUTHORITY has been furnished original Certificate (s) of Insurance and  
26 certified original copies of endorsements and if requested, certified original policies of  
27 insurance including all endorsements and any and all other attachments as required in this  
28



1 Section, showing that such insurance is in full force and effect. An individual authorized by  
2 the insurance carrier to do so on its behalf shall sign the original endorsements for each  
3 policy and the Certificate of Insurance.

4 4) It is understood and agreed to by the Parties hereto that CONTRACTOR'S insurance shall be  
5 construed as primary insurance, and AUTHORITY'S insurance and/or deductibles and/or  
6 self-insured retentions or self-insured programs shall not be construed as contributory.

7 5) If, during the term of this Contract or any extension thereof, there is a material change in the  
8 scope of services; or, there is a material change in the equipment to be used in the  
9 performance of the Scope of Work; or, the term of this Contract, including any extensions  
10 thereof, exceeds five (5) years; AUTHORITY reserves the right to adjust the types of  
11 insurance and the monetary limits of liability required under this Construction Contract, if  
12 in the County Risk Manager's reasonable judgment, the amount or type of insurance carried  
13 by CONTRACTOR has become inadequate.

14 6) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of  
15 subcontractors working under this Contract.

16 7) The insurance requirements contained in this Contract may be met with a program(s) of self-  
17 insurance acceptable to AUTHORITY.

18 8) CONTRACTOR agrees to notify AUTHORITY of any claim by a third party or any incident  
19 or event that may give rise to a claim arising from this Contract.

20  
21 **ARTICLE 8**

22 **PROJECT CLOSEOUT**

23 8.1 Prior to occupancy of any dwelling unit, building, or completion of the PROJECT, AUTHORITY  
24 shall receive a certificate from CONTRACTOR that PROJECT is ready for occupancy or use and shall  
25 cause a Notice of Completion to be issued. A Notice of Completion shall be issued only when the work,  
26 including all phases thereof, is finally completed, and all requirements of this Contract have been satisfied.  
27 AUTHORITY shall cause the Notice of Completion to be recorded in the office of the County Recorder.  
28



1 8.2 In addition to all other requirements, a Notice of Completion shall be issued only when  
2 AUTHORITY has received the following:

3 1. A Certificate of Completion executed by AUTHORITY.

4 2. All guarantees and warranties issued by the manufacturers or installers of appliances or other  
5 component parts of the work. CONTRACTOR guarantees that the equipment, materials, and workmanship,  
6 not otherwise covered by a guarantee or warranty, will be free from defects in materials and workmanship  
7 for a period of one year following final acceptance of the PROJECT.

8 3. The waiver and release of all liens, claims of liens, or stop notice rights of CONTRACTOR  
9 and all subcontractors, and CONTRACTORS' Certificate and Release.

10 4. Verification from the AUTHORITY that CONTRACTOR has removed all waste materials,  
11 rubbish, tools, construction equipment, machinery, and surplus materials from PROJECT site. If  
12 CONTRACTOR has failed to remove any such items, AUTHORITY may remove such items, and  
13 CONTRACTOR shall pay AUTHORITY for all costs incurred in connection with such removal.

14 8.3 After recordation of the Notice of Completion, and expiration of the thirty (30) calendar days period  
15 for filing of stop notices, AUTHORITY shall settle all claims and disputes, notify the CONTRACTOR of  
16 final acceptance of the PROJECT, and make the final five percent (5%) retention payment, less any amounts  
17 which AUTHORITY is entitled to receive from CONTRACTOR under the terms of this Construction  
18 Contract, including liquidated damages.

19  
20 **ARTICLE 9**

21 **APPLICABLE LAWS AND REGULATIONS**

22 9.1 2 CFR 200.326, Procurement/Contract Provisions: Pursuant to 2 CFR 200.326 the Parties shall  
23 comply with the provisions described in Appendix II to Part 200, Contract Provisions for non-Federal  
24 entity contracts under Federal awards, including, but not limited to the following:

25 9.1.1 Executive Order 11246. For all construction contracts awarded in excess of \$10,000 by  
26 AUTHORITY, CONTRACTOR hereby agrees to comply with Executive Order 11246, "Equal  
27 Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by  
28

1 Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,”  
2 and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs,  
3 Equal Employment Opportunity, Department of Labor.

4 9.1.2 Copeland “Anti-Kickback Act”. For all construction or repair contracts awarded by  
5 AUTHORITY, CONTRACTOR shall comply with the with the Copeland “Anti-Kickback” Act (40  
6 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and  
7 Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from  
8 the United States”) (“Copeland Anti-Kickback Act”). The Copeland Anti-Kick Back Act provides that  
9 each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in  
10 the construction, completion, or repair of public work, to give up any part of the compensation to which  
11 he or she is otherwise entitled.

12 9.1.3 Reserved

13 9.1.4 Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708). Where applicable,  
14 all contracts awarded by AUTHORITY in excess of \$100,000 that involve the employment of mechanics  
15 or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by  
16 Department of Labor regulations (29 CFR Part 5) (“Contract Work Hours and Safety Standards Act”).  
17 Under 40 U.S.C. 3702 of the Contract Work Hours and Safety Standards Act, Contractor shall compute  
18 the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in  
19 excess of the standard work week is permissible provided that the worker is compensated at a rate of not  
20 less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work  
21 week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer  
22 or mechanic must be required to work in surroundings or under working conditions which are unsanitary,  
23 hazardous, or dangerous. These requirements do not apply to the purchases of supplies or materials or  
24 articles ordinarily available on the open market, or contracts for transportation or transmission of  
25 intelligence.

26 9.1.5 Clean Air Act (42 U.S.C. 7401–7671q.) and the Federal Water Pollution Control Act (33  
27 U.S.C. 1251–1387), as amended. For all contracts in excess of \$150,000, the CONTRACTOR shall  
28



1 comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42  
2 U.S.C. 7401–7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251–1387).  
3 Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental  
4 Protection Agency (EPA).

5 9.1.6 Energy Policy and Conservation Act. CONTRACTOR hereby agrees to comply with all  
6 mandatory standards and policies relating to energy efficiency, which are contained in the state energy  
7 conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89  
8 Stat. 781).

9 9.1.7 Labor Code Section 1861 Certification. By signing Contract below, CONTRACTOR  
10 certifies that s/he/it is aware of the provisions of Section 3700 of the California Labor Code which require  
11 every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in  
12 accordance with the provisions of the California Labor Code, and that s/he/it will comply with such  
13 provisions before commencing the performance of the Work.

14 9.1.8 Government Standards. It is the responsibility of CONTRACTOR to ensure that all items  
15 and services provided conform to all local, State and Federal law concerning safety (CalOSHA) and  
16 environmental control (EPA and Riverside County Pollution Regulations) and any other enacted  
17 ordinance, code, law or regulation. CONTRACTOR shall be responsible for all costs incurred for  
18 compliance with any such possible ordinance, code, law or regulation. No time extensions shall be  
19 granted or financial consideration given to CONTRACTOR for time or monies lost due to violations of  
20 any such ordinance, code, law or regulations that may occur.

21 9.1.9 Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an  
22 award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it  
23 will not and has not used Federal appropriated funds to pay any person or organization for influencing or  
24 attempting to influence an officer or employee of any agency, a member of Congress, officer or employee  
25 of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract,  
26 grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-

1 Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are  
2 forwarded from tier to tier, up to the non-Federal award.

3 9.1.10 Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the  
4 definition of “funding agreement” under 37 CFR § 401.2 (a) and Authority wishes to enter into a contract  
5 with a small business firm or nonprofit organization regarding the substitution of parties, assignment or  
6 performance of experimental, developmental, or research work under that “funding agreement,” Contractor  
7 must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit  
8 Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative  
9 Agreements,” and any implementing regulations issued by the awarding agency.

10 9.1.11 Procurement of Recovered Materials-Contractor shall comply with 2 CFR Section 200.322,  
11 Procurement of recovered materials.

## 12 **ARTICLE 10**

### 13 **ADDITIONAL FEDERALLY REQUIRED ORDERS/ASSURANCES**

14 10.1 CONTRACTOR agrees that they will comply with the following orders and directives, and makes  
15 the following assurances, where applicable:  
16

17 10.1.1 Executive Order 11061, as amended, which directs the Secretary of HUD to take all action  
18 which is necessary and appropriate to prevent discrimination by agencies that utilize federal funds.

19 10.1.2 Title VI of the Civil Rights Act of 1964 (Public Law 88-352) provides that no person in the  
20 United States shall, on the basis of race, color, national origin or sex, be excluded from participation in,  
21 denied the benefits of, or subjected to, discrimination under any program or activity which receives federal  
22 financial assistance. The AUTHORITY hereby extends this requirement to CONTRACTOR and its  
23 subcontractors and consultants. Specific prohibited discriminatory actions and corrective action are  
24 described in Title V, Subtitle C, Chapter 2 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et. seq.).

25 10.1.3 Title VIII of the Civil Rights Act of 1968 (Public Law 90-284), popularly known as the Fair  
26 Housing Act, provides for fair housing throughout the United States and prohibits any person from  
27 discriminating in the sale or rental of housing, the financing of housing or the provision of brokerage  
28



1 services, including in any way making unavailable or denying a dwelling to any person because of race,  
2 color, religion, sex or national origin. Pursuant to this statute, the AUTHORITY requires that  
3 CONTRACTOR administer all programs and activities, which are related to housing and community  
4 development, in such a manner as affirmatively to further fair housing.

5 10.1.4 Age Discrimination Act of 1975.

6 10.1.5 Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et. seq.).

7 10.1.6 HUD Information Bulletin 909-23 which is the Notice of Assistance Regarding Patent and  
8 Copyright Infringement; Clean Air and Water Certification; and Energy Policy and Conversation Act.

9 10.1.7 That the funds provided by AUTHORITY and HUD hereunder shall not be used, directly or  
10 indirectly, to employ, award a contract to, or otherwise engage the services of any debarred, suspended or  
11 ineligible contractor.

12 10.1.8 That none of the personnel who are employed in the administration of the work required by  
13 this Contract shall, in any way or to any extent, be engaged in conduct of political activities in violation of  
14 Title V, Chapter 15, of the United States Code.

15 10.2 The mention herein of any statute or Executive Order is not intended as an indication that such  
16 statute or Executive Order is necessarily applicable, nor is the failure to mention any statute or Executive  
17 Order intended as an indication that such statute or Executive Order is not applicable. Therefore, each  
18 provision of law and each clause, which is required by law to be inserted in this Contract, shall be deemed  
19 to have been inserted herein, and this Contract shall be read and enforced as though such provision or clause  
20 had been physically inserted herein. If, through mistake or otherwise, any such provision is not inserted or  
21 is inserted incorrectly, this Contract shall forthwith be physically amended to make such insertion or  
22 correction upon the application of either part.

## 23 24 **ARTICLE 11**

### 25 **HUD SECTION 3 REQUIREMENTS**

26 11.1 As detailed within 24 CFR 135.38, Section 3 clause, the following required clauses are hereby  
27 included as a part of this Contract.

1           11.1.1 The work to be performed under this Contract is subject to the requirements of Section 3 of  
2 the Housing and Urban Development Act of 1968, as amended 12 U.S. C. 1701u (Section 3). The purpose  
3 of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance  
4 or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and  
5 very low-income persons, particularly persons who are recipients of HUD assistance.

6           11.1.2 CONTRACTOR agrees to comply with HUD's regulations in 24 CFR Part 135, which  
7 implement Section 3. As evidenced by the execution of this Contract, CONTRACTOR certifies that they  
8 are under no contractual or other impediment that would prevent them from complying with Part 135  
9 regulations.

10           11.1.3 CONTRACTOR agrees to send to each labor organization or representative of workers with  
11 which CONTRACTOR has a collective bargaining agreement or other understanding, if any, a notice  
12 advising the labor organization or workers' representative of the CONTRACTOR'S commitments under  
13 this Section 3 clause and will post copies of the notice in conspicuous places at the work site where both  
14 employees and applicants for training and employment positions can see the notice. The notice shall  
15 describe the Section 3 preference, shall set forth minimum number and job titles for each; and the name  
16 and location of the person(s) taking applications for each of the positions; and the anticipated date the work  
17 shall being.

18           11.1.4 CONTRACTOR agrees to include this Section 3 clause in every subcontract subject to  
19 compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provide in an  
20 applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is  
21 in violation of the regulations in 24 CFR Part 135. CONTRACTOR will not subcontract with any  
22 subcontractor where CONTRACTOR has notice or knowledge that the subcontractor has been found in  
23 violation of the regulations in 24 CFR Part 135.

24           11.1.5 CONTRACTOR certifies that any vacant employment positions, including training  
25 positions, that are filled (1) after CONTRACTOR is selected but before the contract is executed, and (2)  
26 with persons other than those to whom the regulations of 24 CFR Part 135 require employment  
27  
28



1 opportunities to be directed, were not filled to circumvent CONTRACTOR'S obligations under 24 CFR  
2 Part 135.

3 11.1.6 Noncompliance with HUD's regulations in 24 CFR Part 125 may result in sanctions,  
4 termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.

5 11.1.7 With respect work performed in connection with Section 3 covered Indian Housing  
6 assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e)  
7 also applies to the work to be performed under this Contract. Section 7(b) requires that to the greatest extent  
8 feasible, (i) preference and opportunities for training and employment shall be given to Indians, and (ii)  
9 preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-  
10 owned Economic Enterprises. Parties to this Contract that are subject to the provisions of Section 3 and  
11 section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of  
12 compliance with section 7(b).

## 13 14 **ARTICLE 12**

### 15 **BREACH AND TERMINATION**

16 12.1 Waiver by AUTHORITY of any breach of this Contract shall not constitute a waiver of any other  
17 breach or of any future breach. No payment made hereunder shall be construed to be an acceptance of  
18 defective work or improper materials.

19 12.2 AUTHORITY shall have the right to terminate this Contract in the event of a default by  
20 CONTRACTOR (for cause) or for Convenience (without cause) as set forth in the HUD General  
21 Conditions, attached hereto as Exhibit "E" and incorporated herein by this reference.

22 12.3 In addition to any right of termination reserved to AUTHORITY by the HUD General Conditions,  
23 AUTHORITY may terminate this Contract if CONTRACTOR is adjudged bankrupt, a receiver is appointed  
24 because of CONTRACTOR'S insolvency, or CONTRACTOR makes a general assignment for the benefit  
25 of his/her creditors, fails to make prompt payment to subcontractor(s), or for material or labor, persistently  
26 disregards laws, ordinances, rules, regulations or orders of any public authority having jurisdiction, fails to  
27  
28



1 construct the PROJECT in accordance with the Drawings and Specifications, or otherwise substantially  
2 violates any provision of the Contract Documents.

3 12.4 AUTHORITY shall give CONTRACTOR and his surety five (5) calendar days written notice prior  
4 to terminating this Contract pursuant to this section, provided however, that CONTRACTOR shall, upon  
5 receipt of such notice, immediately stop the installation of improvements or other permanent construction  
6 work encompassing part of the PROJECT. Upon termination, AUTHORITY may take possession of the  
7 PROJECT and all materials, equipment, tools and construction equipment and machinery owned by the  
8 CONTRACTOR and located at the PROJECT site and may finish the PROJECT by whatever method it  
9 may deem expedient. In such case, CONTRACTOR shall not be entitled to receive any further payment  
10 under this Contract.

11 12.5 AUTHORITY shall not be deemed to have waived any of its other rights or remedies against  
12 CONTRACTOR by exercising its right of termination under this section.

13 12.6 Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a  
14 right or rights provided for by this Contract shall be tried in a court of competent jurisdiction in the County  
15 of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change  
16 of venue in such proceedings to any other county.

17  
18 **ARTICLE 13**

19 **CLAIMS RESOLUTION**

20 13.1 This Article 13 is intended to help resolve disputes between the Parties related to this PROJECT.  
21 Such disputes shall be brought to the attention of AUTHORITY at the earliest possible time, so that such  
22 disputes may be promptly resolved, if possible, or other appropriate action or investigation may be promptly  
23 undertaken. Public works claims which arise between CONTRACTOR and AUTHORITY shall be resolved  
24 using the following procedure:

25 13.1.1 A "claim" means a separate demand by CONTRACTOR sent by registered mail or  
26 certified mail return receipt requested for one or more of the following: (a) a time extension including,  
27 without limitation, for relief from damages or penalties for delay assessed by AUTHORITY; (b) payment  
28

1 by AUTHORITY of money or damages arising from Work done by or on behalf of CONTRACTOR and  
2 payment for which is not otherwise expressly provided or to which CONTRACTOR is not otherwise  
3 entitled; (c) payment of an amount that is disputed by AUTHORITY. CONTRACTOR shall furnish  
4 reasonable documentation to support the claim.

5 13.1.2 Upon receipt of a claim, AUTHORITY shall conduct a reasonable review of the  
6 claim and within forty-five (45) days, or an extended period as may be set by mutual agreement of the  
7 Parties, provide CONTRACTOR with a written statement identifying what portion of the claim is still  
8 disputed and what portion is undisputed. (If consultation with the Board of Commissioners is required,  
9 AUTHORITY may have additional time as stated in CA Public Contract Code Section 9204.) Any payment  
10 due on an undisputed portion of the claim shall be processed and made within sixty (60) days after  
11 AUTHORITY issues its written statement.

12 13.1.3 If AUTHORITY fails to issue a written statement, the claim shall be deemed rejected  
13 in its entirety. A claim that is denied by reason of AUTHORITY'S failure to respond to a claim, or its  
14 failure to otherwise meet the applicable time requirements, shall not constitute an adverse finding with  
15 regard to the merits of the claim or the responsibility or qualifications of the CONTRACTOR.

16 13.1.4 If CONTRACTOR disputes AUTHORITY'S written response, or if AUTHORITY  
17 fails to respond within the time prescribed, CONTRACTOR may demand in writing, sent by registered mail  
18 or certified mail return receipt requested, an informal meet and confer conference to attempt to reach  
19 settlement of the portion of the claim in dispute. Upon receipt of the demand, AUTHORITY shall schedule  
20 a meet and confer conference within thirty (30) days.

21 13.1.5 Within ten (10) business days following the conclusion of the meet and confer  
22 conference, if the claim or any portion thereof remains in dispute, AUTHORITY shall provide  
23 CONTRACTOR a written statement identifying the portion of the claim that remains in dispute and the  
24 portion that is undisputed. Any payment due on an undisputed portion shall be processed and made within  
25 sixty (60) days after AUTHORITY issues its written statement.

26 13.1.6 Any disputed portion of the claim, as identified by CONTRACTOR in writing, shall  
27 be submitted to nonbinding mediation, with AUTHORITY and CONTRACTOR sharing the mediator costs  
28







1 canceled and ordered from another source, if, in the opinion of the Contracting Officer, it is in the best  
2 interests of AUTHORITY to do so.

3 14.3 It is hereby declared to be the intention of the Parties that the sections, paragraphs, sentences, clauses  
4 and phrases of this Contract are severable, and if any phrase, clause, sentence, paragraph or section of this  
5 Contract shall be declared unconstitutional, invalid or unenforceable by the valid judgment or decree of a  
6 court of competent jurisdiction, such unconstitutionality, invalidity or unenforceability shall not affect any  
7 of the remaining clauses, sentences, paragraphs and sections of this Contract.

8 14.4 In the event of a conflict between the HUD General Conditions and the Scope of Work, the General  
9 Conditions shall prevail. In the event of a conflict between this Contract and any applicable state or local  
10 law or regulation, the state or local law or regulation shall prevail; provided that such state or local law or  
11 regulation does not conflict with, or is less restrictive than applicable federal law, regulation, or Executive  
12 Order. In the event of such a conflict, applicable federal law, regulation, and Executive Order shall prevail.

13 14.5 The persons executing this Contract on behalf of the Parties warrant and represent that they have  
14 the authority to execute this Contract on behalf of each respective Party and further warrant and represent  
15 that they have the authority to bind each respective Party to the performance of its obligation hereunder.

16  
17  
18  
19 **(Remainder of Page Intentionally Blank)**

20  
21 **(Signatures on next page)**  
22  
23  
24  
25  
26  
27  
28

1 **IN WITNESS WHEREOF**, the Parties hereto have executed this Contract as of the day and year set forth  
2 below.

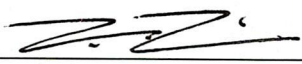
3  
4 **AUTHORITY:**

5 HOUSING AUTHORITY OF THE COUNTY OF  
6 RIVERSIDE, a public entity, corporate and politic

7  
8 **CONTRACTOR:**


9 FINAL TOUCH CONSTRUCTION &  
10 DESIGN, INC., a California corporation

11 By:   
12 Heidi Marshall  
13 Executive Director

14 By:   
15 Luis Echeverria  
16 CEO

17 Dated: 6/12/2024


18 Dated: \_\_\_\_\_

19 By:   
20 Vanessa Echeverria  
21 Secretary

22 Dated: \_\_\_\_\_

23 **APPROVED AS TO FORM:**

24 Minh Tran  
25 General Counsel

26 By:   
27 Amrit P. Dhillon,  
28 Deputy General Counsel

1 **Exhibit "A"**

2 **Scope of Work**

- 3 1. The work under this Contract shall be performed at the Desert Rose Apartments located in the  
4 City of Ripley, County of Riverside, State of California (Property) and shall include furnishing  
5 all labor, material, equipment, tools, supplies, and services and incidentals, and performing all  
6 work necessary for the Reconstruction of the two (2) fire-damaged apartments and associated  
7 improvements in strict conformance with all the Contract documents.
- 8 2. Project Planning: The apartment building will be occupied during the Reconstruction process.  
9 HACR requires the Contractor to have a complete Reconstruction plan schedule prior to starting  
10 work and to have that plan approved by the HACR representative, five (5) calendar days prior to  
11 the projected start date.
- 12 3. Contractor will furnish all labor, materials, equipment, supervision, and contract administration  
13 to install the roof at the Property in a good and workmanlike manner, using new materials and  
14 products throughout, subject to the following included and excluded items:
- 15 4. All tools, materials, and equipment shall be provided by the Contractor and must meet all local  
16 applicable safety requirements. A parking space will be made available for Contractor's container  
17 if needed for materials and equipment. HACR assumes no responsibility for the loss or damage  
18 to the Contractor's equipment, tools or materials stored at the job site.
- 19 5. Contractor shall furnish sufficient personnel with the technical knowledge and experience  
20 necessary to complete the Work.
- 21 6. All Work shall be performed in accordance with local safety standards and recognized safe  
22 practices.
- 23 7. Contractor to ensure proper removal of all debris and all other components from the Property and  
24 shall provide a cleared worksite free of all debris, Contractor's equipment, etc. HACR refuse  
25 containers shall not be used for disposal of Contractor's waste.
- 26 8. Contractor is responsible to field verify existing conditions and promptly notify HACR if  
27 discrepancies in and omissions from the plans, specifications or other Contract Documents are  
28 found in the field, including unforeseen conditions that may affect the successful completion of  
the Project and/or the Work.
9. Contractor will reconstruct the two (2) apartments to HACR'S specifications as more fully  
described by the plans provided by Degenkolb Engineering and the HACR representative.
10. Contractor will perform a final walk-through inspection with a HACR representative before the  
Project will be considered mechanically complete and finished.
11. Contractor to furnish and install new cabinets, countertops, sink, faucet, and range hood in all  
kitchens. Sizes, color and model numbers per Approved Equipment & Finishes unless indicated



1 otherwise. Kitchen walls shall be cleaned, patched, and painted before the installation of new  
2 cabinets, counters, fixtures, and appliances. Paint color will be approved by HACR.

3 12. Contractor to furnish and install new toilet, cabinet, faucet, vanity, and countertop with integral  
4 sink in all bathrooms. Sizes, color and model numbers per Approved Equipment & Finishes unless  
5 indicated otherwise. Walls shall be cleaned, patched, and painted to match existing walls, if  
6 needed, before the installation of new cabinets, counters, fixtures.

7 13. Contractor to furnish and install new carpet and pad with 6" rubber base in all bedrooms.

8 14. Contractor to furnish and install new vinyl flooring with 6" rubber base in all living rooms,  
9 bathrooms, hallways, laundry rooms, and kitchens. New vinyl flooring to be installed over existing  
10 VCT floor tiles.

11 15. Contractor to furnish and install new angle stop valves and new flexible supply lines for all sinks  
12 and toilets.

13 16. All equipment, cabinets, fixtures, appliances and finishes as listed in Approved Equipment &  
14 Finishes shall be new and not used or refurbished. NOTE: Any "equivalent" new equipment,  
15 appliances, fixtures, and finishes manufactured with similar specifications can be utilized for this  
16 project. Any other new product or brand that clearly or demonstrably meets the standards and  
17 specifications as outlined per specifications is acceptable.

18 17. Install new combination smoke detectors throughout.

19 18. Install and plumb new water heaters.

20 19. Contractor to protect and spray all surfaces with a 'smoke blocker' type primer, prior to being  
21 painted, including the attic.

22 20. Replace all fire-damaged electrical wiring, outlets, and circuit breakers, including conduits.

23 21. For other specific types of technical work or specific types of structural work not covered in this  
24 Scope, Contractor shall rely on the engineered plans provided.

**Exhibit "B"**

**Contractor's Form of Bid**

**(behind this page)**

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

**ESTIMATE**

Final Touch Construction & Design  
 16466 Foothill Blvd  
 Fontana, CA 92335  
 (909) 350-3658

**Sales Representative**  
 Brenda Vera  
 brenda.v@finaltouchconstruction.net



**2023 Homeowners**  
**Job #222504 - THE DESERT ROSE APARTMENTS**  
**24501 SCHOOL ROAD**  
**Ripley, CA 92225**

<b>Estimate #</b>	225146
<b>Date</b>	11/22/2023

Item	Description	Qty	Price	Amount
P09 Roofing	Roofing work: Remove and replace existing shingle roofing. Remove existing single layer shingle roofing down to deck. Install new OC titanium UDL30 synthetic underlay OR similar + standard COOL comp shingles. FTC will Remove and dispose off any generated trash/debris.  *MAIN DWELLING *10YR LABOR + 10YR MANUFACTURER WARRANTY *EXCLUDES ANY PATIOS AND DETACHED STRUCTURES  Approx: 37 Squares with waste 10% Fascia: 57 LNFT Vents: 3 vents (2 T-tops) 1 louver attic vent	37.00	\$850.00	\$31,450.00
P08 Roof Frame	Roof Framing: Replace all existing lumber not deemed safe to re-use, rafters, cripples, beams, sheathing, strut, top plates, ceiling joist, starter boards, lumber to be replaced like for like or approved equal. Approx: 371 SQFT	371.00	\$100.00	\$37,100.00
SR09.6 Plywood	Plywood Sheeting Replacement: Approx: 37 Squares Approx 112 sheets of CDX plywood sheathing or approved equal. (OSB) acceptable	1.00	\$12,000.00	\$12,000.00
P07 Wall Frame	Wall Framing: Reconstruct main dwelling framing, along with load bearing walls, use jacks to support existing framing, to work by sections replace as they are being removed to avoid building from shifting or collapsing. Replace all damaged wall support beams, cripple studs, king studs, ridge plates, headers, cripples, inspect bottom plate, window sills, & trimmer. Reconstruction of 2 closets required, bathroom partition wall. Approx: 700 SQFT	700.00	\$65.00	\$45,500.00
drywall	Remove any existing drywall and dispose. Drywall to include, mud, tape, texture, and paint. Approx:1220	1,220.00	\$28.00	\$34,160.00



Item	Description	Qty	Price	Amount
P12 Doors & Trim	Remove existing door and replace with like for like or approved equal. Door A 35 1/2 x 79 1/2	1.00	\$1,700.00	\$1,700.00
P29 Windows & Doors	Remove 2 existing windows and replace with vinyl Nulmage windows or approved equal Window #1 SH 46 1/8 x 52 3/8 Window #2 SH 34 1/8 x 52 3/8	1.00	\$2,800.00	\$2,800.00
P21 Cabinets & Vanities	Cabinets & Vanities: Demo kitchen, bathroom cabinets (vanity) & countertops. Replace like for like or approved equal. Kitchen cabinets to be replaced Bathroom vanity: 56 1/8" x 25 1/4" L Kitchen cabinet: 2'1" tapered x 4' L Kitchen cabinet: 7'6" x 2' x 1' Sink and stove present Upper Kitchen Cabinet: 7'6" x 2' x 1' kitchen exhaust	1.00	\$8,500.00	\$8,500.00
P16 Electrical & Lighting	Electrical & Lighting: replace sub panel located on linen closet and run proper conduit to main gang panel. Replace all light fixtures with like for like or approved equal. Install GFCI per local municipal code typical 1 per kitchen, 1 per bathroom Typical outlets: 2 living room, 2 Kitchen, wiring and switches to match existing configuration.	1.00	\$11,000.00	\$11,000.00
P14 Plumbing	Plumbing: Demo existing plumbing fixtures and redo all P-traps (Field Verify) copper piping welds did not come apart due to fire damage. Replace all valve-stems, P-traps, wax ring, seals and attach new plumbing lines into existing main lines. (Trench cutting into slab not included in price.)	1.00	\$7,500.00	\$7,500.00
P15 HVAC	Heating & Cooling: Provide ductless Mini split system 1.5 ton unit. MRCOOL DIY 18,000 BTU 1.5-Ton 1-Zone 22 SEER Ductless Mini-Split AC and Heat Pump with 18K & 25ft Line	1.00	\$6,700.00	\$6,700.00
P31 Countertops	FTC to provide bathroom vanity countertop & kitchen countertop. FORMICA Laminate Sheet in Folkstone with Matte Finish Or approved equal	1.00	\$4,500.00	\$4,500.00
P34 Bathroom	Demo: Remove and dispose of all fire damaged products and replace with new and approved. Bath tub, water closet, sink, medicine cabinet, vanity mirror, vanity light fixture.	1.00	\$10,000.00	\$10,000.00
P17 Insulation	Insulation: provide blown insulation to meet a minimum of an R-value that meets local municipal code. Typical rating R22 and sheathing has passed inspection. applied after all damaged lumber has been replaced.	1.00	\$5,800.00	\$5,800.00

Item	Description	Qty	Price	Amount
P24 Paint	Painting: Interior Paint all textured walls and ceilings. 2 colors. Approx:1220 SQFT BEHR PREMIUM PLUS 2x 5 gal. #12 Swiss Coffee Semi-Gloss Enamel Low Odor Interior Paint & Primer BEHR PREMIUM PLUS 1x 5 gal. Designer Collection #DC-008 Gratifying Gray Eggshell Enamel Low Odor Interior Paint & Primer	1,220.00	\$9.00	\$10,980.00
P24 Paint	Exterior Painting: Protect windows, doors, and fixtures from over spray. Spray 2 coats to match existing building color Please be advised perfect color match will be very difficult to achieve due to weatherization of the (e) paint currently present on adjacent surfaces. Approx: 520 SQFT Under eaves and fascia paint included. 2 x colors max field verify color.	520.00	\$14.00	\$7,280.00
P09.11 Plans and Permits	Permits	1.00	\$5,500.00	\$5,500.00
Housing & Per Diem	Hotel stay for the duration of project. Weekend Excluded unless approved by all parties. Per Diem not included.	1.00	\$9,000.00	\$9,000.00

If applicable, FOR NEW INSTALLS:

All Work Comes with 1 Year Labor and Materials warranty from Final Touch Construction  
10 Year warranty on flat roofs.

Warranty on Pitch Roofs Depends on Material/Warranty Period Selected and provided by Manufacturer.  
(See Description on top for warranty period on Pitch Roofs)

THE DOWNPAYMENT MAY NOT EXCEED \$1,000 OR 10 PERCENT OF THE CONTRACT PRICE, WHICHEVER IS LESS. The schedule of progress payments must specifically describe each phase of work, including the type and amount of work or services scheduled to be supplied in each phase, along with the amount of each proposed progress payment. IT IS AGAINST THE LAW FOR A CONTRACTOR TO COLLECT PAYMENT FOR WORK NOT YET COMPLETED, OR FOR MATERIALS NOT YET DELIVERED. HOWEVER A CONTRACTOR MAY REQUIRE A DOWN PAYMENT.

Payment Terms are as Follows.

For ANY project over 2k : 10% Down, 40% When Project Starts, 40% when Material is Delivered, 10% when Project is complete.

For ANY project under 2k : 50% down and 50% when complete

For window projects : 50% down and 50% when complete

ALL change orders are due on receipt of invoice, no exceptions

Customer will be responsible for any Legal fees due to missed payments.

\*\*\*\*It is the Home owners Responsibility to relocate Any Satellite Dishes prior to Roof work being started. If Satellite Dishes are roof mounted, We will remove the satellite and not Reinstall.

\*\*\*\*If house is in an HOA, it will be home owners responsibility to obtain approval. If FTC is needed to fill out applications/obtain approval from Association, there would be a minimum 250 Admin Fee added to project.

If project is cancelled within 48 hours of Scheduled Date, a fee will be assessed. If a Project is Cancelled upon arrival to start, a 1200 Cancellation Trip Charge will Be accessed. Plus Cost of Permits. If a project is cancelled after the 3 Day Cancellation Period, a fee up to 30% of Contract will be assessed.

### SPECIAL INSTRUCTIONS

Each buyer acknowledges that: [1] Before signing this contract buyer received and read a legible, completely filled in copy signed by seller, the included notice to owner and any attached plans and specifications; [2] Buyer understands, approves and agrees to be bound by all of the provisions hereof including the terms and conditions, the specifications and descriptions of work and materials on reverse; [3] This is the entire contract and no promise not contained herein has been made to buyer; and [4] Buyer has the right to require seller to have performance and payment bond at buyer's expense. We are not responsible for any lawyer fees in the event of any arbitration. Any Lawyer fees incurred by contractor will be transferred to home owner in event of arbitration due to breach of contract or withholding of payment.

30% Minimum Cancellation Fee of total cost of project If canceled after 3 Day Right of Rescission

<b>Sub Total</b>	\$251,470.00
<b>Total</b>	\$251,470.00





**Exhibit "C"**

**Plans From Degenkolb Engineering**

**(behind this page)**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**Desert Rose Apts, Unit 372 - Fire Reconstruction**

**24501 School Rd, Ripley, CA 92225**

<b>1.</b>	<b>Design Criteria</b>	<b>1</b>
<b>2.</b>	<b>Gravity Design</b>	<b>6</b>
<b>3.</b>	<b>Lateral Design</b>	<b>8</b>
<b>4.</b>	<b>References</b>	<b>9</b>



10/02/23

*These calculations were prepared by*

**Degenkolb Engineers**

October 2, 2023

\\degdata.file.core.windows.net\projects\SD\Project.C03\676\IC3676028.00\Calcs\Active\Worksheets\230913clc\_Desert Rose Apartments Units 371.xls



Job: Desert Rose Apts, Unit 372 - Fire Reconstruction	Job Number: C3676028.00	Date: 10/2/2023
24501 School Rd, Ripley, CA 92225	By: VCB	Section:
	Checked by: JTC	Page: 1

**Design Criteria**

**Project Scope**

The following calculations have been prepared by Degenkolb Engineers for the reconstruction of Unit 372 of the Desert Rose Apartments after a moderate fire.

**General Criteria**

Applicable Building Code: 2022 CBC Risk Category: II  
 Governing Jurisdiction: County of Riverside  
 Project Location: 24501 School Rd, Riply, CA 92225  
 Latitude: +33.526327 Degrees North  
 Longitude: -114.6610422 Degrees West

**Load Combos - ASD**

[ASCE 7-16, Sect 2.4]

*Basic Combinations [2.4.1]*

1. D
2. D + L
3. D + (L<sub>r</sub> or S or R)
4. D + 0.75L + 0.75(L<sub>r</sub> or S or R)
5. D + (0.6W)
6. D + 0.75L + 0.75(0.6W) + 0.75(L<sub>r</sub> or S or R)
7. 0.6D + 0.6W

*Special Seismic Combinations without Overstrength Factor [2.4.5]*

8. (1.0 + 0.14S<sub>DS</sub>)D + 0.7 ρ Q<sub>E</sub>
9. (1.0 + 0.105S<sub>DS</sub>)D + 0.525 ρ Q<sub>E</sub> + 0.75L + 0.75S
10. (0.6 - 0.14S<sub>DS</sub>)D + 0.7 ρ Q<sub>E</sub>

*Special Seismic Combinations with Overstrength Factor*

8. (1.0 + 0.14S<sub>DS</sub>)D + 0.7 Ω<sub>0</sub> Q<sub>E</sub>
9. (1.0 + 0.105S<sub>DS</sub>)D + 0.525 Ω<sub>0</sub> Q<sub>E</sub> + 0.75L + 0.75S
10. (0.6 - 0.14S<sub>DS</sub>)D + 0.7 Ω<sub>0</sub> Q<sub>E</sub>

**Roof**

Roofing..... (Comp Shingles).....	=	5.3
Sheathing..... (1/2" SP).....	=	1.6
Framing..... (2x4 @ 16"cc).....	=	1.2
Miscellaneous..... (Mech, Elect, Sprinklers, Etc).....	=	1.9
<b>Total Dead Load</b> ..... (DL Factored for 4:12 Slope) ..... D	=	<u>10.0 psf</u>
<b>Roof Live Load</b> ..... Reduced for slope ..... L(r)	=	20.0 psf

**Ceiling**

Insulation..... (R-38).....	=	1.5
Ceilings..... (5/8" Gyp).....	=	3.1
Miscellaneous..... (Mech, Elect, Sprinklers, Etc).....	=	2.4
<b>Total Dead Load</b> ..... D	=	<u>7.0 psf</u>
<b>Ceiling Live Load</b> ..... Reducible ..... L	=	0.0 psf

**Wall Weights**

4" Exterior wood stud walls with stucco & gyp.....	D =	15.0 psf
4" Interior wood stud walls with gyp both sides.....	D =	10.0 psf



Job: Desert Rose Apts, Unit 372 - Fire Reconstruction	Job Number: C3676028.00	Date: 10/2/2023
24501 School Rd, Ripley, CA 92225	By: VCB	Section:
	Checked by: JTC	Page: 2

**Design Criteria**

**Material Properties**

Wood:                            2x's and 4x's ..... DF #1  
    6x's ..... DF SS  
    GL Beams ..... 24F-1.8E

**Wind Loads**

Risk Category = II

[ASCE 7-16 Chapter 26]

Exposure = C                             $K_z$  (Velocity Pressure Exposure Coefficient) =  $2.01 (Z / Z_g)^{2/\alpha}$   
 Wind Speed (ASD) = 77 mph                             $K_{zt}$  (Topographic Factor) = 1.00  
 Wind Speed (LRFD) = 99 mph                             $K_d$  (Wind Directionality Factor) = 0.85  
     $K_e$  (Ground Elevation Factor) = 1.00

ASD Wind Pressures

$$q(z) = 0.00256 \times K_z \times K_{zt} \times K_d \times K_e \times V^2$$

$$q(0'-15') = 0.00256 \times 0.85 \times 1.00 \times 0.85 \times 1.00 \times (77)^2 = 11.0 \text{ psf}$$

**Seismic Design Criteria**

Risk Category = II

Seismic Design Category D

[ASCE 7-16 Ch 11]

I (Seismic) = 1.00

Site Class D

$$S_{DS} = 2/3 \times F_a \times S_S = 2/3 \times 1.542 \times 0.322 = 0.331 \text{ g (0.2 s)} \quad [\text{ASCE 7-16, Eq. 11.4-3}]$$

$$S_{D1} = 2/3 \times F_v \times S_1 = 2/3 \times 2.272 \times 0.164 = 0.248 \text{ g (1.0 s)} \quad [\text{ASCE 7-16, Eq. 11.4-4}]$$

Wood - Light-Framed Walls with Structural Panels

$$R = 6.50$$

$$\Omega_0 = 3.00$$

$$C_d = 4.00$$

Equivalent Lateral Force Procedure

[ASCE 7-16, Eq. 12.8-1 & 12.8-2]

$$V = C_s \times W = \frac{S_{DS}}{R/I} \times W = \frac{0.331}{6.50 / 1.00} \times W = 0.051 \times W$$

$$C_{s,min} = 0.044 S_{DS} \times I \geq 0.01 = 0.015 \quad [\text{ASCE 7-16, Eq. 12.8-5}]$$

$$C_{s,max} = S_{D1} / (T \times (R/I)) = 0.264 \quad [\text{ASCE 7-16, Eq. 12.8-3}]$$

$$V(\text{LRFD}) = 0.051 \times W$$

Job: Desert Rose Apts, Unit 372 - Fire Reconstruction	Job Number: C3676028.00	Date: 10/2/2023
24501 School Rd, Ripley, CA 92225	By: VCB	Section:
	Checked by: JTC	Page: 3

**Design Criteria**

Site-Specific Ground Motion Procedure required for Site Class D &  $S_1 > 0.2$

[ASCE 7-16, Section 11.4.8-3]

\*Site-Specific Ground Motion Procedure not required provided  $T \leq 1.5T_s$ .

[ASCE 7-16, Section 11.4.8, Excep. 2]

If  $T > 1.5T_s$ , increase  $C_s$  values per Eqn 12.8-3 & 12.8-4 by 50%.

$$T = C_t h_n^x = 0.02 \times 14^{0.75} = 0.145 \text{ s} \quad [\text{ASCE 7-16, Eq 12.8-7}]$$

$$F_v = 2.272 \quad [\text{ASCE 7-16, Table 11.4-2}]$$

$$T_L = 12 \text{ s} \quad [\text{ASCE 7-16, Fig 22-14}]$$

$$T_s = S_{D1} / S_{DS} = 0.248 / 0.331 = 0.750 \text{ s}$$

$$1.5 \times T_s = 1.126 \text{ s} \geq 0.145 \text{ s}$$

Short period building -  $C_s$  determined by Eqn 12.8-2 as shown above

Horizontal Seismic Load Effect

[ASCE 7-16, Eq. 12.4-3]

$$E (\text{LRFD}) = \rho \times V (\text{LRFD}) = 1.3 \times 0.051 \times W = 0.066 \times W$$

$$E (\text{ASD}) = 0.7 \times E (\text{LRFD}) = 0.7 \times 0.066 \times W = 0.046 \times W$$

Job: Desert Rose Apts, Unit 372 - Fire Reconstruction	Job Number: C3676028.00	Date: 10/2/2023
24501 School Rd, Ripley, CA 92225	By: VCB	Section:
	Checked by: JTC	Page: 4

### Design Criteria

#### Wind (C&C) - Gable Roofs

[ASCE 7-16, Section 30.3.2]

Effective Wind Area ( $A_f$ ) = 100 ft<sup>2</sup>

$GC_{pi} = \pm 0.18$

Roof Slope ( $s$ ) = 18.4 °

$p = q_h (GC_p - GC_{pi})$

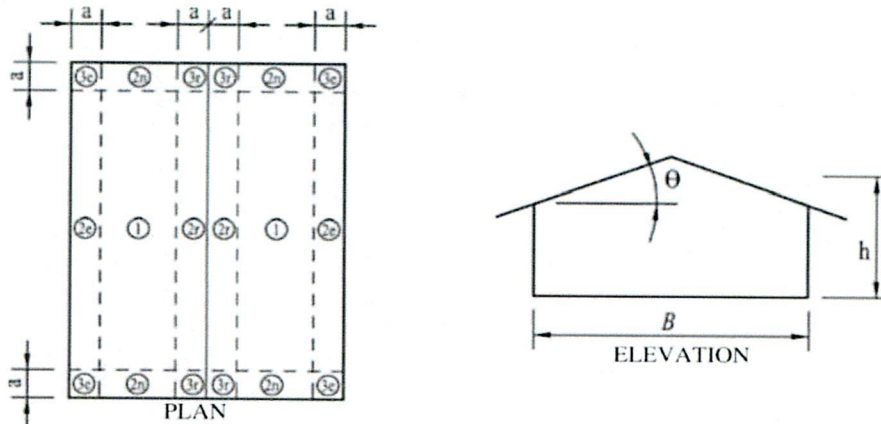
[ASCE 7-16, Eqn 30.3-1]

#### Gable Roof Pressures (LRFD) $\theta > 7^\circ$

Height (ft)	Pressure ( $q_h$ ) (psf)	External Pressure Coefficients ( $GC_p$ ) ASCE 7-16 Fig. 30.3-2B through 30.3-2D						
		All Zones	Zone 1	Zone 2e	Zone 2n	Zone 2r	Zone 3e	Zone 3r
0' - 15'	18.1	0.30	-0.50	-0.50	-1.57	-1.57	-1.57	-1.80

Height (ft)	Pressure ( $q_h$ ) (psf)	Design Wind Pressures (psf)						
		All Zones	Zone 1	Zone 2e	Zone 2n	Zone 2r	Zone 3e	Zone 3r
0' - 15'	18.1	8.7	-12.3	-12.3	-31.7	-31.7	-31.7	-35.8

#### Diagrams



#### Notation

$a$  = 10% of least horizontal dimension or 0.4h, whichever is smaller, but not less than either 4% of least horizontal dimension or 3 ft (0.9 m). If an overhang exists, the edge distance shall be measured from the outside edge of the overhang. The horizontal dimensions used to compute the edge distance shall not include any overhang distances.

$B$  = Horizontal dimension of building measured normal to wind direction, in ft (m).

$h$  = Mean roof height, in ft (m), except that eave height shall be used for  $\theta \leq 10^\circ$ .

$\theta$  = Angle of plane of roof from horizontal, in degrees.



Job: Desert Rose Apts, Unit 372 - Fire Reconstruction	Job Number: C3676028.00	Date: 10/2/2023
24501 School Rd, Ripley, CA 92225	By: VCB	Section:
	Checked by: JTC	Page: 5

**Design Criteria**

**Wind Pressures - Exterior Wall C&C (max)**

[ASCE 7-16, Section 30.4.2]

Effective Wind Area ( $A_f$ ) = 60 ft<sup>2</sup>

$GC_{pi} = \pm 0.18$

Roof Slope ( $s$ ) = 18.4 °

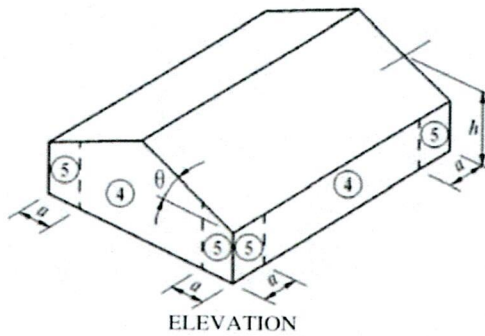
$p = q_h (GC_p - GC_{pi})$

[ASCE 7-16, Eq 30.3-1]

**Exterior Wall Pressures (ASD)**

Height (ft)	Velocity Pressure ( $q_h$ ) (psf)	External Pressure Coefficient ( $GC_p$ ) (ASCE 7-16 Fig. 30.3-1)				Design Wind Pressure ( $p$ ) (psf)			
		Zone 4		Zone 5		Zone 4		Zone 5	
0' - 15'	10.9	-0.96	0.86	-1.13	0.86	-12.4	11.3	-14.3	11.3

**Diagram**



**Notation**

$a$  = 10% of least horizontal dimension or  $0.4h$ , whichever is smaller, but not less than either 4% of least horizontal dimension or 3 ft (0.9 m).

**Exception:** For buildings with  $\theta = 0^\circ$  to  $7^\circ$  and a least horizontal dimension greater than 300 ft (90 m), dimension  $a$  shall be limited to a maximum of  $0.8h$ .

$h$  = Mean roof height, in ft (m), except that eave height shall be used for  $\theta \leq 10^\circ$ .

$\theta$  = Angle of plane of roof from horizontal, in degrees.

Job: Desert Rose Apts, Unit 372 - Fire Reconstruction	Job Number: C3676028.00	Date: 10/2/2023
24501 School Rd, Ripley, CA 92225	By: VCB	Section:
	Checked by: JTC	Page: 8

**Lateral Design**

**N / S - Tributary Diaphragm Loads**

w(A)

Windward Wall	=	$[(11 \text{ psf})(0.85 \times 0.8) - (11 \text{ psf})(-0.18)] \times (4 \text{ ft})$	=	38 plf
Leeward Wall	=	$[(11 \text{ psf})(0.85 \times 0.5) - (11 \text{ psf})(0.18)] \times (4 \text{ ft})$	=	11 plf
Windward Roof	=	$[(11 \text{ psf})(0.85 \times 0.3) - (11 \text{ psf})(-0.18)] \times (3.75 \text{ ft})$	=	18 plf
Leeward Roof	=	$[(11 \text{ psf})(0.85 \times 0.6) - (11 \text{ psf})(0.18)] \times (3.75 \text{ ft})$	=	14 plf
Total Wind	=		=	<u>81 plf</u>

**N / S - Tributary Load Distribution**

Line 1		Total
w(A)	8.1	8.1
Line 1	<u>Wind Loads</u>	<u>(ASD)</u>
w(A)	$(81 \text{ plf})(8.1')$	= 656 lb
		= 0 lb
		<u>656 lb</u>
	Drag Truss Load (Round to 750 lb)	
		<u>656 lb</u>
	<u>Seismic Loads</u>	<u>(ASD)</u>
	$(0 \text{ plf})(8.1')$	= 0 lb
		= 0 lb
	$(0.046)(15 \text{ psf})(\text{ft})(\text{ft})$	= 0 lb
		<u>0 lb</u>

Job: Desert Rose Apts, Unit 372 - Fire Reconstruction	Job Number: C3676028.00	Date: 10/2/2023
24501 School Rd, Ripley, CA 92225	By: VCB	Section:
	Checked by: JTC	Page: 9

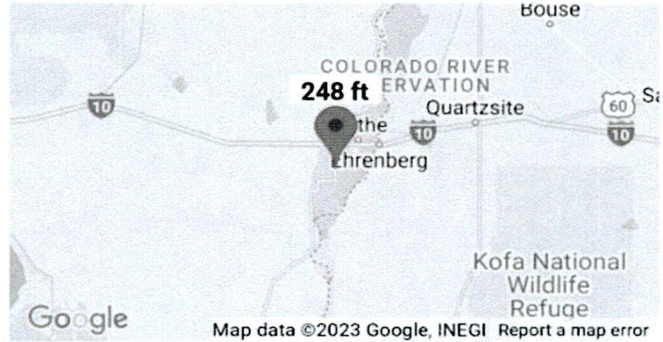
**References**

Wind Design Parameters

**ATC Hazards by Location**

**Search Information**

**Address:** 24501 School Rd, Ripley, CA 92225, USA  
**Coordinates:** 33.526327, -114.6610422  
**Elevation:** 248 ft  
**Timestamp:** 2023-09-13T18:49:33.472Z  
**Hazard Type:** Wind



**ASCE 7-16**

MRI 10-Year	69 mph
MRI 25-Year	75 mph
MRI 50-Year	80 mph
MRI 100-Year	85 mph
Risk Category I	93 mph
Risk Category II	99 mph
Risk Category III	105 mph
Risk Category IV	109 mph

**ASCE 7-10**

MRI 10-Year	72 mph
MRI 25-Year	79 mph
MRI 50-Year	85 mph
MRI 100-Year	91 mph
Risk Category I	100 mph
Risk Category II	110 mph
Risk Category III-IV	115 mph

**ASCE 7-05**

ASCE 7-05 Wind Speed 85 mph



Job: Desert Rose Apts, Unit 372 - Fire Reconstruction	Job Number: C3676028.00	Date: 10/2/2023
24501 School Rd, Ripley, CA 92225	By: VCB	Section:
	Checked by: JTC	Page: 10

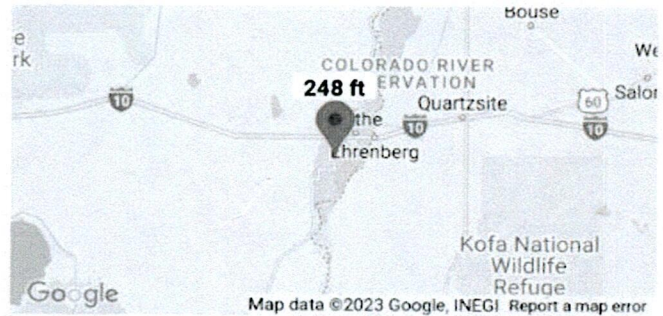
### References

### Sesimic Design Parameters

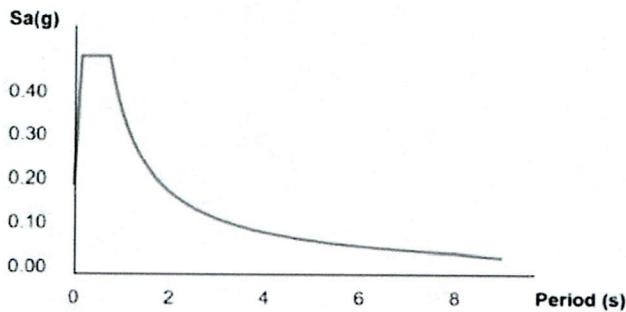
#### **ATC Hazards by Location**

#### **Search Information**

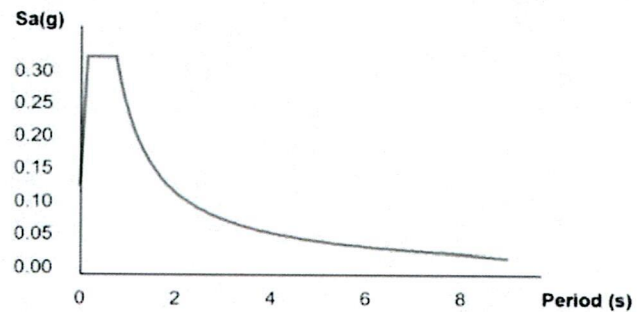
**Address:** 24501 School Rd, Ripley, CA 92225, USA  
**Coordinates:** 33.526327, -114.6610422  
**Elevation:** 248 ft  
**Timestamp:** 2023-09-13T18:50:24.068Z  
**Hazard Type:** Seismic  
**Reference Document:** ASCE7-16  
**Risk Category:** II  
**Site Class:** D-default



#### **MCER Horizontal Response Spectrum**



#### **Design Horizontal Response Spectrum**



#### **Basic Parameters**

Name	Value	Description
$S_S$	0.322	MCE <sub>R</sub> ground motion (period=0.2s)
$S_1$	0.164	MCE <sub>R</sub> ground motion (period=1.0s)
$S_{MS}$	0.497	Site-modified spectral acceleration value
$S_{M1}$	0.373	Site-modified spectral acceleration value
$S_{DS}$	0.332	Numeric seismic design value at 0.2s SA
$S_{D1}$	0.249	Numeric seismic design value at 1.0s SA

#### **Additional Information**

Name	Value	Description
SDC	D	Seismic design category
$F_a$	1.542	Site amplification factor at 0.2s

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**Exhibit "D"**  
**HUD Form 92010**  
**Equal Employment Opportunity Certification**  
**(behind this page)**



**Equal Employment  
Opportunity Certification**  
Excerpt From 41 CFR §60-1.4(b)

U.S. Department of Housing  
and Urban Development  
Office of Housing  
Federal Housing Commissioner

Department of Veterans Affairs  
OMB Control No. 2502-0029  
(exp. 7/31/2009)

The applicant hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause:

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin, such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.
- (3) The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
- (5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

- (6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (7) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: **Provided, however,** That in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work:

**Provided,** That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and Federally-assisted construction contracts pursuant to the Executive order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed

Firm Name and Address

By

Title



upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

#### **Excerpt from HUD Regulations**

##### **200.410** Definition of term "applicant".

- (a) In multifamily housing transactions where controls over the mortgagor are exercised by the Commissioner either through the ownership of corporate stock or under the provisions of a regulatory agreement, the term "applicant" as used in this subpart shall mean the mortgagor.
- (b) In transactions other than those specified in paragraph(a) of this section, the term "applicant" as used in this subpart shall mean the builder, dealer or contractor performing the construction, repair or rehabilitation work for the mortgagor or other borrower.

##### **200.420** Equal Opportunity Clause to be included in contracts and subcontracts.

- (a) The following equal opportunity clause shall be included in each contract and subcontract which is not exempt:

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of the nondiscrimination clause.

(2) The contractor will in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard race, creed, color, or national origin.

(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided, advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notices in conspicuous places available to employees and applicants for employment.

(4) The contractor will comply with all provisions of Executive Order 10925 of March 6 1961, as amended, and of the regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

(5) The contractor will furnish all information and reports required by Executive Order 10925 of March 6, 1961, as amended, and by the regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by HUD and the Committee for purposes of investigation to ascertain compliance with such regulations, and orders.

(6) In the event of the contractor's non-compliance with the nondiscrimination clause of this contract or with any of the said regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or Federally-assisted construction contracts in accordance with procedures authorized in Executive Order 10925 of March 6, 1961, as amended, and such other sanctions may be imposed and remedies invoked provided in the said Executive Order or by regulations, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

(7) The contractor will include the provisions of Paragraphs(1) through (7) in every subcontract or purchase order unless exempted by regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to Section 303 of Executive Order 10925 of March 6, 1961, as amended, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase orders as HUD may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by HUD, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

- (b) Except in subcontracts for the performance of construction work at the site of construction, the clause is not required to be inserted in subcontracts below the second tier. Subcontracts may incorporate by reference to the equal opportunity clause.

##### **200.425** Modification in and exemptions from the regulations in this subpart.

- (a) The following transactions and contracts are exempt from the regulations in this subpart:

(1) Loans, mortgages, contracts and subcontracts not exceeding \$10,000.

(2) Contract and subcontracts not exceeding \$100,000 for standard commercial supplies or raw material;

(3) Contracts and subcontracts under which work is to be or has been performed outside the United States and where no recruitment of workers within the United States is involved. To the extent that work pursuant to such contracts is done within the United States, the equal opportunity clause shall be applicable;

(4) Contracts for the sale of Government property where no appreciable amount of work is involved; and

(5) Contracts and subcontracts for an indefinite quantity which are not to extend for more than one year if the purchaser determines that the amounts to be ordered under any such contract or subcontract are not reasonably expected to exceed \$100,000 in the case of contracts or subcontracts for standard commercial supplies and raw materials, or \$10,000 in the case of all other contracts and subcontracts.

**Exhibit "E"**

**HUD Form 5370  
General Conditions for Construction Contracts**

**(behind this page)**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28



# General Conditions for Construction Contracts - Public Housing Programs

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing  
OMB Approval No. 2577-0157 (exp. 1/31/2017)

**Applicability. This form is applicable to any construction/development contract greater than \$100,000.**

This form includes those clauses required by OMB's common rule on grantee procurement, implemented at HUD in 24 CFR 85.36, and those requirements set forth in Section 3 of the Housing and Urban Development Act of 1968 and its amendment by the Housing and Community Development Act of 1992, implemented by HUD at 24 CFR Part 135. The form is required for construction contracts awarded by Public Housing Agencies (PHAs).

The form is used by Housing Authorities in solicitations to provide necessary contract clauses. If the form were not used, HAs would be unable to enforce their contracts.

Public reporting burden for this collection of information is estimated to average 1.0 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Responses to the collection of information are required to obtain a benefit or to retain a benefit.

The information requested does not lend itself to confidentiality.

HUD may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid OMB number.

Clause		Page	Clause		Page
1.	Definitions	2	<b>Administrative Requirements</b>		
2.	Contractor's Responsibility for Work	2	25.	Contract Period	9
3.	Architect's Duties, Responsibilities and Authority	2	26.	Order of Precedence	9
4.	Other Contracts	3	27.	Payments	9
	<b>Construction Requirements</b>		28.	Contract Modifications	10
5.	Preconstruction Conference and Notice to Proceed	3	29.	Changes	10
6.	Construction Progress Schedule	3	30.	Suspension of Work	11
7.	Site Investigation and Conditions Affecting the Work	3	31.	Disputes	11
8.	Differing Site Conditions	4	32.	Default	11
9.	Specifications and Drawings for Construction	4	33.	Liquidated	12
10.	As-Built Drawings	5	34.	Termination of Convenience	12
11.	Material and Workmanship	5	35.	Assignment of Contract	12
12.	Permits and Codes	5	36.	Insurance	12
13.	Health, Safety, and Accident Prevention	6	37.	Subcontracts	13
14.	Temporary Buildings and Transportation Materials	6	38.	Subcontracting with Small and Minority Firms, Women's Business Enterprise, and Labor Surplus Area Firms	13
15.	Availability and Use of Utility Services	6	39.	Equal Employment Opportunity	13
16.	Protection of Existing Vegetation, Structures, Equipment, Utilities, and Improvements	6	40.	Employment, Training, and Contracting Opportunities for Low-Income Persons, Section 3 of the Housing and Urban Development Act of 1968	14
17.	Temporary Buildings and Transportation Materials	7	41.	Interest of Members of Congress	15
18.	Clean Air and Water	7	42.	Interest of Members, Officers, or Employees and Former Members, Officers, or Employees	15
19.	Energy Efficiency	7	43.	Limitations on Payments Made to Influence	15
20.	Inspection and Acceptance of Construction	7	44.	Royalties and Patents	15
21.	Use and Possession Prior to Completion	8	45.	Examination and Retention of Contractor's Records	15
22.	Warranty of Title	8	46.	Labor Standards-Davis-Bacon and Related Acts	15
23.	Warranty of Construction	8	47.	Non-Federal Prevailing Wage Rates	19
24.	Prohibition Against Liens	9	48.	Procurement of Recovered Materials	19



---

## 1. Definitions

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

## 3. Architect's Duties, Responsibilities, and Authority

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

## 2. Contractor's Responsibility for Work



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

#### 4. Other Contracts

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

### Construction Requirements

#### 5. Pre-construction Conference and Notice to Proceed

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

#### 6. Construction Progress Schedule

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

#### 7. Site Investigation and Conditions Affecting the Work

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



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

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

### 8. Differing Site Conditions

- (a) The Contractor shall promptly, and before the conditions are disturbed, give a written notice to the Contracting Officer of (1) subsurface or latent physical conditions at the site which differ materially from those indicated in this contract, or (2) unknown physical conditions at the site(s), of an unusual nature, which differ materially from those ordinarily encountered and generally recognized as inhering in work of the character provided for in the contract.
- (b) The Contracting Officer shall investigate the site conditions promptly after receiving the notice. Work shall not proceed at the affected site, except at the Contractor's risk, until the Contracting Officer has provided written instructions to the Contractor. If the conditions do materially so differ and cause an increase or decrease in the Contractor's cost of, or the time required for, performing any part of the work under this contract, whether or not changed as a result of the conditions, the Contractor shall file a claim in writing to the PHA within ten days after receipt of such instructions and, in any event, before proceeding with the work. An equitable adjustment in the contract price, the delivery schedule, or both shall be made under this clause and the contract modified in writing accordingly.
- (c) No request by the Contractor for an equitable adjustment to the contract under this clause shall be allowed, unless the Contractor has given the written notice required; provided, that the time prescribed in (a) above for giving written notice may be extended by the Contracting Officer.
- (d) No request by the Contractor for an equitable adjustment to the contract for differing site conditions shall be allowed if made after final payment under this contract.

### 9. Specifications and Drawings for Construction

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

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

- (b) Wherever in the specifications or upon the drawings the words "directed", "required", "ordered", "designated", "prescribed", or words of like import are used, it shall be understood that the "direction", "requirement", "order", "designation", or "prescription", of the Contracting Officer is intended and similarly the words "approved", "acceptable", "satisfactory", or words of like import shall mean "approved by", or "acceptable to", or "satisfactory to" the Contracting Officer, unless otherwise expressly stated.
- (c) Where "shown" "indicated", "detailed", or words of similar import are used, it shall be understood that the reference is made to the drawings accompanying this contract unless stated otherwise. The word "provided" as used herein shall be understood to mean "provide complete in place" that is "furnished and installed".
- (d) "Shop drawings" means drawings, submitted to the PHA by the Contractor, subcontractor, or any lower tier subcontractor, showing in detail (1) the proposed fabrication and assembly of structural elements and (2) the installation (i.e., form, fit, and attachment details) of materials of equipment. It includes drawings, diagrams, layouts, schematics, descriptive literature, illustrations, schedules, performance and test data, and similar materials furnished by the Contractor to explain in detail specific portions of the work required by the contract. The PHA may duplicate, use, and disclose in any manner and for any purpose shop drawings delivered under this contract.
- (e) If this contract requires shop drawings, the Contractor shall coordinate all such drawings, and review them for accuracy, completeness, and compliance with other contract requirements and shall indicate its approval thereon as evidence of such coordination and review. Shop drawings submitted to the Contracting Officer without evidence of the Contractor's approval may be returned for resubmission. The Contracting Officer will indicate an approval or disapproval of the shop drawings and if not approved as submitted shall indicate the PHA's reasons therefore. Any work done before such approval shall be at the Contractor's risk. Approval by the Contracting Officer shall not relieve the Contractor from responsibility for any errors or omissions in such drawings, nor from responsibility for complying with the requirements of this contract, except with respect to variations described and approved in accordance with (f) below.
- (f) If shop drawings show variations from the contract requirements, the Contractor shall describe such variations in writing, separate from the drawings, at the time of submission. If the Architect approves any such variation and the Contracting Officer concurs, the Contracting Officer shall issue an appropriate modification to the contract, except that, if the variation is minor or does not involve a change in price or in time of performance, a modification need not be issued.
- (g) It shall be the responsibility of the Contractor to make timely requests of the PHA for such large scale and full size drawings, color schemes, and other additional information, not already in his possession, which shall be



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

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

#### 10. As-Built Drawings

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

#### 11. Material and Workmanship

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

machinery and mechanical and other equipment. When required by this contract or by the Contracting Officer, the Contractor shall also obtain the Contracting Officer's approval of the material or articles which the Contractor contemplates incorporating into the work. When requesting approval, the Contractor shall provide full information concerning the material or articles. Machinery, equipment, material, and articles that do not have the required approval shall be installed or used at the risk of subsequent rejection.

- (2) When required by the specifications or the Contracting Officer, the Contractor shall submit appropriately marked samples (and certificates related to them) for approval at the Contractor's expense, with all shipping charges prepaid. The Contractor shall label, or otherwise properly mark on the container, the material or product represented, its place of origin, the name of the producer, the Contractor's name, and the identification of the construction project for which the material or product is intended to be used.
- (3) Certificates shall be submitted in triplicate, describing each sample submitted for approval and certifying that the material, equipment or accessory complies with contract requirements. The certificates shall include the name and brand of the product, name of manufacturer, and the location where produced.
- (4) Approval of a sample shall not constitute a waiver of the PHA right to demand full compliance with contract requirements. Materials, equipment and accessories may be rejected for cause even though samples have been approved.
- (5) Wherever materials are required to comply with recognized standards or specifications, such specifications shall be accepted as establishing the technical qualities and testing methods, but shall not govern the number of tests required to be made nor modify other contract requirements. The Contracting Officer may require laboratory test reports on items submitted for approval or may approve materials on the basis of data submitted in certificates with samples. Check tests will be made on materials delivered for use only as frequently as the Contracting Officer determines necessary to insure compliance of materials with the specifications. The Contractor will assume all costs of retesting materials which fail to meet contract requirements and/or testing materials offered in substitution for those found deficient.
- (6) After approval, samples will be kept in the Project office until completion of work. They may be built into the work after a substantial quantity of the materials they represent has been built in and accepted.
- (c) Requirements concerning lead-based paint. The Contractor shall comply with the requirements concerning lead-based paint contained in the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846) as implemented by 24 CFR Part 35.

#### 12. Permits and Codes

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



waivers. Before installing the work, the Contractor shall examine the drawings and the specifications for compliance with applicable codes and regulations bearing on the work and shall immediately report any discrepancy it may discover to the Contracting Officer. Where the requirements of the drawings and specifications fail to comply with the applicable code or regulation, the Contracting Officer shall modify the contract by change order pursuant to the clause entitled Changes herein to conform to the code or regulation.

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

### 13. Health, Safety, and Accident Prevention

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

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

(b) For these purposes, the Contractor shall:

- (1) Comply with regulations and standards issued by the Secretary of Labor at 29 CFR Part 1926. Failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act (Public Law 91-54, 83 Stat. 96), 40 U.S.C. 3701 et seq.; and
- (2) Include the terms of this clause in every subcontract so that such terms will be binding on each subcontractor.

(c) The Contractor shall maintain an accurate record of exposure data on all accidents incident to work performed under this contract resulting in death, traumatic injury, occupational disease, or damage to property, materials, supplies, or equipment, and shall report this data in the manner prescribed by 29 CFR Part 1904.

(d) The Contracting Officer shall notify the Contractor of any noncompliance with these requirements and of the corrective action required. This notice, when delivered to the Contractor or the Contractor's representative at the site of the work, shall be deemed sufficient notice of the noncompliance and corrective action required. After receiving the notice, the Contractor shall immediately take corrective action. If the Contractor fails or refuses to take corrective action promptly, the Contracting Officer may issue an order stopping all or part of the work until satisfactory corrective action has been taken. The Contractor shall not base any claim or request for equitable adjustment for additional time or money on any stop order issued under these circumstances.

(e) The Contractor shall be responsible for its subcontractors' compliance with the provisions of this clause. The Contractor shall take such action with respect to any subcontract as the PHA, the Secretary of Housing and Urban Development, or the Secretary of Labor shall direct as a means of enforcing such provisions.

### 14. Temporary Heating

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

### 15. Availability and Use of Utility Services

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

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

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



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

#### 17. Temporary Buildings and Transportation of Materials

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

#### 18. Clean Air and Water

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

#### 19. Energy Efficiency

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

#### 20. Inspection and Acceptance of Construction

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



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

## 21. Use and Possession Prior to Completion

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

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

## 22. Warranty of Title

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

## 23. Warranty of Construction

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



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

**24. Prohibition Against Liens**

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

**Administrative Requirements**

**25. Contract Period**

The Contractor shall complete all work required on this contract within \_\_\_\_\_ calendar days of the effective date of the contract, or within the time schedule established in the notice to proceed issued by the Contracting Officer.

**26. Order of Provisions**

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

**27. Payments**

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

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

- (d) The Contractor shall submit, on forms provided by the PHA, periodic estimates showing the value of the work performed during each period based upon the approved breakdown of the contract price. Such estimates shall be submitted not later than \_\_\_\_\_ days in advance of the date set for payment and are subject to correction and revision as required. The estimates must be approved by the Contracting Officer with the concurrence of the Architect prior to payment. If the contract covers more than one project, the Contractor shall furnish a separate progress payment estimate for each.
- (e) Along with each request for progress payments and the required estimates, the Contractor shall furnish the following certification, or payment shall not be made: I hereby certify, to the best of my knowledge and belief, that:
  - (1) The amounts requested are only for performance in accordance with the specifications, terms, and conditions of the contract;
  - (2) Payments to subcontractors and suppliers have been made from previous payments received under the contract, and timely payments will be made from the proceeds of the payment covered by this certification, in accordance with subcontract agreements; and,
  - (3) This request for progress payments does not include any amounts which the prime contractor intends to withhold or retain from a subcontractor or supplier in accordance with the terms and conditions of the subcontract.

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Title:

\_\_\_\_\_  
Date:

- (f) Except as otherwise provided in State law, the PHA shall retain ten (10) percent of the amount of progress payments until completion and acceptance of all work under the contract; except, that if upon completion of 50 percent of the work, the Contracting Officer, after consulting with the Architect, determines that the Contractor's performance and progress are satisfactory, the PHA may make the remaining payments in full for the work subsequently completed. If the Contracting Officer subsequently determines that the Contractor's performance and progress are unsatisfactory, the PHA shall reinstate the ten (10) percent (or other percentage as provided in State law) retainage until such time as the Contracting Officer determines that performance and progress are satisfactory.
- (g) The Contracting Officer may authorize material delivered on the site and preparatory work done to be taken into consideration when computing progress payments.



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

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

## 28. Contract Modifications

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

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

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

## 29. Changes

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



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

### 30. Suspension of Work

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

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

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

### 31. Disputes

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

### 32. Default

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



proceed with the work (or separable part of the work) that has been delayed. In this event, the PHA may take over the work and complete it, by contract or otherwise, and may take possession of and use any materials, equipment, and plant on the work site necessary for completing the work. The Contractor and its sureties shall be liable for any damage to the PHA resulting from the Contractor's refusal or failure to complete the work within the specified time, whether or not the Contractor's right to proceed with the work is terminated. This liability includes any increased costs incurred by the PHA in completing the work.

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

### 33. Liquidated Damages

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

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

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

### 34. Termination for Convenience

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

### 35. Assignment of Contract

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

### 36. Insurance

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



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

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

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

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

### 37. Subcontracts

(a) Definitions. As used in this contract -

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

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

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

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

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

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

### 39. Equal Employment Opportunity

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

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, or handicap.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, national origin, or handicap. Such action shall include, but not be limited to, (1) employment, (2) upgrading, (3) demotion, (4) transfer, (5) recruitment or recruitment advertising, (6) layoff or termination, (7) rates of pay or other forms of compensation, and (8) selection for training, including apprenticeship.



- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, or handicap.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended, Section 503 of the Rehabilitation Act of 1973, as amended, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or Federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontract or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.
- (j) Compliance with the requirements of this clause shall be to the maximum extent consistent with, but not in derogation of, compliance with section 7(b) of the Indian Self-Determination and Education Assistance Act and the Indian Preference clause of this contract.
- 40. Employment, Training, and Contracting Opportunities for Low-Income Persons, Section 3 of the Housing and Urban Development Act of 1968.**
- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- (g) With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).



---

#### 41. Interest of Members of Congress

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

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

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

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

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

#### 44. Royalties and Patents

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

#### 45. Examination and Retention of Contractor's Records

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

#### 46. Labor Standards - Davis-Bacon and Related Acts

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

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



---

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

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

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

- (b) Withholding of funds. HUD or its designee shall, upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the Contractor under this contract or any other Federal contract with the same prime Contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime Contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the Contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working in the construction or development of the project, all or part of the wages required by the contract, HUD or its designee may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to the Contractor, disburse such amounts withheld for and on account of the Contractor or subcontractor to the respective employees to whom they are due.
- (c) Payrolls and basic records.
- (1) Payrolls and basic records relating thereto shall be maintained by the Contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working in the construction or development of the project. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made, and actual wages paid. Whenever the Secretary of Labor has found, under 29 CFR 5.5(a)(1)(iv), that the wages of any laborer or mechanic include the amount of costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the Contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.



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

make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

- (d) (1) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship and Training, Employer and Labor Services (OATELS), or with a State Apprenticeship Agency recognized by OATELS, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by OATELS or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the Contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated in this paragraph, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the Contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator of the Wage and Hour Division determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event OATELS, or a State Apprenticeship Agency recognized by OATELS, withdraws approval of an apprenticeship program, the Contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.
- (2) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under



- the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed in the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate in the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate in the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate in the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the Contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.
- (3) Equal employment opportunity. The utilization of apprentices, trainees, and journeymen under this clause shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.
- (e) Compliance with Copeland Act requirements. The Contractor shall comply with the requirements of 29 CFR Part 3, which are hereby incorporated by reference in this contract.
- (f) Contract termination; debarment. A breach of this contract clause may be grounds for termination of the contract and for debarment as a Contractor and a subcontractor as provided in 29 CFR 5.12.
- (g) Compliance with Davis-Bacon and related Act requirements. All rulings and interpretations of the Davis-Bacon and related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract.
- (h) Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this clause shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the Contractor (or any of its subcontractors) and the PHA, HUD, the U.S. Department of Labor, or the employees or their representatives.
- (i) Certification of eligibility.
- (1) By entering into this contract, the Contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the Contractor's firm is a person or firm ineligible to be awarded contracts by the United States Government by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
- (2) No part of this contract shall be subcontracted to any person or firm ineligible for award of a United States Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
- (3) The penalty for making false statements is prescribed in the U. S. Criminal Code, 18 U.S.C. 1001.
- (j) Contract Work Hours and Safety Standards Act. As used in this paragraph, the terms "laborers" and "mechanics" include watchmen and guards.
- (1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics, including watchmen and guards, shall require or permit any such laborer or mechanic in any workweek in which the individual is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.
- (2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the provisions set forth in subparagraph (j)(1) of this clause, the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic (including watchmen and guards) employed in violation of the provisions set forth in subparagraph (j)(1) of this clause, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by provisions set forth in subparagraph (j)(1) of this clause.
- (3) Withholding for unpaid wages and liquidated damages. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such contract or any Federal contract with the same prime Contractor, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the provisions set forth in subparagraph (j)(2) of this clause.
- (k) Subcontracts. The Contractor or subcontractor shall insert in any subcontracts all the provisions contained in this clause, and such other clauses as HUD or its designee may by appropriate instructions require, and also a clause requiring the subcontractors to include these provisions in any lower tier subcontracts. The prime Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all these provisions.



---

#### 47. Non-Federal Prevailing Wage Rates

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

#### 48. Procurement of Recovered Materials.

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

1  
2 **Exhibit "F"**

3 **Federal Prevailing Wage**

4  
5 **General Decision Number:** CA20230017 MOD 13 7/13/2023

6 **State:** California

7 **Construction Type:** Residential

8 **Counties:** Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Luis Obispo, Santa Barbara,  
9 and Ventura Counties in California.

10 RESIDENTIAL CONSTRUCTION PROJECTS (consisting of single-family homes and apartments up to  
11 and including 4 stories)

12  
13  
14 Note: Contracts subject to the Davis-Bacon Act are generally required to pay at least the applicable  
15 minimum wage rate required under Executive Order 14026 or Executive Order 13658. Please note that  
16 these Executive Orders apply to covered contracts entered into by the federal government that are subject  
17 to the Davis-Bacon Act itself, but do not apply to contracts subject only to the Davis-Bacon Related Acts,  
18 including those set forth at 29 CFR 5.1(a)(2)-(60).