

PART II
TERMS AND CONDITIONS FOR FEDERAL OR STATE ASSISTANCE AIDS OR GRANTS

I. DEFINITIONS. As used in this Purchase Order:

- A. "CITY" means the City of Milwaukee, a Wisconsin municipal corporation.
- B. "CONTRACTOR" means the Vendor referenced in the Purchase Order

II. SPECIAL REQUIREMENTS. If federal or state grants or aids are involved, then any unearned payments under this Purchase Order may be suspended or terminated

- A. Upon refusal of CITY to accept any additional conditions which may be imposed by any appropriate federal or state agency; or
- B. Upon the suspension or termination of a grant or aid to the CITY under a federal or state act.

III. IDENTIFICATION OF DOCUMENTS. All reports, maps and other documents completed as part of this Purchase Order other than documents exclusively for internal use, shall contain the following information on the front cover or title page (or in the case of maps in an appropriate block Name of Agency, month and year of the preparation, name of the CONTRACTOR and the following notation covering federal assistance. The preparation of this report, map, document, etc. was financed in part through a grant from the Department of Housing and Urban Development under the provisions of Title I of the Housing and Community Development Act of 1974 (as amended).

IV. INTEREST IN CERTAIN FEDERAL OFFICIALS. No member of or Delegate to the Congress of the United States and no Resident Commissioner shall be admitted to any share or part of this Purchase Order or any benefit to arise therefrom.

V. OPPORTUNITIES FOR RESIDENTS. In all work made possible by or resulting from this Purchase Order, affirmative action will be taken to ensure that low and moderate income residents are given maximum opportunities for training and employment and that business concerns located in or owned in substantial part by low and moderate income residents are to the greatest extent feasible awarded contracts.

VI. COPYRIGHTS. If this Purchase Order results in book or other copyright- able materials, the author is free to copyright the work but the appropriate federal agency involved reserves a royalty-free nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use all copyrighted material and all materials which can be copyrighted.

VII. PATENTS. Any discovery or invention arising out of or developed in the course of work aided by this Purchase Order shall be promptly and fully reported to the appropriate federal agency involved for determination by it as to whether patent protection on such invention or discovery shall be sought and how the rights in the invention or discovery, including rights under any patent issued thereupon, shall be disposed of and administered, in order to protect the public interest,

VIII. POLITICAL ACTIVITY PROHIBITED. None of the funds, materials, property or services provided directly or indirectly under this Purchase Order shall be used in the performance of this Purchase Order for any partisan political activity, or to further the election or defeat of any candidate for public office.

IX.. LOBBYING PROHIBITED. None of the funds provided under this Purchase Order shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Congress.

X. DISCRIMINATION BECAUSE OF CERTAIN LABOR MATTERS. No person employed in the work covered by this Purchase Order shall be discharged or in any way discriminated against because he has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable hereunder to his employer.

XI. ANTI-KICKBACK RULES. Salaries of architects, draftsmen, technical engineers and technicians, if any, performing work under this Purchase Order shall be paid unconditionally and not less often than once a month without deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat, 740; 63 Stat. 108; title 18 U.S C., section 874, and title 40 U.S C.. section 276e) The CONTRACTOR shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts, if any, covering work under this Purchase Order to insure compliance

by subcontractors with such regulations, and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

XII. The CONTRACTOR shall insert in each subcontract appropriate provisions requiring compliance with the labor standards provisions of the Purchase Order.

XIII. LEAD-BASED PAINT. Section 570.608 - If the Purchase Order involves construction or rehabilitation of residential structures with assistance provided under this agreement, it is subject to the lead-based paint regulations set forth in 24 CFR 35, as amended at 24 CFR 35.81(C). January 27, 1977

XIV. "SECTION 3" OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968 (12 U.S.C. 1701(u)).

A. Any work to be performed under this Purchase Order which is on a project assisted under a program providing direct federal assistance from the Department of Housing and Urban Development is subject to the requirements of section 301 the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the project

B. Any such work requires that the parties to this Purchase Order will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135. and all applicable rules and orders of the CITY issued thereunder prior to the execution of this Purchase Order. The parties to this Purchase Order certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements a notice advising the said labor organization or workers' representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training

D. The CONTRACTOR will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for or recipient of federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR 135. The CONTRACTOR will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

E. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR 135 and all applicable rules and orders of the CITY issued thereunder prior to the execution of the Purchase Order shall be a condition of the federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors and assigns to those sanctions specified by the grant or loan agreement or contract through which federal assistance is provided and to such sanctions as are specified by 24 CFR 135.

XV. EXECUTIVE ORDER 11246. etc. During the performance of this Purchase Order, the CONTRACTOR agrees as follows:

A. The CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religion, sex orientation, sex, national origin, or age (per the Age Discrimination Act of 1975). 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, sex orientation, 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 by the contracting officer setting forth the provisions of this nondiscrimination clause.

B. 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 to race, color, sex orientation, religion, sex or national origin.

C. 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 by the Contract

Officer advising the said labor union or workers' representatives of the CONTRACTOR'S commitment under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

D. 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.

E. The CONTRACTOR will furnish all information and reports required by Executive Order 11246 of September 24, 1965. and by the rules, regulations and order of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the CITY and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

F. In the event of the CONTRACTOR'S noncompliance with the non-discrimination clause of this Purchase Order or with any of such rules, regulations or orders, this Purchase Order 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 contract procedures authorized 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.

G. The CONTRACTOR will include the portion of the sentence immediately preceding Paragraph A and the provisions of Paragraphs A through, G 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 CITY 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 the CITY, the CONTRACTOR may request the United States to enter into such litigation to protect the interest of the United States.

XVI. COMPLIANCE WITH AIR AND WATER ACTS. With respect to non-exempt transactions to carry out the purposes of the housing and Community Development Act of 1974, the CONTRACTOR shall be required to provide:

A. A stipulation by the CONTRACTOR or subcontractor that any facility to be utilized in the performance of any non-exempt Contract or subcontract is not listed on the list of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 CFR 15.20.

B. Agreement by the CONTRACTOR to comply with all the requirements of Section 11401 the Clean Air Act, as amended (42 USC I 657c-B) and Section 308 of the Federal Water Pollution Control Act, as amended (33 USC 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

C. A stipulation that as a condition for the award of the Purchase Order prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized or to be utilized for the Purchase Order is under consideration to be listed on the EPA list of Violating Facilities.

D. Agreement by the CONTRACTOR that he will include or cause to be included the criteria and requirements in paragraphs A through D of this Section in every non-exempt subcontract and requiring that the CONTRACTOR will take such action as the government may direct as a means of enforcing such provisions,

XVII. FEDERAL MANAGEMENT AND BUDGET REQUIREMENTS AND PROCUREMENT STANDARDS. Incorporated by reference herein are requirements and procurement standards which shall apply to the parties hereto

A. OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A-102, AS AMENDED AUGUST 15, 1979.

1. Applicability.

a. This Attachment establishes standards and guidelines for the procurement of supplies, equipment, construction and services lot Federal assistance programs. These standards are furnished to ensure that such materials and services are obtained efficiently and economically and in compliance with the provisions of applicable Federal law and executive orders.

b. No additional procurement requirements or subordinate regulations shall be imposed upon grantees by executive agencies unless specifically required by Federal law or executive orders or authorized by the Administrator for Federal Procurement Policy. This prohibition is not applicable to payment conditions issued in

accordance with Treasury Circular 1075, individual grantee requirements pursuant to Section 10 of the basic circular of the provisions of this or other OMB circulars

c. Provisions of current subordinate requirements not conforming to this Attachment shall be rescinded by grantor agencies unless approved by the Office of Federal Procurement Policy (OFPP)

2. Grantee/Grantor Responsibility.

a. These standards do not relieve the grantee of any contractual responsibilities under its contracts. The grantee is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements entered in support of a grant. These include but are not limited to source evaluation, protests, dispute, and claims. Executive agencies shall not substitute their judgment for that of the grantee unless the matter is primarily a Federal concern, Violations of law are to be referred to the local, State, or Federal authority having proper jurisdiction.

b. Grantees shall use their own procurement procedures which reflect applicable State and local laws and regulations, provided that procurements for Federal Assistance Programs conform to the standards set forth in this Attachment and applicable Federal law.

3. Grantee Procurement Improvement. Executive agencies awarding Federal grants or other assistance which require or allow for procurement by the recipients are encouraged to assist recipients in improving their procurement capabilities by providing them with technical assistance training, publications, and other aid

4. Procurement System Reviews.

a. Executive agencies are encouraged to perform reviews of their grantees' procurement systems if a continuing relationship with the grantee is anticipated or a substantial amount of Federal assistance is to be used for procurement and review of individual contracts is anticipated. The purpose of the review shall be to determine. (1) whether a grantee's procurement system meets the standards prescribed by this Attachment or other criteria acceptable by the OFPP, such provisions of the Model Procurement Code for State and local government, and (2) whether the grantee's procurement system should be certified by the reviewing agency. Such a review will also give an agency an opportunity to give technical assistance to a grantee to remedy its procurement system if it does not fully comply. In addition, such a review may provide a basis for deciding whether the grantee's contracts and related procurement documents should be subject to the grantor's prior approval, as provided by Section 6

b. In conducting procurement system review, grantor agencies will evaluate a grantor's procurement system in terms of whether it complies with the standards prescribed by this Attachment and represents a fair, efficient and effective procurement system. To the maximum extent feasible, reviewers will rely upon State or local evaluations and analyses performed by agencies or organizations independent of the grantee contracting activity.

c. When a Federal grantor agency completes a procurement review, it shall furnish a report to the grantee, with a copy to OFPP.

d. All agencies should normally rely upon the resultant findings or certification for a period of 24 months before another review is performed.

e. Reviews should be conducted in accordance with standards and guidelines approved or issued by OFPP.

f. The reviews authorized by Section 6 are waived if a grantee's procurement system certified.

5. Protest Procedures

a. Grantor agencies may develop an administrative procedure to handle complaints or protests regarding grantee contractor selection actions. The procedure shall be limited as follows:

b. No protest shall be accepted by the grantor agency until all administrative remedies at the grantee level have been exhausted.

c. Review is limited to:

(1) Violations of Federal law or regulations. Violations of State or local law shall be under the jurisdiction of State or local authorities

(2) Violations of grantee's protest procedures or failure to review a complaint or protest.

6. Grantor Review of Proposed Contract

Federal grantor pre-award review and approval of the grantor's proposed contracts and related procurement documents, such as requests for proposal and invitations for bids, is permitted only under the following circumstances

a. The procurement is expected to exceed \$10,000 and is to be awarded without competition or only one bid or offer is received in response to Solicitation

b. The procurement expected to exceed \$10,000 specifies a "brand name" product, or

c. The grantor's procurement procedures or operation fails to comply with one or more significant aspects of this Attachment The grantor's agency shall notify the grantee in writing, with a copy of such notification to the OFPP

7. Code of Conduct. Grantees shall maintain a written code or standards of conduct which shall govern the performance of their officers, employees or agents engaged in the award and administration of contracts supported by Federal funds. No employee officer or agent of the grantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved such a conflict would arise when

a. The employee, officer or agent,

b. Any member of his immediate family,

c. His or her partner, or

d. An organization which employs, or is about to employ any of the above, has a financial interest in the firm selected for award

The grantee's officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements.

Grantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value

To the extent permitted by State or local law or regulations, such standards of conduct shall provide for penalties sanctions, or other disciplinary actions for violations of such standards by the grantee's officers employees or agents, or by contractors or their agents.

8. Procurement Procedures. The grantee shall establish procurement procedures which provide that proposed procurement actions shall be reviewed by grantee officials to avoid purchase of unnecessary or duplicative items. Consideration should be given to consolidation or breaking out to obtain a more economical purchase. Where appropriate, an analysis should be made of lease versus purchase alternatives, and any other appropriate analysis to determine which approach should be the most economical. To foster greater economy and efficiency, grantees are encouraged to enter into State and local intergovernmental agreements for procurement or use of common goods and services.

9. Contracting with Small and Minority Firms Women's Business Enterprises and Labor Surplus Area Firms.

a. It is national policy to award a fair share of contracts to small and minority business firms. Accordingly, affirmative steps must be taken to assure that small and minority businesses are utilized when possible as sources of supplies, equipment, construction and services, Affirmative steps shall include the following:

(1) Including qualified small and minority businesses on solicitation lists,

(2) Assuring that small and minority businesses are solicited whenever they are potential sources

(3) When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum small and minority business participation.

(4) Where the requirement permits, establishing delivery schedules which will encourage participation by small and minority business.

(5) Using the services and assistance of the Small Business Administration, the Office of Minority Business Enterprise of the Department of Commerce and the Community Services Administration as required

(6) If any subcontracts are to be let, requiring the prime contractor to take the affirmative steps in 1 through 5 above,

b. Grantees shall take similar appropriate affirmative action in support of women's business enterprises

c. Grantees are encouraged to procure goods and services from labor surplus areas,

d. Grantor agencies may impose additional regulations and requirements in the foregoing areas only to the extent specifically mandated by statute or presidential direction,

10 Selection procedures

a. All procurement procedures, transactions, regardless of whether by sealed bids or by negotiation and without regard to dollar value, shall be conducted in a manner that provides maximum open and free competition consistent with this Attachment. Procurement procedures shall not restrict or eliminate competition. Examples of what is to be restrictive competition include, but are not limited to (1) placing unreasonable requirements on firms in order for them to qualify to do business; (2) noncompetitive practices between firms; (3) organizational conflicts of interest and (4) unnecessary experience and bonding requirements.

b. The grantee shall have written selection procedures which shall provide, as a minimum, the following procedural requirements

(1) Solicitations of offers, whether by competitive sealed bids or competitive negotiations shall

(a) Incorporate a clear and accurate description of the technical requirements for the material, product or service to be procured. Such description shall not in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be provided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equal" description may be used as a means to define the performance of other salient requirements of a procurement. The specific features of the name brand which must be met by offerors shall be clearly stated

(b) Clearly set forth all requirements which offerors must fulfill and all other factors to be used in evaluating bids or proposals

(2) Awards shall be made only to responsible contractors that possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources

11. Method Procurement. Procurement under grants shall be made by one of the following methods as described herein (a) small purchase procedures (b) competitive sealed bids (formal advertising), (c) competitive negotiation (d) noncompetitive negotiation.

a. Small purchase procedures are those relatively simple and informal procurement methods that are sound and appropriate for a procurement of services, supplies or other property, costing in the aggregate not more than \$10,000. Grantees shall comply with State or local small purchase dollar limits under \$10,000. If small purchase procedures are used for a procurement under a grant, price or rate quotations shall be obtained from an adequate number of qualified sources

b. In competitive sealed bids (formal advertising), sealed bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is lowest in price

(1) In order for formal advertising to be feasible, appropriate conditions must be present including as a minimum, the following

- (a) A complete adequate and realistic specification or purchase description is available
- (b) Two or more responsible suppliers are willing and able to compete effectively for the grantees business
- (c) The procurement lends itself to a firm-fixed-price contract, and selection of the successful bidder can appropriately be made principally on the basis of price.

(2) If formal advertisement is used for a procurement under a grant the following requirements shall apply

(a) A sufficient time prior to the date set for opening of bids, bids shall be solicited from an adequate number of known suppliers. In addition, the invitation shall be publicly advertised

(b) The invitation for bids including specifications and pertinent attachments shall clearly define the items or services needed in order for the bidders to properly respond to the invitation.

(c) All bids shall be opened publicly at the time and place stated in the invitation for bids.

(d) A firm-fixed-price contract award shall be made by written notice to that responsible bidder whose bid, conforming to the invitation for bids, is lowest. Where specified in the bidding documents, factors such as discounts, transportation costs and life cycle costs shall be considered in determining which bid is lowest. Payment discounts may only be used to determine low bid when prior experience of the grantee indicates that such discounts are generally taken.

(e) Any and all bids may be rejected when there are sound documented business reasons in the best interest of the program.

c. In competitive negotiation, proposals are requested from a number of sources and the Request for Proposals publicized, negotiations are normally conducted with more than one of the sources submitting offers, and either a fix-price or cost-reimbursable type contract is awarded, as appropriate. Competitive negotiation may be used if conditions are not appropriate for the use at formal advertising. If competitive negotiation is used for a procurement under a grant, the following requirements shall apply:

(1) Proposals shall be solicited from an adequate number of qualified sources to permit reasonable competition consistent with the nature and requirements of the procurement. The Request for Proposal shall be publicized and reasonable requests by other sources to compete shall be honored to the maximum extent practicable,

(2) The Request for Proposal shall identify all significant evaluation factors, including price or cost where required and their relative importance.

(3) The grantee shall provide mechanisms for technical evaluation of the proposals received, determinations of responsible offerors for the purpose of written or oral discussions, and selection for contract award

(4) Award may be made to the responsible offeror whose proposal will be most advantageous to the procuring party, price and other factors considered. Unsuccessful offerors should be notified promptly

(5) Grantees may utilize competitive negotiation procedures for procurement of architectural/engineering professional services, whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation.

d. Noncompetitive negotiation is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate. Noncompetitive negotiation may be used when the award of a contract is infeasible under small purchase, competitive bidding (formal advertising) or competitive negotiation procedures. Circumstances under which a contract may be awarded by noncompetitive negotiation are limited to the following:

(1) The item is available only from a single source:

(2) Public exigency or emergency when the urgency for the requirements will not permit a delay incident to competitive solicitation,

(3) The Federal grantor agency authorizes noncompetitive negotiation: or

(4) After solicitation of a number of sources, competition is determined inadequate.

e. Additional innovative procurement methods may be used by grantees with the approval of the grantor agency a copy of such approval shall be sent to the OFPP.

12. Contract Pricing. The cost plus a percentage of cost and percentage of construction cost method of contracting shall not be used Grantees shall perform some form of cost or price analysis, in connection with every procurement action including contract modifications Costs or prices based on estimated costs for contracts under grants shall be allowed only to the extent that costs incurred or cost estimates included in negotiated prices are consistent with Federal cost principles

13. Grantee Procurement Records. Grantees shall maintain records sufficient to detail the significant history of a procurement. These records shall include, but are not necessarily limited to information pertinent to the following rationale for the method of procurement selection of contract type. Contractor selection or rejection, and the basis for the cost or price

14 Purchase Order Provision, In addition to provisions defining a sound and complete procurement contract, any recipient of Federal grant funds shall include the following contract provisions or conditions in all procurement contracts and subcontracts as required by the provision. Federal law or the grantor agency.

a. Contracts other than small purchases shall contain provisions or conditions which will allow for administrative contractual or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.

b. All contracts in excess of \$10,000 shall contain suitable provisions for termination by the grantee including the manner by which it will be affected and the basis for settlement. In addition, such contracts shall describe conditions under which the contracts may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

c. All contracts awarded in excess of \$10,000 by grantees and their contractors or subgrantees shall contain a provision requiring compliance with Executive Order 11246, entitled "Equal Employment Opportunity" as amended by Executive Order 11375. and as supplemented in Department of Labor regulations (41 CFR Part 60):

d. All contracts and subgrants for construction or repair shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 USC 874) as supplemented in Department of Labor regulations (29 CFR Part 3) This Act provides that each contractor or subcontractor shall be prohibited from inducing, by any means and person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The grantee shall report all suspected or reported violations to the grantor agency

e. When required by the Federal grant program legislation, all construction contracts in excess of \$2,000 awarded by grantees and subgrantees shall include a provision for compliance with the Davis-Bacon Act (40 USC 276a to a-71 as supplemented by Department of Labor regulations (19 CFR. Part 5) Under this act contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor In addition, contractors shall be required to pay wages not less often than once a week. The grantee shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The grantee shall report all suspected or reported violations to the grantor agency

1. Where applicable, all contracts awarded by grantees and subgrantees in excess of \$2,000 for construction contracts and in excess of \$2,500 for other contracts which involve the employment of mechanics or laborers shall include a provision for compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 327430) as supplemented by Department of Labor regulations (29 CFR, Part 5). Under Section 103 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis at standard workday 8 hours and a standard workweek of 40 hours. Work in excess of the standard weekday or work week is permissible provided that the basic rate of pay for all hours worked in excess of 8

hours in any calendar day or 40 hours in the work week. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous to his health and safety as determined under construction, safety and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

g. The Purchase Order shall include notice of grantor agency requirements and regulations pertaining to reporting and patent rights under any contract involving research, developmental, experimental or, demonstration work with respect to any discovery or invention which arises or is developed in the course of or under such contract, and of grantor agency requirements and regulations pertaining to copyrights and rights in data.

h. All negotiated contracts (except those awarded by small purchase procedures) awarded by grantees shall include a provision to the effect that the grantee, the Federal grantor or agency. The Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books documents papers, and records of the contractor which are directly pertinent to that specific contract, for the purpose of making audit, examination, excerpts, and transcriptions.

Grantees shall require contractors to maintain all required records for three years after grantees make final payments and all other pending matters are closed

i. Contracts, subcontracts, and subgrants of amounts in excess of \$10,000 shall contain a provision which requires compliance with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 USC 1857(h)), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency regulations (4- CFR. Part 15), which prohibit the use under non-exempt Federal contracts grants or loans of facilities included on the EPA list of Violating Facilities. The provision shall require reporting of violations to the grantor agency and to the USEPA Assistant Administrator for Enforcement (EN-3 191)

j. Contracts shall recognize mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P L 94-163)

Grantor agencies are permitted to require changes, remedies changed conditions, access and record retention and suspension of working clauses approved by the Offices of Federal Procurement Policy

15. Contract Administration. Grantees shall maintain a contract administration system ensuring that contractor perform in accordance with the terms, conditions, and specifications of their contracts or purchases.

B. Attachment B-Bonding and Insurance

(RE OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A-102. AS AMENDED SEPTEMBER 12. 1977)

1. Federal Register Reference #570,508. A state or local unit of government which requires contracting for construction or facility improvement shall follow its own requirements relating to bid guarantees, performance bonds and payments bonds except for contracts exceeding \$100,000. For contracts exceeding \$100,000 the minimum requirements shall be as follows

a. A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified

b. A performance bond on the part of the contractor for 100 percent of the contract price, A "payment bond is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract

c. A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

C. Standards for Grantee Financial Management System (Attachment G) RE OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A-102. AS AMENDED SEPTEMBER 12, 1977)

D. Properly Management Standards (Attachment N) RE. OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A-102. AS AMENDED SEPTEMBER 12 1977

E. Cost Principles for State and Local Government. (RE: OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A-87, JANUARY 28. 1981)

F Cost Principles for Nonprofit Organizations. IRE OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A-

122, JANUARY 28, 1981.)

XVIII. COMPLIANCE WITH ALL APPLICABLE REQUIREMENTS OF THE GOVERNMENT. In addition to the requirements as set forth herein, any contractor or subcontractor performing any work or furnishing any materials hereunder shall comply with all applicable federal and state laws and regulations and all applicable ordinances of the City Of Milwaukee with respect to equal employment opportunities minimum wage anti-kickback regulations. Federal labor standards and any other requirements imposed by the Secretary of HL.ID or his representative Contractors and subcontractors shall be required to furnish performance, bonds non-collusion affidavits, affidavits of no interest, indemnity agreements or any other protective legal instruments or other protective documents which may be required under applicable laws, ordinances, resolutions or regulations

XIX. AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS (REHABILITATION ACT OF 1973; as requested by the City of Milwaukee, Community Development Agency, special reference is made of Sections 503 and 504 of this act,)

A. The CONTRACTOR will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee, or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation and selection for training including apprenticeship

B. The CONTRACTOR agrees to comply with the rules, regulations and relevant orders of the Secretary of Labor issued pursuant to the Act.

C. In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations and relevant orders of the Secretary of Labor issued pursuant to the Act

D. The CONTRACTOR agrees to post in conspicuous places available to employees and applicants for employment notices in a form to be prescribed by the Director, provided by or through the contracting officer Such notices shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment and the rights of applicants and employees.

E. The CONTRACTOR will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding that the CONTRACTOR is bound by the terms of Section 503 of the Rehabilitation Act of 1973 and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals

F. The CONTRACTOR will include the provisions of this clause in every subcontract or purchase order of \$10,000.00 or more unless exempted by rules, regulations or orders of the Secretary issued pursuant to Section 50301 the Act so that such provisions will be binding upon each subcontractor or vendor The CONTRACTOR will take such action with respect to any subcontractor purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance

XX, This is the last numbered paragraph of Part II