Are you Ready for Federal Funds?
Are you ready for Federal Funds?

- Why are we here?
- What are we going to talk about today?
- Let’s talk about the main point of contact for a funded project.
- Why do we need to have this conversation?

Logistics:
- Restroom locations
- Silence electronic devices
- Ask lots of questions
- Web Site: www.dupageco.org/cdc
CDBG Project Timeline

- Mandatory Meeting
- Application
- Environmental Review
- Grant Award Notification
- Set Up Meeting
- Agreement Signing
- Pre-Construction/Bid Process
- Construction Phase
- Project Completion
Types of Projects

What projects can be applied for?

- NIV Infrastructure
- NIV ADA Accessibility
- Non-Profit Capital Needs
- Non-Profit Acquisition
- Non-Profit Acquisition/Rehab

All projects involving Federal Funding are complicated. There are certain projects which, while beneficial to the community, are more difficult to administer and require more time and effort.
Challenging Projects

What can make a project a little more difficult to administer?

Location of the project
• Is the project located in a floodplain or wetland?

Environmental Concerns
• Are there any known environmental hazards on or around the proposed project site?

Some projects require additional processes over and above the “average project”
• Is the project an acquisition and/or an acquisition-rehab?
So let’s take a moment to talk about Acquisition only …

What are the additional challenges and requirements?

• Can our agency pick out a property and buy it?
• Anything extra need to be done with the sales contract?
• When does the County do their Environmental Review?
• What is a Phase I Environmental Review?
• What about radon and asbestos?
• Does the County need to approve the appraisal?
• Are there any unique closing requirements?
• How does the title company get the money?
If a site cannot be immediately utilized to be used as a facility for the Agency because rehab is required, the rehabilitation costs of the facility must be included in the application request.

Acquisition/Rehabilitation is eligible. The rehab portion of the project is subject to all CDBG regulations/requirements, even if CDBG funding is not specifically requested for the rehabilitation component.

A project is not complete until the CDC can report on the end use beneficiaries.
Application Process
As covered in the mandatory meeting, essentially:

- Apply via ZoomGrants
- Ensure that ALL items are in before the deadline
- Seek funding for up to 2 prioritized projects
- Cycle is now for 3 years
- Individual project sites cannot reapply for 5 years

Ask questions early and often
Depending on the scope of work, and what is found during the Environmental Review, more advanced analysis may be required.
Certain findings within this analysis may make the project ineligible for federal funds, or at least require mitigation.
Next Steps

• Once the Environmental has been completed, the Agreement will be signed by both parties

• Next the subrecipient will schedule a Set-Up Meeting, in which we will have our initial project discussion covering bidding the project

• NOTE: Be sure to check if there have been any updates to the project team named in the application

• This is followed by the property encumbrance items, such as covering the 20 year forgivable mortgage and note (for capital projects) for continued use to serve low-moderate income residents of DuPage County
Set-Up Meeting

- Initial in-person project consultation
- Sets the stage for the bidding process
- Expectations for the flow of the project
- Prepares both sides for the upcoming preconstruction meeting (post-bid)
# Section 2: Bid Process

## What’s required to be in the bid package?

### Agency Specs, Scope, and Drawings

### Required Documents
- Front cover statements regarding Federal Labor Standards and MBE/WBE
- Conflict of Interest Disclosure
- CDC Conditions

### Federal Requirements
- Summary of Provisions
- Executive Order 11246
- HUD Federal Labor Standards Provisions Form 4010

### Required Contractor Forms
- Ownership Form
- Letter to the Office of Federal Contract Compliance (OFCCP)
- Labor Relations Agreement
- Apprenticeship Policy Recognition Form
- Section 3 Forms
- Certified Payroll and Statement of Compliance

### Davis-Bacon Wage Determination (DBWD)
- Make sure you include the construction type(s) (Building, Heavy, Highway, and Residential)
- Is the most recent DBWD in your bid manual?
Let’s talk about the Notice to Bidders

What needs to be in the publication?

- A sample template is provided, and it must be followed.
  - You can add to the template, please do not remove anything from the template.
- Invitation **must** be published in ALL of the following places:
  - In a widely-circulated newspaper
  - Solicited to WBE/MBE. List is located at the following link:
  - Outreach to Section 3 Contractors
  - Posted to construction publications

Section 3 Outreach Tip:
The DuPage County Community Development Commission (CDC) maintains a list of certified Section 3 individuals and certified Section 3 businesses. Please request this list.
Who needs to review the Bid Manual?

**Step 1:** Draft the bid manual *including* invitation publication

**Step 2:** Submit bid manual to CDC staff for review

**STOP!** You cannot publish or solicit bids until the publication and the bid manual have been approved by CDC Staff.

Avoid common mistakes:

- Make sure the most recent, up-to-date Davis-Bacon wage determination is included with a disclaimer that the DBWD is subject to change.
- Use and Include *all* documentation mentioned on previous slide
- Ensure site plans and construction scopes are specific, quantifiable, and include “or equivalent to” language.
- **NO SCOPE CREEP** ... the project was approved and evaluated based upon the application. No last-minute surprises will be allowed.
Let’s publish and notify potential bidders

- Once the bid manual and publication have been approved, you may publish and solicit invitations to bid
- Don’t forget Section 3 and W/MBE
- You must provide the County a list of who/what companies you reached out to
- Don’t forget to get your Certificates of Publication
- There is no required time limit to solicit, however, most agencies and municipalities advertise for a period of 30 days.
- Bids must be sealed, opened publicly at the date, location, and time specified in the publication
- At least two contractors must bid
Uh oh … the best laid plans …

Common issues...

• What if the lowest bid comes in over budget?
  • **Consult with CDC staff!** – You may **not** simply remove items from the scope, work directly with a selected contractor to reduce the bid, etc.

• What if the lowest bid comes in under budget and I want to award a different contractor?
  • **Consult with CDC staff!** – You will need to provide proof to the County that the lowest bid is not comprehensive, realistic, or cost reasonable.

• What if only one contractor submits a bid?
  • **Consult with CDC staff!** – You may have to re-bid, redefine the scope, etc.
Now that the bids have come in... what happens next?

- The Agency will be provided a list of documents at the Set-Up Meeting that will be required to be submitted to the County.
  - The date of the bid opening is the first Davis-Bacon lock-in date
  - A copy of all bids submitted including CDC Conditions and Conflict of Interest from all bidders
  - Bid tabulation
  - Evidence of W/MBE Outreach
  - Evidence Section 3 solicitation
  - Bid Publication Certificate
  - 5% Bid Bond
  - Subrecipient’s contractor recommendation letter
Pre-Award Questions ...

Is the lowest most responsive and responsible bid cost reasonable?

- Is the bid within range of the original project estimate in the application?
- What if the bids come back and are much higher than the original cost estimate?

Is the lowest most responsive and responsible bidder registered with the System of Award Management (SAM) and in good standing with the State of Illinois?

- Why is this required for a County project?
Mandatory Pre-Construction Meeting

The Agency notifies the contractor of award. Now what happens?

The purpose of the preconstruction meeting is to familiarize all parties with Federal policies and regulations as they apply to CDBG/HOME funded projects.

- Davis-Bacon Act
- Copeland Anti-Kickback Act
- Contract Work Hours and Safety Standards Act

What else is discussed at the mandatory Pre-Construction Meeting?

<table>
<thead>
<tr>
<th>Required Insurances</th>
<th>Bonds</th>
<th>Subcontracting</th>
<th>SAM / IL COGS</th>
<th>Signage Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contractor Forms</td>
<td>Subcontractor Forms</td>
<td>OFFCP = $10,000+</td>
<td>Davis-Bacon Decision</td>
<td>Certified Payrolls</td>
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<tr>
<td>Request for Payment</td>
<td>Monitoring</td>
<td>Weekly Reporting</td>
<td>Quarterly Reporting</td>
<td>Project Completion</td>
</tr>
</tbody>
</table>
Can we start construction yet?

The answer is not yet...

- The contractor must name the subcontractors.
- There are forms required from the Contractor and Subcontractors prior to construction starting.
- Insurances are required with DuPage County named as an additional insured.

<table>
<thead>
<tr>
<th>Contractor/Sub</th>
<th>Conflict of Interest</th>
<th>CDC Conditions</th>
<th>Ownership Form</th>
<th>OFFCP</th>
<th>Labor Relations Form</th>
<th>Apprentice Form</th>
<th>Section 3 Clause</th>
<th>Section 3 Form 1</th>
<th>Section 3 Form 2</th>
<th>Section 3 Form 3</th>
<th>Section 3 Form 4</th>
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<td>X</td>
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<tr>
<td>MW Waterproofing</td>
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<td>X</td>
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</tr>
<tr>
<td>Hamlin Roofing</td>
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<td>X</td>
<td>X</td>
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<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>

Please remember:
The Labor Relations Form must correspond with the applicable Davis-Bacon wage decision.

The County must be supplied with a fully-executed copy of the contractor/agency contract.
Let’s say everything checks out...

The County will notify you when:

- All required documents have been received
- If an updated David-Bacon lock-in is required
- When construction start date can be scheduled
It is necessary to remain in close contact with the DuPage County Specialist assigned to the project. This is maintained through Project Monitoring.

- Proof of Signage
- Weekly Job Site Reports
- Site Visits
- Employee Interviews
- Quarterly Reports
- Requests for Payment
A CDC Project has signage?

Must be displayed in a place visible to employees:

- Applicable DB Wage Decision
- Notice to All Employees DB
- Employee Rights Under DB
- County/Federal Funding Notice
- EEO Notice in English and Spanish

**Notice to All Employees**

Working on Federal or Federally Financed Construction Projects

- **Minimum Wages**
  - You must be paid not less than the wage rate posted with this Notice for the kind of work you perform.

- **Overtime**
  - You must be paid not less than one and one-half times your basic rate of pay for all hours worked over a 40 hour week. There are some exceptions.

- **Apprentices**
  - Apprentice rates only apply to apprentices properly registered under approved Federal or State apprenticeship programs.

- **Proper Pay**
  - If you do not receive proper pay, contact the Contracting Officer listed below:

  **DEPARTMENT OF COMMUNITY SERVICES COMMUNITY DEVELOPMENT COMMISSION**
  **421 N. COUNTY FARM ROAD**
  **WHEATON, ILLINOIS 60187**

  Or you may contact the nearest office of the Wage and Hour Division, U.S. Department of Labor. The Wage and Hour Division has offices in several hundred communities throughout the country. They are listed in the U.S. Government section of most telephone directories under:
  U.S. Department of Labor
  Employment Standards Administration
Construction Monitoring

Weekly Job Site Reports
• During construction, weekly job site reports must be submitted even when no work is done.

Site Visits
• From time to time, DuPage County staff may visit the site to monitor.

Employee Interviews
• From time to time, DuPage County staff may visit the site to conduct interviews with employees working on the project.

Quarterly Reports
• During construction, quarterly reports are required to be submitted to document progress and/or beneficiary information.

Requests for Payment
• Section 5 will discuss Requests for Payment
Section 5: Request for Payment Requirements

As a quick summary –

• Just a highlight of the major items required
• EVERY item needs to be completed and approved before payment will be processed by DuPage County
• Request for payment process needs to be completed prior to the agreement expiration or an extension is required

Next, we will go over some of the common issues...
RFP Common Issues

Want your money faster?
- Ensure everything is submitted & correct
- Consider reimbursement through Automated Clearing House (ACH) Payments
“Other” Deductions

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<th>Withholding Tax</th>
<th>Total Deductions</th>
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<tbody>
<tr>
<td>100.64</td>
<td>188.12</td>
<td>329.73</td>
</tr>
<tr>
<td>140.15</td>
<td>400.58</td>
<td>635.79</td>
</tr>
</tbody>
</table>

- Union Dues Require Copy of Union Contract
- Contribution to Retirement Plans Require Copy of Enrollment Form
- Voluntary Deductions Require Supporting Documentation
- Child Support Requires Copy of Court Order
- Alimony Payments Require Divorce Decree or Similar
- Etc...
CDBG Project Timeline

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- Contract Signing
- Pre-Construction/Bid Process
- Construction Phase
- Project Completion
Thank you for coming!

One quick Review:
Did we cover the Meeting Objectives?

Are you ready for Federal Funds?

- We hope you have a better understanding of the steps required to involve Federal Funds into a Capital or NIV project.
- The Grant Agreement is with you, the Agency. Someone in your agency will need to be appointed to be the County’s main point of contact.
- Why did we need to have this conversation? Federal Funds are complicated, time consuming, a lot of work, but are so beneficial to the community.

Questions? communitydev@dupageco.org – (630) 407-6600

Logistics:
- Restroom locations
- Cafeteria is open until 2pm
- Any questions?
- Staff will be available for technical questions
- Web Site: www.dupageco.org/cdc

Thank you for coming!