



MARCH, 2016

## Neighborhood Community and Revitalization Program (NCR)

**Labor Standards Compliance**  
**(Prevailing Wage/Section 3/Affirmative Action/EEO)**



**new jersey**

Highly educated, perfectly located.



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# Labor Standards Compliance



**STOP**

## **THESE PROJECTS ARE SUBJECT TO:**

- 1. Payment of Prevailing Wages**  
**both NJ and Federal Prevailing Wage requirements as per the NJ State Prevailing Wage Act and Davis-Bacon Act**
- 2. Section 3 of the Housing and Urban Act of 1968**
- 3. Affirmative Action**

These projects are required to comply with N.J.S.A. 10:5-31 et seq. and N.J.A.C. 19:30 Subchapter 3 (Affirmative Action), P.L. 1963. C150 (New Jersey Prevailing Wage Act), Section 3 of the Housing and Urban Act of 1968, as amended (HUD 24 CFR Part 135), The Davis-Bacon and Related Acts.



# Labor Standards Compliance Procurement \*Professional Services

\*Professional Services: architects, design engineers, consultants, etc.

Item No.	Complete Professional Services Bid Package Documents and Mandatory Contract Language	√ Received by with bid package
1	Exhibit 1 Section 3 Bidders Proposed Consultants and Sub consultants	
2	Exhibit 2 Section 3 Business Certification Form	
3	Exhibit 3 Bidders Estimated New Hires	
4	Exhibit 4 Section 3 Employee & Trainee Data Form 4	
5	Exhibit 5 Section 3 Employee Household Income Certification Form 5	
6	Exhibit 6 Certification of Bidder Regarding Section 3 and Segregated Facilities	
7	Exhibit 7 Bidder Certification of Proposed SUBCONSULTANTS regarding Section 3 and Segregated Facilities	
8	Exhibit 8 Section 3 Plan Format (template)	
9	Exhibit 9 Section 3 Plan Statement of Commitment	
10	Exhibit 10 Section 3 Projected Utilization Plan	
11	Appendix A Section 3 Clause	
12	Appendix B Section 3 Consultant Business Monthly Utilization Form	
13	Appendix C Section 3 New Hires Compliance Form 12	

# HUD Section 3

Q: What is Section 3?

A: Section 3 of the Housing and Urban Development (HUD) Act of 1968

- Is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall,
- to the *greatest extent feasible*, and consistent with existing Federal, State and local laws and regulations,
- be directed to *low-and very low-income persons*.

# What Triggers Section 3?

1. The requirements of Section 3 apply to CDBG-DR recipients (the NJEDA) who have received an award of \$200 thousand or more

therefore

2. all recipients (ERB Program) receiving funds for Professional *and* Construction Contracts an amount greater than **\$100 thousand** to complete a project are also required to comply with Section 3 requirements (“new hire” employees) are also required to comply with Section 3 requirements.

# Section 3 Residents and Business Concern

## Section 3 **Residents** are:

1. a public housing resident or
2. a low-or very low-income person residing in the metropolitan area or Non-metropolitan in which the Section 3 covered assistance is expended

## Section 3 **Business Concern** is:

1. A business owned by a Section 3 resident
2. Has at least 51% of full-time employees who are currently Section 3 Residents
3. Provides evidence of commitment to subcontract more than 25% of the dollar award of all subcontracts to Section 3 business concerns that meet these qualifications.

# Section 3 and Bidding

- All Bidders must submit documentation addressing how they will meet Section 3 Goals via a Section 3 Plan
- Bids submitted without a completed Section 3 Plan will be considered *non-compliant and invalid*
- Must be approved by the NJEDA Section 3 Coordinator prior to award

# Labor Standards Compliance Procurement (Construction)

Item No.	Complete Construction Package Documents and Mandatory Contract Language	√ Received by with bid package
1	HUD - 4010 Federal Labor Standards	
2	Certification of Bidder Regarding EEO	
3	Certification by Proposed Subcontractor Regarding EEO	
4	Subrecipient and General Contractor Affirmative Action / EEO/ Prevailing Wage Addendum to Construction Contracts and Bid Documents	
5	Affirmative Action / EEO/ Prevailing Wage Addendum to Construction Contracts and Bid Documents (General Contractor and Subcontractor/s)	
6	Certification of Bidder NCR Federal Labor Standards and Davis Bacon Act	
7	NJEDA Sandy SUB Certification of Labor Standards and Davis Bacon Act	
8	<b>Preliminary</b> Prevailing Wage Determinations (PWDs) - Federal, Statewide, State-COUNTY (for bidding and cost estimating purposes ONLY and to be issued by the Municipality)	
9	U.S. Department of Labor Payroll Form (ONB No. 1235-0008 Certified Payroll) WH-347	
10	NJEDA Project Wage Rate Sheet	
11	WH 347 Certified Payroll Coversheet	
12	WH- 347 Certified Payroll Review Checklist	
13	4 Labor Standards Posters	
14	NJEDA Initial Construction Project Workforce Manning Report (AA Form 1)	
15	NJEDA Sub-Contractor Projection Form (AA Form 1a)	
16	NJEDA Sandy Monthly Project Workforce Report - Construction (AA Form 2)	
17	Exhibit 1 Section 3 Bidders Proposed Contracts and Subcontractors	
18	Exhibit 2 Section 3 Business Certification Form	
19	Exhibit 3 Bidders Estimated New Hires	
20	Exhibit 4 Section 3 Employee & Trainee Data Form 4	
21	Exhibit 5 Section 3 Employee Household Income Certification Form 5	
22	Exhibit 6 Certification of Bidder Regarding Section 3 and Segregated Facilities	
23	Exhibit 7 Bidder Certification of Proposed SUBS regarding Section 3 and Segregated Facilities	
24	Exhibit 8 Section 3 Plan Format (template)	
25	Exhibit 9 Section 3 Plan Statement of Commitment	
26	Exhibit 10 Section 3 Projected Utilization Plan	
27	Appendix A Section 3 Clause	
28	Appendix B Section 3 Contractors Business Monthly Utilization Form	
29	Appendix C Section 3 New Hires Compliance Form 12	
30	NJEDA Prevailing Wage AA EEO SWM/BE Completion Certificate GC & SUBS	
31	NJEDA Prevailing Wage AA EEO SWM/BE Completion Certificate SUBRECIPIENT/ GC	



# Section 3 for Construction Bidding

Section 3 requirements that apply to professional services bidding are *also* applicable to construction contract bidding.

Please refer to the “Bid Package and **Pre-Construction** Document Check List” for their requirements

**NOTE:** *Document forms are slightly different to reflect Construction requirements*

# Pre Bid and Pre-Construction Document Tracking Sheet and Mandatory Contract Language

*As the subrecipient of the funds you must ensure that your general contractor is in compliance with all items on this list. This includes:*

- *Mandatory contract Language*
- *Pre award compliance (bidding)*
- *Monthly compliance to Labor Compliance Program Officer*
  - *Site inspections*

**All documents in the Document Tracking List can be downloaded from the NJEDA Website at:**

[www.njeda.com/affirmativeaction](http://www.njeda.com/affirmativeaction)

All bid documents and forms available in Spanish and other versions upon request

# Prevailing Wage Determinations

- Joint State-Federal Projects:

For projects where both the state prevailing wage law and the federal Davis-Bacon and related Acts apply, contractors and subcontractors *must pay the higher of the state or the federal wage rates*, on a classification-by-classification basis. This requirement should also be stated in the bid specifications and the contracts. *N.J.S.A. 34:1B-5.1*

## For Wage Determinations

NJ State Prevailing Wage Rates (by county and statewide)

[http://lwd.dol.state.nj.us/labor/wagehour/wagerate/prevailing\\_wage\\_determinations.html](http://lwd.dol.state.nj.us/labor/wagehour/wagerate/prevailing_wage_determinations.html)

Federal Prevailing Wage Rates

<http://www.wdol.gov>

# Affirmative Action

## COUNTY GOALS FOR MINORITY AND WOMEN WORKFORCE PARTICIPATION - CONSTRUCTION (In accordance with N.J.A.C. 17:27-7.2)

### Requirements

- Meet monthly county goal for women and minorities (workforce)
- Report on a monthly basis women and minority participation (workers) for construction site work per contractor, per trade
- Show Good Faith Efforts when goal not met

Available at the Department's website at : [http://www.state.nj.us/treasury/contract\\_compliance](http://www.state.nj.us/treasury/contract_compliance)

Trade	Minority %	Women %
ATLANTIC	18	6.9
BERGEN	22	6.9
BURLINGTON	15	6.9
CAMDEN	19	6.9
CAPE MAY	5	6.9
CUMBERLAND	27	6.9
ESSEX	53	6.9
GLOUCESTER	9	6.9
HUDSON	60	6.9
HUNTERDON	3	6.9
MERCER	30	6.9
MIDDLESEX	24	6.9
MONMOUTH	15	6.9
MORRIS	16	6.9
OCEAN	7	6.9
PASSAIC	36	6.9
SALEM	10	6.9
SOMERSET	20	6.9
SUSSEX	4	6.9
UNION	45	6.9
WARREN	5	6.9

# Site Monitoring and Inspections

- Labor Standards (Davis-Bacon Act)

- Record of Employee Interviews.

Information gathered during on-site interviews with laborers and mechanics employed on projects subject to Federal prevailing wage requirements is reported to HUD. These interviews are:

- Conducted periodically
- Ensure that Prevailing Wages are paid to employees
- Evaluated for general compliance and compared to certified payroll reports submitted by the respective employer.

- Affirmative Action Compliance

- Monthly unannounced site monitoring to ensure minorities and female participation for onsite work.

- Monthly electronic submission of **Affirmative Action Form 2** to the NJEDA.

- ❖ Register at: <https://aaonline.njeda.com/AAWEB>