



Community Development Block Grant (CDBG)

Instructions and Information

Pinal County
Finance Department
31 North Pinal Street
P.O.B. 1348
Florence, Arizona 85132
Phone: (520) 866-6250
Email: grants@pinal.gov

Helpful links

Application portal <https://portal.neighborlysoftware.com/pinalcountyaz/Participant>

24 CFR Part 570: <https://www.ecfr.gov/cgi-bin/text-idx?SID=62759e1f750c67828c4bd6d1e3ca4d3c&mc=true&node=pt24.3.570&rqn=div5>

HUD CDBG Handbook: <https://www.hudexchange.info/resource/19/basically-cdbg-training-guidebook-and-slides/>

2 CFR Part 200: <https://www.ecfr.gov/cgi-bin/text-idx?SID=53896bd3debf2b91e6890b07eb559f6&mc=true&node=pt2.1.200&rqn=div5>

2 CFR Part 58: https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title24/24cfr58_main_02.tpl

Income limits:

https://www.hudexchange.info/incomecalculator/?utm_source=HUD+Exchange+Mailing+List&utm_campaign=cfd6a12ee3-FY_2020_CDBG_Hopwa_NS_Inc_Rent_Lim+_2020&utm_medium=email&utm_term=0_f32b935a5f-cfd6a12ee3-19591066

Mapping system to determine LMI:

<https://hud.maps.arcgis.com/home/item.html?id=ffd0597e8af24f88b501b7e7f326bedd>

Environmental Review: <https://www.hudexchange.info/programs/environmental-review/>

SAM.gov: <https://sam.gov/content/home>

Davis Bacon and Labor Standards

Wage Decision: <https://sam.gov/content/home>

Forms: https://www.hud.gov/program_offices/davis_bacon_and_labor_standards/olrform

Section 3 Compliance: https://www.hud.gov/program_offices/fair_housing_equal_opportunity/section3/section3

Welcome to the Pinal County Community Development Block Grant (CDBG) program, a federal program that provides funding to address local housing and community development needs for residents who meet certain income thresholds.

The CDBG program is authorized by Title I of the Housing and Community Development Act of 1974, as amended. The primary CDBG regulations are described in the Code of Federal Regulations, Title 24 Part 570. Although these regulations provide the best overall guidance on CDBG funding, there are additional federal regulations that must also be considered, including applicable regulations from the Office of Management and Budget (OMB) and the Department of Labor (DOL).

The principles presented in this document are fundamental. They are not intended to replace adequate existing procedures used by your organization. They represent the minimum level of procedures that must be the foundation of your agency's accounting, internal control, and financial reporting systems, as required by federal regulations and County policies.

Overview

Pinal County became an Urban County in 2019 to receive a federal CDBG allocation directly from the U.S. Department of Housing and Urban Development (HUD). The CDBG grant amount varies year to year and is determined by a formula based on several measures of community need, including population, poverty level, age of housing stock, and other factors. CDBG grants are used to fund eligible activities benefitting the low-moderate income population. Cities and towns participating in the County's CDBG program are agreeing to comply with program requirements and responsibilities established by HUD and Pinal County.

Eligible Activities

Federal regulations limit the uses of CDBG funds and provide detailed eligibility requirements. In general, a project may be undertaken when the following requirements are met:

1. The type of project must be included on the list of eligible activities in the CDBG regulations.
2. A CDBG project must meet at least one of three national objectives. The project must principally serve low and moderate-income persons, eliminate slum and blight, or address a recent and urgent health and safety need.
3. The project must be consistent with the objectives and strategies outlined in the current Pinal County Consolidated Plan, accessible at: <https://www.pinal.gov/164/Grants>.
4. The project must be able to be completed within one year, unless otherwise stated within the executed subrecipient agreement between the community and Pinal County.

The CDBG regulations also list activities that are explicitly ineligible. Maintenance and operation expenses and equipment purchases are ineligible except as part of an eligible public service. Ineligible projects also include activities which are used for the general conduct of government.

Federal Regulations

HUD has adopted regulations to implement the CDBG program and comply with federal statutes. The regulations address the CDBG program itself, and other federal laws or policies relevant to the CDBG program (e.g. National Environmental Policy Act, Americans with Disabilities Act, Davis-Bacon Act, etc.). The acronym "CFR" stands for Code of Federal Regulations.

The basic program regulations governing management and financial systems for the CDBG program are promulgated by the federal government in 24 CFR Part 570, Subparts J and K. They are applicable to both Pinal County and participating cities and towns.

Subpart J (24 CFR 570.500 – 570.513) covers the general responsibilities for grant administration, including uniform administrative requirements, agreement provisions, program income, use of real property, record-keeping and reporting, and closeout procedures.

Subpart K (24 CFR 570.600 – 570.614) deals with other CDBG program requirements including civil rights; labor standards; environmental standards; flood insurance; relocation; displacement; acquisition; employment and contracting opportunities; lead-based paint; use of debarred, suspended or ineligible contractors; uniform administrative requirements and cost principles; conflicts of interest and the Americans With Disabilities Act.

In addition to the basic regulations of the CDBG program contained in 24 CFR Part 570, subrecipients must comply with the following federal regulations.

1. 2 CFR 200 Federal regulations governing administrative and audit requirements for grants and cooperative agreements (governmental sub-recipients) for which HUD has oversight responsibilities.
2. Administrative circulars from the Office of Management and Budget (OMB) and Department of the Treasury governing cost principles, administrative systems, fiscal procedures and audit requirements for public and private grantees and sub-recipients.
3. Executive Orders from the Office of the President implementing various equal employment opportunity and environmental policies.

Financial Responsibilities

In using federal funds, documentation is critical. The achievement of program goals and the completion of activities must be supported by adequate documentation. If activities, personnel, procedures, expenditures, and results are not documented properly, from the federal government's perspective, you have not done your job, regardless of your accomplishments. Sufficiently detailed documentation must be obtained and retained to verify the income of households benefiting from CDBG-funded activity. Activities funded with CDBG must principally serve residents whose income is less than 80% of Area Median Income, adjusted by household size.

Participating cities and towns are strictly prohibited from obligating any funds or incurring any reimbursable expenses until:

1. an environmental review is completed,
2. HUD has provided the authority to use grant funds, and
3. a subrecipient agreement is executed with Pinal County.

No contract may be executed with a community, contractors, and subcontractors unless they are registered in SAM.GOV

Application Information

Each participating community will receive an allocation of funding based upon the Pinal County Board of Supervisors method of distribution. The amount set aside for distribution is provided by HUD each year and is based upon the proportionate share of the funding for the communities as determined by HUD's calculation.

Applications to propose and apply for CDBG funding are available at <https://www.pinal.gov/164/Grants>. In preparation for submitting an application, the following items should be considered:

1. How does the proposed project benefit low to moderate income people?
2. What is the service area? This should be represented in a map based upon who will receive the benefit of the project.
3. What census tract and block group is the service area located? This can be verified by visiting <https://www.census.gov/geographies/reference-maps/2010/geo/2010-census-tract-maps.html>.
4. Is the service area determined to be low to moderate income? This can be verified either by a special income survey or by visiting <https://hud.maps.arcgis.com/home/item.html?id=ffd0597e8af24f88b501b7e7f326bedd>.
5. How ready is the project to be completed? The following may be completed prior to submitting an application a) environmental review, b) engineering, c) special income survey.
6. Is a budget available for the project that is allowable, reasonable, and allocable?
7. Has a realistic schedule for project completion been established?

Non-profits may also submit an application. The total amount of funding available for non-profit public services may not exceed 15% of the total amount of funds received by the county. A proposed public service activity must take into consideration the following:

1. The type of the project must be included within the list of eligible activities in the CDBG regulations. The CDBG regulations also list activities that are explicitly ineligible. Additionally, maintenance and operation expenses and equipment purchases are ineligible except as part of an eligible public service.
2. CDBG projects must meet at least one of three national objectives. However, public service activities provided by non-profits typically fall under the service to low and moderate-income persons.
3. The project must be consistent with the objectives and strategies outlined in the County's Consolidated Plan. The Consolidated Plan is accessible on the County's website at www.pinal.gov/grants.
4. Public Services activities must be either NEW or have a Quantifiable Increase in the level of service.
5. The project must be able to be completed within the timeframe covered by the Sub-recipient Agreement (typically a one-year timeframe).
6. A nonprofit must be registered with www.sam.gov.
7. Specific documentation is required, see the application for a complete list.

Method of Distribution

Under the direction of County Management, during the Fiscal Years 22 - 24, in lieu of an annual allocation equally distributed amongst the cooperating communities, each community may propose projects that will provide maximum impact regardless of the amount.

Pinal County will approach each year strategically by working together to identify projects that not only

adhere to CDBG requirements but can also be completed in the required timeframe. If a community has a larger project which costs over the traditional allocation of \$130,000, Pinal County will consider the project based on readiness and potential for completion. Communities may choose to not apply for funding each year, however, each community is guaranteed a minimum \$390,000 total over the three year period of FY22-24.

Each community is encouraged to think of these things:

1. What is the actual cost of the project?
2. Can you complete engineering in one year and construction in another?
3. What project does your community really need?
4. Can you meet the timeline for completion - projects must be completed between September and June 30th?

Submission

Pinal County uses a system called Neighborly. This system is where the applicant may complete and submit their application. This system will also be the document retention portal during the life of the project. Applicants will need to register to gain access to the system. Please contact Pinal County with questions.

Special Income Survey

A Special income survey is required when the service area by census and HUD calculations are not considered low to moderate income or the project area does not encompass an entire census tract and therefore determination of LMI status is not readily available.

Surveys are done through a random sampling of the housing units. The number of surveys mailed is dependent upon the total number of housing units within the service area. All surveys require a 75% response rate from the total number of households surveyed. See the chart below to determine how many households will need to be surveyed.

Total Number of Households in the Service Area	Number of Households to be Surveyed
50	46-50
60	51-59
80	67-75
110	89-97
150	116-124
210	152-160
290	192-200
400	236-244
700	319-327
1200	396-404
1800	446-454
2500	480-488
Figures in this table represent a 95% Confidence Level (accuracy) and a 4% Confidence Interval (margin of error). For figures not represented on the table, refer to the Sample Size Calculator found at https://www.surveysystem.com/sscalc.htm	

If a special income survey is required, please contact the CDBG Specialist for a methodology, sample survey, and survey results tabulation form.

Slum and Blight Designation

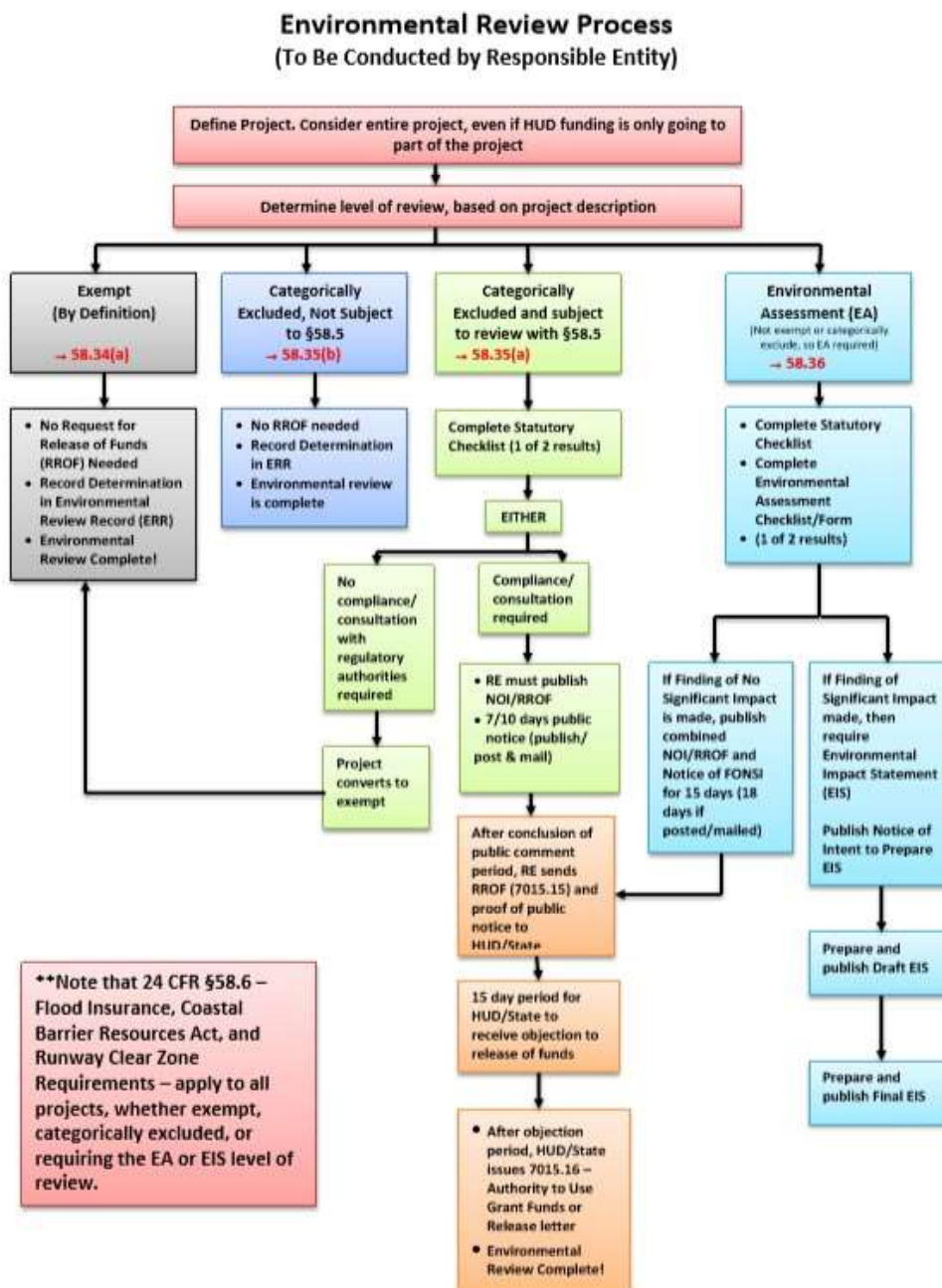
A project may be determined eligible under the national objective of Slum and Blight. However, Pinal County may allocate no more than 30% of the annual allocation to slum and blight and urgent need. Therefore, consultation with Pinal County is required to ensure eligibility.

In order to designate an area as slum and blight, the community shall adhere to A.R.S. 36.1479 and the HUD requirements as found in their CDBG handbook at

<https://files.hudexchange.info/resources/documents/Basically-CDBG-Chapter-3-Nat-Obj.pdf>

Environmental Review

Each project must have a complete environmental review prior to an executed subrecipient agreement and authority to use grant funds. Review the information below to determine the level of the environmental review required. Pinal County CDBG staff serves as the Environmental Review Officer and Certifying Officer, however your involvement is critical. You may consult 24 CFR 58.34-58.37 to assist with determining the appropriate level of review. <https://www.ecfr.gov/current/title-24/subtitle-A/part-58/subpart-D?toc=1>. Once you have determined your level of review, select the applicable tab in the CDBG Project Forms document and proceed. Please forward the Excel document to Pinal County, do not save it as a pdf.



Letters may be written to applicable agencies giving them a minimum of 35 days to respond to your request. In some cases, websites may provide the information you are needing. The CDBG Project Forms document will include instructions and contact information on the applicable areas of the statutory checklist. Below are additional addresses where applicable. Sample letters may be provided by Pinal County upon request.

Letters and documentation shall be scanned into individual pdf files labeled by the name of the law and authority e.g. Airport Runway, Flood, Clean Air, etc.

The following **must** be contacted

Environmental Protection Agency (EPA)

U.S. Environmental Protection Agency Headquarters
Attn: Environmental Review Record Process/Clearance
1200 Pennsylvania Avenue, NW
Washington, DC 20460
Phone: 202-272-0167

U.S. Environmental Protection Agency – Region 9
Attn: Environmental Review Record Process/Clearance
75 Hawthorne Street
San Francisco, CA 94105
Phone: 415-947-8000 / (Toll-free outside if California: (866) EPA-WEST)

Water Quality

Arizona Department of Environmental Quality
Water Division
Attn: Environmental Review Record Process/Clearance
1110 W. Washington Street
Phoenix, AZ 85007
Phone: 602-771-2300

Pinal County Public Works Department
Water Resources
Contact: Lonnie Frost
Email: Lonnie.frost@pinal.gov
Phone: 520-866-6293

Wild and Scenic Rivers (only if the project affects a river or national forest)

USDA Forest Service – Prescott National Forest
Attn: Environmental Review Record Process/Clearance
344 South Cortez
Prescott, AZ 86303
Phone: 928-443-800
Fax: 928-771-4884

FOR NO. PINAL COUNTY ONLY

Tonto National Forest
Attn: Environmental Review Record Process/Clearance
2324 E McDowell Road
Phoenix, AZ 85006
Phone: 602-225-5200
Fax: 602-225-5295

FOR SE PINAL COUNTY ONLY

Coronado National Forest
300 West Congress Street
Tucson, Arizona 85701
Phone: 520-388-8300

National Park Service
Attn: Environmental Review Record Process/Clearance
Santa Fe Support Office
1100 Old Santa Fe Trail
Santa Fe, NM 87505
Phone: 505-988-6888

Pinal County Open Space & Trails
Contact: Kent Taylor
Email: kent.taylor@pinal.gov
Phone: 520-866-6910

The following Tribal contacts are provided IF your project is within their area. Check the TDAT website to determine which tribal entity may be affected by your projects.

<https://egis.hud.gov/TDAT/>

Gila River Indian Community
Barnaby V. Lewis, THPO
PO Box 2140
Sacaton, AZ 85147
Phone: 520-562-7162
Fax: 520-562-5083
Email: barbaby.lewis@gric.nsn.us

Tohono Nation
Peter L. Steere, THPO
PO Box 837
Sells, AZ 85634
Phone: 520-383-3622 x 103
Fax: 520-383-0217
Email: peter.steere@tonation-nsn.gov

Ak-Chin Indian Community
42507 W Peters and Nail Rd
Maricopa, AZ 85138
Phone: 520-568-1000
Email: info@ak-chin.nsn.us

San Carlos Apache Tribe
Administration
PO Box "o"
San Carlos, AZ 85550
Phone: 928-475-2361
Fax: 928-475-2567

ONLY IF DIRECTED BY SHPO/THPO (A.R.S. §41-865 village ruins or burial grounds are thought to exist)

The Arizona State Museum
The University of Arizona
1013 East University Blvd. P.O. Box 210026
Tucson, AZ 85721
Phone: 520-621-6302
Fax: 520-621-2976

Advisory Council on Historic Preservation
Attn: Director
401 F Street NW, Suite 308
Washington, DC 20001-2637
Phone: 202-517-0200
Email: achp@achp.gov

Please note the SHPO letter is substantially different than the other agency letters. Please include the following in your letter. If a particular item below is not applicable, please state.

Details regarding the project:

- Address of building or parcel (Assessor's Parcel Number is helpful as well)
- Funding source for the project: *Community Development Block Grant (CDBG) from the U.S. Department of Housing and Urban Development*
- Year the building was constructed
- Description of building (including character-defining features)
- Scope of Work (description of the proposed undertaking)
- Extent (depth, width) of any ground disturbance
- Any archaeological work has previously been conducted
- Any previous modifications to the historic building materials
- Whether the building is in or near a historic district
- email address of person who should receive SHPO's response

Attachments:

- Photographs of streets and areas where work is proposed, exterior work only.
- Proposed new or replacement building materials and finish specifications, and proposed colors.
- Location map showing where the building or parcel is located, with street names or major landmarks.

Please include this request:

In order to complete the Environmental Review, per the National Historic Preservation Act, 36 CFR 800, _____ is requesting your review and concurrence that the following proposed project and location(s) has: (please select one)

- no historic properties affected
- no adverse effect
- adverse effect
- mitigating actions

Procurement

All federal projects require compliance with the 2 CFR 200. All services for engineering and construction must be competitively bid and include the items listed below in the request for qualifications and/or the request for proposal. They should also be included in the construction agreement. Sample language is below.

A copy of the bid package including the items below shall be submitted to the CDBG Specialist at Pinal County prior to proceeding with the procurement process. A fully executed agreement and the MBE/WBE form must be submitted within 30 days of execution and prior to the start of a project.

Items to include in the bid package

1. Reference to the source of funds to indicate the project is paid in whole or in part by federal Community Development Block Grant funds;
2. Clear description of the project scope;
3. Indicate all bidders and their subcontractors shall be registered in www.sam.gov and verified for debarment and suspension to participate in a federal award prior to the execution of an agreement;
4. The current wage decision found on www.sam.gov;
5. HUD 4010 form
https://www.hud.gov/program_offices/davis_bacon_and_labor_standards/olrform
6. WH-1321 (English and Spanish)
https://www.hud.gov/program_offices/davis_bacon_and_labor_standards/olrform
7. The MBE/WBE form included in the CDBG Project Forms document;
8. The Section 3 and Fringe Benefits form included in the CDBG Project Forms document;
9. The sample agreement; and
10. The federal language provided below.

Sample Language

1. Access to records sample language

The undersigned certifies, to the best of his or her knowledge and belief the individual, sole proprietor, partnership, corporation, and/or association agrees to permit the Pinal County to have access to all records for review, monitoring, and audit during normal working hours and agrees to retain all records for at least four years following the official closeout date of the grant or the resolution of all audit findings, whichever is later.

2. Conflict of interest sample language

The undersigned is fully aware this contract is wholly or partially federally funded, and further, by submission of the bid or proposal the individual or firm, certifies: 1. There is no substantial interest, as defined by Arizona Revised Statute §§38-503 through 505, with any public official, employee, agency, commission, or committee with Pinal County, 2. Any substantial interest, as defined by Arizona Revised Statute §§38-503 through 505, with any public official, employee, agency, commission, or committee (including members of their immediate family) with Pinal County develops at any time during this contract will be immediately disclosed to the county.

3. Administrative, contractual, or legal remedies to breach of contract including sanctions and penalties

Contracts for more than the simplified acquisition threshold, currently set at \$150,000, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract

terms, and provide for such sanctions and penalties as appropriate. See 2 C.F.R. Part 200, Appendix II(A). Pursuant to Federal Rule (A) above, when Pinal County expends federal funds, Pinal County reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

4. Contracts in excess of \$10,000 include termination for cause

If Contractor fails to complete the project in a workmanlike manner within the prescribed time frame or violates any other provisions of this agreement, contract may be declared in default. Pinal County will provide contractor with a two (2) working day written notice of default or failure to comply with the contract obligations. This notice shall contain the reasons to declare contractor in default and unless within forty-eight (48) hours after service of said notice, the violations shall cease or satisfactory arrangements shall be made for its correction, contractor's right to proceed under the contract will be terminated. In the event contractor is terminated, Pinal County shall have the right to hire another contractor to complete the project. The cost of having the work completed shall be deducted from the amount of this agreement. In the event the costs to complete construction exceed the balance remaining on this agreement, contractor shall upon demand immediately pay the county the difference. Contractor shall be entitled to payment, prorated, for all work done through and including the effective date of termination, subject to the above limitations.

5. Equal Employment Opportunity compliance including civil rights and ADA compliance

Except as otherwise provided under 41 C.F.R. Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. § 60-1.4(b), in accordance with Executive Order 11246, Equal Employment Opportunity (30 Fed. Reg. 12319, 12935, 3 C.F.R. Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, Amending Executive Order 11246 Relating to Equal Employment Opportunity, and implementing regulations at 41 C.F.R. Part 60 (Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor). See 2 C.F.R. Part 200, Appendix II(C).

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

- The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, 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, sexual orientation, gender identity, 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.
- 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, religion, sex, sexual orientation, gender identity, or national origin.
- The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to

individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

- 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' 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.
- 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.
- 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 his 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.
- 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.
- The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs 1) through 8) 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 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.

6. Davis Bacon for contracts in excess of \$2,000 include copy of the wage decision and the 4010 form.

All prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. §§ 3141-3144 and 3146-3148) as supplemented by Department of Labor regulations at 29 C.F.R. Part 5 (Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction). See 2 C.F.R. Part 200, Appendix II, ¶ D. In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week.

Compliance with David-Bacon Act.

- All transactions regarding this contract shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141- 3144, and 3146-3148) and the requirements of 29 C.F.R. pt. 5 as may be applicable. The contractor shall comply with 40 U.S.C. 3141-3144, and 3146-3148 and the requirements of 29 C.F.R. pt. 5 as applicable.
- Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.
- Additionally, contractors are required to pay wages not less than once a week

7. Copeland Anti-Kickback Act

Recipient and subrecipient contracts must include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”).

Compliance with the Copeland “Anti-Kickback” Act

- Contractor. The contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.
- Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as the Federal Awarding Agency may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.

- Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12.”

8. Contracts in excess of \$100,000 include work hours and safety standards Contract Work Hours and Safety Standards Act. Where applicable (see 40 U.S.C. §§ 3701-3708), all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5. See 2 C.F.R. Part 200, Appendix II, E. Under 40 U.S.C. § 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Further, no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous.

Compliance with the Contract Work Hours and Safety Standards Act.

- Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (a) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (a) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (a) of this section.
- Withholding for unpaid wages and liquidated damages. Pinal County 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 other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b) of this section.
- Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (a) through (d) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (a) through (d) of this section.

9. Section 3 Compliance

Recipient and subrecipient contracts must include a provision for compliance with Section 3 requirements outlined in 24 CFR Part 135.38)

Compliance with Section 3 Requirements

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 the 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 in the project area.

The parties to this contract agree to comply with HUD's regulations in 24 CFR part 75, 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 75 regulations.

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; job titles subject to hire; availability of apprenticeship and training positions; the qualifications for each; the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 75 and agrees to take appropriate action, as provided in an applicable provision of the subcontract in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 75. 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 75.

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 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 75.

Noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this contract for default and debarment or suspension from future HUD assisted contracts.

10. Rights to inventions clause

If the award by the Federal Awarding Agency meets the definition of "funding agreement" under 37C.F.R. § 401.2(a) and the non-Federal entity wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the non-Federal entity must comply with the requirements of 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements), and any implementing regulations issued by the Federal Awarding Agency See 2 C.F.R. Part 200, Appendix II(F).

11. Clean Air Act and Federal Water Pollution Control Act for contracts in excess of \$150,000

Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non - Federal entity to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). See c C.F.R. Part 200, Appendix II(G).

Clean Air Act

- The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
- The contractor agrees to report each violation to Pinal County and understands and agrees that Pinal County will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by the Federal Awarding Agency.

Federal Water Pollution Control Act

- The contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
- The contractor agrees to report each violation to Pinal County and understands and agrees that the Pinal County will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by the Federal Awarding Agency.

12. Anti-lobbying Amendment contracts in excess of \$100,000 sample language

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended).

Pursuant to Federal Rule (J) above, when federal funds are expended by Pinal County, the offeror certifies that during the term and after the all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

- No Federal appropriated funds have been paid or will be paid for on behalf of the undersigned, 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 the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

- If any funds other than Federal appropriated funds 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 this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

13. Procurement of recovered materials/Fly Ash sample language

All contractors/subcontractors/vendors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. See 2 C.F.R. Part 200, Appendix II(J); and 2 C.F.R. §200.322

Procurement of Recovered Materials

- In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired
 - i. Competitively within a timeframe providing for compliance with the contract performance schedule;
 - ii. Meeting contract performance requirements; or
 - iii. At a reasonable price.
- Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.
- The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the "Solid Waste Disposal Act."

14. MBE/WBE/SBE sample language

Minority-Owned, Women-Owned, and Disadvantaged Small Business Enterprises are encouraged to be used whenever possible. Language to this effect shall be included.

15. Buy America

Buy America requirements are applicable to infrastructure and housing projects in excess of \$250,000 where iron and steel are used.

Davis Bacon and Related Acts

Construction projects require compliance with the Davis Bacon and Related Act and Section 3 compliance.

A copy of the current wage decision shall be included in the bid package. Ten days prior to publishing the RFP, a wage decision shall be obtained at <https://beta.sam.gov/search?index=wd>. Updated decisions may supersede what was printed in the RFP up to 10 days prior to the bids being due. Notices can be received through the system to notify you of any updates.

It is recommended, the contractor or subcontractor identify any vacant positions required to complete the project. This will assist with the Section 3 process below. The contractor shall also identify any wage classifications that are missing in the wage decision. A request for an additional classification should be submitted to Pinal County as soon as possible in order to prevent payment withholdings.

Once a contract is signed and construction begins, the community will be required to conduct on-site interviews of all the employees and payroll reports are due from the contractor each week. Similarly, these reports shall be submitted to the CDBG Specialist at Pinal County within the following week after the community has determined the reports are accurate. All payroll reports must be submitted to Pinal County. The final payroll report shall include “Final” to denote no additional reports will be submitted.

If an employee has nonstandard deductions, the employee must sign the Authorization for Deductions form included in the CDBG Project Forms document.

The following forms shall be used for construction projects to ensure compliance with Davis Bacon and Related Acts. All forms can be found at:

https://www.hud.gov/program_offices/davis_bacon_and_labor_standards/olrform

- HUD-4010 – shall be included in the bid documents for construction projects.
- WH-1321 (English and Spanish) – shall be included in the bid documents for construction projects.
- WH-347 - The contractor shall submit their payroll reports weekly on this form.
- HUD-11 (English and Spanish) – shall be used when interviewing construction staff on-site.
- HUD-4230-A – shall be used when the wage decision lacks a specific wage determination for a needed position.

Survey	Types
 <p>Building</p> <p>Includes sheltered enclosures with walk-in access for the purpose of housing, persons, machinery, or supplies</p>	 <p>Residential</p> <p>Includes construction, alteration or repair of single family houses or apartment buildings of no more than four stories in height</p>
 <p>Highway</p> <p>Includes roads, streets, runways, highways or other similar projects</p>	 <p>Heavy</p> <p>Is a catch-all grouping that includes projects not properly classified under the other three types of construction</p>

Section 3

Section 3 is applicable to construction projects in excess of \$200,000 in federal CDBG funds. If a project is at \$200,000 or greater, Section 3 compliance is required. Please speak with the CDBG Specialist to determine the next steps.

All contractors and subcontractors must submit, with their bid, a list of all positions necessary to complete the project. If the position is currently filled, employee information is required. The Section 3 and fringe benefit form included in the CDBG Project Forms document may be used. Employee information includes but is not limited to:

- name
- address
- position classification
- wage
- Section 3 status
- Fringe benefits and documentation

If a non-professional classification is vacant, the contractor shall take steps to fill the position with Section 3 eligible workers. These activities shall be documented and reported to the CDBG Specialist.

Contractor and Subcontractors must also identify if they are or are not a Section 3 employer. To be designated a Section 3 employer you must meet the following criteria, and documentation is required. A sample certification is included in the CDBG Project Forms document.

- 51% or more of the business is owned and controlled by very low to low income persons OR
- 51% or more of the business is owned and controlled by a public housing or Section 8 resident OR
- Over 75% of the labor hours worked the past three months were performed by very low to low income employees.

To be designated a Section 3 worker, the employee must meet the following criteria, and documentation is required. A sample certification is included in the CDBG Project Forms document.

- Was hired within the past five years AND
- Has income below 80% of the area median income
<https://www.hudexchange.info/resource/5334/cdbg-income-limits/> OR
- Employed by a Section 3 employer

To be designated a Targeted Section 3 worker, the employee must meet the following criteria, and documentation is required. A sample certification is available upon request.

- A worker is part of the permanent workforce employed by a Section 3 employer OR
- A worker was hired within the past 5 years who lives within the project area.

The project area is defined as a radius surrounding the physical location of the project wherein 5,000 people live.

Based on the Section 3 and Fringe Benefit form included in the CDBG Project Forms document, if an employee is presumed to be low income based on the previous year using the current income limits <https://www.huduser.gov/portal/datasets/il.html>, the community shall request the contractor or subcontractor verify the actual income. If they are below 80% AMI, the employee must sign the Employee Self Certification form included in the CDBG Project Forms document.

Furthermore, based on the Section 3 employee's address, you may be able to determine if they live within the project area as defined above and are considered a Targeted Section 3 employee.

If the contractor does not have any Section 3 employees and are not seeking to fill any vacant positions, they must provide written verification of this. This may be in the form of a letter or email.

Monitoring

Pinal County will monitor the project and all project files during the life of the agreement. Monitoring may be in person or by emailing requested documentation to the CDBG Specialist. Monitoring is intended to meet the following objectives:

- To determine if a sub recipient is carrying out its community development program, and its individual activities described in the application for CDBG assistance and the sub recipient agreement.
- To determine if a sub recipient is carrying out its activities in a timely manner, in accordance with the schedule included in the agreement.
- To determine if a sub recipient is charging costs to the project that is eligible under applicable laws and CDBG regulations, and reasonable in light of the services or products delivered.
- To determine if a sub recipient is conducting its activities with adequate controls over program and financial performance, and in a way that maximizes opportunities for waste, mismanagement, fraud, and abuse.
- To assess if the sub recipient has a continuing capacity to carry out the approved project, as well as future grants for which it may apply.
- To identify potential problem areas and to assist the sub recipient in complying with applicable laws and regulations.
- To assist sub recipients in resolving compliance problems through discussion, negotiation, and the provision of technical assistance and training.
- To provide adequate follow-up measures to ensure that performance and compliance deficiencies are corrected by sub recipients, and not repeated.
- To comply with the Federal monitoring requirements of 24 CFR 570.501(b) and with 24 CFR 84.51 and 85.40, as applicable.
- To determine if any conflicts of interest exist in the operation of the CDBG program, per 24 CFR 570.611.
- To ensure that required records are maintained to demonstrate compliance with applicable regulations.
- To comply with 2 CFR 200 monitoring requirements.
- To comply with Pinal County's internal procedure on monitoring subrecipients.