Welcome To The 2017 CDBG Implementation Workshop

Rick Lopez
Director, Local Government Division of DFA
“Focus on Success”

Jolene Slowen
Deputy Director, Local Government Division of DFA
Project Administration

Stephen Weinkauf - 505-827-8060
Donna Stewart - 505-827-4972
Administration of a CDBG Project

- Manual and checklists
- LGD-Grantee Relationship
- Filing / documentation
- Your Grant Agreement
- Avoiding delay during your project
- Monitoring
Regulatory Framework

- HUD Requirements
  - 24 CFR
- NMAC 2.110.2
The Name of the Game - Documentation

Playing by the Rules
A Handbook for CDBG Subrecipients on Administrative Systems

In using Federal funds the cardinal rule is: documentation. The achievement of program goals and the completion of activities must be supported by adequate documentation of the facts. If your 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. Appropriate records are the lifeblood of all successful CDBG agencies.

Without documentation...
the assumption is that the work was not done!
Timeline

**Implementation Workshop**
- Set up files and read manual
- Get administrator in place
- Start environmental
- Create 1-A, 1-B & 1-C

**Executed grant agreement**
- Begin procurement
- Continue environmental

**Get 2-Q**
- Start Construction
- Begin drawing down funds

**Ongoing**
- Quarterly Reporting
- Financial reporting
- Updating annual resolutions
- Monitoring

"Focus on Success"
Grant Administration

• Resources needed for administration
  • 2-20 hours a week
• Do you need to hire or outsource an administrator?
  • Responsibility of Grant Administrator
• Do you need a Fiscal Agent?
  • Responsibility of a Fiscal Agent
  • Requirements of FA Agreement
Grant Agreement

- Legally binding
- Duration
- Project number
- Exhibits 1-A, 1-B, & 1-C

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Exhibits 1-A, 1-B, and 1-C

1-A
- Project Description
- Similar to SOW
- Answers "How?" more than "Why?"

1-B
- Realistic Timeline
- Milestones will be used in 1-D

1-C
- Budget
- Will appear on pay requests (1-M)

Changes to these require an amendment!
Exhibit 1-A
Example 1

PROJECT DESCRIPTION
Happy County will plan, design, construct Phase II public facility improvements at 301 Texas Street, Happy Town, NM (Latitude 38.896596835; Longitude -105.965623856). Improvements consist of asbestos abatement; demolition of deteriorated equipment; windows and MEP; Site improvements: concrete pads at new exits; ADA compliant rails and hardware; Exterior improvements: exterior lighting at all exits; exterior insulated finish system; new windows; doors; new exit doors; paint and repair existing exterior fascia; metal doors and windows; existing soffits; replace existing skylights. Interior improvements to the restrooms; north admin office area; classrooms; kitchen, corridor; and multi purpose room consisting of: new HVAC; plumbing; electrical; casework; renovation of cabinets, countertops, doors, frames, windows, hardware, glazing, metal framing, wall finishes, floor finishes, ceilings, signage, toilet partitions and accessories; and other components and assemblies as indicated on the drawings and specs.
Exhibit 1-A
Example 2

The Village of Peace, NM, located in Sunshine County, will plan, design, and construct water system improvements throughout the Village, the center of which is located at approximately 34.4294778 latitude and 103.6293649 longitude. The purpose of this project is to replace approximately 4,210 linear feet of waterline to include trenching, backfilling, and compaction; to install approximately 49 gate valves, approximately 3 fire hydrant assemblies, and approximately 31 new meter assemblies with associated service lines. Additionally, approximately 1190 linear feet of pavement will be replaced and essential connections to the existing system completed in order to provide the Village with a comprehensive and efficient water system.
Set up your files

What you need:
• Dividers – pick up at sign out
• Checklists from chapter 5 of manual
• 3 ring binder(s)
• Office supplies like sticky post-it
• Tabs for marking important pages
Checklists

• In chapter 5 of the implementation manual, to help you track progress and guide you
• Can start using them now
• For every aspect of the project from “financial management”, “progress reports”, “procurement”, “professional services”, “environment,” etc.
• Annual resolutions
Annual Federal Requirements

- Procurement – Procurement Policy
- Citizen Participation – Exhibit 1-P
- Fair housing – Proclamation – Exhibit 1-O
- EEO Survey – Exhibit 1-S
- Section 3 Plan – Exhibit 1-T
- Anti-displacement & Relocation Assistance – Exhibit 1-R

Exhibit 1-Y – Adoption of Required CDBG Annual Certifications and Commitments
Environmental

- Submit Exhibits 2-A and 2-A-1
- Get your environmental determination
- Begin sending out letters
- Listen closely to a detailed presentation later today.
- At the end of your environmental – get 2-Q Authority to use Grant Funds
Financial Documentation

• Prepare future reimbursement
  • Exhibit 1-G (Depository/Authorized Signatories Designation Form)
  • Exhibit 1-H (witness certification)
  • W-9 (Exhibit 1-I)
  • Separate bank account for CDBG

• Fidelity bond, or insurance

• Financial reporting and reimbursement
  • Exhibit 1-M – Request for Payment/Financial Status Report
  • Exhibit 1-J – Cash Match
Project Monitoring

- Quarterly Progress Reports
- Annual and close-out monitoring
- Concerns and Findings
  - Concerns: issues that if not addressed can become a finding
  - Finding: violation of law or regulation
- Uniform Grant Guidance (UGG)
Exhibit 1-D Progress reports

- Form changed in 2017
- Due quarterly by the 20th day after quarter ends.
- Due dates of tasks supplied by Project Manager/ taken from Exhibit 1-B
- Help keep the project on schedule
Annual Monitoring

• Must occur within 1 year of grant execution date
  • Grantee will receive a 30 day notice prior to Monitoring
• Exit Survey
  • Missing items not provided within 10 days may become findings or concerns
• DFA/LGD will issue a formal Monitoring letter within 45 days
  • Grantee will need to respond and resolve concerns and findings.
Uniform Grant Guidance (UGG)

- Federal requirement
- Risk Assessment based on historical performance
  - Communication
  - Progress reports
  - Administrative Capacity
  - Timely Expenditures
- Evaluates Grantee on 1-A, 1-B, 1-C.
  - Budget
  - Schedule
  - Scope of Work
Recommendations

• Ask questions
• Proof docs before submitting
• Use implementation manual
• Talk with project manager
• Use checklists
• Get started early
• Keep good files
Project Administration

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Questions?

Pass your question cards forward
Grant Agreement Exhibits: An Interactive Session
Break Time!!
Procurement and Professional Services

Mario Rico - 505-827-4370
Maria Urban - 505-827-8061
Focus on Success

Procurement Policy

Compliance with CDBG

• Grantee must have a procurement policy in place and must adhere to the policy
• Grantee must update the procurement policy annually and adopt by resolution
• Additional information can be found in Chapter 3 of your implementation manual
Exhibit 1-Y

RESOLUTION #
ADOPTION OF REQUIRED COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ANNUAL CERTIFICATIONS AND COMMITMENTS

WHEREAS, municipalities, counties or other entities that accept Community Development Block Grant (CDBG) funds must adopt certain required federal regulations; and

WHEREAS, the [hereinafter referred to as the Grantee] wishes to ensure compliance with federal regulations by adopting the following required certifications and commitments:

Citizen Participation
- certifies its commitment to citizen participation by preparing and adopting a Citizen Participation Plan that includes ways to encourage public input using various methods to reach the public and assures citizens are provided reasonable notice and timely access to local meetings, per the Open Meetings Act (OMA) 1978, Chapter 10, Article 35.

Fair Housing
- certifies its commitment to the Fair Housing Act of 1968 to affirmatively further fair housing, which prohibits discrimination in the sale, rental, housing financing of housing or to be used for the construction of housing on the basis of race, color, religion, sex, disability, familial status, or national origin.

Residential Anti-Displacement
- certifies its commitment to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, whose purpose is to provide uniform, fair, and equitable treatment for persons whose real property is acquired or for persons displaced as a result of a CDBG-funded project or activity.

Section 3
- certifies its commitment to Section 3, a provision of the Housing and Urban Development (HUD) Act of 1968, which requires recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, work experience, and contracting opportunities for low and very low-income residents in connection with projects and activities in their community.

Procurement
- certifies its compliance with federal procurement code (24 CFR Part 5.136) and New Mexico Procurement Code 23-1-120 NMSA 1978 by adopting a procurement policy annually for CDBG projects.

NOW, THEREFORE, BE IT RESOLVED, that the Grantee adopts the above CDBG certifications and commitments that must be adopted annually.

PASSED, APPROVED, SIGNED, AND ADOPTED at a duly called and convened regular meeting of the governing body of the [Grantee Name] on the [Date], 20__.

SIGNED:
[Signature]
Chief Elected Official

ATTEST:
[Signature]
[Name and Title]
Procurement Code

Know the Procurement Code and Rules

• HUD 24 CFR (Part 85.36)

• §13-1-121 through §13-1-199 NMSA 1978, New Mexico Procurement Code

• NMAC 1.4.1 Procurement Code Regulations
Select and Follow an Appropriate Procurement Procedure

• **Small Purchases** (§13-1-125 NMSA 1978)
  • Require best obtainable price utilizing a purchase order up to $20K

• **Competitive Sealed Bids** (§13-1-102 NMSA 1978)
  • Requires three quotes up to $60K for professional services

• **Competitive Sealed Qualifications-Based Proposals** (§13-120 NMSA 1978)
  • Based on qualifications
Procurement Best Practices

• Follow an open competitive process in securing those products or services and advertise.

• Properly document purchasing activities and decisions.

• Observe the special rules for particular kinds of purchases (small purchases, competitive sealed bids, and competitive proposals).

• Properly bond and insure work involving large construction contracts and/or subcontracts.
Things Not To Do In Procurement

• Placing unreasonable qualifying requirements on firms.

• Transactions with related parties.

• Specifying only “brand name” products instead of allowing “an equal” product.

• Noncompetitive awards to consultants with “on-call” contracts.

• Cooperative Purchasing Agreements may not meet CDBG requirements.
Prepare a Request for Proposal (RFP)  
(§13-1-112 NMSA 1978 )

• Use our Exhibits found in Chapter 3 

• PTAB should be consulted if you don’t have internal staff
Procurement and Professional Services

Advertisement requirements for professional services

Request for Proposals (RFP):

Publish a request for proposals (RFP method) which specifies the type of project, anticipated start date, and lists evaluation criteria with relative importance that will be used to rank proposals:

- Start Dates
- Evaluation criteria/committee/scoring/ranking

At least two qualified proposals must be received for a competitive procurement.
Campaign Contribution Disclosure Form

Must be included in all Professional Services Contracts:

• This form applies to prospective contractors with the state or a local public body pursuant to the requirements of §13-1-112 NMSA 1978.
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Procurement and Professional Services

EXHIBIT A

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

Pursuant to the Procurement Code, Sections 13-1-13, et seq., NMSA 1978 and NMSA 1978, § 13-1-191.1 (2016), as amended by Acts of 2007, Chapter 23, any prospective contractors seeking to enter into a contract with any state agency or local public body for professional services, a design and build project delivery system, or the design and installation of measures the primary purpose of which is to conserve natural resources must file this form with the state agency or local public body. This form must be filed even if the contract qualifies as a small purchase or sole source contract. The prospective contractor must disclose whether they, a family member or representative of the prospective contractor has made a campaign contribution to an applicable public official of the state or a local public body during the two years prior to the date on which the contractor submits a proposal, or in the case of a sole source or small purchase contract, the two years prior to the date the contractor signs the contract, of the aggregate total of contributions given by the prospective contractor, a family member or representative of the prospective contractor to the public officials exceeds two hundred and fifty dollars ($250) over the two year period.

Furthermore, the state agency or local public body may cancel a solicitation or proposal awarded a proposed contract pursuant to Sections 13-1-131 NMSA 1978 or a contract that is executed may be refiled or delayed by agreement pursuant to Sections 13-1-132 NMSA 1978 of the Procurement Code of ’98 if a prospective contractor, a family member of the prospective contractor, or a representative of the prospective contractor gives a campaign contribution or other thing of value to an applicable public official or the applicable public official’s employees during the pendency of the procurement process or 2) a prospective contractor fails to submit a fully completed disclosure statement pursuant to the law.

The state agency or local public body that procures the services or items of tangible personal property shall indicate on the form the name or names of any applicable public official, if any, for which disclosures is required by a prospective contractor.

THIS FORM MUST BE INCLUDED IN THE REQUEST FOR PROPOSALS AND MUST BE FILED BY ANY PROSPECTIVE CONTRACTOR WHETHER OR NOT THEY, THEIR FAMILY MEMBER, OR THEIR REPRESENTATIVE HAS MADE ANY CONTRIBUTIONS SUBJECT TO DISCLOSURE.

The following definitions apply:

"Applicable public official" means a person elected to an office or a person appointed to complete a term of an elected office who has the authority to award or influence the award of the contract for which the prospective contractor is submitting a competitive sealed proposal or who has the authority to negotiate a sole source or small purchase contract that may be awarded without submission of a sealed competitive proposal.

"Campaign Contribution" means a gift, subscription, loan, advance or deposit of money or other thing of value, including the estimated value of an in-kind contribution, that is made to or received by an applicable public official or any person authorized to raise, collect or expend contributions on that official’s behalf for the purpose of electing the official to an office or local office. "Campaign Contribution" includes the payment of a debt incurred in an election campaign, but does not include the value of services provided without compensation or reimbursement to or on behalf of a candidate, a member of the candidate’s political committee, or any other individual who volunteers a portion or all of their time on behalf of a candidate or political committee, nor does it include the administrative or solicitation expenses of a political committee that are paid by an organization that sponsors the committee.

"Family member" means spouse, father, mother, child, child-in-law, mother-in-law, daughter-in-law or son-in-law of (i) a prospective contractor, if the prospective contractor is a natural person; or (ii) an owner of a prospective contractor.

"Pendency of the procurement process" means the time period commencing with the

public notice of the request for proposals and ending with the award of the contract or the cancellation of the request for proposals.

"Prospective contractor" means a person or business that is subject to the competitive sealed proposal process set forth in the Procurement Code or is not required to submit a competitive sealed proposal because that person or business qualifies for a sole source or small purchase contract.

"Representative of a prospective contractor" means an officer or director of a corporation, a member or manager of a limited liability corporation, a partner of a partnership or a trustee of a trust of the prospective contractor.

Name(s) of Applicable Public Official(s) if any:

(COMPLETE BY STATE AGENCY OR LOCAL PUBLIC BODY)

DISCLOSURE OF CONTRIBUTIONS BY PROSPECTIVE CONTRACTOR:

<table>
<thead>
<tr>
<th>Contribution Made By:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date Contribution(s) Made:</td>
</tr>
<tr>
<td>Amount(s) of Contribution(s):</td>
</tr>
<tr>
<td>Nature of Contribution(s):</td>
</tr>
<tr>
<td>Purpose of Contribution(s):</td>
</tr>
</tbody>
</table>

(Attach extra pages if necessary)

Signature Date

Title (position)

-06-

NO CONTRIBUTIONS IN THE AGGREGATE TOTAL OVER TWO HUNDRED FIFTY DOLLARS ($250) WERE MADE TO AN APPLICABLE PUBLIC OFFICIAL BY ME, A FAMILY MEMBER OR REPRESENTATIVE.

Signature Date

Title (Position)

2017 CDBG Implementation Workshop

“Focus on Success”, Community Development

CDH
Negotiate a Contract

Best practices for negotiating a contract

• Agree on work plan

• Review and Discuss

• Cost Proposal

• Technical Elements of the Engineering/Architect Contract

• Clear Description of scope of work

• State the Deliverables

• Schedule must be reasonable and achievable
Achieving the Best Outcome

• Make sure your needs and priorities are met

• Understand the contract, cost proposal and all details

• Communication is KEY! Stay in touch with the design professionals during the project

• Original contract, and amendments, must be approved by your Project Manager

• Maintain your procurement files
Achieving the Best Outcome

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Questions?

Pass your question cards forward
Lunch Time!!

Please be back at 1:00 o’clock for more fun!
Environmental Review

Ariana Vigil – 505-827-8074
Scott Wright – 505-827-4957
Steve Lacy – 505-827-4939
Why an environmental assessment?

- Stewardship
- Federal, state, and local environmental standards.
- Compliance with National Environmental Policy Act (NEPA)
- 24 CFR Part 58-HUD regulations
  - Protect health and safety of community
  - Avoid harming environment and/or project site

- Historic Properties
- Flood Plain
- Water Quality
- Fish & Wildlife
- Wetlands
- Air Quality
- Solid Waste Disposal
- Farmlands Protection
- Noise
- Coastal Zones
- Manmade Hazards
- Endangered Species
Task 1 - Designating Certifying Officer

The Certifying (Environmental) Officer (CO) must:

- Be able to represent the entity in Federal Courts
- Have legal authority to speak for the entity
- Make legal commitments on the entities behalf
- Be authorized to execute the request for release of funds (RROF) – Signing authority
**Designating Certifying Officer (CO) (Exhibit 2-A-1)**

Certifying Official Designation (Exhibit 2-A-1) designates on the Exhibit 2-A-1

- The CO and the CEO must sign Exhibit 2-A-1
- CO will assume overall responsibility for the environmental review process.
- Signed Exhibit 2-A-1 is signed, notarized and submitted to DFA/LGD asap
Exhibit 2-A-1

Certifying Official Designation

Grantors must designate a Certifying Official (CO) to assume overall responsibility for the environmental review process. The certifying official’s responsibilities will include reviewing findings and signing required certifications. The CO must be able to represent the responsible entity in Federal Courts. The CO must have legal authority to speak for the county or municipality and make legal commitments on behalf of the entity. Typically this is the person that signs contracts on behalf of the entity such as the Mayor, Commission Chair or City Manager.

Certifying Official’s Name __________ do hereby acknowledge that I will be acting on behalf of

Grantee Name __________ in the capacity of Certifying Official for the purposes of CDBG

grant # __________ Grant Number __________ By signing this document I acknowledge that I have reviewed this

Certification in its entirety.

________________________________________
Signature-Certifying Official

Date

________________________________________
Signature-Chief Elector Official

Date

SWORN TO AND SUBscribed
Before me on this __________ day
Of __________, 20__

Notary Public

My commission expires

Place Seal Here
Task 2 – Determine the Level of Environmental Assessment (EA)-Exhibit 2-A

**REQUIREMENT:**

1. Certifying Official will complete sections 1, 2, 3 and sign/date.
2. Grantee will mail original document to DFA/LGD.
3. LGD will determine the level of EA, sign/date and return the document.

*Note: Do Not move forward until you have clearance from DFA on the 2-A Environmental Review 2017 CDBG Implementation Workshop*
Exhibit 2-A

Environmental Review Determination

**ENTITY INFORMATION**

<table>
<thead>
<tr>
<th>Entity Name</th>
<th>Certifying Officer</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>CDBG Project Number</th>
<th>Project Name</th>
</tr>
</thead>
</table>

**PROJECT INFORMATION**

<table>
<thead>
<tr>
<th>Section 1</th>
<th>Percentage of actions in Section 1</th>
</tr>
</thead>
</table>

- Is it a Preliminary Engineering Report (PER)?
- Is it a Comprehensive Plan?
- Is it a Project Plan?
- Is it a Specific Plan (e.g., traffic study, water study, etc.)?

If you answered "No" to any of the previous questions, STOP! Refer to Section 2 and have a Certified Official sign here.

If you answered "Yes" to all of the previous questions, please continue with the next section.

<table>
<thead>
<tr>
<th>Section 2</th>
<th>Additional questions in Section 2</th>
</tr>
</thead>
</table>

- Is it a support service?
- Is it operating cost assistance?
- Is it economic development activity that is not associated with construction or expansion of existing operations?
- Is it rental-based assistance to purchase dwellings?
- Is it housing predevelopment?
- Is it tenant-based rental assistance?
- Is it supplemental assistance?

If you answered "Yes" to any of the previous questions, STOP! Refer to Section 2 and have a Certified Official sign here.

If you answered "No" to all of the previous questions, please continue with the next section.

<table>
<thead>
<tr>
<th>Section 3</th>
<th>Additional questions in Section 3</th>
</tr>
</thead>
</table>

- Is new ground being disturbed?
- Is the purpose of the project changing (e.g., currently a community center but changing to become a fire station)?

Will the size or capacity increase by more than 25%?

<table>
<thead>
<tr>
<th>Section 4</th>
<th>Signature of Certifying Official</th>
</tr>
</thead>
</table>

**Approving Official**

<table>
<thead>
<tr>
<th>Environmentally Exempt</th>
<th>CDBG Bureau Chief</th>
</tr>
</thead>
</table>

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3 Types of Environmental Assessment:

- **Most Common: Environmental Full Assessment (EA)**
  - New ground being disturbed
  - Purpose of project is changing (parking lot to fire station)
  - Increase in size or capacity > 20%

- **Categorically Excluded Activity Subject To 24 CFR 58.35**
  - New ground NOT being disturbed
  - Purpose of project is NOT changing (fire station to fire station)
  - Increase in size or capacity < 20%

- **Exempt Activity**
  - Planning grants ONLY
  - Unless: LGD approves the use of a previous EA
Task 3 - Finding of Exemption

*Most likely N/A

If the project is determined by LGD to be Exempt:

- Exhibits 2-A and 2-A-1 (tasks 1 and 2)
- Finding of exempt projects (Exhibit 2-B)
- Certification of exemption (Exhibit 2-B-1)
- Document checklist (Exhibit 2-B-2)
- Request for release of grant funds (Exhibit 2-L)
Task 3 - Finding of Exemption Checklist

**EXEMPT:**

Yes __ No __ NA __ - Environmental assessment determination *(Exhibit 2-A)*
Yes __ No __ NA __ - Certifying Official designation *(Exhibit 2-A-1)*
Yes __ No __ NA __ - "Transmittal Letter for Finding of Exempt Projects" *(Exhibit 2-B)* mailed to LGD
Yes __ No __ NA __ - Certification of exemption for CDBG funded projects *(Exhibit 2-B-1)*
Yes __ No __ NA __ - Compliance document checklist *(Exhibit 2-B-2)*
Yes __ No __ NA __ - Request for release of funds - *(Exhibit 2-L)*
Yes __ No __ NA __ - Authority to use grant funds- *(Exhibit 2-Q)*, issued by LGD
Task 4 – Full EA or Categorically Excluded

*It’s bark is worse than it’s bite!*

*Let us show you how easy it is!*
### FULL ENVIRONMENTAL ASSESSMENT (EA)

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>NA</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No</td>
<td>NA</td>
<td>Transmittal Letter for Environmental Assessment <em>(Exhibit 2-R)</em></td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td>NA</td>
<td>Environmental Assessment Determination <em>(Exhibit 2-A)</em></td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td>NA</td>
<td>Certifying Official Designation <em>(Exhibit 2-A-I)</em></td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td>NA</td>
<td>Agency Consultation Notice <em>(Exhibit 2-1)</em> sent to Agency/Contact Distribution List <em>(Exhibit 2-E)</em> and applicable Native American Consultation List <em>(<a href="https://egis.hud.gov/tdat/Query.aspx?state=New">https://egis.hud.gov/tdat/Query.aspx?state=New</a> Mexico)</em>. If the Agency/Native American entity was responsive, submit the response letter. If non-responsive, submit documented proof that at least 2 attempts were made to request consultation. ALL consultation notices must be on Grantee letterhead.</td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td>NA</td>
<td>Letter from SHPO granting clearance</td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td>NA</td>
<td>Cultural resource survey, if required by SHPO</td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td>NA</td>
<td>Letters from other interested agencies, groups, etc. (not included in Exhibits 2-E and applicable Native American Consultation List) regarding environmental impact of the project. If applicable</td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td>NA</td>
<td>Agency Response Letter Certification <em>(Exhibit 2-1-I)</em> for all Non-Responsive Agency/Native American Contacts</td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td>NA</td>
<td>Letter for Floodplain Determination <em>(Exhibit 2-F)</em></td>
</tr>
</tbody>
</table>

### If determined to be in a Flood Plain:

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>NA</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No</td>
<td>NA</td>
<td>Floodplain and Wetlands Early Public Review Notice <em>(Exhibit 2-G)</em> 15 day comment period required prior to publishing notice of explanation; must have copy of actual notice and affidavit of publication/earmark sheet; Agency Consultation List <em>(Exhibit 2-E)</em> and applicable Native American Consultation List <em>(<a href="https://egis.hud.gov/tdat/Query.aspx?state=New">https://egis.hud.gov/tdat/Query.aspx?state=New</a> Mexico)</em> must be notified with proof of distribution.</td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td>NA</td>
<td>Floodplain and Wetlands Notice of Explanation <em>(Exhibit 2-H)</em> 7 days comment period required prior to proceeding with or publishing any other notice such as Notice of Intent to Request Release of Funds; must have copy of actual notice and affidavit of publication/earmark sheet; Agency Consultation List <em>(Exhibit 2-E)</em> and applicable Native American Consultation List <em>(<a href="https://egis.hud.gov/tdat/Query.aspx?state=New">https://egis.hud.gov/tdat/Query.aspx?state=New</a> Mexico)</em> must be notified with proof of distribution.</td>
</tr>
<tr>
<td>Yes</td>
<td>No</td>
<td>NA</td>
<td>Insurance Coverage <em>(Exhibit 2-F-1)</em></td>
</tr>
</tbody>
</table>

- Laws and Authorities Checklist for all Projects *(Exhibit 2-N)*. Indicate each determination made and provide source notes based on the consultation received. See page 3 of Exhibit 2-N for additional guidance.
- Environmental Assessment Impact Checklist *(Exhibit 2-O)*. Indicate each determination made and provide source notes based on the consultation received. See page 5 of Exhibit 2-O for additional guidance.
- Compliance Documentation Checklist *(Exhibit 2-B-2)*
- Combined Notice of Finding of No Significant Impact & Notice of Intent to Request Release of Funds *(Exhibit 2-P)*
- Evidence of Posting Notices, if not published *(Exhibit 2-M)*
- Request for Release of Funds *(Exhibit 2-L)*
- Authority to Use Grant Funds *(Exhibit 2-Q)*, issued by LGD.
**Categorically Excluded Checklist**

**Environmental Categorically Excluded Subject to 24 CFR 58.35**

- Yes ___ No ___ NA ___ - Environmental assessment determination (Exhibit 2-A)
- Yes ___ No ___ NA ___ - Certifying Official designation (Exhibit 2-A-1)
- Yes ___ No ___ NA ___ - Agency consultation notices (Exhibit 2-B) sent to agency contact distribution list (Exhibit 2-C) and applicable Native American contact distribution (https://egov.usdoj.gov/efiling/query.aspx?state=New Mexico). If the agency/Native American entity was responsive, submit the response letter. If non-responsive, submit documented proof that at least 2 attempts were made to request consultation. All consultation notices must be on Grantee letterhead.
- Yes ___ No ___ NA ___ - State Historic Preservation Office (SHPO) Notice (Exhibit 2-D) requesting clearance re: 36 CFR Part 800 regulations; must include pictures and map (flood plain maps, if applicable) sent to SHPO.
- Yes ___ No ___ NA ___ - Cultural resource survey, if required by SHPO.
- Yes ___ No ___ NA ___ - Letter from SHPO regarding clearance.
- Yes ___ No ___ NA ___ - Letters from any other interested agencies, groups, etc. (not included in Exhibits 2-E and Native American Tribes) regarding environmental impact of the project, if applicable.
- Yes ___ No ___ NA ___ - Agency response letter certification (Exhibit 2-F-1) for all non-responsive agency/Native American contacts.
- Yes ___ No ___ NA ___ - Letter for floodplain determination (Exhibit 2-F).

**If determined to be in a floodplain:**

- Yes ___ No ___ NA ___ - Floodplain and wetlands early public review notice (Exhibit 2-G) 15 day comment period required prior to publishing notice of explanation; must have copy of actual notice and affidavit of publication/transfer. Agency Consultation list (Exhibit 2-H) and applicable Native American Consultation (https://egov.usdoj.gov/efiling/query.aspx?state=New Mexico) must be notified with proof of distribution.
- Yes ___ No ___ NA ___ - Floodplain and Wetlands Notice of Explanation (Exhibit 2-H): 7 day comment period required prior to proceeding with or publishing any other notice such as Notice of Intent to Request Release of Funds; must have copy of actual notice and affidavit of publication/transfer. Agency Consultation List (Exhibit 2-E) and applicable Native American Consultation (https://egov.usdoj.gov/efiling/query.aspx?state=New Mexico) must be notified with proof of distribution.
- Yes ___ No ___ NA ___ - Insurance Coverage (Exhibit 2-F-1).

**Laws and Authorities Checklist for all Projects (Exhibit 2-N). Indicate each determination made and provide source notes based on the consultation received.**

- Yes ___ No ___ NA ___ - Compliance Document Checklist (Exhibit 2-B-2).
- Yes ___ No ___ NA ___ - Finding of Categorical Exclusion (Exhibit 2-C).
- Yes ___ No ___ NA ___ - Certification of Categorical Exclusion; Subject to 24 CFR Part 58.5 (Exhibit 2-C-1).
- Yes ___ No ___ NA ___ - Transmittal Letter for Categorical Exclusion (Exhibit 2-D).
- Yes ___ No ___ NA ___ - Notice of Intent to Request Release of Funds (Exhibit 2-F); 7 day comment period required; must have copy of actual notice and affidavit of publication/transfer.
- Yes ___ No ___ NA ___ - Evidence of Posting Notices, if not published (Exhibit 2-M).
- Yes ___ No ___ NA ___ - Request for Release of Funds (Exhibit 2-L).
- Yes ___ No ___ NA ___ - Authority to Use Grant Funds (Exhibit 2-Q), issued by LGD.
Required Consultations:

- Contact Distribution List (Exhibit 2-E)
  - 17 federal, state and local government agencies
  - Require customized consultation letters:
    - State Historical Preservation Office (SHPO) ➔ Exhibit 2-J
    - Local/County Floodplain Manager ➔ Exhibit 2-F

- Native American Entities
  - Points of contact (name, address, work phone, email, etc.)
  - Number of required contacts will depend on County
Consultation Letters

- Consultation letters are sent to discover potential environmental issues with project
- In the body of the letter describe the project scope of work
- Include a point of contact for responsive entities
- MUST have government letterhead (government to government)
- Have all letters signed by CO
- Responses will have:
  - No significant impact
  - Significant impact

Environmental Review

Exhibit 2-I
Example Agency Consultation Notice with Required Elements

DATE:

New Mexico State Agency or Department
Specific Division
Address
City, State Zip

RE: Community of Anywhere (City of Anywhere, NM)
20XX CDBG Project
Project Description (Water Distribution System Improvements)
Project Location (Anytown MHDCA)

Dear Sir/Madam:

The City of Anytown has been awarded 20XX Community Development Block Grant (CDBG) Funds. The City/County proposes to construct a new 500,000 gallon water storage tank and replace 2,500 linear feet of 6" water distribution lines.

The current system was constructed in [year] to serve the residents of the community. This grant will allow the City/County to provide water system rehabilitation grant assistance to low/moderate income families in 15 owner-occupied, single-family houses, in which the project is targeted. The proposed project is located in the community of Anytown. Please refer to attachments. This project may be phased.

In accordance with environmental requirements of 24 CFR part 58 and the National Environmental Policy Act of 1969 (NEPA), the appropriate agencies must be consulted for their comments/review. Your comments can be as simple as checking off the appropriate box below, signing your name or placing your stamp, and mailing/faxing it back to me at the following address: [Anytown, NM address]. Thank you for your prompt response.

Sincerely,

Certifying Official
City of Anytown

☐ No significant impact anticipated
☐ Significant impact anticipated due to the following reasons:

Signature
Title
Date
Consultation Feedback:

- Must contact all required entities
  - Most respond “no significant impact”
  - Some do not respond (must document attempts to contact)
  - Prioritize the following:
    - SHPO – must receive feedback or EA cannot proceed
    - Env. Dept – must receive feedback or EA cannot proceed
    - Floodplain Manager – projects in floodplains typically take longer
      - Additional notifications
      - Additional waiting periods
      - Public hearings
      - Insurance coverage if applicable
Flood Plain Insurance?

- The Flood Insurance Program will only cover certain projects
- CDBG buildings are a prime element to insure
- Rule of thumb: If they will sell you flood insurance, you need it!
- Call your insurance company and inquire
Consultation Flowchart

Create “sample” consultation letters and receive LGD approval

- SHPO (Exhibit 2-J) and Local/County Floodplain Manager (Exhibit 2-F)
- All other consultation letters will be composed using (Exhibit 2-I)

- Compose a list of all required consultations
- Mail (email) letter to each respective organization
- Mail (email) floodplain notice of explanation (Exhibit 2-H) to all required agencies

After 2 weeks from initial mailing date:

- Save all responses
- Mail (email) applicable consultation letters to non-responsive entities
- Publish/post floodplain public review notice (Exhibit 2-G), 15 day comment period
- Mail (email) applicable non-responses (Exhibit 2-H)

After 4 weeks from initial mailing date:

- Save all responses
- Document at least 2 attempts for all non-responsive entities

Use consultation responses to complete:

- Laws and authorities (Exhibit 2-N)
- Environmental assessment impact (Exhibit 2-O)
### Task 4.9 - Key EA Checklists (Exhibit 2-N and 2-O)

**Exhibit 2-N**
**Laws and Authorities Checklist**
**For All Projects Not Exempt**

<table>
<thead>
<tr>
<th>Environmental Area</th>
<th>Not applicable to project</th>
<th>Consultation required &amp; completed</th>
<th>Project consistent with applicable laws and regulations</th>
<th>Documentation, source notes, and correspondence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Historic Properties</td>
<td></td>
<td></td>
<td>ALL DETERMINATIONS NEED FOR HISTORIC REFERENCE TO DOCUMENTATION, SOURCE NOTES, AND CORRESPONDENCE. (SEE EXHIBIT 1 FOR QUESTIONS TO BE ANSWERED.)</td>
<td></td>
</tr>
<tr>
<td>Flood Hazard Protection/NHF (National Flood Insurance Program)</td>
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<td></td>
<td>ALL DETERMINATIONS NEED FOR FLOOD HAZARD REFERENCE TO DOCUMENTATION, SOURCE NOTES, AND CORRESPONDENCE. (SEE EXHIBIT 1 FOR QUESTIONS TO BE ANSWERED.)</td>
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</tr>
<tr>
<td>Executive Order 11988 – Floodplain Determination</td>
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<td></td>
<td>ALL DETERMINATIONS NEED FOR FLOODPLAIN REFERENCE TO DOCUMENTATION, SOURCE NOTES, AND CORRESPONDENCE. (SEE EXHIBIT 1 FOR QUESTIONS TO BE ANSWERED.)</td>
<td></td>
</tr>
<tr>
<td>Wetlands Protection</td>
<td></td>
<td></td>
<td>ALL DETERMINATIONS NEED FOR WETLANDS REFERENCE TO DOCUMENTATION, SOURCE NOTES, AND CORRESPONDENCE. (SEE EXHIBIT 1 FOR QUESTIONS TO BE ANSWERED.)</td>
<td></td>
</tr>
</tbody>
</table>

---

**Exhibit 2-O**
**Environmental Assessment Impact Checklist**

<table>
<thead>
<tr>
<th>Impact Categories</th>
<th>No Impact Anticipated</th>
<th>Potentially Significant</th>
<th>Potentially Adverse</th>
<th>N/A</th>
<th>Max Severity</th>
<th>Project Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Features</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Water Resources</td>
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<tr>
<td>Surface Water</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Watercourses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unique Natural Features and Agricultural Lands</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

**Department of Cultural Affairs**
**Historic Preservation Division**

Consultation letter response 06/22/16 – No historic properties affected. Potential impacts to manholes were limited to replacement of manholes and does not have the potential to affect historic properties given the nature of the preventive work.

**Robbie Travis, Floodplain Manager**

Consultation letter response received 08/26/16 – No significant impact anticipated.

**USDA/NRCS**

Consultation letter response 06/31/16 – The Farmland Protection Program Act authorizes the NRCS to provide review of proposed projects that have the potential to irreversibly convert farmlands to non-farmed or inversely converting hydric areas to non-hydric use as the result of programs funded by the Federal government. In reviews of the information provided on the project, it is determined that the entire project is located in an urban or development area as an existing easement, or is in an area not designated as Prime or Important Farmlands. NH Department of Game & Fish consultation letter received 08/25/16 via e-mail – does not anticipate adverse effects to wildlife or habitats from implementation of the CDBG project for the City of Torrington, CT & Water Conservation District.
Task 4 - Complete Laws and Authorities Checklist

Best Practices

• Enter only data provided
• Include date of letter
• Provide all pertinent details
• Completeness
• Double check for clarity

Environmental Review

“Focus on Success”
# Task 5-6: Prepare and Assemble Full EA and CEST

## EA

**Use consultation responses to complete:**
- Completed laws and authorities (Exhibit 2-N)
- Environmental assessment impact (Exhibit 2-O)

**Complete:**
- Completion document checklist (Exhibit 2-B-2)
- Publish/post combined notice (Exhibit 2-P)
  - Notice of finding of no significant impact
  - Intent to request release of funds

**Public comment period**
15 days published, 18 days posted

- Complete request for release of funds (Exhibit 2-L)
- Assemble environmental review record for submission
- Submit a complete, organized ERR to LGD

## CEST

**Use consultation responses to complete:**
- Completed laws and authorities (Exhibit 2-N)

**Complete:**
- Compliance document checklist (Exhibit 2-B-2)
- Finding of categorical exclusion (Exhibit 2-P)
- Certification of categorical exclusion (Exhibit 2-C-1)
- Transmittal letter of categorical exclusion (Exhibit 2-P)
- Publish/post notice of intent to release funds (Exhibit 2-K)

**Public comment period**
7 days published, 10 days posted

- Complete request for release of funds (Exhibit 2-L)
- Assemble environmental review record for submission
- Submit a complete, organized ERR to LGD
Task 5 - Prepare Type of ERR Required

• Complete the appropriate checklist and documents provided in your manual

• CEST, or EA  
  (Remember, LGD determined this)

• Submit RROF to LGD project manager with completed ERR packet  
  (Use 3-ring binders, not binding machines, in case we need to replace pages)

Note: Required 15 day LGD comment period will start the day after a complete/acceptable RROF/ERR packet is received at LGD
CDB Review and Authority To Use Grant Funds (Exhibit 2-Q)

- LGD will review all documentation and advise if corrections are needed
- If no corrections needed, LGD public comment period will start
- After 15 day comment period, LGD approves EER and issues authority to use grant funds (2-Q)
- Construction funds cannot be committed prior to the 2-Q being issued
Reuse of an Environmental Assessment

All bulleted items below must be addressed by a formal letter signed by your CO:

• The date DFA/LGD signed the “authority to use grant funds” is within five years.

• The application submitted must be for the same project area

• There has been no significant change in the area or changes to laws and authorities

• The following exhibits will need to be updated/resubmitted by the grantee. (Exhibits 2-A, 2-A-1, 2-L, SHPO approval)

• A new 2-Q will be issued by LGD once the reuse has been approved.
Timing and Required Waiting Periods

• Designating Certifying Officer – (2-A-1) ASAP
• Determine Level of EA – (2-A) ASAP
• NOI/RROF (2-P) 15+1 Days Publication – 18+1 Days Posting
• RROF and Certification (2-L) – Prepared after wait periods
• CDB/LGD waiting period (2-Q) – 15 days after complete package
Environmental Review

Breaking it Down

• Start the environmental review
• Send out consultation letters
• Summarize feedback
• Publish/post
• Assemble packet and mail to DFA/LGD
Questions?

Pass your question cards forward
Construction and Labor Standards

Maxx Hendren – 505-827-4747
Scott Wright – 505-827-4957
Construction Contract Process

- Prior to bid docs submittal
  - Secure Site Control
    - Easements, rights of way, specific permits
- Obtain authority to use grant funds
  - Environmental Review is complete
    - Authority to Use Grant Funds (Exhibit 2-Q)
Preparing bidding and contact documents

• Use DFA/LGD approved documents
  • http://nmdfa.state.nm.us/CDBG_Implementation_Manual.aspx

• Invitation to Bid (IFB); Construction Bidding Document **Exhibit 4-A**
  • Applicable State and Federal Laws
    • Davis-Bacon
    • Copeland Act
    • Contract work hours and safety standard Act
    • Fair Labor Standards Act (FLSA)
    • Employment of Apprentices/Training clause
    • Equal Opportunity Requirements
    • Bond Requirements
    • Federal System of Award Management
Plans, Specs and Bid Docs Review

- Agency approvals for plans, specs and bid docs
  - Street and Drainage
  - Water/Wastewater
  - Public Facility
  - Utility Companies (gas, water, electric, telephone, cable, drainage authorities (if applicable)
Procurement Phase

Plans, Specs and Bid Docs Review

- **DFA/LGD Approval**
  - Submit the bid package the contractor will receive (not 90%)
    - Project Name consistent from application, to title on bid docs, plan set (4A-1)
    - Project Sign (4A-82)
    - Fill in know dates (pre-bid conference, publication dates, bid opening dates, etc.
- **Scope, Budget, Schedule**
  - Scope Exhibit 1-A consistent throughout project
    - Invitation to Bid (page 4A-6)
    - Article 2 “The Work” (page 4A-40)
Procurement Phase

Plans, Specs and Bid Docs Review

- Federal System for Award Management (SAM) Clearance
  - Before making an award, selected contractor and all subcontractors must have an active registration
    - Contractor/Subcontractor Clearance (Exhibit 1-X)
    - Updated annually

PROCUREMENT PHASE

REQUEST FOR FEDERAL WAGE RATES DETERMINATION/10 DAY CALL

Federal Wage Rates MUST be obtained from LGD office. Wages cannot be pulled from DOE website.

• Initial Request
  • Purpose: prospective bidders use wage rates to estimate labor costs when formulating their bids
  • Submit “initial request” approximately 3 weeks prior to bid opening

• DFA/LGD response
  • List of federal wages based on the type of construction
  • State of NM, broken down by County
  • Include these wages in bid docs

• 10 Day Call
  • Purpose: prospective bidders use wage rates to estimate labor costs when formulating their bids
  • Submit 10 days prior to bid opening
  • Changes, modifications, action required
Requesting State Wage Rates

- [www.dws.state.nm.us/PWAA](http://www.dws.state.nm.us/PWAA)
- Login or create an account to request state wage decision
- NMDWS recommends requesting the wage decision 3 weeks prior to the bid opening
- State wage decisions are valid for 90 days
- If you have not started construction within 90 days of the request date, you will be required to cancel the request and start the process over again.
Procurement Phase

Solicit Bids

Affidavit of publication

- Advertise 21-30 days prior to Bid Opening
  - Date of Advertisement
    - August 18, 2017 (21 days to Bid Date)
  - Pre-bid Conference
    - August 24, 2017 (15 days to Bid Date)
  - Bid Date
    - September 8, 2017
Solicit Bids

Solicitation of contractors

- List of solicited contractor for bid
  - The list of contractors that can do the infrastructure your entity needs.
- copy of transmittal letters sent to contractors

Pre-Bid conference

- 10 days prior to Bid
- 10-day call for Federal Wages
- SAM clearance Exhibit 1-X
- Minutes of pre-bid
Procurement Phase

Receive Bids

Bid opening
- Open Public Meeting
- Bid opening minutes

Bid tabs
- Engineer certified copy of bid tabulation sheet(s)

Ensure bid amount(s) are consistent with construction budget line item
Copy of the letter of recommendation from the engineer on record

Lowest bidder  Lowest **responsive** and **responsible** bidder
Procurement Phase Checklist

- Affidavit of publication
- Solicitation of contractors
- State and federal wage rates (with 10 day call)
- Pre-Bid conference min
- Bid opening min
- Certified bid tabs
- Verify budget
- Engineer letter of recommendation
- Contractor/subcontractor clearance (Exhibit 1-X)
Award Contract

- Before Pre-Construction Meeting, submit:
  - Council/Commission contract award meeting
  - Notice of award (Exhibit 4-G)
  - Written notification to unsuccessful bidders
Pre-Construction Meeting

- Owner / Contractor contract execution (Exhibit 4-A)
  - Bond requirements (bid, labor, performance, payment)
  - Completed bid docs
  - Contractor and subcontractors (if applicable)
Notice to Proceed

- Notice to proceed (*Exhibit 4-M*)
- Minutes of Pre-Con (*Exhibit 4-L*)
- Labor Standards Officer (*Exhibit 4-N*)
Labor Standards Officer

Role of the Labor Standards Officer (Exhibit 4-N)

- Ensure proper signage posted at construction site
- Review payroll to ensure employees are properly paid
- If applicable:
  - Document any wage/overtime violations
  - Ensure proper restitution is paid
- Conduct (oversee) employee interviews
Construction Site Signage Requirements

- New Mexico CDBG sign with Community Development Council Members
- Copy of state and federal wage decision(s)
- Notice to all employees (Exhibit 4-H)
- Employee Rights notice (Exhibit 4-H-1)
- Right to a Healthful Workplace (Exhibit 4-I) Spanish (Exhibit 4-I-1)
- Equal Opportunity is the Law (Exhibit 4-J) Spanish (Exhibit 4-J)
- Equal Opportunity is the Law Questions concerning EEO (Exhibit 4-K)
Payroll Basics

Job classification defines duties, responsibilities, tasks, etc.

Two types of pay
- Base rate (basic pay rate)
- Fringe rate (benefits pay)

Wage rate = base + fringe
Prevailing wage = higher total between state and federal

Two types of hours
- Standard hours (worked up to 40 hours/week)
- Overtime hours (over 40 hours/week)
  - (Base standard rate X 1.5) + fringe rate
Determining the Prevailing wage

### State wages

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<thead>
<tr>
<th>State</th>
<th>Base Rate</th>
<th>Fringe</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cement Mason</td>
<td>$19.61</td>
<td>$9.57</td>
<td>$29.18</td>
</tr>
<tr>
<td>State</td>
<td>$19.61</td>
<td>$9.57</td>
<td>$29.18</td>
</tr>
</tbody>
</table>

### Federal wages

<table>
<thead>
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<th>Federal</th>
<th>Base Rate</th>
<th>Fringe</th>
<th>Total</th>
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<tbody>
<tr>
<td>Cement Mason</td>
<td>$17.72</td>
<td>$3.72</td>
<td>$21.44</td>
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</table>

Prevailing wage is ............ State

Cement Masons for this project must be paid no less than $29.18/hr.
Violation Types

**Wage** violation means that someone was paid less than the prevailing wage (standard hours, overtime or both)

**Overtime** violation means someone was paid standard pay but was entitled to overtime pay (40+ hours/week)

Job classification: Paint observer
Prevailing wage + fringe:
- Standard = $20/hr.
- Overtime = $30/hr.

Mittens was paid $18/hr.  **WAGE VIOLATION**

Simba was paid $20/hr. but worked 44 hours during the week  **OVERTIME VIOLATION**

Patches was paid:
- $20/hr. for 40 hours
- $29/hr. for 8 overtime hours  **WAGE VIOLATION**
What happens when a violation occurs?

Step 1: Call DFA/LGD
Submit the payrolls (exhibit 4-P) and payroll review worksheets (exhibit 4-U) in question.

Step 2: Make Payment!
Requests for reimbursements will not be processed until restitution has been made.

Step 3: Submit documentation to DFA/LGD
• Copies of the check(s) used to make restitution payment(s) to the employee(s)
• Employee restitution receipt (exhibit 4-R-1)
• Overtime violations report (exhibit 4-Q), if applicable
• Request for reimbursement (exhibit 1-M) and all supporting documentation

Step 4: At conclusion of construction, submit the following:
• Final wage compliance report (exhibit 4-R)
• Employee restitution summary (exhibit 4-R-2)
Employee Interviews

Record of Employee Interview (Exhibit 4-O)

- Purpose: verify that employees are being properly paid for work performed
  - Tasks performed
  - Pay
  - Hours worked
- **Observe and document** work site (jobs, tasks, duties, equipment)
- Interviews conducted on a monthly basis throughout construction
- 10% of each job classification on site
- Common issues
  - Language barriers
  - Net pay is not the same as gross pay
  - Interviews are confidential
  - Observations not documented
Questions?

Pass your question cards forward
Break Time!!
An Interactive Session
CDBG Workshop Wrap-Up

Jolene Slowen
Deputy Director, Local Government Division of DFA
Have a safe trip home!
Drive defensively!!!