Using CRF Funds for Emergency Repairs

Coronavirus Aid, Relief, and Economic Security (CARES) Act
Our Thanks to the Florida Housing Catalyst Program

Sponsored by the Florida Housing Finance Corporation
Presenters

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Emergency Repair

A few local governments have included emergency repair as an eligible use with CRF funds.

FHFC states:

The repair has to be an imminent danger that cannot wait until this current situation (the applicant’s COVID hardship passes).

In addition to the fact that the repair has to become necessary since March 1 and be tied to the COVID hardship and not being able to pay. This must be a very narrow window; this is not a work around for LGs to address applicants from their waiting list.

This was never intended to be a primary use of these funds which is supposed to be for rent and mortgage payments. It is more of a last priority.
Eligible Housing

• “Eligible Housing” means any real and personal property located within the county or eligible municipality which is designed and intended for the primary purpose of providing decent, safe, and sanitary residential units that are designed to meet the standards of the Florida Building Code or previous building codes adopted under Chapter 553, Fla. Stat.,

• or manufactured housing constructed after June 1994 and installed in accordance with the installation standards for mobile or manufactured homes contained in rules of the Department of Highway Safety and Motor Vehicles, for home ownership.
Type of repairs eligible

An emergency is normally defined as an unexpected occurrence or combination of events calling for immediate action. Unsafe electrical wiring, a leaking roof, non-working A/C, or structural conditions that are a major defect or are life threatening and considered unsafe are examples of emergencies.
Document that emergency occurred after March 1

- Applicant cannot have been on the waiting list prior to March 1.
- Inspections, cost estimate, bids all occurred after March 1
- Option: Have applicant provide a written statement that the emergency occurred after March 1.
Procurement

• Follow your local procurement procedures
• Ensure that contractors are licensed and insured
• Sign Agreements
• Get Bids
• Proof of Inspections
• Proof of payments
• Copies Warranties and Guarantees
Homeowners Insurance

• Not required by the subrecipient agreement

• This is a local decision

• Best practice
Consider Grants not Loans

Q. May recipients use Fund payments to provide loans?
A. Yes, if the loans otherwise qualify as eligible expenditures under section 601(d) of the Social Security Act as implemented by the Guidance. Any amounts repaid by the borrower before December 30, 2020, must be either returned to Treasury upon receipt by the unit of government providing the loan or used for another expense that qualifies as an eligible expenditure under section 601(d) of the Social Security Act. Any amounts not repaid by the borrower until after December 30, 2020, must be returned to Treasury upon receipt by the unit of government lending the funds.
Inspections and Remediation

• Mold and wood destroying organism inspections are not required unless this is part of the emergency repair work being performed.

• If mold is not found in the work being performed, remediation is not required at this time.

• Example, you repairing one part of the home and notice there is mold in a different part -the bathroom- remediation is not required using CRF funds.

• The LG should add this applicant’s name to its regular rehab repair program waiting list and assist with the remediation of mold in the bathroom at a later time.
Environmental Compliance not Required

Q: Does the National Environmental Policy Act, 42 U.S.C. § 4321 et seq, (NEPA) apply to projects supported by payments from the Fund?

A: NEPA does not apply to Treasury’s administration of the Fund. Projects supported with payments from the Fund may still be subject to NEPA review if they are also funded by other federal financial assistance programs.
Go to sam.gov

Document contractor being used is not debarred or suspended from participation in federal programs
Davis Bacon/Labor Standards

• The requirements for HUD programs are different than the requirements for CRF.
• All projects that use federal public dollars over $2,000 trigger Davis-Bacon to some extent unless there is an exception.
• There are exceptions under federal programs but not CRF funds.
• Bottom line: Comply with Labor Standards
Labor Standards/Davis Bacon Compliance

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Davis-Bacon Act (DBA)

Davis-Bacon Act: 40 USC, Chapter 3, Section 276a-276a-5

- Requires payment of prevailing wages, as determined by DOL
- Provides a fair opportunity to compete in building programs funded by the Federal government
- Prevents contractors from bidding below an area’s prevailing wages

https://www.dol.gov/agencies/whd/government-contracts/construction
Applicability

• Federally funded or assisted projects valued at more than $2,000

• Contracts for the following types of work on public buildings or public works:
  • Construction
  • Alteration and/or repair
  • Painting and decorating
Wage Determination

DOL Definition:

“A list of wage rates and fringe benefit rates for each classification of laborers and mechanics determined by DOL to be prevailing in a given area for a particular type of construction”
Types of Wage Determinations

General Wage Determination
- Reflects rates that are prevailing in a specific geographic area for a specific type of construction
- Based on traditional labor market at county level
- Details base wage and fringe benefits by labor category

Project Wage Determination
- Requested case-by-case when no general wage determination covers a proposed project
Where Do I Get a Wage Determination?

online at www.beta.sam.gov
Selecting the Correct Determination

Wage Determinations

Formerly Wage Determinations Online (WDOL)
The official website for obtaining wage determination (WDS) for official contract actions

Help me find a Wage Determination

- I do not know the number
- I do know the number

Search by WD Number

DBA or SCA Identifier

- I need DBA
  Public Buildings/Works Contracts
  Wage rates for laborers and mechanics on federally funded or assisted contracts

- I need SCA
  Service Contracts
  Wage rates for service employees
Wage Determination Selection

Wage Determinations Search

The Wage Determination filters to the left ask a series of questions to determine if the best WD is available on the site. If any criteria such as a specific location is not present or the non-standard service does not strictly apply, please click here to submit an e98 form. Users should note that the only WDs applicable to a particular solicitation or contract are those that have been incorporated by the contracting officer in that contract action.

Search Results

Showing 1 - 1 of 1 results

Davis-Bacon Act WD #: FL20200074

State
Florida

Counties
Miami-Dade

Last Revised Date
Sep 04, 2020
Wage Determination Options

Residential
• Projects of up to four (4) stories in height – Includes all incidental items

Building
• Residential projects of five (5) or more stories
## Labor Classifications

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ENGI0487-012 07/01/2013

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Documenting Compliance

Before Construction
• Review project documents (scope of work/budget)
• Conduct pre-construction conference (optional)

During Construction
• Site interviews with all trades
• Review of weekly payrolls

After Construction
• Underpayments
• Misclassification of labor category
• Investigations
Before Construction: Prepare the Bid Package

1. Determine Davis-Bacon applicability
2. Make a list of labor classifications that will be used for the project
3. Obtain the appropriate wage determination before the bid is advertised
4. Review wage decision to ensure it covers all classifications
5. Ensure bid documents include labor standard provisions and appropriate wage decision
6. Indicate in the bid documents that the contract is covered by Davis-Bacon, and that not less than the wages included in the wage determination may be paid
7. Check for any modifications to the wage decision 10 days before bid opening
8. Verify prime contractor’s and all subcontractors’ eligibility
9. Award the contract
Before Construction: Pre-Construction Conference

- Pre-construction conferences optional
- Not needed for labor purposes if contractor has sufficient good experience with DBA-covered projects
- Good idea if contractor does not have DBA experience or past issues with compliance
- Strongly recommended to establish schedule of work, how progress and construction draw inspections will proceed, and wages properly posted at project site
During Construction: Documentation

• Establish a labor standards file for weekly payrolls
• Separate files for each applicable contractor & project
• Project file should include:
  • Applicable wage determinations and additions
  • Copies of correspondence
  • Pre-construction minutes (if any)
  • Prime and subcontractor contracts
  • Weekly payrolls
  • Employee interviews
During Construction: Documentation, cont.

• Employee fringe benefit documentation
• Payroll Statement of Compliance signatures
• Documentation of on-site inspections
  • Weekly site log of trades throughout construction period
  • Evidence of labor posters and wage decisions posted on job site
  • Schedule of construction progress meeting and construction draw inspections
During Construction: Review Weekly CPRs

Review Certified Payroll Reports (Weekly)

- Are hours and wages properly reported?
- Are fringe benefits paid correctly?
- Are apprentices identified with certifications attached?
- Is the Statement of Compliance completed?
- Is the CPR signed in ink OR through the proper use of electronic signature?
## Certified Payroll Report


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During Construction: Enforcement Reports

Semi-Annual Enforcement Reports

• Reports on all Davis-Bacon labor standards administration and enforcement activities involving all Federal agencies and programs

• Treasury does not yet have a standardized form

• (HUD 4710)
During Construction: Conducting On-Site Interviews

• A component of a grantee’s responsibility for conducting investigations

• Interviews should achieve the following:
  • Be representative (20% of each trade)
  • Ensure confidentiality
  • Occur on work site
  • Highlight discrepancies between interviews and CPRs
  • Account for non-English speaking employees
  • Document interviews on Form HUD-11 (Employee Interview Form)
After Construction: Recordkeeping

- Grantees are required to keep files for a minimum of three (3) years 2 CFR 200.333
- Ensure availability for audit review or monitoring
Handling Issues

• If under payments occur:
  • Contractor or subcontractor must make restitution
  • Grantee must attempt to locate employee (certified mail, etc.)
  • If workers not found, escrow restitution and recipient will look for three (3) years

• If underpayment is willful:
  • Report to DOL (29 CFR 5.7)
  • Document non-compliance
### Additional Information

[https://www.dol.gov/agencies/whd/government-contracts/construction](https://www.dol.gov/agencies/whd/government-contracts/construction)
Contact Information

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Questions and Answers
Technical Assistance is Available

Available Daily: 1 (800) 677-4548

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